BRATHAY TRUST

England & Wales · Charity number 1021586

Details

Other names	BRATHAY HALL TRUST, BRATHAY, BRATHAY DEVELOPMENT TRAINING
Status	Registered
Legal form	Charitable company
Company number	02814206
Registered	1993-05-24
Register	View on the Charity Commission register

Contact

Address	Brathay Trust Brathay Hall Clappersgate Ambleside LA22 0HP
Phone	01539433041
Email	hello@brathay.org.uk
Website	www.brathay.org.uk

Activities

Objects: (A) TO ESTABLISH AND MAINTAIN A CENTRE OR CENTRES IN ANY PART OF GREAT BRITAIN FOR THE EDUCATION INCLUDING THE PHYSICAL TRAINING AND MORAL INTELLECTUAL AND PHYSICAL DEVELOPMENT OF YOUNG PERSONS OF BOTH SEXES FROM WITHIN THE UNITED KINGDOM. (B) TO INSTITUTE AND PROSECUTE, WHETHER AT THE SAID CENTRES OR ELSEWHERE, INVESTIGATION AND RESEARCH INTO QUESTIONS AFFECTING THE EDUCATION OF SUCH PERSONS. (C) TO INSTRUCT THE STAFF OF SUCH CENTRES AND OTHER PERSONS TO QUALIFY THEM TO PROMOTE THE AFORESAID PURPOSES. (D) TO PROMOTE ANY OTHER CHARITABLE PURPOSES OF AN EDUCATIONAL NATURE WHICH CAN CONVENIENTLY BE PROMOTED IN COMBINATION WITH ALL OR ANY OF THE PURPOSES AFORESAID.

Activities: Everyone has the capacity to do extraordinary things that can inspire & benefit others. Brathay's mission is to improve the life chances of children, young people & families by inspiring them to engage positively in their communities. Our achievements are supported by knowledge in our research hub & revenue from our people and organisation development consultancy & our enterprising fundraising.

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Classification

- **How:** Provides Services
- **What:** Education/training, Economic/community Development/employment
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- **Area of benefit:** GREAT BRITAIN
- Bradford City
- Cumbria

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,417,000	£5,304,000	£1,568,000	92
2024-03-31	£5,215,000	£5,595,000	£1,413,000	102
2023-03-31	£5,533,000	£5,747,000	£1,710,000	109
2022-03-31	£5,065,000	£4,970,000	£1,982,000	110
2021-03-31	£3,731,000	£3,881,000	£1,864,000	105

Trustees

Name	Role	Appointed
Andrew Stuart Watson		2021-05-04
Beth Suzanne Lockhart		2022-09-06
David John Roberts		2024-02-23
Jennifer Mary MacDuff		2024-04-26
Julie Michaela Randles		2024-04-26
Lucie Smith		2023-01-20
Nigel Ian Aitchison		2024-04-26
PAUL JOHNSON		2017-12-11
Rachael Christenson Dennis		2025-08-20
Richard Alastair Bracewell		2025-10-10
Sarah Hodgson-Jones		2019-10-04

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BRATHAY TRUST

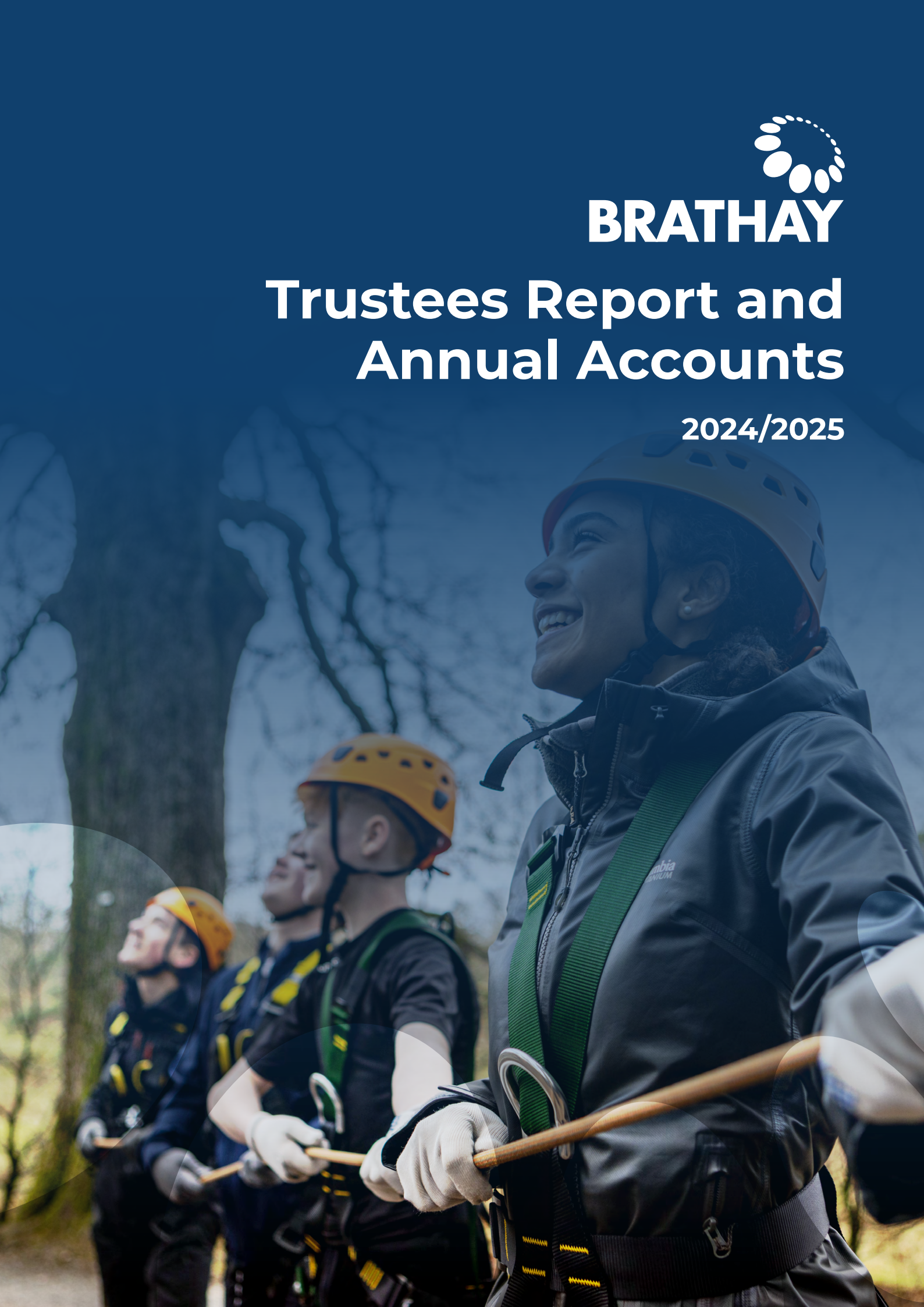
England & Wales - Charity number 1021586

Accounts

BRATHAY

Trustees Report and Annual Accounts

2024/2025



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Chair Introduction

As we reflect on the past year, it is with immense pride and gratitude that I present this overview of our journey and achievements during our 2024-2025 financial year, as Brathay continues to drive a significant change-programme to ensure our long-term vision and mission are met.

The last 12 months have been marked by both challenges and triumphs, underscoring the resilience and dedication of our team, volunteers, and the communities that we serve.

Despite ongoing global uncertainties, we have remained steadfast in our vision to inspire young people to build their brighter futures. Our commitment to providing support, guidance, and opportunities has never been stronger, and this year we have seen remarkable progress in the impact and outcomes that our work has delivered to over 7,300 young people. I have seen this first-hand in many of our projects; it is truly amazing.

Financial sustainability and strategic income growth have also been at the forefront of our agenda.

Moreover, we have begun to forge new partnerships – regionally and nationally – with corporates, other charities, and philanthropic organisations, and this has further solidified our foundation for future growth. Indeed, we are delighted to see the positive commitment and impact that our Ambassador Fatima Whitbread MBE is having, along with our growing community of Patrons.

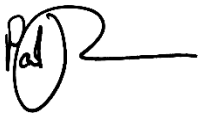
The Brathay Bursary has been another positive development, and this year enabled 338 young people to attend a residential programme with us, helping with the cost when their schools or families could not.

We are told by young people that Brathay is a special place, and we will continue to invest in our infrastructure and estate to create stories and memories that endure.

As we look ahead to our 80th anniversary, we remain very optimistic and determined to build on the successes of this year; ultimately building up towards our 5-year objective to inspire 40,000 young people to build their brighter future by 2029.

As ever, I extend my heartfelt thanks to everyone involved with Brathay Trust – and our partners – for your dedication, passion, and support; it makes all the difference. Together we are creating lasting change and paving the way for a brighter future for the young people that we serve.

There is much to do, and your contributions to our delivery are vital, and very much appreciated.



Paul Johnson

Chair of Trustees

Structure, Governance and Management

Legal structure

Brathay Trust (Brathay) was first constituted as a charity in 1946 and was incorporated as a company limited by guarantee in 1993.
We are registered as a charity in England and Wales and governed by a Memorandum and Articles of Association and a Trust Deed.

Company Registration Number: 2814206. Charity Registration Number: 1021586.

Operations

Brathay's head office is at Brathay Hall, our residential centre in Ambleside, Cumbria, which is set in the heart of the Lake District National Park. We also have long-established centres in Bradford city centre and in the Barrow and Furness area, out of which we deliver a variety of community-based programmes.

Brathay has one wholly owned subsidiary, Brathay Services Ltd, which is operated and governed entirely within this structure.

Registered Office

Brathay Hall
Clappersgate
Ambleside
Cumbria
LA22 0HP

Contact details

Website: brathay.org.uk

Email: hello@brathay.org.uk

Telephone: 015394 33041

Company Secretary

Susan Ross

Governance

The governing body is the Board of Trustees. At 31 March 2025 there were 9 trustees. Trustees of Brathay are also directors under the Companies Act.

Trustees

The following Trustees served during the year to 31 March 2025:

Paul Johnson
(Chair)

Andrew S Watson

Christopher W Dickinson
(retired March 2025)

Sarah Hodgson-Jones

Beth S Lockhart

Marc A Pate
(retired March 2025)

Lucie Smith

David J Roberts

Julie M Randles
(appointed April 2024)

Nigel I Aitchison
(Vice Chair) (Appointed April 2024)

Jennifer M Macduff
(appointed April 2024)

One further Trustee was appointed after the year end:

Rachael C Dennis
(appointed August 2025)

All committee members served from the date of their appointment, or to the date of their resignation, as a Trustee, unless otherwise indicated.

Board Meetings and Committees

The Board of Trustees has responsibility for setting and monitoring Brathay's performance against the strategic objectives set,

and usually meets four times a year. The trustees have one committee – the Finance and Risk Committee – which usually meets four times a year, with other matters being reported directly to the Board.

Finance and Risk Committee

Members:

Beth S Lockhart (Chair)
Lucie Smith
Paul Johnson
Nigel I Aitchison

The Finance and Risk Committee:

- Ensures effective finance and risk functions are in place;
- Reviews and sets the Risk Register and ensures adequate risk management processes are in place;
- Ensures that an adequate internal control environment is established;
- Helps set, shape, and scrutinise the Annual Budget and any re-forecast of this Budget;
- Comments upon and scrutinise the Monthly Management Accounts and Balanced Scorecard Report.
- Comments upon and scrutinise reports that may come to the Finance and Risk Committee from time to time on specific HR; income generation; quality; H&S; and safeguarding issues, as appropriate.

Leadership Team

The day-to-day management of Brathay falls to its paid Executive Leadership Team, led by the Chief Executive, who report quarterly to trustees. At 31 March 2025 the team comprised:

Teresa Jennings — Chief Executive;

Jennie Moore — Head of Delivery (Communities);

Susan Ross — Head of Finance ;

Stephen Thorn — Head of Fundraising, Marketing and Communications;

The following leaders were appointed after the year end:

Steve Randles — Head of Delivery (Ambleside)
(appointed July 2025)

The following leaders resigned during the year to 31 March 2025:

Frank Clayton — Head of Delivery (Ambleside)
(resigned March 2025)

Professional advisors

Bankers

Cumberland Building Society
Cumberland House
Cooper Way
Parkhouse
Carlisle
CA3 0JF

Independent auditor

Lamont Pridmore
Chartered Accountants and
Statutory Auditor
136 Highgate
Kendal
Cumbria
LA9 4HW

Insurance broker

Arthur J Gallagher
12 Museum Street
Ipswich
Suffolk
IP1 1HT

Investment advisors

Stephen E Fox
Fox Lifestyle Financial Planning Ltd
25 Winckley Square
Preston
Lancashire
PR1 3JJ

Legal advisors

Temple Heelis
1 Kent View
Kendal
Cumbria
LA9 4DZ

Thomson Hayton Winkley
114-116 Stricklandgate
Kendal
Cumbria
LA9 4QA

Trustees' Responsibilities

Trustees (who are also directors of Brathay Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Trustee Appointments

When recruiting new trustees against the Board skill-matrix, the Board looks for members whose skills and backgrounds complement and enhance the existing team. Vacancies are advertised and trustees, staff and other interested parties may nominate a person for consideration.

Brathay promotes and values diversity within the trustee body, recognising the importance of having a wide range of views, knowledge and experiences leading the organisation. Potential new trustees meet with the Chair, Chief Executive, and trustees before being elected to the Board. They are provided with information about Brathay and visit the head office in Ambleside and/or one of our regional offices.

Trustee effectiveness

Following their appointment, each trustee receives a briefing pack and comprehensive induction. This covers their role, duties and accountabilities as a trustee, and includes information about Brathay, our policies, structure and work. Particular importance is placed on matters relating to safeguarding and child protection. As part of this process, trustees are encouraged to observe Brathay's work.

Each trustee completes a register of interests and related party transactions, this register is updated annually and whenever any changes occur.

Risk management

Trustees have overall responsibility for ensuring that Brathay has an appropriate system of control and for taking suitable steps to safeguard Brathay's assets.

A summary of the major risks to which Brathay is exposed, and the relevant mitigating factors, is maintained in a Risk Register.

Risks are reviewed twice-a-year by trustees. They work closely with the leadership team to ensure that Brathay has appropriate policies, systems and procedures to manage the risks facing Brathay.

Key risks

Trustees recognise that Brathay faces risk in a wide range of areas including:

- financial risks;
- health and safety;
- information management;
- people;
- reputational risks;
- safeguarding; and
- technological risks.

In all cases control measures are in place and regularly reviewed. These controls are designed to reduce the risk to an acceptable level. In considering the biggest risks Brathay faces as a charity working with a wide range of people – including some of the most vulnerable – the correct management of safeguarding is key. Following on from this, both data and information management need to be robust. Additionally, to ensure an on-going and sustainable impact, financial risks must be effectively managed.

Objectives, aims and public benefit

Brathay's objectives, as set out in the Memorandum and Articles of Association, are:

- to establish and maintain a centre or centres in any part of Great Britain for the education,

including the physical training and moral, intellectual and physical development, of young persons from within the United Kingdom;

- to initiate and prosecute, whether at the said centres or elsewhere, investigation and research into questions affecting the education of such persons;
- to instruct the staff of such centres and other persons to qualify them to promote the aforesaid purposes; and
- to promote any other charitable purposes of an educational nature relating to any of the purposes aforesaid.

It should be noted that while the language of the objectives is now very dated, the spirt behind the words remains the same, and Brathay seeks to deliver its work in an inclusive manner which recognises and values diversity.

Our vision and the reason why Brathay Trust exists is to inspire young people to build their brighter futures. Brathay has been inspiring young people for 79 years through activities and adventures on our beautiful estate overlooking Windermere, and through programmes delivered directly in communities throughout Cumbria and Bradford.

Brathay continues to be focused on delivering its strategic objective of inspiring 40,000 young people to build their brighter futures by 2029. To do this it is focussing on the following pillars which will underpin its plans and strategies:

- Building a healthy workplace culture;
- Excellence in service delivery;
- Financial stability;
- Appropriate Brathay Estate stewardship; and
- Fundraising, marketing and communications.

Funding our work

Brathay supports the standards as set out in The Code of Fundraising Practice and has subscribed to the Fundraising Regulator. The code has a number of reporting requirements and we report as follows:

- Our processes and practices are designed to ensure compliance with the standards cited;
- There have been no complaints in relation to fundraising activity;
- We take appropriate steps to ensure the data security of personal information of individuals; and
- The organisation has appropriate controls to ensure the protection of vulnerable people and others from unreasonable intrusion on a person's privacy and unreasonably persistent approaches or undue pressure to donate, in the course of or in connection with fundraising for Brathay.

Our income streams are varied. Some work is directly commissioned, such as by local authorities, whilst other work is paid for by funding from trusts and foundations; corporate sponsorship; surpluses generated; fundraising events; the trading activities of Brathay's subsidiary; appeals; and individual giving.

When funding is received it is not taken as income in the accounts until the programme or project it relates to is delivered. Any amounts received in this way are included as deferred

income. This is the case irrespective of the source of the income.

Income that comes from funders, tenders and events involves considerable up-front time and resource, often with a significant delay between this investment being made and the income showing in the accounts.

Utilising volunteers to help us in our efforts

Brathay works in partnership with volunteers to ensure they feel valued and have a high-quality experience, where possible providing them with personal or organisational development opportunities. The support of volunteers and local communities is key to our success and is very much appreciated.

Developing partnerships

Brathay recognises the fundamental importance of effective partnerships in ensuring we deliver our objectives. They do not meet the formal definitions of related parties but are important for an understanding of Brathay's activities.

Partners from all sectors are central to Brathay's work and include funders; customers; local authorities; businesses; schools; colleges; other charities; youth organisations; and community groups.

Partnerships are also central to working with corporate bodies keen to be recognised as caring employers committed to helping staff achieve their full potential, whatever their circumstances.

Our partnerships share a joint commitment to achieving social change.

Achievements and Performance

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing objectives and activities described in this section.

Our full impact and outcomes for 2024-2025 can be seen in our annual impact Report.

Download Impact Report

or visit www.brathay.org.uk/about/what-we-do

Brathay in Summary

Our Vision

Inspiring young people to build their brighter futures

Our Mission

Through transformative experiences, learning and community support, Brathay Trust exists to ignite the potential within every young person, so they can thrive in a rapidly changing world.

Our Strategic Objective

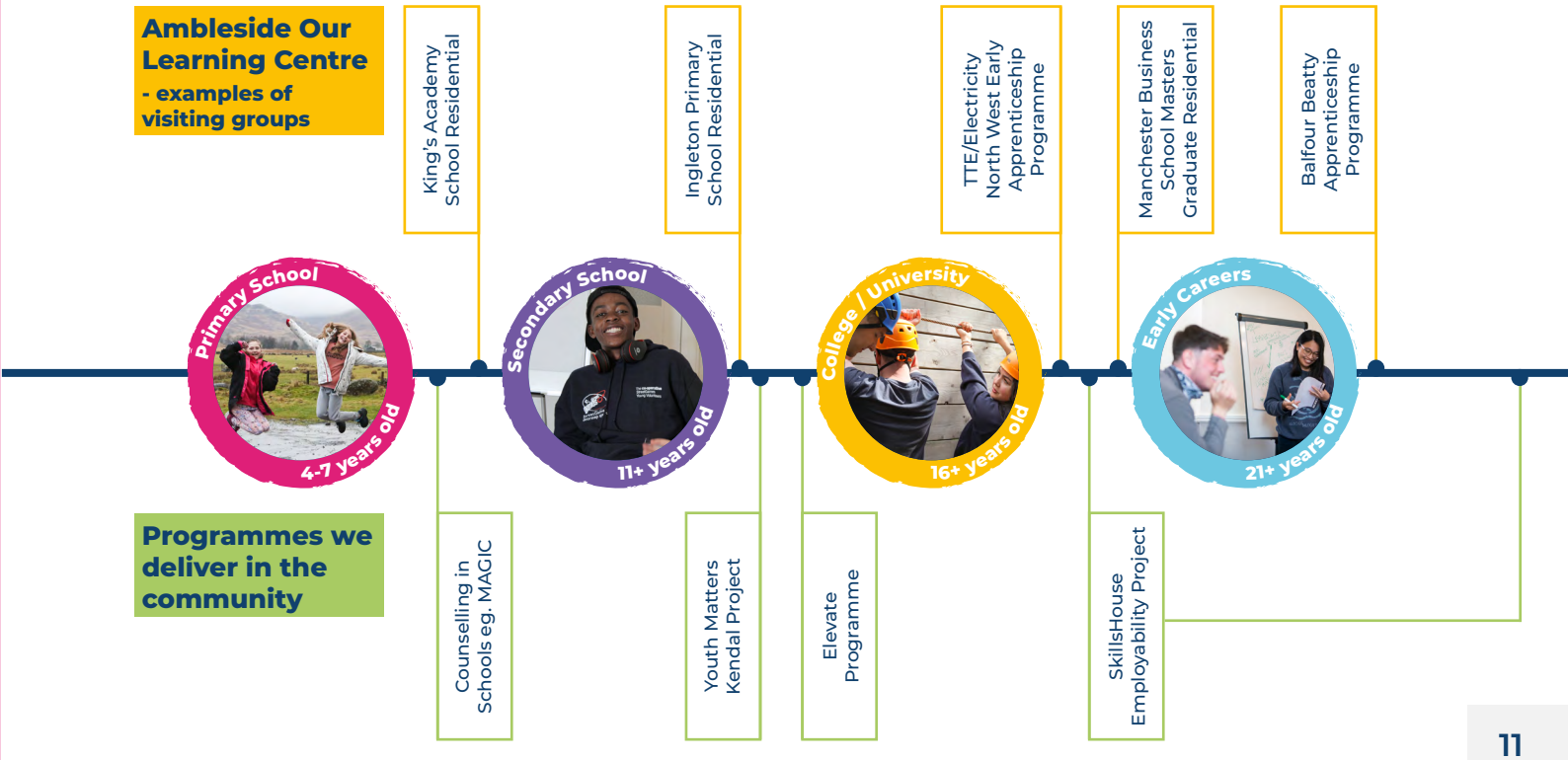
To inspire 40,000 young people to build their brighter future by 2029

What we do

- Brathay Trust works with young people through their transformative years from 5-years-old right through to their early careers.
- Brathay delivers in two main settings:
  - On the Brathay Estate in Ambleside – these are predominantly residential-based programmes; and
  - Deeper work with young people and their families in the community, in both South Cumbria and Bradford.
  - We also blend this approach so that young people are often able to benefit from support in both settings.

The diagram below is an **illustration** of the range of organisations we work with and projects we deliver over both on the Brathay Estate (above the line) and in the Community (below the line).

Inspiring over 7,000 young people to build their brighter futures each year



Last year

We have inspired

7,317 young people

1,499
on School & Youth Group Residentials

3,806
on Community Programmes

2,012
on Early Careers Programmes

72% of young people reported an **increase in their wellbeing** because of our work with them

Our programmes are often recommended to a friend

42 (NPS)*

Overall our programmes were rated

4.6 out of 5

We delivered **131 residential programmes** at the Brathay estate

We have delivered

70 Activity Days

We have delivered

22 Community Programmes

*An NPS of above 0 is good, above 20 is favourable, above 50 is excellent and above 80 is world class.

Financial review

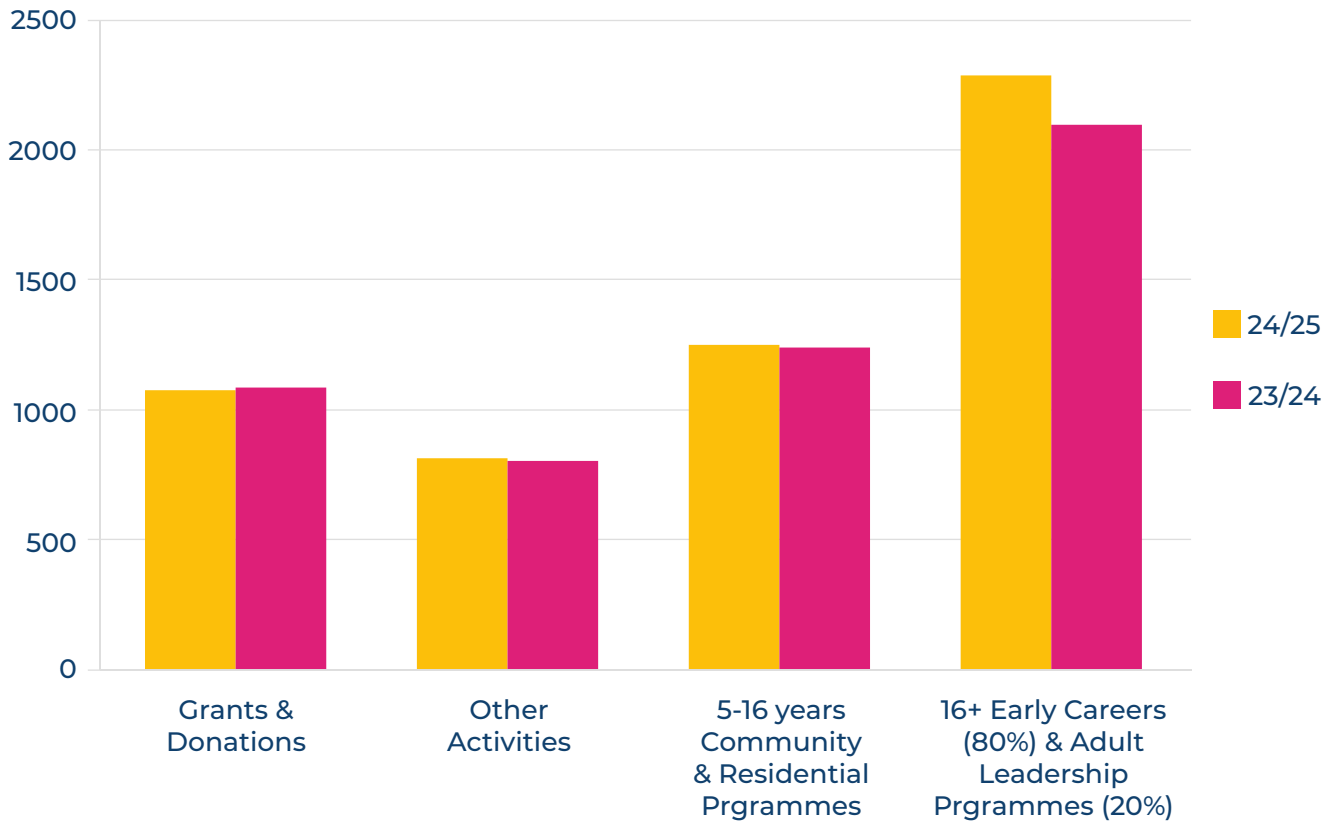
The accounts, which form part of this report, comply with the requirements of FRS102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees consider that in preparing these accounts, they have consistently applied appropriate accounting policies supported by reasonable and prudent judgements and estimates where required.

Summary

Brathay generated a surplus of £155k in the year to 31 March 2025 which represented a significant improvement since the prior year, where it reported an overall deficit of £297k. This improvement was achieved as a result of both a growth in income, and a reduction in costs.

Income review

Income for the year grew to £5,417k from £5,215k in 2024, as a result of an increase in our work with apprentices and those in their early careers. Other income streams remained stable, as shown in the analysis below:



Brathay's principal funding sources continue to be:

- grants and donations received from grant-making trusts and statutory bodies for our work with young people, and other general unrestricted donations; and
- amounts invoiced to clients for training, education and development activities.

We also receive fees towards our charitable activities for all aspects of work with young people, both at our residential site and within the communities we work in.

We continue to leverage our site for short-stay holiday bookings during times when Brathay Hall is not in use. Although this is a useful way of boosting income in a low-cost way, we will prioritise the site for charitable use at all times.

In 2025, we introduced a new initiative called the 'Brathay Bursary' which is a discretionary fund that supports young people with the costs of attending a residential when their schools or families cannot. This generated £78k of income, with £37k utilised during the year. As per Charities SORP, all income was recognised during the year, but the remaining unutilised £41k is shown in a new restricted reserve on the Balance Sheet.

Expenditure

As with the previous year, we continued to ensure efficiency of our operation, aligning costs with income. Total staff costs for the year were therefore lower than the prior year at £3,007k (2024: £3,213k), despite an inflationary pay award to all staff part-way through the year. Other costs reduced by £85k to £2,297k (2024: £2,382k).

Net Movement in Funds

The year ended with net income of £113k (2024: -£380k), with a gain in the investment adding £42k (2024: £83k) to give an overall surplus of £155k (2024: -£297k); a £452k improvement in results.

In cash terms, there was a positive net cash flow from operating activities of £282k (2024:-£67k), and an overall increase in cash of £111k.

Investments and Cash

Brathay continued to take investment advice from Fox Lifestyle Financial Planning Limited during the year, and the investment remains on the Nucleus Financial Platform where it is divided into short, medium, and long-term funds. The Trust can take one-off or regular withdrawals if it needs to. The aim of the portfolio is to achieve capital growth by way of investment performance and the reinvestment of dividends to ensure Brathay has sufficient liquidity, in line with the Liquidity & Reserves Policy.

At 31 March 2025 the value of the investment portfolios was £1,082k (2024: £1,046k). There were no withdrawals in the year.

Cash is held in savings accounts with the Cumberland Building Society. At the year-end, cash balances stood at £443k (2024: £332k), though they vary significantly from month to month. The level of cash held assists in a positive cashflow management strategy and helps to manage the risk inherent in drawing on investments in an otherwise unplanned manner. The

cash position is regularly reviewed by trustees.

Trustees take a five-year view on investment performance, and are satisfied that investments have performed in line with wider markets.

Liquidity & Reserves

According to the 'Liquidity and Reserves Policy', the Trust will hold a cash (or cash equivalent) balance of between three and six months' operating costs.

Liquidity at 31 March 2025 (cash plus investment) totalled £1,525k. Three months' operating costs as of 31 March 2025 were £1,034k, and six months' operating costs were £2,068k, meaning that the liquidity level was in the middle of the acceptable range.

Going Concern

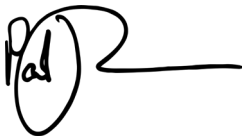
The accounts have been prepared on a going concern basis. Trustees have carefully considered the steps that Brathay has taken and the actions necessary to ensure a stable future. Brathay has sufficient reserves to manage the liquidity of the organisation on an on-going basis.

A rigorous and detailed planning process has been completed. The delivery of plans is regularly reviewed and closely monitored in order to ensure effective business management. Trustees recognise there may continue to be an occasional need to utilise investments as a result of historical losses already sustained and investment in the future.

Post balance sheet events

There are no significant post Balance Sheet events to report.

By order of the Board of Trustees



Paul Johnson

Director and Chair of the Board of Trustees

Approved by the Board of Trustees on 10 October 2025

Independent Auditor's Report to the Trustees and Members of Brathay Trust

Year ended 31 March 2025

Opinion

We have audited the financial statements of Brathay Trust (the 'charitable company') for the year ended 31 March 2025 which comprise the consolidated Statement of Financial Activities (including income and expenditure account), consolidated Balance Sheet, consolidated Cash Flow Statement 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trustees' 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 charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable company'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 trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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:

The objectives of our audit in respect of fraud are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are: 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) (Charities SORP (FRS 102)), FRS 102 The Financial Reporting Standard applicable in the UK and Republic

of Ireland (United Kingdom Generally Accepted Accounting Practice), and the Companies Act 2006.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We examined supporting documents for all material balances, transactions and disclosures.
- We applied analytical procedures to identify any unusual or unexpected relationships.
- We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is, from the events and transactions reflected in the financial statements, the less likely it is that the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the

reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Lamont BSc FCA
(Senior Statutory Auditor)

For and on behalf of
Lamont Pridmore
Chartered Accountants
& Statutory Auditor
136 Highgate
Kendal
Cumbria
LA9 4HW

10 October 2025

Consolidated Statement of Financial Activities

incorporating the Income and Expenditure account for the year ended 31 March 2025

	Notes	Unrestricted Funds	Restricted Funds	Other Reserves	Total 2025	Total 2024 (restated)
		£'000	£'000	£'000	£'000	£'000
Income from:	3					
Grants & donations		**995**	**78**	**0**	**1,073**	1,082
Charitable activities		**3,530**	**0**	**0**	**3,530**	3,333
Other activities		**800**	**0**	**0**	**800**	774
Investment income		**14**	**0**	**0**	**14**	26
Total		**5,339**	**78**	**0**	**5,417**	5,215
Expenditure on:	4					
Raising funds		**407**	**0**	**0**	**407**	495
Charitable activities		**4,851**	**37**	**0**	**4,888**	5,088
Other		**9**	**0**	**0**	**9**	12
Total		**5,267**	**0**	**0**	**5,304**	5,595
Net income/(expenditure) before other recognised gains and losses		**72**	**41**	**0**	**113**	(380)
Transfer between funds		**0**	**0**	**0**	**0**	0
Net gains/(losses) on investments		**42**	**0**	**0**	**42**	83
Net movement in funds		**114**	**41**	**0**	**155**	(297)
Reconciliation of funds						
Fund balances brought forward		**466**	**0**	**947**	**1,413**	1,710
Fund balances carried forward		**580**	**41**	**947**	**1,568**	1,413

All activities are continuing and there are no recognised gains or losses other than those recorded in the Statement of Financial Activities.

In accordance with the provisions of the Companies Act 2006, a Statement of Financial Activities dealing with the results of the charity only has not been presented. Gross income of the charity of £1,787,000 and net expenditure of £3,030,000 has been dealt with in the accounts of the charity.

The notes on pages 24 to 37 form part of these financial statements.

Consolidated Balance Sheet
as at 31 March 2025

	Notes	Group		Charity	
		2025	2024	**2025**	2024
		£'000	£'000	**£'000**	£'000
Fixed assets					
Tangible assets	**8**	**1,198**	1,305	**1,198**	1,305
Investments	**9**	**1,082**	1,046	**1,082**	1,046
		2,280	2,351	**2,280**	2,351
Current assets					
Debtors	**10**	**777**	396	**236**	232
Cash at bank and in hand		**443**	332	**124**	129
		1,220	728	**360**	361
Current liabilities					
Creditors: amounts falling due within one year	**11**	**(1,847)**	(1,523)	**(987)**	(1,156)
Net Current liabilities		**(627)**	(795)	**(627)**	(795)
Total assets less current liabilities		**1,653**	1,556	**1,653**	1,556
Creditors: amounts falling due after more than one year	**11**	**(85)**	(143)	**(85)**	(143)
Net assets		**1,568**	1,413	**1,568**	1,413
Charitable funds					
Trustee reserve		**947**	947	**947**	947
Restricted reserve		**41**	0	**41**	0
Other reserves		**580**	466	**580**	466
Total charitable funds	**12**	**1,568**	1,413	**1,568**	1,413

These financial statements were approved by the Board of Trustees on 10 October 2025, and were signed on its behalf by:

Paul Johnson
Director and Chair of the Board of Trustees

The notes on pages 24 to 37 form part of these financial statements.

Consolidated Cash Flow Statement
as at 31 March 2025

	Notes	2025	2024
		£'000	£'000
Net cash inflow/(outflow) from operating activities	**13**	**282**	(67)
Interest paid		**(14)**	(22)
Interest and dividends received		**12**	26
Investment management fees		**(1)**	(18)
Repayment of loans		**(50)**	(50)
Capital expenditure and financial investment		**(119)**	(86)
Net monies (invested in)/drawn from fixed/current asset investments		**0**	250
Proceeds from the sale of assets		**0**	2
Increase/(decrease) in cash in the year		**111**	35

The notes on pages 24 to 37 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2025

1. Company Status

Brathay Trust (Brathay) is a charitable company limited by guarantee (incorporated in the UK). The liability in respect of the guarantee, as set out in the Memorandum of Association, is limited to £1 per member of the company. The members of the company, who are also directors, are the trustees.

Company Registration Number: 2814206. Charity registration number 1021586

The registered office is:

Brathay Hall

Clappersgate

Ambleside

Cumbria

LA22 0HP

2. Accounting Policies

Basis of Preparation

The financial statements are prepared in accordance with the following and on a going concern basis

- applicable UK accounting standards
- the historical cost convention, as modified by the inclusion of investments at market value,
- the Statement of Recommended Practice Accounting and Reporting by Charities FRS 102, ('the SORP'), the Companies Act 2006 and the Charities Act 2011

Brathay Trust meets the definition of a public benefit entity under FRS102.

Going Concern

The trustees and officers have considered their obligation to prepare financial statements on an appropriate basis, having specific regard to Brathay's net liability position. This results from income being received in advance of projects being delivered, as has been the position for many years, and is part of normal operations.

The trustees have also assessed the impact of budgets, working capital needs, cash and investments. As a result, they are of the opinion that Brathay has sufficient reserves to be able to meet its obligations as they fall due and accordingly the accounts have been prepared on a going concern basis.

Basis of Consolidation

The consolidated accounts of the group incorporate the accounts of the charity and its subsidiary undertaking both of which are prepared to 31 March 2025. The trading results of the subsidiary undertaking as shown in note 14 are consolidated on a line-by-line basis within the consolidated Statement of Financial Activities. A separate Statement of Financial Activities for the charity is not presented as permitted by the SORP and the Companies Act 2006.

Income

Donations, other than for specific projects and fundraising appeals, are accounted for at the time of receipt. Donations for specific projects or appeals are deferred until the projects to which they relate are delivered. All deferred income is accounted for in note 11.

Donations in kind are included within voluntary income and are included at their estimated market value.

Income from capital grants is accounted for when entitlement to the grant becomes unconditional. Until that point it is deferred. Capital grants are accounted for within the restricted reserve.

Income from fees and grants for delivering charitable activities is accounted for on the basis of the amount receivable for services delivered in the year. Income received in advance of the delivery of the activity to which it relates is deferred. Income of this sort is accounted for within the restricted reserve.

Income from other activities, including entry fees for events, rents, accommodation and bar sales is accounted for as the service, supply or event to which they relate is delivered.

Investment income is accounted for as receivable.

Expenditure

All expenditure is accounted for on the accruals basis as it is incurred and irrecoverable VAT is allocated to the category to which it relates. Some central support costs are allocated to expenditure categories on a basis that is consistent with the use of those resources.

The costs of generating funds and cost of charitable activities include an element of indirect support costs. Support costs represent the staff costs incurred in providing direct support to Brathay's programmes. These include costs relating to central finance, human resources, IT, health and safety and corporate communications. They have been apportioned between the costs of generating funds and cost of charitable activities on a basis consistent with the use of those resources.

Defined contribution pension schemes

Pension contributions are charged to the Statement of Financial Activities as incurred.

Redundancy and termination payments

Redundancy and termination payments are recognised in the Statement of Financial Activities and are a liability on the Balance Sheet immediately at the point that Brathay is demonstrably committed to either: terminate the employment of an employee or a group of employees before normal retirement date; or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. Brathay is considered to be demonstrably committed only when it has a detailed plan for the termination and is without realistic possibility of withdrawal from the plan.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation charged to date. Brathay capitalises assets or groups of assets with an initial cost in excess of £1,000 and depreciation is calculated to write off the cost of each asset on a straight-line basis over its expected economic life. The lives used are as follows:

Improvements to leasehold property: the lesser of 25 years, the life of the lease or the useful economic life of the asset.

Equipment, fixtures and fittings and motor vehicles: 2-10 years

No impairment review is required and finance costs are not capitalised within the cost of the asset.

Financial Instruments

Brathay only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at amortised cost.

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors.

Financial liabilities held at amortised cost comprise trade and other creditors.

Investments

Investments are stated at market value. Movements in unrealised gains and losses on revaluation of fixed asset investments are included under 'gains on investments' in the Statement of Financial Activities.

Reserves: Unrestricted funds

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

The trustee reserve is an expendable endowment which trustees have the power to convert into 'income'. Distinguishable from 'income' by the absence of a positive duty on the part of the trustees to apply it for the purposes of the charity, unless and until this power to convert into 'income' is actually exercised. Trustees apply the income from the Trustee Reserve at their discretion.

Reserves: Restricted funds

Restricted funds are subject to specific restrictions imposed by the donor at the point of donation. In this case the restricted reserves relate to donations and expenditure in relation to the Brathay Bursary.

3 Income

	Year ended 31 March 2025 Unrestricted	Year ended 31 March 2025 Restricted	Year Ended 31 March 2024
	£'000	**£'000**	£'000
Grants and donations			
Grants for charitable programmes	**478**	**0**	688
Grants for capital projects	**0**	**0**	22
Donations	**366**	**78**	218
Donated goods and services	**151**	**0**	154
	995	**78**	1,082
Exceptional grants and donations	**0**	**0**	0
	995	**78**	1,082
Charitable activities			
Fees for training, education and development:			
Children and young people	**1,247**	**0**	1,240
People and organisation development	**2,283**	**0**	2,093
	3,530	**0**	3,333
Other activities			
Trading income	**550**	**0**	514
Rents receivable	**83**	**0**	96
Fees from events	**129**	**0**	122
Other	**38**	**0**	42
	800	**0**	774
Investment income			
Dividends receivable	**4**	**0**	20
Interest receivable			
Short term bank deposits	**10**	**0**	6
	14	**0**	26

4 Analysis of expenditure

	Direct Costs	Support Costs	Year ended 31 March 2025	Year Ended 31 March 2024 (restated)
	£'000	**£'000**	**£'000**	£'000
Raising funds				
Voluntary income	**158**	**24**	**182**	235
Activities	**161**	**14**	**175**	202
Investment management	**8**	**0**	**8**	18
Governance costs	**31**	**11**	**42**	40
	358	**49**	**407**	495
Charitable activities				
Training, education and development				
Children and young people	**1,600**	**127**	**1,727**	1,893
Adults	**2,928**	**233**	**3,161**	3,195
	4,528	**360**	**4,888**	5,088
Other	**0**	**9**	**9**	12
Total expenditure	**4,886**	**418**	**5,304**	5,595

Whilst compiling these accounts, we noticed an error in the year to March 2024 SOFA concerning the split between expenditure on raising funds and expenditure on charitable activities. When calculating expenditure on raising funds, the same expenditure for a limited number of nominals had been included twice, and so expenditure on raising funds was overstated by £82,000. Consequently expenditure on charitable activities was understated by the same amount. Overall expenditure was correct. The comparatives for 23/24 have been restated.

5 Net income for the year

The net income for the year is stated after charging:

	Year ended 31 March 2025	Year Ended 31 March 2024
	£'000	£'000
Auditor's remuneration - audit	**19**	18
Auditor's remuneration - other services	**9**	5
Depreciation - owned assets	**204**	240
Depreciation - leased assets	**22**	22

Operating lease commitments

	Payment due on leases expiring		
	within one year	**within 2 to 5 years**	**Total**
	£'000	**£'000**	**£'000**
Land & buildings	**16**	**82**	**98**
Other	**4**	**6**	**10**
	20	**88**	**108**

6 Trustee and staff information

Trustees remuneration and expenses

No remuneration was paid to trustees or any persons connected with a Trustee (2023-24: nil). Expenses reimbursed to trustees amounted to £361.30 (2023-24: £369.90). In addition, on occasion, Brathay provides accommodation at the head office to trustees attending board meetings.

Professional indemnity insurance

Brathay has a professional indemnity policy for £10m (2023-24 £20m to January 24 reducing to £19m for remainder of the year), including trustees' liability cover, for which the premium was £4,017 (2023-24: £7,128).

Staff costs

	Year ended 31 March 2025	Year Ended 31 March 2024
	£'000	£'000
Wages and salaries	**2,570**	2,751
National Insurance costs	**235**	249
Pension costs	**202**	213
	3,007	3,213

The above staff costs include termination payments for 5 staff £30,654.

Brathay has two defined contribution pension schemes both of which comply with the requirements of auto enrolment. Brathay operates a salary sacrifice scheme with combined contributions of 8% (2023-24: 8%), of employees basic salary to these schemes, after the first three months of employment. At 31 March 2025 outstanding pension contributions totalled £17,130 (2023-24: £17,430).

Staff numbers

The average monthly number of employees, analysed by function, was:

	Year ended 31 March 2025	Year Ended 31 March 2024
	No	No
Fundraising, business development & marketing	**5**	8
Charitable activities	**76**	81
Management and support	**11**	13
	92	102

This is based on the number of staff employed by Brathay and excludes any associates who are paid via the payroll.

The staff numbers above are head count. The movement in full time equivalent has decreased from 89 in March 2024 to 86 in March 2025

6 Trustee and staff information continued

Employees earning over £60,000

	Year ended 31 March 2025	Year Ended 31 March 2024
	No	No
£90,000 - £ 99,999	**1**	0
£80,000 - £ 89,999	**0**	0
£70,000 - £ 79,999	**0**	0
£60,000 - £ 69,999	**2**	2

The above figures are made up of salary in the year plus Brathay's contribution to their pension scheme. Brathay contributed a total of £9,128 (2023-24: £5,259) to defined contribution pension schemes for the employees shown above.

Key management personnel

The key management personnel are the trustees and the leadership team (listed on page 5). The total employee benefits of the Leadership team, including employer pension contributions was £323,009 (2023-24: £252,414).

7 Related party transactions

There were no material transactions with related parties (2023-2024: £nil).

8 Tangible fixed assets

Analysis of movement in tangible fixed assets	Group and charity		
	Improvements to short leasehold property	Equipment, fixtures and motor vehicles	Total
	£'000	£'000	£'000
Cost			
at 1 April 2024	**2,695**	**1,289**	**3,984**
Additions	**98**	**21**	**119**
Disposals	**(217)**	**(18)**	**(235)**
At 31 March 2025	**2,576**	**1,292**	**3,868**
Depreciation			
at 1 April 2024	**1,618**	**1,061**	**2,679**
Charge for year	**129**	**97**	**226**
Disposals	**(217)**	**(18)**	**(235)**
At 31 March 2025	**1,530**	**1,140**	**2,670**
Net Book Value			
at 31 March 2025	**1,046**	**152**	**1,198**
at 31 March 2024	**1,077**	**228**	**1,305**
Net book value of assets held under finance leases			
at 31 March 2025	**0**	**27**	**27**
at 31 March 2024	**0**	**41**	**41**

9 Fixed asset investments

Investments are held to ensure Brathay has sufficient reserves and to meet future costs through capital growth and return on the investments.

Analysis of movement in investments

	Group and charity		
	UK unit trusts, listed stocks and shares	**Cash**	**Total**
	£'000	**£'000**	**£'000**
Market value			
at 1 April 2024	**1,027**	**19**	**1,046**
Additions	**803**	**0**	**803**
Revaluation	**42**	**0**	**42**
Disposals	**(803)**	**(6)**	**(809)**
At 31 March 2025	**1,069**	**13**	**1,082**
Historical cost at 31 March 2025	**1,057**	**13**	**1,070**

Analysis of movement by category

	2025	2024
	£'000	£'000
Cash or cash equivalents	**13**	20
Listed investments	**1,069**	1,026
	1,082	1,046

10 Debtors

	Group		Charity	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Trade debtors	**674**	286	**93**	107
Other taxes and social security	**0**	0	**40**	15
Other debtors	**0**	1	**0**	1
Prepayments	**44**	33	**44**	33
Accrued income	**59**	76	**59**	76
	777	396	**236**	232

11 Creditors

Amounts falling due within one year

	Group		Charity	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Loans and finance leases	**59**	63	**59**	63
Trade creditors	**106**	109	**106**	103
Taxes and social security	**188**	172	**0**	59
Amounts owed to subsidiary undertaking	**0**	0	**391**	404
Other creditors	**33**	26	**33**	26
Accruals	**204**	83	**204**	81
Deferred income	**1,257**	1,070	**194**	420
	1,847	1,523	**987**	1,156

Amounts falling due in more than one year

	Group		Charity	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Loans and finance leases	**85**	143	**85**	143
	85	143	**85**	143

Analysis of loans & finance leases

	Loans	**Finance leases**	**Totals**
	£'000	**£'000**	**£'000**
Due within 1 year	50	9	59
Due in 2 - 5 years	50	35	85
Over 5 years	0	0	0
	100	44	144
Interest payable over the term of the agreements	9	5	14
Total commitment	109	49	158
Interest rate	2% above base rate	12%	

11 Creditors continued

Analysis of deferred income

Group	Voluntary income	Charitable activities	Total
	£'000	£'000	£'000
Deferred income at 1 April 2024	68	1,002	1,070
Income released during the year	(62)	(942)	(1,004)
Income deferred during the year	53	1,138	1,191
Deferred income at 31 March 2025	59	1,198	1,257

Charity	Voluntary income	Charitable activities	Total
	£'000	£'000	£'000
Deferred income at 1 April 2024	68	352	420
Income released during the year	(62)	(297)	(359)
Income deferred during the year	53	80	133
Deferred income at 31 March 2025	59	135	194

12 Total charitable funds

Unrestricted reserves

	Group and Charity			
	Restricted Reserve	Trustee reserve	Other reserves	Total
	£'000	£'000	£'000	£'000
At 1 April 2024	0	947	466	1,413
Income	78	0	5,339	5,417
Expenditure, gains and losses	(37)	0	(4,999)	(5,036)
Depreciation	0	0	(226)	(226)
At 31 March 2025	41	947	580	1,568

Other reserves	2025	2024
	£'000	£'000
General reserve	580	466
	580	466

12 Total charitable funds continued

Analysis of net assets between reserves

Fund balances at 31 March 2025 are represented by	Restricted Reserves	Trustee reserve	Other reserves	Total reserves
	£'000	£'000	£'000	£'000
Tangible fixed assets	**0**	**0**	**1,198**	**1,198**
Fixed asset investments	**41**	**947**	**94**	**1,082**
Net current (liabilities)	**0**	**0**	**(627)**	**(627)**
Creditors due after more than one year	**0**	**0**	**(85)**	**(85)**
Total reserves	**41**	**947**	**580**	**1,568**

13 Notes to the consolidated cash flow statement

Reconciliation of net incoming resources to net cash flow from operating activities	Year ended 31 March 2025	Year Ended 31 March 2024
	£'000	£'000
Net incoming/(outgoing) resources	**113**	(380)
Investment income	**(14)**	(26)
Investment fund charges	**8**	18
Interest payable	**14**	22
Depreciation	**226**	262
Loss on disposal of fixed assets	**0**	13
(Increase)/decrease in debtors	**(381)**	154
Increase/(decrease) in creditors	**316**	(130)
	282	(67)

Analysis of cash flows

Analysis of movement in net cash and liquid resources

	Opening balance	Cash flows	Closing balance
	£'000	£'000	£'000
Cash at bank and in hand and net cash and liquid resources	**332**	**111**	**443**

14 Trading subsidiary

Brathay has one trading subsidiary, Brathay Services Limited, a company incorporated in England and Wales. Brathay holds 100% of the issued share capital of Brathay Services Limited, being four £1 ordinary shares. The investment is shown at cost of £4.

Brathay Services Limited delivers Brathay's professional development work. In addition to this it provides accommodation for participants and a wide range of other guests. Turnover in the year was £2,925,082 (2023-2024: £2,978,721) from which Brathay Services Limited made a profit of £650,748 (2023-2024: £680,174) which was donated to Brathay. The company's aggregate capital and reserves at 31 March 2025 in full was £4 (2023-2024: £4).

15 Post balance sheet events

None

Income and Expenditure Account

for the year ended 31 March 2025

	2025	2024 (restated)
	£'000	£'000
Income from:		
Grants & donations	**1,073**	1,082
Charitable activities	**1,194**	906
Other activities	**211**	222
Investment income	**14**	26
Brathay Services Ltd donations	**651**	680
Total	**3,143**	2,916
Expenditure on:		
Raising funds	**407**	495
Charitable activities	**2,626**	2,801
Other	**(3)**	0
Total	**3,030**	3,296
Net income/ (expenditure) for the year before other recognised gains and losses	**113**	(380)
Net gains/(losses) on investments	**42**	83
Net income/(expenditure) for the year after other recognised gains and losses	**155**	(297)

Trustees Report and Annual Accounts 2024/2025

BRATHAY

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BRATHAY TRUST

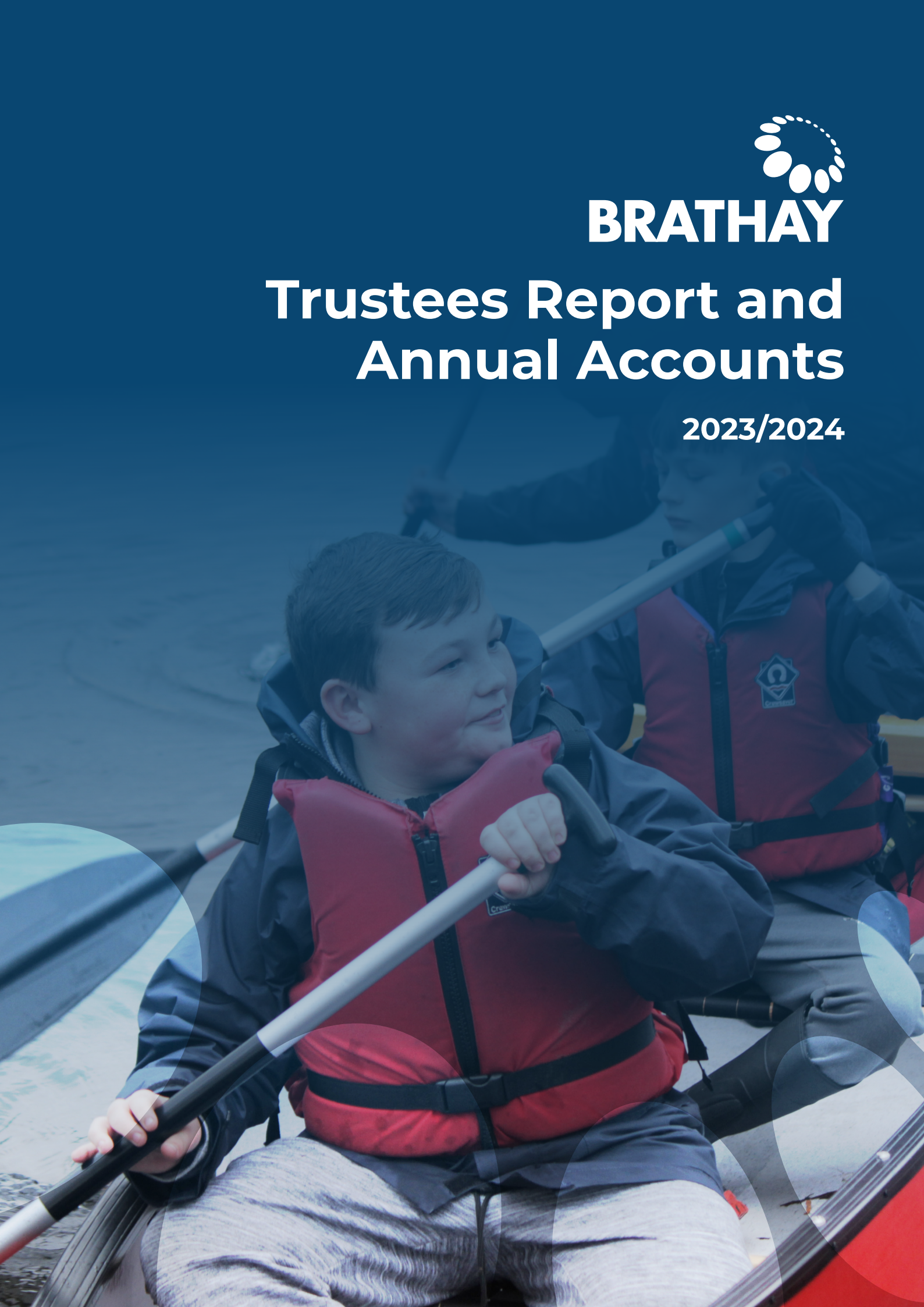
England & Wales - Charity number 1021586

Accounts

BRATHAY

Trustees Report and Annual Accounts

2023/2024



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Chair Introduction

After a recruitment process, I was thrilled to take on the Chair role in May 24, following on from Andy Watson's 3-year tenure. My thanks go to him, for steering the Brathay ship through a substantial period of change not least impacted by COVID but also a change in CEO in 2023.

As we reflect on the past year, it is with immense pride and gratitude that I present this overview of our journey and achievements during 2023 to 2024.

With the recruitment of our new CEO Teresa Jennings in July 2023, and with support from a refreshed Board of Trustees and a new Senior Leadership Team, Teresa is driving a significant change programme to ensure our long term mission and objectives are met.

The last 12 months have been marked by both challenges and triumphs, underscoring the resilience and dedication of our team, volunteers, and the communities we serve.

Despite the ongoing global uncertainties, we have remained steadfast in our vision to improve the lives of young people, inspiring them to build their brighter futures. Our commitment to providing support, guidance, and opportunities has never been stronger, and this year, we have seen remarkable progress in the impact and outcomes our work has delivered to over 7000 young people. I have seen this first hand in many of our projects, it is truly amazing.

Financial sustainability and strategic income growth have also been at the forefront of our agenda. Through careful planning and resource management, we have refocussed our financial position, ensuring that we can continue to offer our services to those who need them most.

Moreover, we have begun to forge new partnerships regionally and nationally with corporates, other Charities, and philanthropic organisations, further solidifying our foundation for future growth. We are told by our beneficiaries that Brathay is a special place, and we will continue to invest in our infrastructure and estate to create stories and memories that endure.

As we look ahead, we remain very optimistic and determined to build on the successes of this year; and ultimately building up towards our 5-year ambition of supporting over 40,000 young people by 2029.

As ever, I extend my heartfelt thanks to everyone involved with Brathay Trust – your dedication, passion, and support make all the difference. Together, we are creating lasting change and paving the way for a brighter future for the young people we serve.

There is much to do, and your contributions to our delivery are vital and very much appreciated.

Paul Johnson

Chair of Trustees

Structure, Governance and Management

Legal structure

Brathay Trust (Brathay) was first constituted as a charity in 1946 and was incorporated as a company limited by guarantee in 1993.
We are registered as a charity in England and Wales and governed by a Memorandum and Articles of Association and a Trust Deed.

Company Registration Number: 2814206. Charity registration number 1021586.

Operations

Brathay's head office is at Brathay Hall, our residential centre in Ambleside, Cumbria set in the heart of the Lake District National Park. We also have long-established centres in Bradford city centre and in the Barrow and Furness area, out of which we deliver a variety of community-based programmes.

Brathay has one wholly owned subsidiary, Brathay Services Ltd, which is operated and governed entirely within this structure.

Registered Office

Brathay Hall
Clappersgate
Ambleside
Cumbria
LA22 0HP

Contact details

Website: brathay.org.uk

Email: hello@brathay.org.uk

Telephone: 015394 33041

Company Secretary

Susan Ross

Governance

The governing body is the Board of Trustees. At 31 March 2024 there were 8 trustees. Trustees of Brathay are also directors under the Companies Act.

Trustees

The following Trustees served during the year to 31 March 2024

Paul Johnson
(Chair from 2 May 2024)

Andrew S Watson
(Chair until 1 May 2024)

Christopher W Dickinson

Sarah Hodgson-Jones

Beth S Lockhart

Marc A Pate

Lucie Smith

David Roberts
(appointed February 24)

Mark Turner
(resigned December 23)

Joanna Coleman
(resigned January 24)

The following Trustees were appointed after the year end:

Julie M Randles
(appointed April 2024)

Nigel I Aitchison
(appointed April 2024)

Jennifer M Macduff
(appointed April 2024)

All committee members served from the date of their appointment, or to the date of their resignation, as a Trustee, unless otherwise indicated.

Board Meetings and Committees

The Board of Trustees has responsibility for setting and monitoring Brathay's performance against the strategic objectives set, and ususally meets four times a year. The trustees have one committee, the Finance and Risk Committee, which meets usually four times a year, with other matters being reported directly to the Board.

Finance and Risk Committee

Members:

Beth S Lockhart (Chair)
Lucie Smith
Paul Johnson
Nigel I Aitchison
Christopher W Dickinson

The Finance and Risk Committee ensures:

- Effective finance and risk functions are in place.
- Reviews and sets the Risk Register and ensures adequate risk management processes are in place.
- An adequate internal control environment is established.
- Help set, shape, and scrutinise the annual budget and any reforecast of this budget.
- Comment upon and scrutinise the monthly management accounts and balanced scorecard report.
- Comment upon and scrutinise reports that may come to the Finance and Risk Committee from time to time on specific HR / income generation / quality issues / H&S / safeguarding issues, as appropriate.

Leadership Team

The day-to-day management of Brathay falls to its paid executive leadership team, led by the Chief Executive, who report quarterly to trustees. At 31 March 2024 the team comprised of:

- Teresa Jennings, Chief Executive (appointed July 2023)
- Jennie Moore, Head of Delivery (Communities) (appointed January 2024)
- Frank Clayton, Head of Delivery (Ambleside)
- Susan Ross, Head of Finance

The following leaders were appointed after the year end:

- Stephen Thorn, Head of Income Generation (appointed April 2024)

The following leaders resigned during the year to 31 March 2024:

- Godfrey Owen, Chief Executive (resigned May 2023)
- Rachel Head, Head of Children & Young People Services (resigned December 2023)

Professional advisors

Bankers

Cumberland Building Society
Cumberland House
Cooper Way
Parkhouse
Carlisle
CA3 0JF

Independent auditor

Lamont Pridmore
Chartered Accountants and
Statutory Auditor
136 Highgate
Kendal
Cumbria
LA9 4HW

Insurance broker

Arthur J Gallagher
12 Museum Street
Ipswich
Suffolk
IP1 1HT

Investment advisors

Stephen E Fox
Fox Lifestyle Financial Planning Ltd
25 Winckley Square
Preston
Lancashire
PR1 3JJ

Legal advisors

Temple Heelis
1 Kent View
Kendal
Cumbria
LA9 4DZ

Thomson Hayton Winkley
114-116 Stricklandgate
Kendal
Cumbria
LA9 4QA

Pension administrator

Old Mutual Wealth
Fifteen
Rosehill Industrial Estate
Montgomery Way
Carlisle
Cumbria
CA1 2RW

Trustees' Responsibilities

Trustees (who are also directors of Brathay Trust for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company law requires trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Trustee appointments

When recruiting new trustees against the Board skill matrix, the Board looks for members whose skills and backgrounds complement and enhance the existing team. Vacancies are advertised and trustees, staff and other interested parties may nominate a person for consideration.

Brathay promotes and values diversity within the trustee body, recognising the importance of having a wide range of views, knowledge and experiences leading the organisation. Potential new trustees meet with the Chair, Chief Executive and trustees before being elected to the Board. They are provided with information about Brathay and visit the head office in Ambleside and/or one of our regional offices.

Trustee effectiveness

Following their appointment, each trustee receives a briefing pack and comprehensive induction. This covers their role, duties and accountabilities as a trustee and includes information about Brathay, our policies, structure and work. Particular importance is placed on matters relating to safeguarding and child protection. As part of this process, trustees are encouraged to observe Brathay's work.

Each trustee completes a register of interests and related party transactions; this register is updated annually and whenever any changes occur.

Risk management

Trustees have overall responsibility for ensuring that Brathay has an appropriate system of control and for taking suitable steps to safeguard Brathay's assets.

A summary of the major risks to which Brathay is exposed, and the relevant mitigating factors, is maintained in a risk register.

Risks are reviewed twice a year by trustees. They work closely with the leadership team to ensure that Brathay has appropriate policies, systems and procedures to manage the risks facing Brathay.

Key risks

Trustees recognise that Brathay faces risk in a wide range of areas including:

- financial risks
- health and safety
- information management
- people
- reputational risks
- safeguarding
- technological risks

In all cases control measures are in place and regularly reviewed. These controls are designed to reduce the risk to an acceptable level. In considering the biggest risks Brathay faces, as a charity working with a wide range of people, including some of the most vulnerable, the correct management of safeguarding is key. Following on from this, both data and information management need to be robust. Additionally to ensure an on-going and sustainable impact, financial risks must be effectively managed.

Objectives, aims and public benefit

Brathay's objectives, as set out in the memorandum and articles of association, are:

- to establish and maintain a centre or centres in any part of Great Britain for the education,

including the physical training and moral, intellectual and physical development, of young persons from within the United Kingdom;

- to initiate and prosecute, whether at the said centres or elsewhere, investigation and research into questions affecting the education of such persons;
- to instruct the staff of such centres and other persons to qualify them to promote the aforesaid purposes; and
- to promote any other charitable purposes of an educational nature relating to any of the purposes aforesaid.

It should be noted that while the language of the objectives is now very dated, the spirt behind the words remains the same and Brathay seeks to deliver its work in an inclusive manner which recognises and values diversity.

Our vision and the reason why Brathay Trusts exists is to inspire young people to build their brighter futures. Brathay has been inspiring young people for over 75 years through activities and adventures on our beautiful estate overlooking Windermere, and through programmes delivered directly in communities throughout Cumbria and Bradford.

Brathay continues to be focused on delivering its strategic ambition of inspiring over 40,000 young people to build their brighter futures by 2029. To do this it is focussing on the following pillars which will underpin our plans and strategies:

- Cultivating a unified Brathay culture
- Excellence in service delivery
- Ensuring financial stability
- Strategic income generation
- Effective Governance and Board leadership

Funding our work

Brathay supports the standards as set out in The Code of Fundraising Practice and has subscribed to the Fundraising Regulator. The code has a number of reporting requirements and we report as follows:

- Our processes and practices are designed to ensure compliance with the standards cited.
- There have been no complaints in relation to fundraising activity.
- We take appropriate steps to ensure the data security of personal information of individuals.
- The organisation has appropriate controls to ensure the protection of vulnerable people and others from unreasonable intrusion on a person's privacy and unreasonably persistent approaches or undue pressure to donate, in the course of or in connection with fundraising for Brathay.

Our income streams are varied. Some work is directly commissioned, such as by local authorities, whilst other work is paid for by funding from trusts and foundations, corporate sponsorship, surpluses generated by fundraising events, the trading activities of Brathay's subsidiary, appeals and individual giving.

When funding is received it is not taken as income in the accounts until the programme or project it relates to is delivered. Any amounts received in this way are included as deferred income. This is the case irrespective of

the source of the income.

Income that comes from funders, tenders and events involves considerable upfront time and resource, often with a significant delay between this investment being made and the income showing in the accounts.

Utilising volunteers to help us in our efforts

Brathay works in partnership with volunteers to ensure they feel valued and have a high quality experience, where possible providing them with personal or organisational development opportunities. The support of volunteers and local communities is key to our success and is very much appreciated.

Developing partnerships

Partnership working and even greater collaboration is integral to the future success of Brathay. By developing our partnership network in a strategic way it will help drive sustainable growth, innovation and greater social impact for the Trust and its partners. It also helps enhance our ability to deliver impactful programmes and services. This collaborative approach ensures that the Trust can offer comprehensive and diverse support to the communities we serve, addressing a wider range of needs and challenges.

We are grateful to all our current partners, which include donors, local authorities, businesses, charities, schools, youth groups, universities, and colleges.

Achievements and Performance

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing objectives and activities described in this section.

Our impact and outcomes for 2023-2024 can be seen in our annual impact report.

Download Impact Report

or visit www.brathay.org.uk/about/what-we-do

Our Strategic Partners include:

Francis Scott Trust

Westmorland & Furness Council

City of BRADFORD METROPOLITAN DISTRICT COUNCIL

BARNARDO'S
Changing childhoods. Changing lives.

NHS
Bradford District and Craven
Clinical Commissioning Group

University of Cumbria

Institute for Outdoor Learning

YMCA GEORGE WILLIAMS COLLEGE

Brathay in Summary

Our Vision

Inspiring young people to build their brighter futures

Our Mission

Through transformative experiences, learning and community support, Brathay Trust exists to ignite the potential within every young person, so they can thrive in a rapidly changing world.

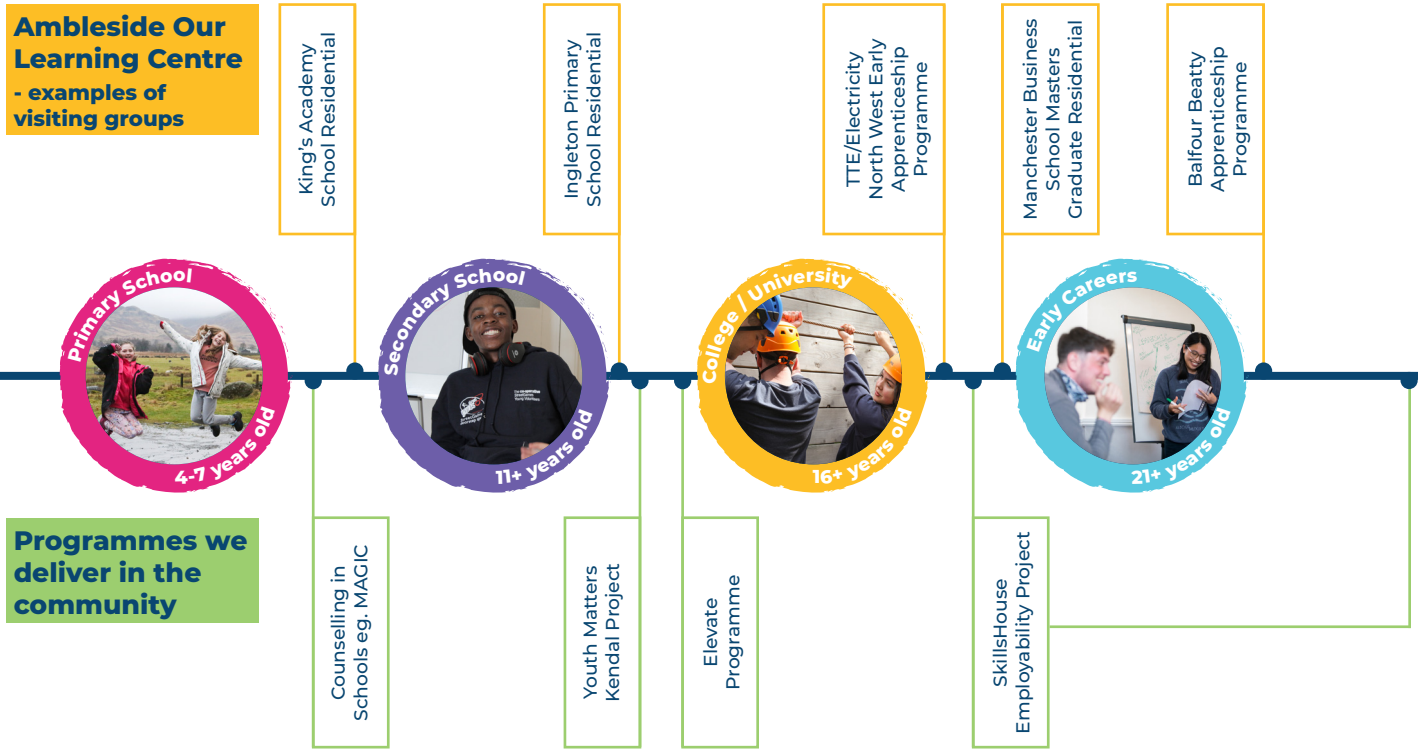
Our Strategic Objective

To inspire 40,000 young people to build their brighter future by 2029

- Brathay Trust works with young people through their transformative early years from 5 years old right through to their early careers (21+ years old).
- Brathay delivers in two main settings:
  - On the Brathay Estate in Ambleside – these are predominantly residential based programmes
  - Deeper work with young people and their families in the community – South Cumbria and Bradford
  - We also blend this approach so that young people are often able to benefit from support in both settings.

The diagram below is an illustration of the range of organisations we work with and projects we deliver over that age span of 5+ to 21+ both on the Brathay Estate (above the line) and in the Community (below the line).

Inspiring over 7,000 young people to build their brighter futures each year



Last year

We have inspired 7,180 young people
(5190 5+ years old to 16 years old | 1990 16+ years old)

Our Social Return on Investment is at least £6m

78% of young people reported an improvement of their wellbeing because of our work with them

We delivered 148 residential programmes at the Brathay estate

On average our programmes received a satisfaction score of 8.9 out of 10

83% of the young people we support would recommend our programmes to friends and family

We have worked with 419 families

We have delivered in 17 community programmes in Cumbria

We have delivered 18 community programmes in Bradford

Financial Review

The accounts, which form part of this report, comply with the requirements of FRS102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees consider that in preparing these accounts, they have consistently applied appropriate accounting policies supported by reasonable and prudent judgements and estimates where required.

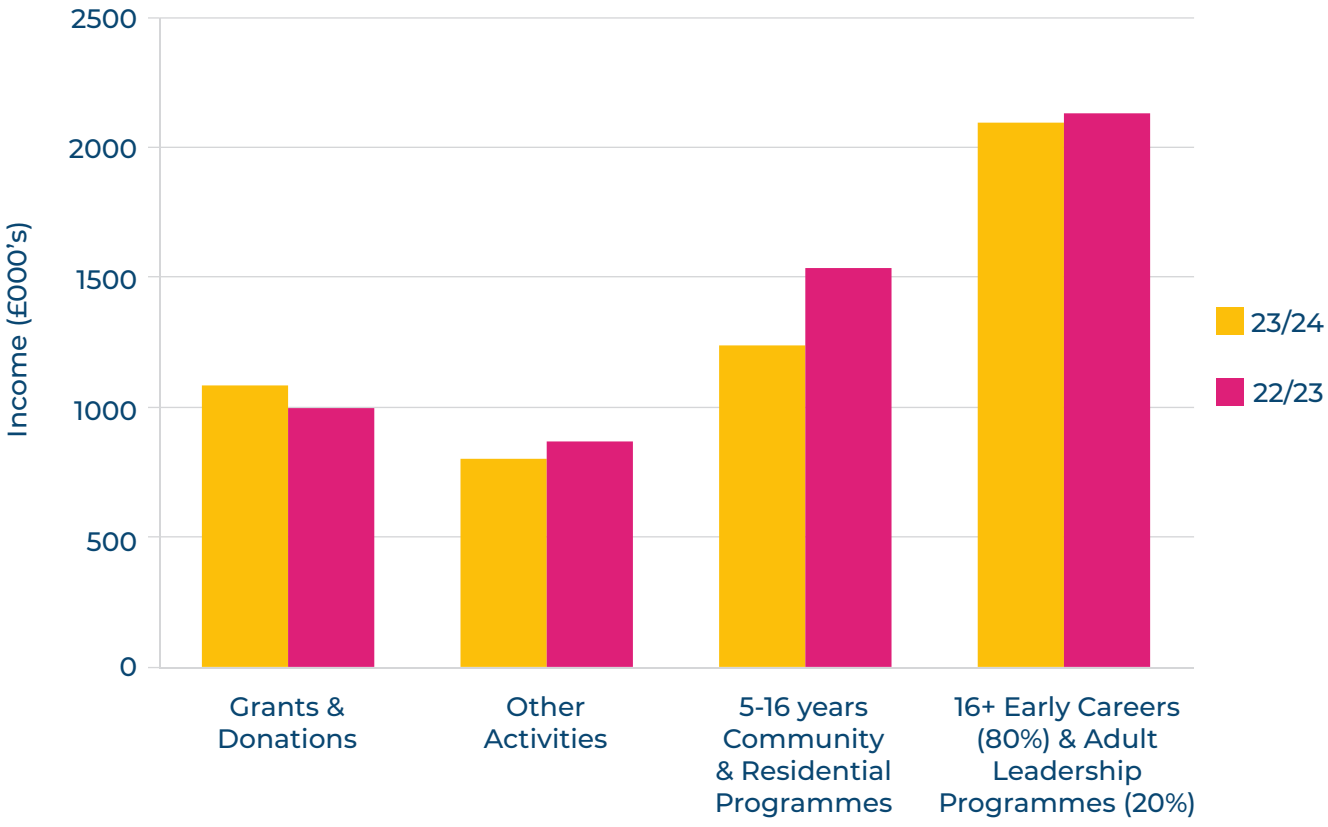
Summary

The results for the year showed a slight fall in income as the various income streams normalised in the first full year which had been unaffected by the pandemic since 2019-20. With a management focus on aligning costs with income, there was also an overall reduction in costs, which was a remarkable achievement during a year of high inflation. The year ended with a loss rather than the break even position which had been forecast on account of a fall in income offset by a reduction in costs.

Income review

Income for the year was £5,215k compared to £5,533k in 2023. The reduction was attributable to changes to some key contracts in our community programmes, and a change to the client base in our work with 16+ and early careers young people. We continue to develop work in communities where support to young people and their families has been crucial, and work closely with funders and donors and are very grateful to all those who partner with, and support us.

An analysis of Brathay's income is shown below:



Brathay's principal funding sources continue to be:

- grants and donations received from grant-making trusts and statutory bodies for our work with young people and other general unrestricted donations
- amounts invoiced to clients for training, education and development activities.

We also receive fees towards our charitable activities for all aspects of work with young people, both at our residential site and within the communities we work in.

We continue to leverage our site for short-stay holiday bookings during times when Brathay Hall is not in use. Although this is a useful way of boosting income in a low cost way, we will prioritise the site for charitable use at all times.

With a fall in some income streams, there was a focus during the year on aligning costs to the income. Total staff costs for the year were therefore lower than the prior year at £3,213k (2023: £3,273k), despite an inflationary pay award to all staff part way through the year. Other costs reduced by £92k to £2,382k (2023: £2,474k). As some of the savings were made part way through the year, the year to 31 March 2025 will see a further reduction in staffing and other costs.

The year ended with net expenditure of £380k (2023: £214k), however the investment made a substantial gain, and so the net movement in funds was a negative £297k overall, which was broadly similar to the prior year.

Going forward, the 5-year business plan and forecast demonstrates a measured return to positive net income, with achievable increases in income, and continued efficiency in running costs, and a return to positive net operating cashflows.

Investments and Cash

Until January 2024, Brathay's portfolio of investments was managed by Sanlam Wealth. As the trustees desired more flexibility, advice was taken from an Independent Financial Advisor at Fox Lifestyle Financial Planning Limited and the investment was moved onto the Nucleus Financial Platform where it is divided into short, medium and long term funds. This will mean that there will be more structure to the investment going forward. As before the Trust can take one-off or regular withdrawals if it needs to, but importantly, the Trust will benefit from lower ongoing charges under this new arrangement.

The aim of the portfolio is to achieve capital growth by way of investment performance and the reinvestment of dividends to ensure Brathay has sufficient liquidity, in line with the Liquidity & Reserves Policy.

At 31 March 2024 the value of the investment portfolios was £1,046k. Some monies were withdrawn from the investment during the year to meet working capital requirements, but significant gains were made in the latter part of the year.

Cash is held in savings accounts with the Cumberland Building Society. At the year end cash balances stood at £332k, though they vary significantly month to month. The level of cash held assists in a positive

cashflow management strategy and helps to manage the risk inherent in drawing on investments in an otherwise unplanned manner. The cash position is regularly reviewed by Trustees.

Trustees take a five year view on investment performance and are satisfied that investments have performed in line with wider markets.

Liquidity & Reserves

During the year, the Trustees reviewed the reserves policy and took the decision to move to a 'Liquidity and Reserves Policy'.

Historically, Brathay adopted a 'Free Reserves' policy which is defined by the Charities' Statement of Recommended Practice (SORP) as 'total unrestricted reserves, less fixed assets and investments, net of long-term finance'. Trustees have reviewed this approach alongside Brathay's risk matrix, the business model, the 5-year business plan, the cashflow profile and with consideration to external stakeholder requirements. In consideration of all of these elements, Trustees and the Senior Leadership Team have agreed that a policy based on liquidity is a more appropriate measure of financial stability for Brathay.

Going forward, the Trust will hold a cash (or cash equivalent) balance of between 3 and 6 months' operating costs. The Trust has met this policy for the last 10 years.

Liquidity at 31 March 2024 (cash plus investment) totalled £1,378k. 3 months' operating costs as of 31 March 2024 were £1,086k.

Going concern

The accounts have been prepared on a going concern basis. Trustees have carefully considered the steps that Brathay has taken and the actions necessary to ensure a stable future. Brathay has sufficient reserves to manage the liquidity of the organisation on an on-going basis.

A rigorous and detailed planning process has been completed. The delivery of plans is regularly reviewed and closely monitored in order to ensure effective business management. Trustees recognise there may continue to be an occasional need to utilise investments as a result of historical losses already sustained and investment in the future.

Post balance sheet events

There are no significant post balance sheet events to report.

By order of the Board of Trustees

Paul Johnson

Director and Chair of the Board of Trustees

Approved by the Board of Trustees on 8th November 2024

Independent Auditor's Report to the Trustees and Members of Brathay Trust

Year ended 31 March 2024

Opinion

We have audited the financial statements of Brathay Trust (the 'charitable company') for the year ended 31 March 2024 which comprise the consolidated Statement of Financial Activities (including income and expenditure account), consolidated Balance Sheet, consolidated Cash Flow Statement 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trustees' 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 charitable company'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 trustees

with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable company'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 trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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:

The objectives of our audit in respect of fraud are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are: 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) (Charities SORP (FRS 102)), FRS 102 The Financial Reporting Standard applicable in the UK and Republic

of Ireland (United Kingdom Generally Accepted Accounting Practice) and the Companies Act 2006.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We examined supporting documents for all material balances, transactions and disclosures.
- We applied analytical procedures to identify any unusual or unexpected relationships.
- We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting

estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Lamont BSc FCA
(Senior Statutory Auditor)

For and on behalf of
Lamont Pridmore
Chartered Accountants
& Statutory Auditor
136 Highgate
Kendal
Cumbria
LA9 4HW

8th November 2024

Consolidated Statement of Financial Activities

incorporating the Income and Expenditure account for the year ended 31 March 2024

	Notes	Unrestricted Funds	Other Reserves	Total 2024	Total 2023
		£'000	£'000	£'000	£'000
Income from:	3				
Grants & donations		**1,082**	**0**	**1,082**	999
Charitable activities		**3,333**	**0**	**3,333**	3,665
Other activities		**774**	**0**	**774**	850
Investment income		**26**	**0**	**26**	19
Total		**5,215**	**0**	**5,215**	5,533
Expenditure on:	4				
Raising funds		**577**	**0**	**577**	552
Charitable activities		**5,006**	**0**	**5,006**	5,183
Other		**12**	**0**	**12**	12
Total		**5,595**	**0**	**5,595**	5,747
Net income/(expenditure) before other recognised gains and losses		**(380)**	**0**	**(380)**	(214)
Transfer between funds		**0**	**0**	**0**	0
Net gains/(losses) on investments		**83**	**0**	**83**	(58)
Net movement in funds		**(297)**	**0**	**(297)**	(272)
Reconciliation of funds					
Fund balances brought forward		**763**	**947**	**1,710**	1,982
Fund balances carried forward at		**466**	**947**	**1,413**	1,710

All activities are continuing and there are no recognised gains or losses other than those recorded in the Statement of Financial Activities.

In accordance with the provisions of the Companies Act 2006, a Statement of Financial Activities dealing with the results of the charity only has not been presented. Gross income of the charity of £2,916,000 and net expenditure of £3,297,000 has been dealt with in the accounts of the charity.

The notes on pages 25 to 37 form part of these financial statements.

Consolidated Balance Sheet
as at 31 March 2024

	Notes	Group		Charity	
		2024	2023	**2024**	2023
		£'000	£'000	**£'000**	£'000
Fixed assets					
Tangible assets	**8**	**1,305**	1,495	**1,305**	1,495
Investments	**9**	**1,046**	1,214	**1,046**	1,214
		2,351	2,709	**2,351**	2,709
Current assets					
Debtors	**10**	**396**	550	**232**	204
Cash at bank and in hand		**332**	297	**129**	172
		728	847	**361**	376
Current liabilities					
Creditors: amounts falling due within one year	**11**	**(1,523)**	(1,629)	**(1,156)**	(1,158)
Net Current liabilities		**(795)**	(782)	**(795)**	(782)
Total assets less current liabilities		**1,556**	1,927	**1,556**	1,927
Creditors: amounts falling due after more than one year	**11**	**(143)**	(217)	**(143)**	(217)
Net assets		**1,413**	1,710	**1,413**	1,710
Charitable funds					
Trustee reserve		**947**	947	**947**	947
Other reserves		**466**	763	**466**	763
Total charitable funds	**12**	**1,413**	1,710	**1,413**	1,710

These financial statements were approved by the Board of Trustees on 8th November 2024, and were signed on its behalf by:

Paul Johnson
Director and Chair of the Board of Trustees

The notes on pages 25 to 37 form part of these financial statements.

Consolidated Cash Flow Statement
as at 31 March 2024

	Notes	2024	2023
		£'000	£'000
Net cash inflow from operating activities	**13**	**(67)**	293
Interest paid		**(22)**	(12)
Interest and dividends received		**26**	19
Investment management fees		**(18)**	(15)
Repayment of loans		**(50)**	0
Capital expenditure and financial investment		**(86)**	(314)
Net monies (invested in)/drawn from fixed/current asset investments		**250**	0
Proceeds from the sale of assets		**2**	0
Increase/(decrease) in cash in the year		**35**	(29)

The notes on pages 25 to 37 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2024

1. Company Status

Brathay Trust (Brathay) is a charitable company limited by guarantee (incorporated in the UK). The liability in respect of the guarantee, as set out in the Memorandum of Association, is limited to £1 per member of the company. The members of the company, who are also directors, are the trustees.

Company Registration Number: 2814206. Charity registration number 1021586

The registered office is:

Brathay Hall

Clappersgate

Ambleside

Cumbria

LA22 0HP

2. Accounting Policies

Basis of Preparation

The financial statements are prepared in accordance with the following and on a going concern basis

- applicable UK accounting standards
- the historical cost convention, as modified by the inclusion of investments at market value,
- the Statement of Recommended Practice Accounting and Reporting by Charities FRS 102, ('the SORP'), the Companies Act 2006 and the Charities Act 2011

Brathay Trust meets the definition of a public benefit entity under FRS102.

Going Concern

The trustees and officers have considered their obligation to prepare financial statements on an appropriate basis, having specific regard to Brathay's net liability position. This results from income being received in advance of projects being delivered, as has been the position for many years, and is part of normal operations.

The trustees have also assessed the impact of budgets, working capital needs, cash and investments. As a result, they are of the opinion that Brathay has sufficient reserves to be able to meet its obligations as they fall due and accordingly the accounts have been prepared on a going concern basis.

Basis of Consolidation

The consolidated accounts of the group incorporate the accounts of the charity and its subsidiary undertaking both of which are prepared to 31 March 2024. The trading results of the subsidiary undertaking as shown in note 14 are consolidated on a line-by-line basis within the consolidated Statement of Financial Activities. A separate Statement of Financial Activities for the charity is not presented as permitted by the SORP and the Companies Act 2006.

Income

Donations, other than for specific projects and fundraising appeals, are accounted for at the time of receipt. Donations for specific projects or appeals are deferred until the projects to which they relate are delivered.
All deferred income is accounted for in note 11.

Donations in kind are included within voluntary income and are included at their estimated market value.

Income from capital grants is accounted for when entitlement to the grant becomes unconditional. Until that point it is deferred. Capital grants are accounted for within the restricted reserve.

Income from fees and grants for delivering charitable activities is accounted for on the basis of the amount receivable for services delivered in the year. Income received in advance of the delivery of the activity to which it relates is deferred. Income of this sort is accounted for within the restricted reserve.

Income from other activities, including entry fees for events, rents, accommodation and bar sales is accounted for as the service, supply or event to which they relate is delivered.

Investment income is accounted for as receivable.

Expenditure

All expenditure is accounted for on the accruals basis as it is incurred and irrecoverable VAT is allocated to the category to which it relates. Some central support costs are allocated to expenditure categories on a basis that is consistent with the use of those resources.

The costs of generating funds and cost of charitable activities include an element of indirect support costs. Support costs represent the staff costs incurred in providing direct support to Brathay's programmes. These include costs relating to central finance, human resources, IT, health and safety and corporate communications. They have been apportioned between the costs of generating funds and cost of charitable activities on a basis consistent with the use of those resources.

Defined contribution pension schemes

Pension contributions are charged to the Statement of Financial Activities as incurred.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation charged to date. Brathay capitalises assets or groups of assets with an initial cost in excess of £1,000 and depreciation is calculated to write off the cost of each asset on a straight-line basis over its expected economic life. The lives used are as follows:

Improvements to leasehold property: the lesser of 25 years, the life of the lease or the useful economic life of the asset.

Equipment, fixtures and fittings and motor vehicles: 2-10 years

No impairment review is required and finance costs are not capitalised within the cost of the asset.

Financial Instruments

Brathay only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at amortised cost.

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors.

Financial liabilities held at amortised cost comprise trade and other creditors.

Investments

Investments are stated at market value. Movements in unrealised gains and losses on revaluation of fixed asset investments are included under 'gains on investments' in the Statement of Financial Activities.

Reserves: Unrestricted funds

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

The trustee reserve is an expendable endowment which trustees have the power to convert into 'income'. Distinguishable from 'income' by the absence of a positive duty on the part of the trustees to apply it for the purposes of the charity, unless and until this power to convert into 'income' is actually exercised. Trustees apply the income from the Trustee Reserve at their discretion.

3 Income

	Year ended 31 March 2024	Year Ended 31 March 2023
	£'000	£'000
Grants and donations		
Grants for charitable programmes	**688**	493
Grants for capital projects	**22**	37
Donations	**218**	324
Donated capital goods and services	**0**	
Donated goods and services	**154**	145
	1,082	999
Exceptional grants and donations	**0**	0
	1,082	999
Charitable activities		
Fees for training, education and development:		
Children and young people	**1,240**	1,535
People and organisation development	**2,093**	2,130
	3,333	3,665
Other activities		
Trading income	**514**	612
Rents receivable	**96**	88
Fees from events	**122**	97
Other	**42**	53
	774	850
Investment income		
Dividends receivable	**20**	14
Interest receivable		
short term bank deposits	**6**	5
	26	19

During the financial year 2023-2024 Brathay received no exceptional grants and donations (2022-23 Nil)

4 Analysis of expenditure

	Direct Costs	Support Costs	Year ended 31 March 2024	Year Ended 31 March 2023
	£'000	**£'000**	**£'000**	£'000
Raising funds				
Voluntary income	**279**	**38**	**317**	286
Activities	**181**	**21**	**202**	209
Investment management	**18**	**0**	**18**	11
Governance costs	**26**	**14**	**40**	46
	504	**73**	**577**	552
Charitable activities				
Training, education and development				
Children and young people	**1,692**	**170**	**1,862**	2,174
Adults	**2,856**	**288**	**3,144**	3,009
	4,548	**458**	**5,006**	5,183
Other	**0**	**12**	**12**	12
Total expenditure	**5,052**	**543**	**5,595**	5,747

5 Net income for the year

The net income for the year is stated after charging:

	Year ended 31 March 2024	Year Ended 31 March 2023
	£'000	£'000
Auditor's remuneration - audit	**18**	15
Auditor's remuneration - other services	**5**	6
Depreciation - owned assets	**240**	230
Depreciation - leased assets	**22**	9

Operating lease commitments

	Payment due on leases expiring		
	within one year	within 2 to 5 years	Total
	£'000	**£'000**	**£'000**
Land & buildings	**16**	**80**	**96**
Other	**9**	**0**	**9**
	25	**80**	**105**

6 Trustee and staff information

Trustees remuneration and expenses

No remuneration was paid to trustees or any persons connected with a Trustee (2022-23: nil). Expenses reimbursed to trustees amounted to £370 (2022-23: £834). In addition, on occasion, Brathay provides accommodation at the head office to trustees attending board meetings.

Professional indemnity insurance

Brathay has a professional indemnity policy for £20m to January 2024, reducing to £10m for remainder of year (2022-23 £20m), including trustees' liability cover, for which the premium was £7,128 (2022-23: £7,221).

Staff costs

	Year ended 31 March 2024	Year Ended 31 March 2023
	£'000	£'000
Wages and salaries	**2,751**	2,806
National Insurance costs	**249**	260
Pension costs	**213**	207
	3,213	3,273

Brathay has two defined contribution pension schemes both of which comply with the requirements of auto enrolment. Brathay contributes 5% (2022-23: 5%), of employees basic salary to these schemes, after the first three months of employment. At 31 March 2024 outstanding pension contributions totalled £17,430 (2022-23: £18,853).

Staff numbers

The average monthly number of employees, analysed by function, was:

	Year ended 31 March 2024	Year Ended 31 March 2023
	No	No
Fundraising, business development & marketing	**8**	8
Charitable activities	**81**	84
Management and support	**13**	17
	102	109

This is based on the number of staff employed by Brathay and excludes any associates who are paid via the payroll.

The staff numbers above are head count. The movement in full time equivalent has decreased from 98 in March 2023 to 89 in March 2024

6 Trustee and staff information continued

Employees earning over £60,000

	Year ended 31 March 2024	Year Ended 31 March 2023
	No	No
£80,000 - £ 89,999	**0**	1
£70,000 - £ 79,999	**0**	0
£60,000 - £ 69,999	**2**	0

Brathay contributed a total of £5,259 (2022-23: £3,982) to defined contribution pension schemes for the employees shown above.

Key management personnel

The key management personnel are the trustees and the leadership team (listed on page 5). The total employee benefits of the Leadership team, including employer pension contributions was £252,414 (2022-23: £252,277)

7 Related party transactions

There were no material transactions with related parties (2022-2023: £nil).

8 Tangible fixed assets

Analysis of movement in tangible fixed assets	Group and charity		
	Improvements to short leasehold property	Equipment, fixtures and motor vehicles	Total
	£'000	£'000	£'000
Cost			
at 1 April 2023	**2,781**	**1,317**	**4,098**
Additions	**50**	**36**	**86**
Disposals	**(136)**	**(64)**	**(200)**
At 31 March 2024	**2,695**	**1,289**	**3,984**
Depreciation			
at 1 April 2023	**1,617**	**986**	**2,603**
Charge for year	**137**	**125**	**262**
Disposals	**(136)**	**(50)**	**(186)**
At 31 March 2024	**1,618**	**1,061**	**2,679**
Net Book Value			
at 31 March 2024	**1,077**	**228**	**1,305**
at 31 March 2023	**1,164**	**331**	**1,495**
Net book value of assets held under finance leases			
at 31 March 2024	**0**	**41**	**41**
at 31 March 2023	**0**	**62**	**62**

9 Fixed asset investments

Investments are held to ensure Brathay has sufficient reserves and to meet future costs through capital growth and return on the investments.

Analysis of movement in investments

	Group and charity		
	UK unit trusts, listed stocks and shares	**Cash**	**Total**
	£'000	**£'000**	**£'000**
Market value			
at 1 April 2023	**1,191**	**23**	**1,214**
Additions	**1,442**	**20**	**1,462**
Revaluation	**83**	**0**	**83**
Disposals	**(1,689)**	**(24)**	**(1,713)**
At 31 March 2024	**1,027**	**19**	**1,046**
Historical cost at 31 March 2024	**999**	**19**	**1,018**

Analysis of movement by category

	2024	2023
	£'000	£'000
Cash or cash equivalents	**20**	107
Listed investments	**1,026**	966
	1,046	1,073

10 Debtors

	Group		Charity	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
Trade debtors	**286**	474	**107**	70
Other taxes and social security	**0**	0	**15**	59
Other debtors	**1**	0	**1**	0
Prepayments	**33**	32	**33**	31
Accrued income	**76**	44	**76**	44
	396	550	**232**	204

11 Creditors

Amounts falling due within one year

	Group		Charity	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
Loans and finance leases	**63**	61	**63**	61
Trade creditors	**109**	163	**103**	158
Taxes and social security	**172**	168	**59**	62
Amounts owed to subsidiary undertaking	**0**	0	**404**	245
Other creditors	**26**	29	**26**	29
Accruals	**83**	158	**81**	155
Deferred income	**1,070**	1,050	**420**	448
	1,523	1,629	**1,156**	1,158

Amounts falling due in more than one year

	Group		Charity	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
Loans and finance leases	**143**	217	**143**	217
	143	217	**143**	217

Analysis of loans & finance leases

	Loans	**Finance leases**	**Totals**
	£'000	**£'000**	**£'000**
Due within 1 year	50	13	63
Due in 2 - 5 years	100	43	143
Over 5 years	0	0	0
	150	56	206
Interest payable over the term of the agreements	19	10	29
Total commitment	169	66	235
Interest rate	2% above base rate	12%	

11 Creditors continued

Analysis of deferred income

Group	Voluntary income £'000	Charitable activities £'000	Total £'000
Deferred income at 1 April 2023	57	993	1,050
Income released during the year	(51)	(946)	(997)
Income deferred during the year	62	955	1,017
Deferred income at 31 March 2024	68	1,002	1,070

Charity	Voluntary income £'000	Charitable activities £'000	Total £'000
Deferred income at 1 April 2023	57	391	448
Income released during the year	(51)	(344)	(395)
Income deferred during the year	62	305	367
Deferred income at 31 March 2024	68	352	420

12 Total charitable funds

Unrestricted reserves

	Group and Charity		
	Trustee reserve £'000	Other reserves £'000	Total £'000
At 1 April 2023	947	763	1,710
Income	0	5,215	5,215
Expenditure, gains and losses	0	(5,250)	(5,250)
Depreciation	0	(262)	(262)
At 31 March 2024	947	466	1,413

Other reserves	2024 £'000	2023 £'000
General reserve	466	763
	466	763

12 Total charitable funds continued

Analysis of net assets between reserves

Fund balances at 31 March 2024 are represented by	Trustee reserve	Other reserves	Total reserves
	£'000	£'000	£'000
Tangible fixed assets	**0**	**1,305**	**1,305**
Fixed asset investments	**947**	**99**	**1,046**
Net current (liabilities)	**0**	**(795)**	**(795)**
Creditors due after more than one year	**0**	**(143)**	**(143)**
Total reserves	**947**	**466**	**1,413**

13 Notes to the consolidated cash flow statement

Reconciliation of net incoming resources to net cash flow from operating activities	Year ended 31 March 2024	Year Ended 31 March 2023
	£'000	£'000
Net outgoing resources	**(380)**	(214)
Investment income	**(26)**	(19)
Investment fund charges	**18**	15
Interest payable	**22**	12
Depreciation	**262**	239
Loss on disposal of fixed assets	**13**	0
(Increase)/decrease in debtors	**154**	(57)
Increase/(decrease) in creditors	**(130)**	317
	(67)	293

Analysis of cash flows

Analysis of movement in net cash and liquid resources

	Opening balance	Cash flows	Closing balance
	£'000	£'000	£'000
Cash at bank and in hand and net cash and liquid resources	**297**	**35**	**332**

14 Trading subsidiary

Brathay has one trading subsidiary, Brathay Services Limited, a company incorporated in England and Wales. Brathay holds 100% of the issued share capital of Brathay Services Limited, being four £1 ordinary shares. The investment is shown at cost of £4.

Brathay Services Limited delivers Brathay's professional development work. In addition to this it provides accommodation for participants and a wide range of other guests. Turnover in the year was £2,978,721 (2022-2023: £3,059,549) from which Brathay Services Limited made a profit of £680,174 (2022-2023: £640,799) which was donated to Brathay. The company's aggregate capital and reserves at 31 March 2024 in full was £4 (2022-2023: £4).

15 Post balance sheet events

None

Income and Expenditure Account

for the year ended 31 March 2024

	2024	2023
	£'000	£'000
Income from:		
Grants & donations	**1,082**	999
Charitable activities	**906**	1,261
Other activities	**222**	194
Investment income	**26**	19
Brathay Services Ltd donations	**680**	641
Total	**2,916**	3,114
Expenditure on:		
Raising funds	**577**	552
Charitable activities	**2,719**	2,778
Other	**0**	(2)
Total	**3,296**	3,328
Net income/ (expenditure) for the year before other recognised gains and losses	**(380)**	(214)
Nets gains/(losses) on investments	**83**	(58)
Net income/(expenditure) for the year after other recognised gains and losses	**(297)**	(272)

Trustees Report and Annual Accounts 2023/2024

BRATHAY

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BRATHAY TRUST

England & Wales - Charity number 1021586

Accounts

Brathay Trust
Trustees' Report and Accounts

for the year ended 31 March 2023

BRATHAY

Transforming the lives of young people in need

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Welcome to Brathay

Andy Watson, Chair of Trustees

Whilst the most obvious consequences of the pandemic may no longer be with us (for example, high numbers of infections and associated lockdowns), the lasting impacts such as reduced individual resilience, increased stress in family and other relationships and poor mental health are very much evident in the communities in which Brathay operates and in the lives of the people we support. To compound matters, it is these very same communities and sections of society that are most negatively impacted by the current cost of living crisis. As a result, the need for Brathay's services is greater than ever.

This Trustees' Report and Accounts document can only provide a flavour of the different facets of Brathay, but it does summarise the many activities that culminate in purposeful delivery that positively impacts many lives.

Increased activity, especially across Children and Young People, and People Development, resulted in an increase in Brathay's income, which reached record levels. However, Brathay is not immune to the wider economic headwinds – as such, severe inflationary pressures and challenges in recruitment in parts of the organisation increased costs significantly. The resulting deficit for the financial year is disappointing and a point of focus for Trustees.

The last 12 months have seen some changes to both the Trustee Board and the Senior Leadership Team. All colleagues who left have done so with our gratitude and best wishes, but perhaps special mention should go to Godfrey Owen. Godfrey's Brathay career spanned very nearly 30 years, with the last 17 as CEO. During that time, Brathay has grown and developed its range of activities and programmes. There is much for Godfrey to be proud of and we wish him well in his future endeavours.

The Trustees were very pleased with both the quality and the quantity of the candidates that applied to be Brathay's next CEO – a testament to our positive reputation and recognition of the important work that we do. We were delighted that Teresa Jennings successfully navigated the rigours of our selection process; Teresa has already started and I know that she is excited by the opportunity and potential at Brathay.

As always, I will conclude this introduction with a sincere thank you on behalf of the Trustees – to the skilled and committed staff at Brathay, to our volunteers, funders, partners and other supporters. There is much to do, and your contributions to our delivery are vital and very much appreciated.

Structure, Governance and Management

Legal structure

Brathay Trust (Brathay) was first constituted as a charity in 1946 and was incorporated as a company limited by guarantee in 1993. We are registered as a charity in England and Wales and governed by a Memorandum and Articles of Association and a Trust Deed.

Company Registration Number: 2814206.
Charity registration number 1021586.

Operations

Brathay's head office is at Brathay Hall, our residential centre in Cumbria set in the heart of the Lake District National Park. We also have a long-established centre in Bradford city centre out of which we deliver a variety of community-based programmes. Our strong community footing extends to Barrow and our outreach work spreads further still, often linked to schools and colleges and allowing us to operate at ground level in some very challenging urban areas.

Brathay has one wholly owned subsidiary, Brathay Services Ltd, which is operated and governed entirely within this structure.

Registered Office

Brathay Hall
Clappersgate
Ambleside
Cumbria
LA22 0HP

Contact details

Website: brathay.org.uk
Website: brathaychallenges.com
Email: hello@brathay.org.uk
Telephone: 015394 33041

Company Secretary

Susan Ross

Governance

The governing body is the Board of Trustees. At 31 March 2023 there were ten trustees, which has now reduced to nine. There is no upper limit to this number. Trustees of Brathay are also directors under the Companies Act.

Trustees

Andrew S Watson (Chair)
Paul Johnson (Vice Chair)
Joanna H Coleman
Christopher W Dickinson
Sarah Hodgson-Jones
Beth S Lockhart (Appointed 6 September 2022)
Marc A Pate
Lucie Smith (Appointed 20 January 2023)
Mark R J Turner
Ann M Crane (Resigned 13 May 2022)
Julie A Frizzell (Resigned 26 April 2023)
Paul Mayson (Resigned 21 March 2023)
Christopher McDonald (Resigned 14 December 2022)

All committee members served from the date of their appointment, or to the date of their resignation, as a Trustee, unless otherwise indicated.

Board Meetings and Committees

The Board of Trustees has responsibility for setting and monitoring Brathay's performance against the strategic objectives set, and ususally meets four times a year. The trustees have two committees, the Finance and Investment Committee and a Risk and Compliance Committee, with other matters being reported directly to the Board. Committees usually meet four times a year.

Finance and Investment Committee

Members:

Beth Lockhart (Chair)
Joanna H Coleman
Lucie Smith
Mark R J Turner
Andrew S Watson

The Finance and Investment Committee:

- receives reports on operational matters and ensures the implementation of strategic decisions;
- scrutinises the budget and business plans;
- undertakes the annual audit review and monitors the performance of the investment managers;
- reviews, recommends and reports to the Board on issues of financial reporting, major projects, reserves management, investment management, internal financial controls, financial risk management and the monitoring of compliance with relevant law, regulations and good practice;
- is responsible for Brathay's remuneration policy and strategy, ensuring that the process is professional and impartial, setting the remuneration of the leadership team and ensuring employees are kept informed. As far as possible, salary scales and benefits are benchmarked to national charities and other relevant/local information.

Risk and Compliance Committee

Members:

Paul Johnson (Chair)
Christopher W Dickinson
Sarah Hodgson-Jones
Andrew S Watson

The Risk and Compliance Committee:

- ensure statutory and other obligations are met;
- gain assurance that current and emerging risks are identified, monitored, managed and mitigated;
- confirm that Brathay is operating with an acceptable level of risk by way of regular review of the risk register;
- monitor progress through the year and from year to year;
- review and approve relevant Brathay policies.

Leadership Team

The day-to-day management of Brathay falls to its paid executive leadership team, led by the Chief Executive, who report quarterly to trustees. At 31 March 2023 the team comprised of:

- Godfrey C Owen, Chief Executive (Up to 31 May 2023)
- Rachel C Head, Head of Children and Young People's Services
- Frank Clayton, Head of People Development
- Heather Dixon, Head of Finance (Up to 30th November 2022)
- Susan Ross, Head of Finance (Since 6 March 2023)

Godfrey Owen resigned as CEO on 31 May 2023 after 29 years of service with the Trust. Teresa Jennings took up post as the new CEO on 17 July 2023.

Professional advisors

Bankers

Cumberland Building Society
Cumberland House
Cooper Way
Parkhouse
Carlisle
CA3 0JF

Independent auditor

Lamont Pridmore
Chartered Accountants and Statutory Auditor
136 Highgate
Kendal
Cumbria
LA9 4HW

Insurance broker

Arthur J Gallagher
12 Museum Street
Ipswich
Suffolk
IP1 1HT

Investment advisors

Atomos
5 Hatfields (Alto)
2nd Floor
London
SE1 9PG

Legal advisors

Temple Heelis
1 Kent View
Kendal
Cumbria
LA9 4DZ

Thomson Hayton Winkley
114-116 Stricklandgate
Kendal
Cumbria
LA9 4QA

Pension administrator

Old Mutual Wealth
Fifteen
Rosehill Industrial Estate
Montgomery Way
Carlisle
Cumbria
CA1 2RW

Trustees' Responsibilities

Trustees (who are also directors of Brathay Trust for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company law requires trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable

company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Trustee Appointments

When recruiting new trustees, the Board looks for members whose skills and backgrounds complement and enhance the existing team. Vacancies are advertised and trustees, staff and other interested parties may nominate a person for consideration.

Brathay promotes and values diversity within the trustee body, recognising the importance of having a wide range of views, knowledge and experiences leading the organisation. Potential new trustees meet with the Chair, Chief Executive and trustees before being elected to the Board. They are provided with information about Brathay and visit the head office in Ambleside and/or one of our regional offices.

Trustee effectiveness

Following their appointment, each trustee receives a briefing pack and comprehensive induction. This covers their role, duties and accountabilities as a trustee and includes information about Brathay, our policies, structure and work. Particular importance is placed on matters relating to safeguarding and child protection. As part of this process, trustees are encouraged to observe Brathay's work.

Each trustee completes a register of interests and related party transactions; this register is updated annually and whenever any changes occur. New trustees are also invited to attend a Finance and Investment Committee and a Risk and Compliance meeting. An effectiveness review is carried out annually, allowing each trustee to comment confidentially on Board effectiveness and the results are considered in the light of best practice in the charity sector.

Risk management

Trustees have overall responsibility for ensuring that Brathay has an appropriate system of control and for taking suitable steps to safeguard Brathay's assets. Following the appointment of a new Chair of Trustees a Risk and Compliance Committee was set up in October 2021 to ensure focus on the management of key organisational risks.

A summary of the major risks to which Brathay is exposed, and the relevant mitigating factors, is maintained in a risk register.

Risks are reviewed quarterly by trustees. They work closely with the leadership team to ensure that Brathay has appropriate policies, systems and procedures to manage the risks facing Brathay.

Key risks

Trustees recognise that Brathay faces significant risk in a wide range of areas including:

- financial risks
- health and safety
- information management
- people
- reputational risks
- safeguarding
- technological risks.

In all cases control measures are in place and regularly reviewed. These controls are designed to reduce the risk to an acceptable level. In considering the biggest risks Brathay faces, as a charity working with a wide range of people, including some of the most vulnerable, the correct management of safeguarding is key. Following on from this, both data and information management need to be robust. Additionally to ensure an on-going and sustainable impact, financial risks must be effectively managed, a major issue as the economy moves through the impact of the pandemic.

Objectives, aims and public benefit

Brathay's objectives, as set out in the memorandum and articles of association, are:

- to establish and maintain a centre or centres in any part of Great Britain for the education, including the physical training and moral, intellectual and physical development, of young persons from within the United Kingdom;
- to initiate and prosecute, whether at the said centres or elsewhere, investigation and research into questions affecting the education of such persons;
- to instruct the staff of such centres and other persons to qualify them to promote the aforesaid purposes; and
- to promote any other charitable purposes of an educational nature relating to any of the purposes aforesaid.

It should be noted that while the language of the objectives is now very dated, the spirt behind the words remains the same and Brathay seeks to deliver its work in an inclusive manner which recognises and values diversity.

Our purpose and the reason why Brathay Trusts exists is to change the lives of thousands of young people for the better, each year. Brathay has been inspiring children, young people, and their families for over 75 years through activities and adventures on our beautiful estate overlooking Windemere, and through programmes delivered directly in communities throughout Cumbria and Bradford.

Brathay continues to be focused on delivering the 2020-2025 strategic plan rooted in the Vision 2030 ratified by the Trustees in early 2023. Our current strategic priorities are about preparing the organisation to be fit for purpose and ready to deliver the 2030 ambitious growth agenda. Consequently, the focus from 2023 to 2025 is to become financially and environmentally sustainable, invest in our sites to increase client delight and develop and reward our people by living Brathay's core values and promoting a culture of fairness and inclusion thereby enabling the organisation to provide distinctive and quality development programmes which improve the life chances of the children, young people and adults we work with.

Funding our work

Brathay supports the standards as set out in The Code of Fundraising Practice and has subscribed to the Fundraising Regulator. The code has a number of reporting requirements and we report as follows:

- Our processes and practices are designed to ensure compliance with the standards cited.
- There have been no complaints in relation to fundraising activity.
- We take appropriate steps to ensure the data security of personal information of individuals.
- The organisation has appropriate controls to ensure the protection of vulnerable people and others from unreasonable intrusion on a person's privacy and unreasonably persistent approaches or undue pressure to donate, in the course of or in connection with fundraising for Brathay.

Whilst our work with people and organisations is contracted and paid for by corporate organisations, the funding for our work with children and young people is from a much wider range of sources. Some work is directly commissioned, such as by local authorities, whilst other work is paid for by funding from trusts and foundations, corporate sponsorship, surpluses generated from challenge or other events, the trading activities of Brathay's subsidiary, appeals and individual giving.
As well as funding community and residential projects with young people these types of funding also support capital projects.

When funding is received it is not taken as income in the accounts until the programme or project it relates to is delivered. Any amounts received in this way are included as deferred income. This is the case irrespective of the source of the income – for example, any challenge event income linked to delivery of a programme would be deferred.

Income that comes from funders, tenders and events involves considerable upfront time and resource, often with a significant delay between this investment being made and the income showing in the accounts.

Brathay's work this year includes projects supported by grants from:

- Cumbria Community Foundation
- Better Tomorrows Fund
- Youth Opportunities Fund
- My Lakeland
- Cumbria Hardship Fund
- National Lottery: Awards for All
- Terry Bramwell Community Trust
- Wooden Spoon Foundation
- Bradford Mayors Fund
- Wainwright Community Trust
- Shears Foundation
- Hays Foundation
- Bradford Violence Reduction Unit
- Laing Family Trust
- Army Covenant Trust
- South Lakeland Council
- Cumbria Council 0-19 Fund
- Sir John Fisher Foundation
- Harold and Alice Bridges Trust
- Dulverton Foundation
- Sport England
- Walney Island Fund
- Francis C Scott Charitable Trust
- Sport Support
- Bradford City Council
- Garfield Weston Foundation
- Merseyside Youth Association
- Ernest Cook Trust
- BBC Children in Need
- High Foundation
- Igen Trust
- Charles Hayward Foundation
- Skills House
- Youth in Mind

Funding through public events

The fundraising team also organises a range of annual challenge events open to the public and aimed at raising funds from entry fees and sponsorship from participants. These events also give profile to a wider audience of potential supporters than would otherwise be the case. Income relating to these events is deferred until the event takes place as are

third party costs relating to them. The costs of the staff team for designing, developing, delivering and marketing these events are accounted for as they are incurred.

The contribution of fundraising activities is regularly reviewed. There is the obvious direct financial impact as well as the indirect benefit of raising Brathay's profile each year.

Utilising volunteers to help us in our efforts

Our strategy continues to be to deliver good people management practice, with a thriving staff team and volunteer resource.

Volunteers are extremely important to our ability to deliver certain events and projects. We rely on, and are very grateful for, the support of volunteers to deliver key fundraising events such as our challenge events. We also benefit from the services of a wide range of volunteers in other parts of our work including within the community.

Brathay works in partnership with volunteers to ensure they feel valued and have a high quality experience, where possible providing them with personal or organisational development opportunities. The support of volunteers and local communities is key to our success and is very much appreciated.

Developing partnerships

Brathay recognises the fundamental importance of effective partnerships in ensuring we deliver our objectives. They do not meet the formal definitions of related parties but are important for an understanding of Brathay's activities.

Partners from all sectors are central to Brathay's work and include funders, customers, local authorities, businesses, schools, colleges, other charities, youth organisations, and community groups.

Partnerships are also central to working with corporate bodies keen to be recognised as caring employers committed to helping staff achieve their full potential, whatever their circumstances. Our partnerships share a joint commitment to achieving social change.

Our key partnerships include:

- F4H
- The Francis C Scott Charitable Trust
- Cumbria Community Foundation
- The Sir John Fisher Foundation
- Miles Moore Ceramics
- University of Cumbria
- Barrow Borough Council
- Bradford City Council
- Bradford Consortia of Barnardo's, YMCA and James
- Bradford and Craven Clinical Commissioning Group
- BarraFull and Women's Community Matters
- The Cumberland Building Society
- The Brewery Arts Centre, Kendal
- ASICS UK
- The Climbers Shop, Ambleside
- Pete Bland Sports Ltd
- VOOM Sports Nutrition
- Langdale Hotel & Spa
- BAE Systems
- Project John
- The 5% Club

Achievements and Performance

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing objectives and activities described in this section.

Our annual delivery in headline numbers

Children and Young People

Brathay focuses on key areas of need and makes assessment as to where we can have the biggest impact, with the resources we have, in the communities we serve. Our focus in 2022-23 was to provide services which reduced poverty and its multiple risk factors alongside improving mental health outcomes. In practice this meant focusing on providing a range of support to the whole family whilst having a particular focus on establishing counselling provision in Cumbria and extending the counselling provision in Yorkshire.

This increased Brathay's capacity to provide mental health and wellbeing support for young people as poverty rose and the cost of living crisis worsened. 465 young people received support through one to one counselling and wellbeing group work on programmes such as MAGIC, Pathfinders, and COMF (a post pandemic support fund). This represents 18% of community work delivered and 118 young people received support delivered through residential group work with a focus on improving mental health (5% of the total young people worked with).

The need for these services continued to increase with schools reaching out to refer pupils and an escalating need for support from social work and education as Children and Adolescent Mental Health Services struggle to meet the needs of increased referrals. Notably we have been commissioned to provide support to a younger age range of children and young people aged 5-13yrs demonstrating the continuing and concerning impact of the pandemic on the wellbeing needs of all children. The Bradford based Pathfinders project engaged young people in a range of outdoor and creative activities to improve mental health outcomes with resounding success – leading the way for an increased social prescribing offer that brought together Brathay's specialisms to provide a high quality intervention.

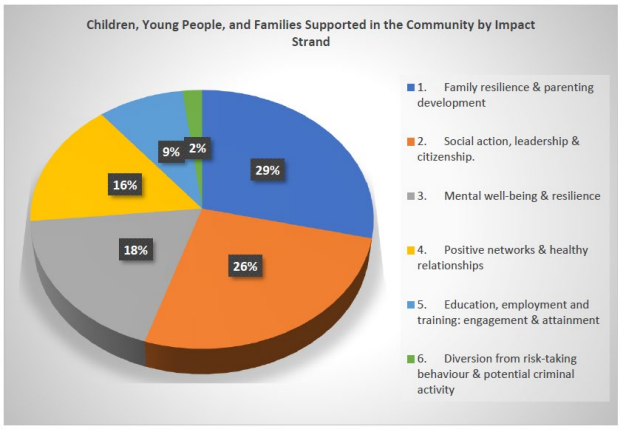
Another key strategic aim was to establish new provision for young people in Kendal through the Youth Matters partnership. This continues to develop, integrating all impact strands, improving mental health and wellbeing, education, attainment and readiness for employment and positive engagement in the community including social action and reaching a growing number of young people every week.

The following impact strands have been used to differentiate our work.

Key Children, Young People and Families Impact Strands which encompass the diversity of personal, social and emotional development programmes we offer:

1. Family resilience & parenting development.
2. Social action, leadership & citizenship.
3. Mental wellbeing & resilience.
4. Positive networks & healthy relationships.
5. Education, employment and training: engagement & attainment.
6. Diversion from risk-taking behaviour & potential criminal activity.

The pie chart shows the weighting of types of impact delivered on Brathay's community programmes measured in number of participants reached through programmes in the community.

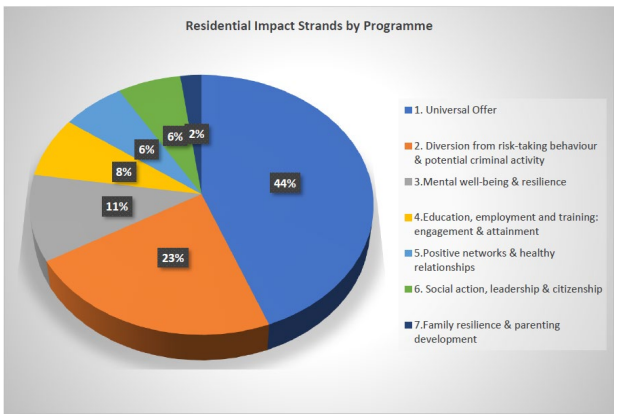


Key points

- 29% of community work with young people was through family resilience programmes.
- 18% of community work was with young people facing mental health challenges (delivered in one to one and group sessions). This was the largest growth area.
- 26% of community work was delivered with young people on the National Citizenship Service (which is a universal provision).

Children and Young People Residentials

The pie chart shows the weighting of types of impact delivered on Brathay's residential programmes measured in a number of programmes delivered residentially at Ambleside.



Key points

- 44% of residentials were school partnerships with a focus on personal, social and emotional learning.
- 23% of residentials were focused on diversion from risk-taking and offending behaviour and were stand-alone residentials for external partners.
- 22% of residentials and activity days were from Brathay community programmes (200 young people).

Evaluations on Children, Young People and Families programmes at Brathay

Each programme measures two points of interaction.

- Measure of the quality of delivery (satisfaction score and experience themes).
- Measure of participant engagement (well-being, learning and outcomes).

The quality of all programmes in Children, Young People and Families continues to be excellent with an overall satisfaction score of 4.8/5, with positive themes revolving around the quality of relationships developed by group facilitators, youth and family workers, and counsellors. Participant engagement is also high with feedback praising the unique and inventive activities that are designed to stimulate personal, social and emotional development, and behaviour change.

Children, Young People and Families report an increase in:

- **Feeling Good on our programmes:** Appreciation, Confidence, Openness, Fun, Calm, Friendships.
- **Functioning well on our programmes:** Resilience, Independence, Mindset, Patience, Awareness of mental health/trauma-based issues.

Core outcomes

The core outcomes below are proving to be stable over time, with additional emerging themes around perseverance in moments of difficulty, social confidence, independence skills and understanding how to be accepting of, and celebrate, difference:

- Greater understanding of self/of key information, choices & support.
- Increase in confidence & belief in abilities.
- Increase in openness to new ideas, opportunities & challenges.
- Improved communication & self-expression.
- Becoming more connected with peers, significant adults, colleagues.
- Making more positive choices & informed decisions.

Our work within Professional Development

The need

Engagement, retention and productivity continue to be a challenge for organisations and employers.

Employee engagement matters for the bottom line: 76% of employees say they'd stay at their company longer if they could benefit more from learning and development.

- Hard-to-fill vacancies persist.
- Employers focus on retaining staff through upskilling, raising wages, offering flexible working and additional holiday.
- Productivity remains stable as hybrid working normalises.
- Leadership skills that create connection and communication become crucial in engaging and retaining employees.
- Re-onboarding employees becomes popular to increase engagement in values and culture.
- Well-being policies become a productivity tool and a perk.

Apprentices and Graduates

- The pandemic and lockdown period had a disproportionate negative impact on apprenticeship starts for those aged under 19 and those starting an intermediate level apprenticeship.
- First degree courses (leading to a bachelor's qualification) remained the most popular type of higher education, as enrolments in other types of undergraduate courses such as foundation degrees, diplomas and vocational qualifications continued to fall.
- Employers are reporting that graduates are less work-ready and have fewer employment experiences. Many employers stopped offering placements and internships over the last two years.
- Employers look to apprenticeships to fill the talent shortage as recruitment and retention continue to be difficult.

Our assumptions:

- Attracting, developing, and retaining talent is a core business issue.
- There is a changing set of needs and expectations between generations.
- Hybrid working requires different leadership and management skills.
- A culture of trust and flexibility supports employee engagement.
- Apprenticeships have diversified and in some cases are being used to fill skills gaps.
- Graduates are less work-ready, with fewer employment experiences.

Blended programmes

In 2022-23 five programmes continued to use a blended approach in their delivery. These programmes deliver 2-3 year programmes for cohorts ranging in size from 11 to 300. All with multiple touch points using virtual, on-site and residential delivery types.

- SP Power Systems
- Balfour Beatty
- De Montfort University
- Yorkshire Water
- Aspiring Leaders Programme (ALP)
- Changing Culture Programme (CCP)

The results

Individuals worked with in 2022-23:

	Onsite	Offsite	Digital	Total
Leadership	1,006	284	79	1,369 (35%)
Emerging Talent	971	379	475	1,825 (47%)
Adult Charitable (F4H)	141	0	0	141 (4%)
Funded (ALP CCP)	14	69	0	83 (2%)
Apprenticeships	268	156	0	424 (12%)
Total	2,400	888	554	3,842

Engagement outcomes

Professional Development clients rated programmes with an overall satisfaction score of 4.5/5. When asked why they rated the programme this way:

Learning outcomes

When participants were asked what they had learned on the programme that would apply to life and work, they responded with themes linking to:

- Awareness of, and belief in self
- Building relationships
- Teamwork
- Communication
- Strengths and weaknesses (awareness of and ulitising of)
- Mindset
- Leadership skills and style
- Stretching and challenging self and others
- Adaption and flexibility
- Coping strategies to face fears and conflict
- Self-reflection
- Giving and receiving feedback
- Perseverance and determination
- Openness to ideas
- Asking for support
- Energy and positive attitude

Wellbeing outcomes

98% of Professional Development participants reported increased well-being on completing a programme:

- Feeling good on our programmes: Energised, Motivated, Connection, Hope, Relaxed, Mindful, Grounded.
- Functioning well on our programmes: Renewed Resilience, Optimism, Focus, Clarity, Confidence, Ideas, Reflection, Time for Self, Relationships, Health.

Other key achievements

Nature Connection – Supporting Human and Nature's Wellbeing

Understanding and applying practice that supports participants and staff to engage in nature to increase wellbeing has been a research focus in 2022. The inquiry set out to understand if increased connection with nature improved wellbeing, and if those who didn't have previous experience of connecting with nature could develop this capacity on residential programmes.

RESULTS (700+ young people)

30% increase in Nature Connection

Participants experiencing being with nature for the first time showed an **increase in connection of 51%.**

Particpants reported a **21% increase in their likelihood of acting for nature.**

Significantly the results showed that those with the lowest starting scores had the largest increase in connection with nature and improved wellbeing. The data also supported research that connection with nature correlates with a likelihood of acting for nature, therefore increasing pro-environmental behaviour.

This intense experience in nature gave people the time and space to connect with themselves, others and nature, relating to both increased positive effect and optimal functioning. Respondents reported:

Feeling Good

Our participants say they feel:

- Increased **clarity and perspective** by spending time in/with nature to think, or time to be with self and nature.
- Increased **energy to engage** with self, others and activities.
- Increased **calmness and relaxed mind** even under pressure.
- Increased ability to build relationships by **connecting with self, others and nature.**
- An opportunity to **disconnect from stress**, noise, social media, and worries.

Functioning Well

We use nature and the outdoors to improve our wellbeing outcomes through a greater sense of nature connectedness. By increasing contact with nature and providing opportunities for this to be recognised and explored, our programmes promote personal, social and ecological benefits. Ultimately, we want young people to respond to, and feel some responsibility towards, the natural world.

We introduce nature connection in two ways – with a focus on Health, using socially prescribed interactions with nature as a mental health benefit, and with a focus on Education, using outdoor spaces to increase people's relationship with nature.

Financial review

The accounts, which form part of this report, comply with the requirements of FRS102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees consider that in preparing these accounts, they have consistently applied appropriate accounting policies supported by reasonable and prudent judgements and estimates where required.

Summary

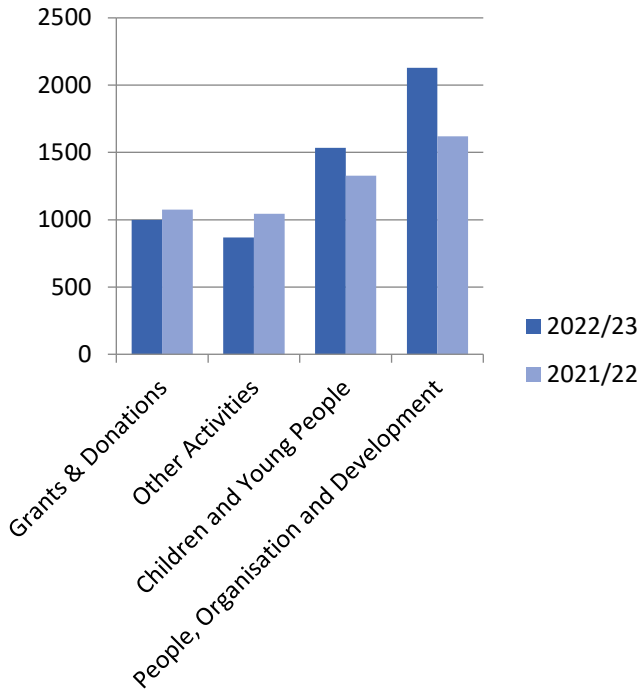
The results for the year showed a significant recovery of income streams following the Covid-19 pandemic, but also the effects of rising inflation, particularly wage inflation. There has been a shortage of workers in the hospitality sector. Consequently, the year ended with a deficit rather than the break even position which had been forecast.

Income and expenditure review

Income for the year was £5,533k compared to £5,065k in 2022, demonstrating a return to pre-pandemic levels of income overall.

We continue and develop work in communities where support to children, young people and adults has been crucial. We continue to work closely with funders and donors and are very grateful to all those who partner with, and support, us.

An analysis of Brathay's income is shown here:



Brathay's principal funding sources continue to be:

- grants and donations received from grant-making trusts and statutory bodies, this includes amounts towards our work with children and young people, unrestricted donations and capital grants
- amounts invoiced to clients for training, education and development activities.

We also receive fees towards our charitable activities for all aspects of work for children and young people and with adults, both at our residential site and within the communities we work in.

We continue to exploit our site for short-stay holiday bookings during times when Brathay Hall is not in use. Whilst this generates a valuable contribution towards running costs, we prioritise the use of the site for our charitable activities. Our Challenge Events also boosted our income during the year, whilst also raising awareness of our charitable purpose.

Although income has risen, there have also been considerable increases in the cost base as a result of re-staffing into posts which remained vacant during the pandemic and

which were filled part way through the prior financial year. Additionally, there have been difficulties in recruiting staff into certain roles due to labour shortages in some sectors, and this has resulted in wage inflation, and some reliance on expensive agency workers. Total staff costs for the year were therefore £3,273k (2022: £2,801k).

The year ended with net expenditure (before losses on the investment) of £214k vs net income in 2022 of £95k. Unfortunately 2023 also saw the value of the investment fall by £58k due to turbulence in the stock market, and consequently there was a negative net movement in funds of £272k overall.

Investments and liquidity

Sanlam Wealth managed Brathay's portfolio of investments until July 2022 when Sanlam were acquired by Oaktree Capital Management and renamed Atomos. As before, Atomos report to the trustees on a quarterly basis and investments are reviewed to ensure that the objectives of the portfolio are being met.

The aim of the portfolio is to achieve medium term capital growth by way of investment performance and the reinvestment of dividends to ensure Brathay has sufficient reserves, in line with the reserves policy, and to meet future costs. The policy is relatively risk averse, with a significant proportion of funds held in fixed interest stocks.

At 31 March 2023 the value of the investment portfolios was £1,214k the majority of which is held within a portfolio currently managed by Atomos. The value of the investment portfolio declined during the year in common with world markets on account of the rising interest rates.

Cash is held in savings accounts with the Cumberland Building Society because the return is significantly better for cash than within the portfolio. At the year end cash balances stood at £297k, though they vary significantly month to month. The level of cash held assists in a positive cashflow management strategy and helps to manage the risk inherent in drawing on investments in an otherwise unplanned manner. The cash position is regularly reviewed by Trustees.

Trustees take a five year view on investment performance and are satisfied that investments have performed in line with wider markets during a very turbulent year.

Reserves

The majority of income Brathay generates is used immediately to deliver services and meet running costs. The markets in which we operate are volatile and this volatility is one of the key operational risks we face. As a result, trustees review Brathay's reserve requirements each year.

Brathay recognises the need to have an appropriate level of reserves to allow it to operate effectively and to be able to carry on its work in periods of challenge and change.

Considering all factors, the aim of trustees is to work to move Brathay over time to a position where free reserves are equal to three times monthly recurring costs (currently estimated at £940k). The objective is that this would give Brathay time to continue its work and adjust its strategy if faced with challenging market conditions. Further details of Brathay's reserves are in note 13 to the accounts.

Reserves at the end of the year totalled £1,710k, all of which are unrestricted. There are no designated reserves with £947k in the trustee reserve. Free reserves, defined as total reserves less tangible fixed assets totalled £215k.

Going Concern

The accounts have been prepared on a going concern basis. Trustees have carefully considered the steps that Brathay has taken and the actions necessary to ensure a stable future. Brathay has sufficient reserves to manage the liquidity of the organisation on an on-going basis.

A rigorous and detailed planning process has been completed. The delivery of plans is regularly reviewed and closely monitored in order to ensure effective business management. Trustees recognise there may continue to be an occasional need to utilise investments as a result of historical losses already sustained and investment in the future.

Post balance sheet events

There are no significant post balance sheet events to report.

By order of the Board of Trustees
A.S. Watson
Director and Chair of the Board of Trustees
Approved by the Board of Trustees on 7th October 2023

Independent Auditor's Report to the Trustees and Members of Brathay Trust

Year ended 31 March 2023

Opinion

We have audited the financial statements of Brathay Trust (the 'charitable company') for the year ended 31 March 2023 which comprise the consolidated Statement of Financial Activities (including income and expenditure account), consolidated Balance Sheet, consolidated Cash Flow Statement 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trustees' 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 charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable company'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 trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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:

The objectives of our audit in respect of fraud are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are: 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) (Charities SORP (FRS 102)), FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and

the Companies Act 2006.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- We examined supporting documents for all material balances, transactions and disclosures.

- We applied analytical procedures to identify any unusual or unexpected relationships.

- We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Lamont BSc FCA (Senior Statutory Auditor)

For and on behalf of
Lamont Pridmore
Chartered Accountants & Statutory Auditor
136 Highgate
Kendal
Cumbria
LA9 4HW

7th October 2023

Consolidated Statement of Financial Activities

(incorporating the Income and Expenditure account)
for the year ended 31 March 2023

	Note	Unrestricted Funds £'000	Other Reserves £'000	Total 2023 £'000	Total 2022 £'000
Income from:	**3**				
Grants & donations		**999**	**0**	**999**	1,075
Charitable activities		**3,665**	**0**	**3,665**	2,947
Other activities		**850**	**0**	**850**	1,027
Investment income		**19**	**0**	**19**	16
Total		**5,533**	**0**	**5,533**	5,065
Expenditure on:	**4**				
Raising funds		**552**	**0**	**552**	409
Charitable activities		**5,183**	**0**	**5,183**	4,550
Other		**12**	**0**	**12**	11
Total		**5,747**	**0**	**5,747**	4,970
Net income/(expenditure) before other recognised gains and losses		**(214)**	**0**	**(214)**	95
Transfer between funds		**0**	**0**	**0**	0
Net gains/(losses) on investments		**(58)**	**0**	**(58)**	22
Net movement in funds		**(272)**	**0**	**(272)**	117
Reconciliation of funds					
Fund balances brought forward		**1,035**	**947**	**1,982**	1,865
Fund balances carried forward at		**763**	**947**	**1,710**	1,982

All activities are continuing and there are no recognised gains or losses other than those recorded in the Statement of Financial Activities.

In accordance with the provisions of the Companies Act 2006, a Statement of Financial Activities dealing with the results of the charity only has not been presented. Gross income of the charity of £3,114,000 and net expenditure of £3,328,000 has been dealt with in the accounts of the charity.

The notes on pages 30 to 42 form part of these financial statements.

Consolidated Balance Sheet

as at 31 March 2023

	Notes	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Fixed assets					
Tangible assets	**8**	**1,495**	1,419	**1,495**	1,419
Investments	**9**	**1,214**	1,073	**1,214**	1,073
		2,709	2,492	**2,709**	2,492
Current assets					
Debtors	**10**	**550**	493	**204**	265
Investments	**11**	**0**	200	**0**	200
Cash at bank and in hand		**297**	326	**172**	182
		847	1,019	**376**	647
Current liabilities					
Creditors: amounts falling due within one year	**12**	**(1,629)**	**(1,316)**	**(1,158)**	(944)
Net Current liabilities		**(782)**	(297)	**(782)**	(297)
Total assets less current liabilities		**1,927**	2,195	**1,927**	2,195
Creditors: amounts falling due after more than one year	**12**	**(217)**	(213)	**(217)**	(213)
Net assets		**1,710**	1,982	**1,710**	1,982
Charitable funds					
Trustee reserve		**947**	947	**947**	947
Other reserves		**763**	1,035	**763**	1,035
Total charitable funds	**13**	**1,710**	1,982	**1,710**	1,982

These financial statements were approved by the Board of Trustees on 7th October 2023, and were signed on its behalf by:

Andrew Watson
Director & Chair of the Board of Trustees
Beth Lockhart
Director & Treasurer of the Board of Trustees

The notes on pages 30 to 42 form part of these financial statements.

Consolidated Cash Flow Statement

for the year ended 31 March 2023

	Notes	2023	2022
		£'000	£'000
Net cash inflow from operating activities	**14**	**293**	**257**
Returns on investment and servicing of finance		**7**	**9**
Capital expenditure and financial investment		**(314)**	**(215)**
Financing		**(15)**	**(4)**
Increase/(decrease) in cash in the year		**(29)**	47

The notes on pages 30 to 42 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2023

1 Company Status

Brathay Trust (Brathay) is a charitable company limited by guarantee (incorporated in the UK). The liability in respect of the guarantee, as set out in the Memorandum of Association, is limited to £1 per member of the company. The members of the company, who are also directors, are the trustees.

Company Registration Number: 2814206. Charity registration number 1021586

The registered office is:
Brathay Hall
Clappersgate
Ambleside
Cumbria
LA22 0HP

2 Accounting Policies

Basis of Preparation

The financial statements are prepared in accordance with the following and on a going concern basis

- applicable UK accounting standards
- the historical cost convention, as modified by the inclusion of investments at market value,
- the Statement of Recommended Practice Accounting and Reporting by Charities FRS 102, ('the SORP'), the Companies Act 2006 and the Charities Act 2011

Brathay Trust meets the definition of a public benefit entity under FRS102.

Going Concern

The trustees and officers have considered their obligation to prepare financial statements on an appropriate basis, having specific regard to Brathay's net liability position. This results from income being received in advance of projects being delivered, as has been the position for many years, and is part of normal operations.

The trustees have also assessed the impact of budgets, working capital needs, cash and investments. As a result, they are of the opinion that Brathay has sufficient reserves to be able to meet its obligations as they fall due and accordingly the accounts have been prepared on a going concern basis.

Basis of Consolidation

The consolidated accounts of the group incorporate the accounts of the charity and its subsidiary undertaking both of which are prepared to 31 March 2023. The trading results of the subsidiary undertaking as shown in note 15 are consolidated on a line-by-line basis within the consolidated Statement of Financial Activities. A separate Statement of Financial Activities for the charity is not presented as permitted by the SORP and the Companies Act 2006.

Income

Donations, other than for specific projects and fundraising appeals, are accounted for at the time of receipt. Donations for specific projects or appeals are deferred until the projects to which they relate are delivered. All deferred income is accounted for in note 12.

Donations in kind are included within voluntary income and are included at their estimated market value.

Income from capital grants is accounted for when entitlement to the grant becomes unconditional. Until that point it is deferred. Capital grants are accounted for within the restricted reserve.

Income from fees and grants for delivering charitable activities is accounted for on the basis of the amount receivable for services delivered in the year. Income received in advance of the delivery of the activity to which it relates is deferred. Income of this sort is accounted for within the restricted reserve.

Income from other activities, including entry fees for events, rents, accommodation and bar sales is accounted for as the service, supply or event to which they relate is delivered.

Investment income is accounted for as receivable.

Notes to the Financial Statements

For the year ended 31 March 2023

Expenditure

All expenditure is accounted for on the accruals basis as it is incurred and irrecoverable VAT is allocated to the category to which it relates. Some central support costs are allocated to expenditure categories on a basis that is consistent with the use of those resources.

The costs of generating funds and cost of charitable activities include an element of indirect support costs. Support costs represent the staff costs incurred in providing direct support to Brathay's programmes. These include costs relating to central finance, human resources, IT, health and safety and corporate communications. They have been apportioned between the costs of generating funds and cost of charitable activities on a basis consistent with the use of those resources.

Defined contribution pension schemes

Pension contributions are charged to the Statement of Financial Activities as incurred.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation charged to date. Brathay capitalises assets or groups of assets with an initial cost in excess of £1,000 and depreciation is calculated to write off the cost of each asset on a straight-line basis over its expected economic life. The lives used are as follows:
Improvements to leasehold property: the lesser of 25 years, the life of the lease or the useful economic life of the asset.

Equipment, fixtures and fittings and motor vehicles: 2-10 years

No impairment review is required and finance costs are not capitalised within the cost of the asset.

Financial Instruments

Brathay only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at amortised cost.

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors.

Financial liabilities held at amortised cost comprise trade and other creditors.

Investments

Investments are stated at market value. Movements in unrealised gains and losses on revaluation of fixed asset investments are included under 'gains on investments' in the Statement of Financial Activities.

Reserves: Unrestricted funds

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

The trustee reserve is an expendable endowment which trustees have the power to convert into 'income'. Distinguishable from 'income' by the absence of a positive duty on the part of the trustees to apply it for the purposes of the charity, unless and until this power to convert into 'income' is actually exercised. Trustees apply the income from the Trustee Reserve at their discretion.

3 Income

	Year ended 31 March 2023 £'000	Year Ended 31 March 2022 £'000
Grants and donations		
Grants for charitable programmes	**493**	712
Grants for capital projects	**37**	52
Donations	**324**	168
Donated goods and services	**145**	143
	999	1,075
Charitable activities		
Fees for training, education and development:		
Children and young people	**1,535**	1,327
People and organisation development	**2,130**	1,620
	3,665	2,947
Other activities		
Trading income	**612**	772
Rents receivable	**88**	97
Fees from events	**97**	77
Other	**53**	81
	850	1,027
Investment income		
Dividends receivable	**14**	14
Interest receivable		
short term bank deposits	**5**	2
	19	16

During the financial year 2022-2023 Brathay received no exceptional grants and donations (2021-22 Nil)

4 Analysis of expenditure

	Direct Costs	Support Costs	Year ended 31 March 2023	Year Ended 31 March 2022
	£'000	£'000	£'000	£'000
Raising funds				
Voluntary income	**249**	**37**	**286**	201
Activities	**186**	**23**	**209**	167
Investment management	**11**	**0**	**11**	8
Governance costs	**32**	**14**	**46**	33
	478	**74**	**552**	409
Charitable activities				
Training, education and development				
Children and young people	**1,977**	**197**	**2,174**	2,049
Adults	**2,736**	**273**	**3,009**	2,501
	4,713	**470**	**5,183**	4,550
Other	**0**	**12**	**12**	11
Total expenditure	**5,191**	**556**	**5,747**	4,970

5 Net income for the year

The net income for the year is stated after charging:

	Year ended 31 March 2023	Year Ended 31 March 2022
	£'000	£'000
Auditor's remuneration - audit	**15**	11
Auditor's remuneration - other services	**6**	5
Depreciation - owned assets	**230**	203
Depreciation - leased assets	**9**	26

Operating lease commitments

	Payment due on leases expiring		
	within one year	within 2 to 5 years	Total
	£'000	£'000	£'000
Land & buildings	**12**	**0**	**12**
Other	**20**	**5**	**25**
	32	**5**	**37**

6 Trustee and staff information

Trustees remuneration and expenses

No remuneration was paid to trustees or any persons connected with a Trustee (2021-22: nil). Expenses reimbursed to trustees amounted to £834 (2021-22: £371). In addition, on occasion, Brathay provides accommodation at the head office to trustees attending board meetings.

Professional indemnity insurance

Brathay has a professional indemnity policy for £20m (2021-22 £2m), including trustees' liability cover, for which the premium was £,7221 (2021-22: £3,876).

Staff costs

	Year ended 31 March 2023 £'000	Year Ended 31 March 2022 £'000
Wages and salaries	**2,806**	2,484
National Insurance costs	**260**	204
Pension costs	**207**	113
	3,273	2,801

Brathay has two defined contribution pension schemes both of which comply with the requirements of auto enrolment. Brathay contributes 5% (2021-22: 5%), of employees basic salary to these schemes, after the first three months of employment. At 31 March 2023 outstanding pension contributions totalled £18,853 (2021-22: £16,507).

Staff numbers

The average monthly number of employees, analysed by function, was:

	Year ended 31 March 2023 No	Year Ended 31 March 2022 No
Fundraising, business development & marketing	**8**	15
Charitable activities	**84**	84
Management and support	**17**	11
	109	110

This is based on the number of staff employed by Brathay and excludes any associates who are paid via the payroll.

The staff numbers above are head count. The movement in full time equivalent has increased from 94 In March 2022 to 98 In March 2023

6 Trustee and staff information continued

Employees earning over £60,000

	Year ended 31 March 2023	Year Ended 31 March 2022
	No	No
£80,000 - £ 89,999	1	1
£70,000 - £ 79,999	0	0

Brathay contributed a total of £3,982 (2021-22: £3,906) to defined contribution pension schemes for the employees shown above.

Key management personnel

The key management personnel are the trustees and the leadership team (listed on page 5). The total employee benefits of the Leadership team, including employer pension contributions was £252,277 (2021-22: £200,489)

7 Related party transactions

There were no material transactions with related parties (2021-2022: £nil).

8 Tangible fixed assets

Analysis of movement in tangible fixed assets

	Group and charity		
	Improvements to short leasehold property	Equipment, fixtures and motor vehicles	Total
	£'000	£'000	£'000
Cost			
at 1 April 2022	2,899	1,268	4,167
Additions	137	178	315
Disposals	(255)	(129)	(384)
At 31 March 2023	2,781	1,317	4,098
Depreciation			
at 1 April 2022	1,740	1,008	2,748
Charge for year	132	107	239
Disposals	(255)	(129)	(384)
At 31 March 2023	1,617	986	2,603
Net Book Value			
at 31 March 2023	1,164	331	1,495
at 31 March 2022	1,159	260	1,419
Net book value of assets held under finance leases			
at 31 March 2023	0	62	62
at 31 March 2022	0	33	33

9 Fixed asset investments

Investments are held to ensure Brathay has sufficient reserves and to meet future costs through capital growth and return on the investments.

Analysis of movement in investments

	Group and charity		
	UK unit trusts, listed stocks and shares	**Cash**	**Total**
	£'000	**£'000**	**£'000**
Market value			
at 1 April 2022	**966**	**107**	**1,073**
Additions	**1,938**	**(84)**	**1,854**
Revaluation	**(58)**	**0**	**(58)**
Reclassification from current assets	**200**	**0**	**200**
Disposals	**(1,855)**	**0**	**(1,855)**
At 31 March 2023	**1,191**	**23**	**1,214**
Historical cost at 31 March 2023	**1,166**	**23**	**1,189**

Analysis of movement by category

	Total	Total
	31 March 2023	31 March 2022
	£'000	£'000
Listed investments		
Fixed interest	**693**	337
Equities	**405**	436
Property	**94**	54
Alternatives	**0**	139
	1,192	966
Cash on deposit	**23**	107
	1,215	1,073

Analysis of movement by location

	Total	Total
	31 March 2023	31 March 2022
	£'000	£'000
Investments in the UK	63	463
Investments outside the UK	1,152	610
	1,215	1,073

9 Fixed asset investments continued

Material investments

The value of the following investments exceeded 5% of the total market value.

	31 March 2023		31 March 2022	
	Proportion	**Value**	Proportion	Value
	%	**£'000**	%	£'000
Fixed interest	**57**	**693**	**31**	337
Equities	**33**	**405**	**41**	436
Property	**8**	**94**	**5**	54
Alternatives	**0**	**0**	**13**	139
Cash	**2**	**23**	**10**	107

10 Debtors

	Group		Charity	
	2023	2022	**2023**	2022
	£'000	£'000	**£'000**	£'000
Trade debtors	**474**	399	**70**	114
Other taxes and social security	**0**	0	**59**	57
Other debtors	**0**	0	**0**	0
Amounts owed by subsidiary undertaking	**0**	0	**0**	0
Prepayments	**32**	45	**31**	45
Accrued income	**44**	49	**44**	49
	550	493	**204**	265

11 Current asset investments

Investments are held to ensure Brathay has sufficient reserves and to meet future costs through capital growth and return on the investments.

Analysis of movement in investments	Group and charity		
	UK unit trusts, listed stocks and shares	Cash	Total
	£'000	£'000	£'000
Market value			
at 1 April 2022	**200**	**0**	**200**
Additions	**0**	**0**	**0**
Reclassification to fixed assets	**(200)**	**0**	**(200)**
Disposals	**0**	**0**	**0**
At 31 March 2023	**0**	**0**	**0**
Historical cost at 31 March 2023	**0**	**0**	**0**

Analysis of movement by category	Total	Total
	31 March 2023	31 March 2022
	£'000	£'000
Listed investments		
Fixed interest	**0**	70
Equities	**0**	90
Property	**0**	11
Alternatives	**0**	29
	0	**200**

Analysis of movement by location	Total	Total
	31 March 2023	31 March 2022
	£'000	£'000
Investments in the UK	-	86
Investments outside the UK	-	114
	0	200

Material investments

The value of the following investments exceeded 5% of the total market value.

	31 March 2023		31 March 2022	
	Proportion	Value	Proportion	Value
	%	£'000	%	£'000
Fixed interest	**0%**	**0**	**35**	70
Equities	**0%**	**0**	**45**	90
Property	**0%**	**0**	**6**	11
Alternatives	**0%**	**0**	**15**	29

12 Creditors

Amounts falling due within one year

	Group		Charity	
	2023	2022	**2023**	2022
	£'000	£'000	**£'000**	£'000
Loans and finance leases	**61**	9	**61**	9
Trade creditors	**163**	172	**158**	168
Taxes and social security	**168**	104	**62**	57
Amounts owed to subsidiary undertaking	**0**	0	**245**	195
Other creditors	**29**	6	**29**	6
Accruals	**158**	106	**155**	106
Deferred income	**1,050**	919	**448**	403
	1,629	1,316	**1,158**	944

Amounts falling due in more than one year

	Group		Charity	
	2023	2022	**2023**	2022
	£'000	£'000	**£'000**	£'000
Loans and finance leases	**217**	213	**217**	213
	217	213	**217**	213

Analysis of loans & finance leases

	Loans	Finance leases	Totals
	£'000	**£'000**	**£'000**
Due within 1 year	50	11	61
Due in 2 - 5 years	150	67	217
Over 5 years	0	**0**	0
	200	78	278
Interest payable over the term of the agreements	24	19	43
Total commitment	224	97	321
Interest rate	2% above base rate	12%	

12 Creditors continued

Analysis of deferred income

Group	Voluntary income £'000	Charitable activities £'000	Total £'000
Deferred income at 1 April 2022	89	830	919
Income released during the year	(237)	(3,842)	(4,079)
Income deferred during the year	205	4,005	4,210
Deferred income at 31 March 2023	**57**	**993**	**1,050**

Charity	Voluntary income £'000	Charitable activities £'000	Total £'000
Deferred income at 1 April 2022	92	310	402
Income released during the year	(237)	(1,280)	(1,517)
Income deferred during the year	202	1,361	1,563
Deferred Income at 31 March 2023	**57**	**391**	**448**

13 Total charitable funds

Unrestricted reserves	Group and charity		
	Trustee reserve £'000	Other reserves £'000	Total £'000
At 1 April 2022	947	1,035	1,982
Income	0	5,533	5,533
Expenditure, gains and losses	0	(5,566)	(5,566)
Depreciation	0	(239)	(239)
At 31 March 2023	**947**	**763**	**1,710**

Other reserves	2023 £'000	2022 £'000
General reserve	763	1,035
	763	1,035

13 Total charitable funds continued

Analysis of net assets between reserves

Fund balances at 31 March 2023 are represented by	Trustee reserve £'000	Other reserves £'000	Total reserves £'000
Tangible fixed assets	0	1,495	1,495
Fixed asset investments	947	267	1,214
Net current (liabilities)	0	(782)	(782)
Creditors due after more than one year	0	(217)	(217)
Total reserves	947	763	1,710

14 Notes to the consolidated cash flow statement

Reconciliation of net incoming resources to net cash flow from operating activities	Year ended 31 March 2023 £'000	Year Ended 31 March 2022 £'000
Net outgoing resources	(214)	95
Investment income	(19)	(16)
Investment fund charges	15	8
Interest payable	12	7
Depreciation	239	229
Loss on disposal of fixed assets	0	31
(Increase)/ decrease in stocks	0	0
(Increase)/decrease in debtors	(57)	9
Increase/(decrease) in creditors	317	(106)
	293	257

Analysis of cash flows

	Year ended 31 March 2023 £'000	Year Ended 31 March 2022 £'000
Returns on investment and servicing of finance		
Dividends received	14	14
Interest received	5	2
Interest paid	(12)	(7)
	7	9
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(315)	(205)
Net monies (invested in)/drawn from fixed/current asset investments	1	(10)
	(314)	(215)

14 Notes to the consolidated cash flow statement continued

	Year ended 31 March 2023 £'000	Year Ended 31 March 2022 £'000
Financing		
Management fee on payment of endowment fund	**(15)**	(4)
Cash inflow from loans	**0**	0
	(15)	**(4)**

Analysis of movement in net cash and liquid resources

	Opening balance £'000	Cash flows £'000	Closing balance £'000
Cash at bank and in hand and net cash and liquid resources	**326**	**(29)**	**297**

15 Trading subsidiary

Brathay has one trading subsidiary, Brathay Services Limited, a company incorporated in England and Wales. Brathay holds 100% of the issued share capital of Brathay Services Limited, being four £1 ordinary shares. The investment is shown at cost of £4.

Brathay Services Limited delivers Brathay's professional development work. In addition to this it provides accommodation for participants and a wide range of other guests. Turnover in the year was £3,059,549 (2021-2022: £2,570,325) from which Brathay Services Limited made a profit of £640,799 (2021-2022: £1,219,928) which was donated to Brathay. The company's aggregate capital and reserves at 31 March 2023 in full was £4 (2021-2022: £4).

16 Post balance sheet events

None

Brathay Trust
Income and Expenditure Account

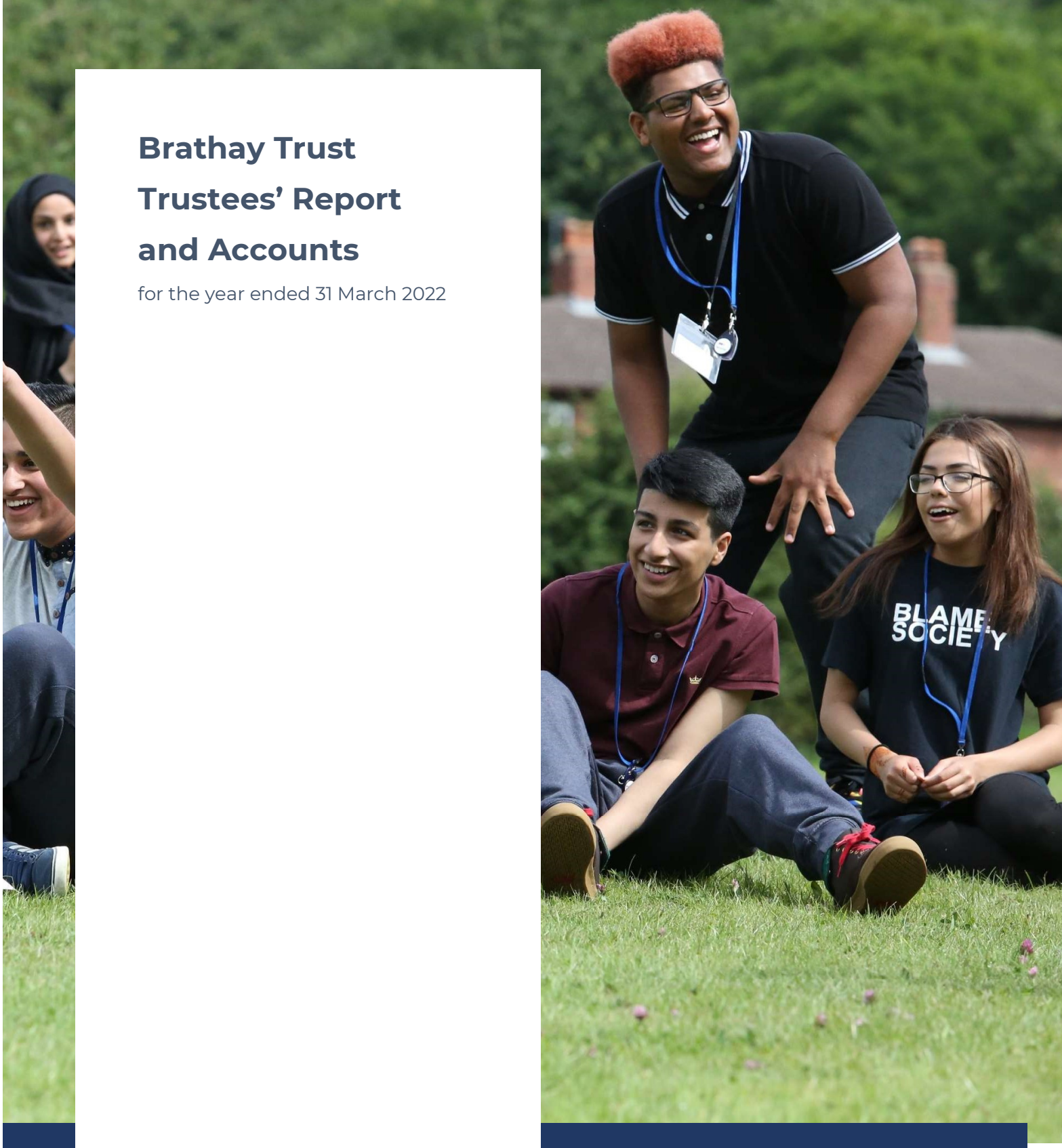
for the year ended 31 March 2023

	2023	2022
	£'000	£'000
Income from:		
Grants & donations	**999**	**1,075**
Exceptional grants and donations	**0**	**0**
Charitable activities	**1,261**	**1,180**
Other activities	**194**	**224**
Investment income	**19**	**16**
Brathay Services Ltd donations	**641**	**1,220**
Total	**3,114**	**3,715**
Expenditure on:		
Raising funds	**552**	**409**
Charitable activities	**2,778**	**3,212**
Other	**(2)**	**(1)**
Total	**3,328**	**3,620**
Net income/ (expenditure) for the year before other recognised gains and losses	**(214)**	**95**
Nets gains/(losses) on investments	**(58)**	**22**
Net income/(expenditure) for the year after other recognised gains and losses	**(272)**	**117**

BRATHAY TRUST

England & Wales - Charity number 1021586

Accounts



Brathay Trust Trustees' Report and Accounts

for the year ended 31 March 2022

At Brathay we know everyone has the capacity to do extraordinary things...

BRATHAY

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Welcome to Brathay

Andy Watson, Chair of Trustees

As we find ourselves another year on in our challenge to overcome the negative impact of Covid, no-one at Brathay can ignore the fact that for the children and young people, the ongoing and potentially long-lasting damage caused by the pandemic remains.

The real strain on families has become apparent in many ways, not least in the much-reduced resilience of young people. It makes our interventions and collaborations with other partners as vital and as relevant as ever.

As such, we are strengthening our capability in both Yorkshire and West Cumbria, whilst exploring possible new community activity elsewhere in Cumbria.

Brathay's community work relies heavily on the combined success of its other enterprises and thankfully, there is good news to report. With travel restrictions lifted, demand for staycations surged and we were able to respond quickly to this, enabling guests to take advantage of our flexible self-catering accommodation.

At the same time, business clients did not forget about the benefits of the management development and culture and change programmes on offer at Brathay and many returned, motivated by the post-pandemic desire to improve wellbeing as part of their professional and organisational development and inspired to sample our enhanced blended learning with its engaging digital delivery.

Demand for residentials for young people was also strong, despite Wigan Council's decision to take back management of Low Bank Ground and Hinning House, and our Challenge events are heading back on track, quite literally! I know from personal experience that the Christmas Pudding 10k fun run was well supported and May 2022's 10in10 event saw the highest number of entries to date.

Meanwhile, we continue to promote our new One Brathay message with an updated website and branding that brings a fresh, new feel to the charity and does a great job of communicating our story and various offerings.

Our use of social media has stepped up effectively too. I was delighted to see the helpful and positive profiles Brathay received both via Cumbria Life and Simon Reeve's BBC programme.

None of this would be possible without the considerable skill and commitment of the staff at Brathay. On behalf of the Trustees, I express gratitude for all that they do - it really is hugely appreciated. Similarly, I would like to warmly welcome our impressive new hires and give a big thank you to all our volunteers, supporters, patrons, and online followers.

Looking ahead, and at the risk of tempting fate, optimism is in the air, especially as things seem more within our own control now. Whatever next year may bring, I look forward to supporting the Brathay team as they continue to move forward with their plans whilst responding to unknown opportunities in exciting and impactful ways.

Structure, Governance and Management

Legal structure

Brathay Trust (Brathay) was first constituted as a charity in 1946 and was incorporated as a company limited by guarantee in 1993. We are registered as a charity in England and Wales and governed by a Memorandum and Articles of Association and a Trust Deed.

Company Registration Number: 2814206.
Charity registration number 1021586.

Operations

Brathay's head office is at Brathay Hall, our residential centre in Cumbria set in the heart of the Lake District National Park. We also have a long-established centre in Bradford city centre out of which we deliver a variety of community-based programmes. Our strong community footing extends to Barrow and our outreach work spreads further still, often linked to schools and colleges and allowing us to operate at ground level in some very challenging urban areas.

Brathay has one wholly owned subsidiary, Brathay Services Ltd, which is operated and governed entirely within this structure.

Registered Office

Brathay Hall
Clappersgate
Ambleside
Cumbria
LA22 0HP

Company Secretary

Heather T Dixon

Governance

The governing body is the Board of Trustees. At 31 March 2022 there were eleven trustees, which has now reduced to ten. There is no upper limit to this number. Trustees of Brathay are also directors under the Companies Act.

Committees

The Board of Trustees has responsibility for setting and monitoring Brathay's performance against the strategic objectives set and meets a minimum of four times a year. The trustees have two committees, the Finance and Investment Committee and a Risk and Compliance Committee, with other matters being reported directly to the Board.

Committees meet at least four times a year and the Risk and Compliance Committee has operated since October 2021. Additionally, a number of trustees have responsibility for liaising with the leadership team in key areas.

Trustees

Andrew S Watson (Appointed 4 May 2021)
Ann M Crane (Appointed 4 May 2021, Resigned 13 May 2022)
Charles Cowling (Resigned 15 May 2021)
Christopher W Dickinson
Christopher McDonald
Diane Millward (Resigned 15 May 2021)
Gillian Prior (Resigned 15 May 2021)
Joanna H Coleman
Julie A Frizzell (Appointed 15 May 2021)
Marc Pate
Mark R J Turner (Appointed 15 May 2021)
Paul Johnson
Paul Mayson (Appointed 4 May 2021)
Sarah Hodgson Jones

Charles Cowling was Chair of Trustees until 15 May 2021 and was succeeded by Andrew Watson. Paul Johnson was Vice Chair of Trustees throughout the year.

All committee members served from the date of their appointment, or to the date of their resignation, as a Trustee, unless otherwise indicated.

Contact details

Website: brathay.org.uk
Website: brathaychallenges.com
Email: hello@brathay.org.uk
Telephone: 015394 33041

Structure, Governance and Management

Finance and Investment Committee

Members:

Christopher McDonald (Chair)
Ann M Crane (Vice Chair)
Andrew S Watson
Mark R J Turner
Joanna H Coleman
Diane Millward
Gillian Prior
Charles Cowling

The Finance and Investment Committee makes recommendations on issues to the Board it:

- receives reports on operational matters and ensures the implementation of strategic decisions;
- scrutinises the budget and business plans;
- undertakes the annual audit review and monitors the performance of the investment managers;
- reviews, recommends and reports to the Board on issues of financial reporting, major projects, reserves management, investment management, internal financial controls, financial risk management and the monitoring of compliance with relevant law, regulations and good practice;
- is responsible for Brathay's remuneration policy and strategy, ensuring that the process is professional and impartial, setting the remuneration of the leadership team and ensuring employees are kept informed. As far as possible, salary scales and benefits are benchmarked to national charities and other relevant/local information.

Risk and Compliance Committee

Members:

Paul Johnson (Chair)
Christopher W Dickinson (Vice Chair)
Sarah Hodgson Jones
Christopher McDonald
Andrew S Watson

Trustees set up a Risk And Compliance committee during 2021-2022. The responsibilities of the committee are to

- maintain and review a sound system of non-financial internal controls and risk management,
- ensure statutory and other obligations are met.
- gain assurance that current and emerging risks are identified, monitored, managed and mitigated.
- confirm that Brathay is operating with an acceptable level of risk by way of regular review of the risk register
- monitor progress through the year and from year to year
- review and approve relevant Brathay policies

Leadership Team

The day-to-day management of Brathay falls to its paid executive leadership team, led by the Chief Executive, who report quarterly to trustees. The team comprises:

- Godfrey C Owen, Chief Executive
- Heather T Dixon, Finance Director
- Rachel C Head, Head of Children and Young People's Services.
- Frank Clayton, Head of People Development (since February 2022).

Structure, Governance and Management

Professional advisors

Bankers

Cumberland Building Society
Cumberland House
Cooper Way
Parkhouse
Carlisle
CA3 0JF

Independent auditor

Lamont Pridmore
Chartered Accountants and Statutory Auditor
136 Highgate
Kendal
Cumbria
LA9 4HW

Insurance broker

(Up to 31 March 2022)
Marsh Commercial
J36 Rural Auction Centre
Crooklands
Kendal
Cumbria
LA7 7FP

(From 1 April 2022)
Arthur J Gallagher
12 Museum Street
Ipswich
Suffolk
IP1 1HT

Investment advisors

Sanlam
Monument Place
24 Monument Street
London
EC3R 8AJ

Legal advisors

Temple Heelis
1 Kent View
Kendal
Cumbria
LA9 4DZ

Thomson Hayton Winkley
114-116 Stricklandgate
Kendal
Cumbria
LA9 4QA

Pension administrator

Old Mutual Wealth
Fifteen
Rosehill Industrial Estate
Montgomery Way
Carlisle
Cumbria
CA1 2RW

Structure, Governance and Management

Trustees' Responsibilities

Trustees (who are also directors of Brathay Trust for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company law requires trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Structure, Governance and Management

Trustee Appointments

When recruiting new trustees, the Board looks for members whose skills and backgrounds complement and enhance the existing team. Vacancies are advertised and trustees, staff and other interested parties may nominate a person for consideration.

Brathay promotes and values diversity within the trustee body, recognising the importance of having a wide range of views, knowledge and experiences leading the organisation. Potential new trustees meet with the chair, chief executive and trustees before being elected to the Board. They are provided with information about Brathay and visit the head office in Ambleside and/or one of our regional offices.

Trustee effectiveness

Following their appointment, each trustee receives a briefing pack and comprehensive induction. This covers their role, duties and accountabilities as a trustee and includes information about Brathay, our policies, structure and work. Particular importance is placed on matters relating to safeguarding and child protection. As part of this process, trustees are encouraged to observe Brathay's work.

Each trustee completes a register of interests and related party transactions; this register is updated annually and whenever any changes occur. New trustees are also invited to attend a Finance and Investment Committee and a Risk and Compliance meeting. An effectiveness review is carried out annually, allowing each trustee to comment confidentially on Board effectiveness and the results are considered in the light of best practice in the charity sector.

Risk management

Trustees have overall responsibility for ensuring that Brathay has an appropriate system of control and for taking suitable steps to safeguard Brathay's assets. Following the appointment of a new Chair of Trustees a Risk and Compliance Committee was set up in October 2021 to ensure focus on the management of key organisational risks.

A summary of the major risks to which Brathay is exposed, and the relevant mitigating factors, is maintained in a risk register.

Risks are reviewed quarterly by trustees. They work closely with the leadership team to ensure that Brathay has appropriate policies, systems and procedures to manage the risks facing Brathay.

Key risks

Trustees recognise that Brathay faces significant risk in a wide range of areas including:

- financial risks
- health and safety
- information management
- people
- reputational risks
- safeguarding
- technological risks.

In all cases control measures are in place and regularly reviewed. These controls are designed to reduce the risk to an acceptable level. In considering the biggest risks Brathay faces, as a charity working with a wide range of people, including some of the most vulnerable, the correct management of safeguarding is key. Following on from this, both data and information management need to be robust. Additionally to ensure an on-going and sustainable impact, financial risks must be effectively managed, a major issue as the economy moves through the impact of the pandemic.

Structure, Governance and Management

Objectives, aims and public benefit

Brathay's objectives, as set out in the memorandum and articles of association, are:

- to establish and maintain a centre or centres in any part of Great Britain for the education, including the physical training and moral, intellectual and physical development, of young persons of both sexes from within the United Kingdom;
- to initiate and prosecute, whether at the said centres or elsewhere, investigation and research into questions affecting the education of such persons;
- to instruct the staff of such centres and other persons to qualify them to promote the aforesaid purposes; and
- to promote any other charitable purposes of an educational nature relating to any of the purposes aforesaid.

It should be noted that while the language of the objectives is now very dated, the spirt behind the words remains the same and Brathay seeks to deliver its work in an inclusive manner which recognises and values diversity.

These objectives underpin Brathay's organisational purpose and are encapsulated in Brathay's mission:

'To improve the life chances of children and young people by inspiring them to engage positively in their communities.'

This is achieved by placing wellbeing at the heart of everything we do; the link to public benefit is clear.

Brathay's key objective is to fulfill this mission by delivering its 2020-2025 strategic plan.

The strategy was reviewed in the summer of 2020, following the onset of the Covid19 pandemic, it has been regularly revisited since, and remains highly relevant. The key strands remain unchanged but progress was slowed by the pandemic.

Our work focuses on individual and community wellbeing and is upheld by our three key objectives:

1. To establish an organisation that reflects the brand identity of 'One Brathay'
2. To achieve financial sustainability
3. To develop our proposition to align with the modern world.

Structure, Governance and Management

Funding our work

Brathay supports the standards as set out in The Code of Fundraising Practice and has subscribed to the Fundraising Regulator. The code has a number of reporting requirements and we report as follows:

- We do not use third-party organisations to carry out fundraising activities on our behalf. Our processes and practices are designed to ensure compliance with the standards cited.
- There have been no complaints in relation to fundraising activity.
- We take appropriate steps to ensure the data security of personal information of individuals.
- The organisation has appropriate controls to ensure the protection of vulnerable people and others from unreasonable intrusion on a person's privacy and unreasonably persistent approaches or undue pressure to donate, in the course of or in connection with fundraising for Brathay.

Whilst our work with people and organisations is contracted and paid for by corporate organisations, the funding for our work with children and young people is from a much wider range of sources. Some work is directly commissioned, such as by local authorities, whilst other work is paid for by funding from trusts and foundations, corporate sponsorship, surpluses generated from challenge or other events, the trading activities of Brathay's subsidiary, appeals and individual giving.

As well as funding community and residential projects with young people these types of funding also support capital projects.

When funding is received it is not taken as income in the accounts until the programme or project it relates to is delivered. Any amounts received in this way are included as deferred income. This is the case irrespective of the source of the income – for example, any challenge event income linked to delivery of a programme would be deferred.

Income that comes from funders, tenders and events involves considerable upfront time and resource, often with a significant delay between this investment being made and the income showing in the accounts.

Structure, Governance and Management

Brathay's work this year includes projects supported by grants from:

- The Francis C Scott Charitable Trust
- Cumbria County Council
- Bradford City Council
- National Lottery
- Ernest Cook Trust
- NHS Together Fund
- Friends of the Lake District
- DWP
- BBC Children in Need
- High Foundation
- Sir John Fisher Foundation
- South Lakeland District Council
- Hadfield Trust
- CAST Digital
- Young Persons Opportunity Fund
- Angling Trust
- The Igen Trust
- The Sovereign Health Care Charitable Trust
- Awards for All (Big Lottery)
- Pilkington Charities Fund
- Charles Hayward Foundation
- Skills House
- Youth in Mind
- Cumbria Community Foundation
- Arts Council
- The Hadley Trust
- The Lake District Foundation Low Carbon Grant

Capital projects have also been supported by:

The Cotton Industry War Memorial Trust, Lake District Foundation, Helen Davis Family Foundation and Screw Fix Foundation.

Funding through public events

Ordinarily, the fundraising team also organises a range of annual challenge events open to the public and aimed at raising funds from entry fees and sponsorship from participants. These events also give profile to a wider audience of potential supporters than would otherwise be the case. Income relating to these events is deferred until the event takes place as are third party costs relating to them. The costs of the staff team for designing, developing, delivering and marketing these events are accounted for as they are incurred.

The contribution of fundraising activities is regularly reviewed. There is the obvious direct financial impact as well as the indirect benefit of raising Brathay's profile each year.

Utilising volunteers to help us in our efforts

Our strategy continues to be to deliver good people management practice, with a thriving staff team and volunteer resource.

Volunteers are extremely important to our ability to deliver certain events and projects. We rely on, and are very grateful for, the support of volunteers to deliver key fundraising events such as our challenge events. We also benefit from the services of a wide range of volunteers in other parts of our work including within the community.

Brathay works in partnership with volunteers to ensure they feel valued and have a high quality experience, where possible providing them with personal or organisational development opportunities. The support of volunteers and local communities is key to our success and is very much appreciated.

Structure, Governance and Management

Developing partnerships

Brathay recognises the fundamental importance of effective partnerships in ensuring we deliver our objectives. They do not meet the formal definitions of related parties but are important for an understanding of Brathay's activities.

Partners from all sectors are central to Brathay's work and include funders, customers, local authorities, businesses, schools, colleges, other charities, youth organisations, and community groups.

Partnerships are also central to working with corporate bodies keen to be recognised as caring employers committed to helping staff achieve their full potential, whatever their circumstances. Our partnerships share a joint commitment to achieving social change.

Our key partnerships include:

- Centre for Youth Impact
- F4H
- The Francis C Scott Charitable Trust
- Cumbria Community Foundation
- The Sir John Fisher Foundation
- Miles Moore Ceramics
- University of Cumbria
- Barrow Borough Council
- Bradford City Council
- Bradford Consortia of Barnardo's, YMCA and James
- Leeds City Council
- NCS and English Football League
- Bradford and Craven Clinical Commissioning Group
- Cumbria Office of the Police and Crime Commissioner
- Barra Culture and Women's Community Matters
- Theatre by the Lake
- The Cumberland Building Society
- The Brewery Arts Centre, Kendal
- ASICS UK
- The Climbers Shop, Ambleside
- Pete Bland Sports Ltd
- VOOM Sports Nutrition
- Langdale Hotel & Spa
- BAE Systems

Achievements and Performance

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing objectives and activities described in this section.

In essence, Brathay exists to support young people's wellbeing, to enable them to feel good and function well by becoming critically aware and empowered to take steps to develop and improve their lives. With increased awareness they can realise their own capabilities and begin to make more effective life choices. This puts them in a stronger position to shape their own future, take the right steps forward and even become a positive role model and a source of inspiration to others.

By helping indivudals in this way, our work also, has a long-lasting impact on wider communities.

As we go about the design and delivery of our programmes, we strive always to keep the following elements embedded in all our activities:

1. **Practice:** To ensure that every participant has an inspiring, meaningful and evidence-based experience.
2. **Reputation:** To enhance our reputation for personal development and leadership in our chosen fields so that our expertise is sought after.
3. **People and Culture:** To create an environment that is vibrant, innovative, person centred and focused on results where participants feel valued and supported.
4. **Performance:** To develop our business model to achieve sustainability.

Additionally, each of our activities supports our focus on wellbeing:

- directly through our own programmes;
- through working with adults, either in their professional or family roles, to increase their chances of making a meaningful impact on children and young peoples' lives;
- by generating financial contribution and other resources for us to operate sustainably and achieve our long-term mission both now and in the future.

Our annual delivery in headline numbers

The Covid pandemic continued to impact significantly on the volume of our annual delivery in 2021-22 with an ongoing requirement not to engage face to face, which we addressed through our increased online delivery. One significant exception to this was with our community programmes where we were able to continue supporting vulnerable young people and families adversely affected by the pandemic.

That said, Covid restrictions still severely limited the number of young people we were able to support. There was a further reduction in numbers as we no longer operate outdoor education centres on behalf of Wigan Council. Despite this, we were still able to reach out to and help over 5000 families and young people this year alone and with lockdown now hopefully behind us for good, we look forward to working with even greater numbers in the future.

Achievements and Performance

Charitable activities against objectives set

Placing wellbeing at the heart of all we do ensures our achievements align to our objectives, focusing on high quality practice and enhancing our reputation. This can be seen across Brathay as follows:

Children & Young People Services

We work with young people in communities and during residential experiences at our Lake District centre, delivering programmes that increase their wellbeing and supporting them to feel good and function well. By focusing on awareness of the attitudes, behaviours and skills they need, we support them to become empowered to make active choices that will benefit them and the people around them. This helps to build their inner resilience and self-confidence and enhances their overall potential and future life chances.

Informed Practice

Brathay has a long-established record for leading the way in practice development alongside the design and delivery of our programmes. We view every participant's experience of Brathay as a 'journey' during which they build awareness, evaluate their choices and take positive action.

This simple but powerful process has developed over many years into a highly effective approach to learning. Outcomes are monitored, recorded and evaluated by our own academic researchers and our findings continue to be used to help shape policy and good practice throughout the wider sector, as well as enhancing our professional reputation and impact.

People Development

We work with employees from all business sectors and industry, from apprentices and graduates starting out in their careers through to those at key stages in their self-development as managers and leaders. Our programmes support wellbeing at work, enabling employees to engage with change and develop their talent and coaching and mentoring skills.

Challenge Events

All our outdoor challenge events contribute to our mission. Not only do they improve the wellbeing of those taking part and the families supporting them, but they increase our profile nationwide and provide an opportunity for members of the public to support us financially by sponsoring individual participants. Funds raised by these events supports our work with young people and maintain our infastructure.

Guest Services

We continue to boost revenue through our greatest physical asset, Brathay Hall, by offering venue hire and B&B at off-peak times. We promote Brathay Hall as an inspirational place to stay and, prior to the pandemic, to develop a variety of family-based dining and social events which all help to bring yet another dimension to our wellbeing agenda.

Achievements and Performance

Community – Cumbria

Key achievements and highlights during this past year have been the embedding of our community team and Barrow Hub at Project John. Our place as a local youth service provider within the community partnerships of Furness is now firmly established, which is a credit to the work of our community team. A particular highlight has been our membership and influence within the developing Furness Youth Work partnership in Barrow. This has been key to providing local joined up support for young people, such as the multi-agency delivery of detached youth work and the provision of a mental health drop in for young people responding to their needs.

Additionally, an opportunity we have invested much time into developing is our partnership with the Department of Work and Pensions (DWP) to provide funded holistic support to young people seeking employment in Barrow. This coupled with our work with Tim Farron, MP on leading the Kendal Youth Matters project, has enabled us to position ourselves as a community partner of choice across South Cumbria. We have done this by demonstrating our commitment to proactive action to meet the needs of young people, consistently seeking to operate collaboratively and flexibly with our partners and striving always to deliver quality and excellence for young people and their families.

Key programme activity has included: "The Shield" with Impact Housing, the launch of "Elevate" (our early intervention programme for young people at risk of offending), the delivery of Be Savy across the County, Feel good, Function well in Barrow, South Cumbria Resilience Project in Kendal and taking the lead role within the multiagency Youth Matters project.

Beyond South Cumbria, we have also successfully delivered an intensive summer and winter Holiday, Activity and Food (HAF) programme with the Youth Offending Service in the districts of Copeland and Allerdale. Regionally, we have run a successful bespoke wellbeing programme for Wigan and Leigh Carers Centre and we've continued to deliver our PAYES scheme with Merseyside Police which came to an end in April 2022 after 25 years.

We have begun to develop our mental health and counselling provision in Cumbria, building on the experience and expertise of colleagues in Bradford. This is a much-needed service, to support young people who currently do not reach the threshold for statutory mental health services but are experiencing poor mental health exacerbated by the pandemic. This was a strategic departmental wide priority and one which we are well on the way to realising for 2022 and beyond.

Community – Yorkshire

During this past year, we have celebrated the 10th anniversary of our Bradford Youth and Families Centre. The longevity of our Bradford Centre is based on the success of Brathay's integration into the fabric of the community sector and the development of long term key strategic partnerships. Alongside this is the team's continuous growth and flexibility to meet need, underpinned by the core stability to our workforce which our commissioned services provide. With retendering opportunities for National Citizen Service (NCS) and Families First expected in the new financial year, the future is looking secure and stable.

Achievements and Performance

Our NCS programme has been a notable highlight with regional and national recognition for: our reach and achievement of key KPI's; the quality and effectiveness of working relationships with young people and the impact and engagement of young people in social action within their communities. For example, feedback from young people who attended our programme was rated the highest in England with particular praise for our NCS delivery staff. Our success resulted in us being offered significant numbers for the Skills Booster programme which has enabled us to deliver more activity and generate greater levels of income.

Key new programmes have included the new Family Aide workers to the Families First team and progression for current staff into Employment Coach posts to deliver 'Skills House' a newly funded programme: part of this will see the creation of an employability hub in the Bradford centre.

Like Cumbria. our mental health provision continues to go from strength to strength with the peer mentoring programme being extended for a further year and confirmation of the extension of funding for the Medical Health Needs and Education Service. During the final quarter of the year, we also secured an additional two mental health contracts, including a further Youth in Mind contract, enabling our mental health provision to be well placed for the growth we have planned for 2022/23.

Children and Young People Residentials

The pandemic had a significant impact on our achievements and performance in this area of our work. Issues such as continued restrictions for programmes involving young people, low parent and child confidence regarding the risks of becoming infected whilst away from home and difficulties for clients securing insurance, have all played their part in residentials only beginning to operate consistently from the Autumn. Despite the challenges, a highlight has been our ability to honour the Wigan Centre bookings at Low Bank Ground prior to September and then at Brathay Hall. following the closure of the Centre.

The pause in our operations meant a need to reconnect and secure our key residential client relationships. Developing and securing new business, re-establishing relationships with our associate staff, ensuring we have the diversity of staff skills and experience to deliver our breadth of targeted and school programmes and to re-establish quality provision which is outcome focused and distinctive have all been pivotal. We have delivered many quality and effective programmes since recommencing residentials, confirmed though client feedback and evaluation. However, there is work to do to ensure this is consistently provided and to make up ground in developing our practice so that a Brathay residential remains a distinctive offer in the marketplace and one we are proud of.

Achievements and Performance

Our work within the corporate sector

Wellbeing also features highly in the leadership and development programmes we offer to corporate clients. The impact of the pandemic and continued home working mean employee wellbeing is a key focus for organisations. As restrictions have relaxed, that focus has extended to include hybrid working, and what it takes to operate effectively in the "next normal", particularly as a manager or leader. In light of the "great resignation" there is a renewed focus on emerging talent, such as apprentice and graduate programmes in preparation for the expected spike in resignations already being experienced by many organisations. The move to hybrid working has also prompted a greater desire for blended programmes, mixing our delivery options to suit remote team working, hybrid workplaces and flexible working hours.

Brathay has been well-placed to respond to this change with a range of blended programmes that develop emerging talent, using a combination of digital, face-to-face and 1:1 methods of delivery, such as our Apprenticeship Levy funded programme with Yorkshire Water's apprentices or our graduate work with Energus. As hybrid teams become more common we are also seeing our work supporting culture change and organisational alignment continue such as our work with Barrow Council or BAE Systems.

Brathay's approach to supporting culture change and leadership has enabled many organisations to engage positively with their people in new and authentic ways. At the same time, many of our clients are able to provide support to our community work through their corporate social responsibility programmes.

We enjoy long lasting relationships with our clients, many of them led by senior business leaders who came to Brathay as an employee, and recognise the impact the experience had on their outlook and capabilities.

Other key achievements up to March 2021
Covid-19 continued to affect the confidence of organisations to engage face to face, reducing the volume of residential courses, yet at the same time, our community work has made a critical and effective contribution to supporting the young people and communities we serve by continuing to deliver our mission throughout the pandemic.

Here are some examples of what has been able to happen this year:

1) In December, we received an unexpected invitation to extend our 2-year peer mentoring programme focusing on delivering a school-based, person centred and integrated approach to improving the mental health and emotional wellbeing of children in Bradford based schools. This will be a recommissioned service for 2022/23 and is credit to the quality work of our counselling delivery team.

2) We have secured new funding to allow us to continue with our Feel Good, Function Well programme in Barrow, as well as establishing a counselling service in partnership with Project John and DWP. This has enabled the start of our community wide counselling service and the hire of a Counselling Manager.

Achievements and Performance

3) In both localities we have continued to deliver Holiday, Activity and Food (HAF) sessions to the most vulnerable young people and families.

4) In Bradford, this involved our Bradford centre and staff team delivering a week of HAF funded activity, while in Cumbria, staff delivered a targeted HAF activity programme for young people with the Youth Offending Service in the districts of Copeland and Allerdale.

5) We sustained our Challenge Events programme, delivering events within the COVID restrictions, but still able to provide much needed outdoor activity for runners and cyclists. The Windermere Marathon & 10in10, Brathay 262, RowRunner, Langdale Marathon & Half and Christmas Pudding 10k all took place during the year, albeit with fewer entrants than prior to Covid. We have worked hard to maintain relationships with participants and sponsors to ensure the events are well positioned for the future.

6) Miles Moore Ceramics remain as our 'Artists in Residence' with a studio on site. They are committed to supporting our work but the opportunities to develop this partnership were limited this year. They have supported our Veterans group and vulnerable young people as well as sharing their skills with staff.

7) We are building on the success of our wellbeing offer, following positive feedback from those experiencing it, particularly the NHS employees we've been working with. Their feedback is also allowing us to gather longitudinal evaluation data to demonstrate the impact of the programme over the longer term.

Still on track with our 5-year strategy

We began 2020 with the launch of a new 5-year strategy that would build on our past successes to increase our impact in the communities we serve.

Central to this was the notion of 'One Brathay' with the organisation working more collaboratively and holistically, both externally, extending our reach within the wider community by seeking to develop more effective partnerships with other agencies and also internally, across our different teams and departments.

During the year we focused on two core goals; to prioritise working in community partnerships that surround young people and provide opportunities for them to thrive in life, and; to build financial sustainability to enable long term investment in young people. The outputs and outcomes described within the report are evidence of sustained achievement against our strategy.

Achievements and Performance

The strategy enhances our mission by introducing new ways of working to maximise impact and includes the commitments to:

- Collective thinking; collaborative working
- Seeking partners, developing support systems
- Creating the foundations
- Making it happen
- The wellbeing of our people
- Ensuring financial sustainability.

It also embodies our vision and purpose:

Feel good, function well: Everything we do and say comes from a shared culture of support to promote well-being.

Use what we learn: We continually develop our practice responding to change and new knowledge.

Be connected: We are committed to embracing the digital world within Brathay and beyond.

Think creatively: We allow our creativity to enhance our working practices and relationships with partners.

Be streamlined: We look at what we do and how we do it to help boost performance and efficiency.

Work collectively: We are evolving as 'One Brathay' providing a seamless and integrated offer to individuals and organisations.

Covid-19 recovery plans

During March 2020 we introduced a Covid-19 recovery plan which incorporated the key elements of the new strategy. We quickly acknowledged that the world was becoming increasingly uncertain and that, as an organisation, we faced some difficult practical and financial challenges around the furloughing of many of our staff, the temporary closure of our Lake District centres and the postponement of our biggest annual fundraising events.

We had no sense how long this crisis would last but, throughout, we sought to be flexible and innovative. The hugely volatile external climate created an environment where we were continually reacting, reorganising and reprioritising, as we worked to minimise the impact of a pandemic on our organisation and those we strive to support.

Whilst much of what we do day to day depends on us being with people, the importance of our work with children, young people and families was more evident than ever and we were able to expand our community engagement, working closely with many in need in the communities we work in throughout lockdown.

Achievements and Performance

Moving on from Covid-19

Brathay continues to make difficult but prudent changes to operate within the 'new normal'. The uncertainty surrounding what this looks like continues. The key elements of our recovery plan continue to be:

Achieve financial sustainability – ensuring core costs are in line with income and re-structuring to make us more competitive.

Develop our proposition to align with the modern world – by embracing the digital world more widely and finding new ways of engaging with both our youth and corporate markets to inspire people to choose Brathay.

Establish an organisation that lives and breathes as 'One Brathay' – to be achieved by bringing our teams and resources closer together in a common approach to wellbeing; thinking and operating more collaboratively; setting the intent to be adaptable and agile, and benefitting from more efficient systems and procedures.

Financial review

The accounts, which form part of this report, comply with the requirements of FRS102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees consider that in preparing these accounts, they have consistently applied appropriate accounting policies supported by reasonable and prudent judgements and estimates where required.

A resolution to re-appoint Lamont Pridmore as auditors was passed by Trustees on 9 July 2022, the Articles of Association having recently been reviewed to remove the requirement for an Annual General Meeting.

Summary

The results for the year were again dominated by the impact on our operations of the Covid 19 pandemic. As the country and the world inched out of Covid restrictions, different parts of our market revived in different ways and at different paces. This means the shape of our activity continued to be quite different to a "normal" year. Parts of our organisation were able to begin operations as the world opened up from May 2021 onwards, whilst the school residential sector returned much more hesitantly. Summer saw a healthy contribution from the Staycation sector of our activities and we continued to build on our remote delivery and community work throughout. We have continued to operate in an incredibly challenging environment but by the end of the financial year key income streams had all returned.

The period since the pandemic began has been one of the most challenging in Brathay's history. We have reviewed and restructured throughout this time, developing new products and ways of working. Flexible and agile decision making leaves us looking to the new financial year ready to deliver our Mission to many more children, young people and families.

On 30 September 2021, Brathay handed back the management of our centres in Coniston and the Duddon Valley to Wigan Council. We had been looking after the centres and delivering Brathay residentials to young people of the district for almost nine years and are now pleased to be welcoming many of them at Brathay Hall.

Income losses and gains

Income for the year was £5,065k compared to £3,731k in 2021. Of that income, only £55k was from the Job Retention Scheme (2021: £932k). and the remainder of our income was from our ordinary activities. Due to the small scale of JRS income it has been treated as from ordinary activities in 2022.

Charitable work, fundraising activities and social enterprise activities all continued to be affected by Government restrictions and associated income streams remained lower than normal however by the end of the year levels of activity were extremely encouraging.

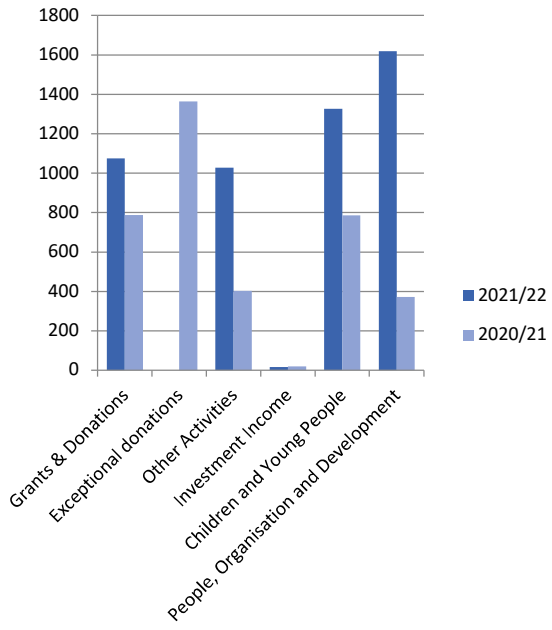
As the restrictions unwound and we had better visibility of our markets, we have begun to recruit to what will be key roles in the future, investing in new staff eg the appointment of a Head of People Development to lead and develop our work with corporate bodies.

We have continued to be focused on developing our digital offering both to adults and children and young people and maximised income from our on-site accommodation. We were also able to continue and develop work in communities where support to children, young people and adults has been crucial. We continue to work closely with funders and donors and are very grateful to all those who partner with, and support, us.

Financial review

We have worked hard to take a flexible approach to our activities, allowing us to provide the best possible support for children and young people, whilst remaining financially stable. We are pleased to report a surplus of £95k against a budgeted deficit of £250k. We would not have been able to do this without the support of our hardworking and committed team of staff and associates..

An analysis of Brathay's income is shown below:



Even now, Brathay's principal funding sources continue to be:

- grants and donations received from grant-making trusts and statutory bodies, this includes amounts towards our work with children and young people, unrestricted donations and capital grants
- amounts invoiced to clients for training, education and development activities.

We also receive fees towards our charitable activities for all aspects of work for children and young people and with adults, both at our residential site and within the communities we work in.

Our residential work was directly impacted on by regulations and sector guidance, and the caution of individuals and businesses as these restrictions were lifted. This affected both the amount of work we could undertake and the size of the groups we could work with, particularly in the first part of the year. Our work with adults has also been directly affected in this way. These factors changed gradually throughout the year. Whilst still there, they are now no longer significant.

During the summer period we focused on the opportunities presented by the staycation market. Rather than have our site sitting empty we worked to generate income and contribition to support our Mission by using our accommodation to provide great holiday experiences.

Our programme of Challenge Events kicked off in May with the Asics Windermere Marathon. Regulations were still in place when the date came but we were able to deliver a restricted event that was well received by the running community and our other events followed later in the year. Over £170k was raised from the suite of events during the year and the 2022/23 events are already building from this base.

Income for the year was £5,065k all of which was from ordinary activities. (2021: £3.700k, including £1,400k of exceptional income).

The profile of the income is much closer to that seen in pre pandemic times, but with an increased emphasis on other activities.

The main element of donated goods and services comes from Brathay's use of the Brathay Hall site at a peppercorn rent. This and the support of other donors is invaluable to us.

Financial review

As a delivery charity, rather than a grant giving one, our primary costs are people.

Over the course of the pandemic, FTE staff numbers reduced significantly. As the year progressed and our financial position became more stable, we once again began to invest in key roles that Brathay needs to establish itself in the future.

We now have a FTE staff of 94.2 compared to 87.9 at the end of last year

Total staff costs for the year were £2,801k including redundancy payments £24k (2021: £42k).

Brathay also works with a large number of associate trainers and consultants who are not employees. Working with the right balance of associates and staff is key to maintaining a stable operating base. These roles, and the supply of associates, was also affected by the pandemic and we are working hard to rebuild our associate base.

Other key expenditure includes the running and operating costs of our residential sites and office bases which split between direct costs related to delivery of our work and costs of providing standard head office functions including business support services and the executive function. These support costs represent 10% of total costs.

Investments and liquidity

The management of investments and liquidity is of key importance to Brathay.

Sanlam Private Investments continue to provide investment management services to Brathay. They report to the trustees on a quarterly basis and investments are reviewed to ensure that the objectives of the portfolio are being met. Investment performance is measured against an appropriate benchmark.

Trustees review the risk profile periodically with the investment managers. The aim of the portfolio is to achieve medium term capital growth by way of investment performance and the reinvestment of dividends to ensure Brathay has sufficient reserves, in line with the reserves policy, and to meet future costs. The policy is relatively risk averse, with a significant proportion of funds held in fixed interest stocks.

The trustees have recently instructed Sanlam to invest in line with the Sanlam Collective Ethical Investments Strategy in order to closely align to Brathay's Mission and ethical values. This strategy takes a broad approach to investing, combining a range of ethical methodologies to create a more diversified portfolio and encourage greater corporate responsibility.

Financial review

At 31 March the value of the investment portfolios was £1,273k the majority of which is held within a portfolio currently managed by Sanlam. The investment portfolio was steady across the year but in common with world markets is currently feeling the impact of the war in Ukraine. Brathay has no direct investments either in Russia or the Ukraine.

Cash is held in savings accounts with the Cumberland Building Society because the return is significantly better for cash than within the portfolio. At the year end cash balances stood at £326k, though they vary significantly month to month. The level of cash held assists in a positive cashflow management strategy and helps to manage the risk inherent in drawing on investments in an otherwise unplanned manner.

During the year, Brathay had expected to need to draw on investments but results for the year were better than anticipated and this was not needed. The operational budget for 2023 year has a neutral cashflow. We expect significant capital expenditure and believe that we will need to access our investments in the current year. £200k of investments have been reclassified as current assets to reflect the current position.

The cash position is regularly reviewed by Trustees and remains particularly important as we manage out of the pandemic and make the investments in people and activities needed to secure our future.

There are risks associated with investing in equities but the fact that the capital gains can offset the funds utilised by the Trust shows one of the major benefits. Withdrawals from funds are carefully managed to ensure cash withdrawals are made in a controlled way and holding cash outside the portfolio forms part of this strategy.

Trustees are satisfied that investments have performed steadily in what has been a very turbulent year for the market and investment objectives have been met.

The consolidated balance sheet shows a decrease in net current liabilities of £35k. Deferred income remains significant and the nature of Brathay's activities means this will always be so.

Reserves

The majority of income Brathay generates is used immediately to deliver services and meet running costs. The markets in which we operate are volatile and this volatility is one of the key operational risks we face. As a result, trustees review Brathay's reserve requirements each year.

Financial review

Brathay recognises the need to have an appropriate level of reserves to allow it to operate effectively and to be able to carry on its work in periods of significant challenge, with adequate time to adjust its strategy to new circumstances. The need for reserves arises for the following reasons:

- Unpredictable income streams
- Inflexible cost base which takes time to change
- Pressures on cash flow
- The need to continue to provide services to vulnerable young people during times of operational realignment.
- The need to invest in the necessary infrastructure to support and develop Brathay's charitable work.

In formulating its policy, Brathay has considered the impact of these factors in detail. It has then considered the planned approach to a financial crisis and what this means for reserves. The impact of Covid-19 is such that it is likely to be some time before we meet this level of reserves however we believe it is important to be clear about our ideal position.

Aims

Considering all factors, the aim of trustees is to work to move Brathay over time to a position where free reserves are equal to three times monthly recurring costs (currently estimated as £825k). The objective is that this would give Brathay time to continue its work and adjust its strategy if faced with challenging market conditions. Further details of Brathay's reserves are in note 13 to the accounts.

Reserves at the end of the year totalled £1,982k, all of which are unrestricted. There are no designated reserves with £947k in the trustee reserve. Free reserves, defined as total reserves less tangible fixed assets totalled £563k.

Financial impact of Covid-19

As an organisation working primarily face to face with children, young people and adults – but not exclusively – in a residential setting, the impact of the pandemic on Brathay was both immediate and extremely significant. In the same way the pandemic hit early, our markets recovered differently.

Demand for our community work has been strong throughout the pandemic creating even more need for the services of an organisation like Brathay.

Our move to work in a blended way, combining remote digital delivery and residentials has been well received and there has also been more pure on-line work and an increased amount of offsite work.

Staycations presented early opportunities, corporate work revived more cautiously and school residentials were last to return.

We continue to be flexible with regular reviews of the impact of our actions and further development of our plans and activities.

Key elements of our approach remain:

- Delivery of Brathay's strategy for 2020-2025. We believe our strategy is more relevant than ever and this has set the framework for our recovery plan.
- Minimise costs in the short term whilst planning for the future and investing strategically as finances allow.
- Be realistic not overoptimistic about the future and plan accordingly.
- Recognise the long term impact of Covid-19 on the scale and nature of residential delivery and drive forward our plans for other forms of delivery.

Financial review

Our budget for the year showed a very substantial deficit and we are delighted to have achieved a surplus of £95k, well ahead of the budget.

We have a robust plan and budget for the 2023 financial year, but again we are only budgeting for a very small surplus, recognising the need to invest in both people and our infrastructure to secure on-going delivery of our Mission.

Management accounts to date show that we are ahead of the budgeted financial position and we will continue to carefully negotiate the need to increase our reserves with business critical expenditure on people and our assets.

Our shared focus is on:

- Bringing teams and departments together to concentrate on a common approach to wellbeing.
- Having a single united aim of developing our practice and development.
- Reviewing how we do what we do to ensure efficiency.
- Having an 'agile' organisation.

The longer-term view

Moving on from Covid-19, we recognise there are significantly more issues in society related to the wellbeing of children, young people, and families. These are in addition to long term social challenges already within society.

There is a greater gap between the haves and have-nots, accelerated by the current high rates of inflation, which will have long term impact on opportunity for young people as they grow up. We will always work our hardest to ensure we are there to support them.

Going Concern

The accounts have been prepared on a going concern basis. Trustees have carefully considered the steps that Brathay has taken and the actions necessary to ensure a stable future. Brathay has sufficient reserves to manage the liquidity of the organisation on an on-going basis.

A rigorous and detailed planning process has been completed. The delivery of plans is regularly reviewed and closely monitored in order to ensure effective business management. Trustees recognise there may continue to be an occasional need to utilise investments as a result of historical losses already sustained amd investment in the future.

Post balance sheet events

There are no significant post balance sheet events to report.

By order of the Board of Trustees
A.S. Watson
Director and Chair of the Board of Trustees
Approved by the Board of Trustees on 29 July 2022

Independent Auditor's Report to the Trustees and Members of Brathay Trust

Year ended 31 March 2022

Opinion

We have audited the financial statements of Brathay Trust (the 'charitable company') for the year ended 31 March 2022 which comprise the consolidated Statement of Financial Activities, consolidated Balance Sheet, consolidated Cash Flow Statement 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trustees' 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 charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of trustees' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit; or

- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable company'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 trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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:

The objectives of our audit in respect of fraud are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with the trustees.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are: 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) (Charities SORP (FRS 102)), FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the Companies Act 2006.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- We examined supporting documents for all material balances, transactions and disclosures.

- We applied analytical procedures to identify any unusual or unexpected relationships.

- We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Lamont BSc FCA (Senior Statutory Auditor)

For and on behalf of
Lamont Pridmore
Chartered Accountants & Statutory Auditor
136 Highgate
Kendal
Cumbria
LA9 4HW
29 July 2022

Consolidated Statement of Financial Activities

(incorporating the Income and Expenditure account)
for the year ended 31 March 2022

	Note	Unrestricted Funds £'000	Other Reserves £'000	Total 2022 £'000	Total 2021 £'000
Income from:	**3**				
Grants & donations		**1,075**	**0**	**1,075**	787
Exceptional grants and donations		**0**	**0**	**0**	1,364
Charitable activities		**2,947**	**0**	**2,947**	1,158
Other activities		**1,027**	**0**	**1,027**	403
Investment income		**16**	**0**	**16**	19
Total		**5,065**	**0**	**5,065**	3,731
Expenditure on:	**4**				
Raising funds		**409**	**0**	**409**	131
Charitable activities		**4,550**	**0**	**4,550**	3,746
Other		**11**	**0**	**11**	4
Total		**4,970**	**0**	**4,970**	3,881
Net income/(expenditure) before other recognised gains and losses		**95**	**0**	**95**	(150)
Transfer between funds		**0**	**0**	**0**	0
Net gains/(losses) on investments		**22**	**0**	**22**	191
Net movement in funds		**117**	**0**	**117**	41
Reconciliation of funds					
Fund balances brought forward		**918**	**947**	**1,865**	1,824
Fund balances carried forward at		**1,035**	**947**	**1,982**	1,865

All activities are continuing and there are no recognised gains or losses other than those recorded in the Statement of Financial Activities.

In accordance with the provisions of the Companies Act 2006, a Statement of Financial Activities dealing with the results of the charity only has not been presented. Gross income of the charity of £3,715,000 and net expenditure of £3,620,000 has been dealt with in the accounts of the charity.

The notes on pages 35 to 47 form part of these financial statements.

Consolidated Balance Sheet

as at 31 March 2022

	Notes	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Fixed assets					
Tangible assets	**8**	**1,419**	1,477	**1,419**	1,477
Investments	**9**	**1,073**	941	**1,073**	941
		2,492	2,418	**2,492**	2,418
Current assets					
Debtors	**10**	**493**	502	**265**	358
Investments	**11**	**200**	300	**200**	300
Cash at bank and in hand		**326**	279	**182**	99
		1,019	1,081	**647**	757
Current liabilities					
Creditors: amounts falling due within one year	**12**	**(1,316)**	**(1,413)**	**(944)**	(1,088)
Net Current liabilities		**(297)**	(332)	**(297)**	(331)
Total assets less current liabilities		**2,195**	2,086	**2,195**	2,087
Creditors: amounts falling due after more than one year	**12**	**(213)**	(222)	**(213)**	(222)
Net assets		**1,982**	1,864	**1,982**	1,865
Charitable funds					
Trustee reserve		**947**	947	**947**	947
Other reserves		**1,035**	918	**1,035**	918
Total charitable funds	**13**	**1,982**	1,865	**1,982**	1,865

These financial statements were approved by the Board of Trustees on 29 July 2022, and were signed on its behalf by:

Andrew Watson
Director & Chair of the Board of Trustees
Christopher McDonald
Director & Treasurer of the Board of Trustees

The notes on pages 35 to 47 form part of these financial statements.

Consolidated Cash Flow Statement

for the year ended 31 March 2022

	Notes	2022 £'000	2021 £'000 Cash flow
Net cash inflow from operating activities	**14**	**257**	**(135)**
Returns on investment and servicing of finance		**9**	**7**
Capital expenditure and financial investment		**(215)**	**(82)**
Financing		**(4)**	**202**
Increase/(decrease) in cash in the year		**47**	(8)

The notes on pages 35 to 47 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2022

1 Company Status

Brathay Trust (Brathay) is a charitable company limited by guarantee (incorporated in the UK). The liability in respect of the guarantee, as set out in the Memorandum of Association, is limited to £1 per member of the company. The members of the company, who are also directors, are the trustees.

Company Registration Number: 2814206. Charity registration number 1021586

The registered office is:
Brathay Hall
Clappersgate
Ambleside
Cumbria
LA22 0HP

2 Accounting Policies

Basis of Preparation

The financial statements are prepared in accordance with the following and on a going concern basis

- applicable UK accounting standards
- the historical cost convention, as modified by the inclusion of investments at market value,
- the Statement of Recommended Practice Accounting and Reporting by Charities FRS 102, ('the SORP'), the Companies Act 2006 and the Charities Act 2011

Brathay Trust meets the definition of a public benefit entity under FRS102.

Going Concern

The trustees and officers have considered their obligation to prepare financial statements on an appropriate basis, having specific regard to Brathay's net liability position. This results from income being received in advance of projects being delivered, as has been the position for many years, and is part of normal operations.

The trustees have also assessed the impact of budgets, working capital needs, cash and investments. As a result, they are of the opinion that Brathay has sufficient reserves to be able to meet its obligations as they fall due and accordingly the accounts have been prepared on a going concern basis.

Basis of Consolidation

The consolidated accounts of the group incorporate the accounts of the charity and its subsidiary undertaking both of which are prepared to 31 March 2022. The trading results of the subsidiary undertaking as shown in note 15 are consolidated on a line-by-line basis within the consolidated Statement of Financial Activities. A separate Statement of Financial Activities for the charity is not presented as permitted by the SORP and the Companies Act 2006.

Income

Donations, other than for specific projects and fundraising appeals, are accounted for at the time of receipt. Donations for specific projects or appeals are deferred until the projects to which they relate are delivered. All deferred income is accounted for in note 12.

Donations in kind are included within voluntary income and are included at their estimated market value.

Income from capital grants is accounted for when entitlement to the grant becomes unconditional. Until that point it is deferred. Capital grants are accounted for within the restricted reserve.

Income from fees and grants for delivering charitable activities is accounted for on the basis of the amount receivable for services delivered in the year. Income received in advance of the delivery of the activity to which it relates is deferred. Income of this sort is accounted for within the restricted reserve.

Income from other activities, including entry fees for events, rents, accommodation and bar sales is accounted for as the service, supply or event to which they relate is delivered.

Investment income is accounted for as receivable.

Notes to the Financial Statements

For the year ended 31 March 2022

Expenditure

All expenditure is accounted for on the accruals basis as it is incurred and irrecoverable VAT is allocated to the category to which it relates. Some central support costs are allocated to expenditure categories on a basis that is consistent with the use of those resources.

The costs of generating funds and cost of charitable activities include an element of indirect support costs. Support costs represent the staff costs incurred in providing direct support to Brathay's programmes. These include costs relating to central finance, human resources, IT, health and safety and corporate communications. They have been apportioned between the costs of generating funds and cost of charitable activities on a basis consistent with the use of those resources.

Defined contribution pension schemes

Pension contributions are charged to the Statement of Financial Activities as incurred.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation charged to date. Brathay capitalises assets or groups of assets with an initial cost in excess of £1,000 and depreciation is calculated to write off the cost of each asset on a straight-line basis over its expected economic life. The lives used are as follows:
Improvements to leasehold property: the lesser of 25 years, the life of the lease or the useful economic life of the asset.

Equipment, fixtures and fittings and motor vehicles:2-10 years

No impairment review is required and finance costs are not capitalised within the cost of the asset.

Financial Instruments

Brathay only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at amortised cost.

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors.

Financial liabilities held at amortised cost comprise trade and other creditors.

Investments

Investments are stated at market value. Movements in unrealised gains and losses on revaluation of fixed asset investments are included under 'gains on investments' in the Statement of Financial Activities.

Reserves: Unrestricted funds

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

The trustee reserve is an expendable endowment which trustees have the power to convert into 'income'. Distinguishable from 'income' by the absence of a positive duty on the part of the trustees to apply it for the purposes of the charity, unless and until this power to convert into 'income' is actually exercised. Trustees apply the income from the Trustee Reserve at their discretion.

3 Income

	Year ended 31 March 2022 £'000	Year Ended 31 March 2021 £'000
Grants and donations		
Grants for charitable programmes	**712**	410
Grants for capital projects	**52**	26
Donations	**168**	231
Donated goods and services	**143**	120
	1,075	787
Exceptional grants and donations	**0**	1,364
	1,075	**2,151**
Charitable activities		
Fees for training, education and development:		
Children and young people	**1,327**	786
People and organisation development	**1,620**	372
	2,947	1,158
Other activities		
Trading income	**772**	190
Rents receivable	**97**	108
Fees from events	**77**	78
Other	**81**	27
	1,027	403
Investment income		
Dividends receivable	**14**	17
Interest receivable		
short term bank deposits	**2**	2
	16	19

During the financial year 2021-2022 Brathay received no exceptional grants and donations (2020-21 £1,364,000)

4 Analysis of expenditure

	Direct Costs	Support Costs	Year ended 31 March 2022	Year Ended 31 March 2021
	£'000	£'000	£'000	£'000
Raising funds				
Voluntary income	**170**	**31**	**201**	40
Activities	**148**	**19**	**167**	72
Investment management	**8**	**0**	**8**	(1)
Governance costs	**21**	**12**	**33**	20
	347	**62**	**409**	131
Charitable activities				
Training, education and development				
Children and young people	**1,861**	**188**	**2,049**	2,543
Adults	**2,272**	**229**	**2,501**	1,203
	4,133	**417**	**4,550**	3,746
Other	**0**	**11**	**11**	4
Total expenditure	**4,480**	**490**	**4,970**	3,881

5 Net income for the year

The net income for the year is stated after charging:

	Year ended 31 March 2022	Year Ended 31 March 2021
	£'000	£'000
Auditor's remuneration - audit	**11**	10
Auditor's remuneration - other services	**5**	5
Depreciation - owned assets	**203**	180
Depreciation - leased assets	**26**	26

Operating lease commitments

	Payment due on leases expiring		
	within one year	within 2 to 5 years	Total
	£'000	£'000	£'000
Land & buildings	**11**	**11**	**22**
Other	**32**	**52**	**84**
	43	**63**	**106**

6 Trustee and staff information

Trustees remuneration and expenses

No remuneration was paid to trustees or any persons connected with a Trustee (2020-21: nil). Expenses reimbursed to trustees amounted to £371 (2020-21: nil). In addition, on occasion, Brathay provides accommodation at the head office to trustees attending board meetings.

Professional indemnity insurance

Brathay has a professional indemnity policy for £2m, including trustees' liability cover, for which the premium was £3,876 (2020-21: £3,593).

Staff costs

	Year ended 31 March 2022 £'000	Year Ended 31 March 2021 £'000
Wages and salaries	**2,484**	2,344
National Insurance costs	**204**	180
Pension costs	**113**	108
	2,801	2,632

The above staff costs include termination payments for 3 staff £24,000 (2020-21: 11 staff £42,000)

Brathay has two defined contribution pension schemes both of which comply with the requirements of auto enrolment. Brathay contributes 5% (2020-21: 5%), of employees basic salary to these schemes, after the first three months of employment. At 31 March 2022 outstanding pension contributions totalled £16,507 (2020-21: £15,761).

Staff numbers

The average monthly number of employees, analysed by function, was:

	Year ended 31 March 2022 No	Year Ended 31 March 2021 No
Fundraising, business development & marketing	**15**	14
Charitable activities	**84**	83
Management and support	**11**	8
	110	105

This is based on the number of staff employed by Brathay and excludes any associates who are paid via the payroll.

The staff numbers above are head count. The movement in full time equivalent has increased from 88 In March 2021 to 94 In March 2022

6 Trustee and staff information continued

Employees earning over £60,000

	Year ended 31 March 2022 No	Year Ended 31 March 2021 No
£80,000 - £ 89,999	1	0
£70,000 - £ 79,999	0	1

Brathay contributed a total of £3,906 (2020-21: £3,339) to defined contribution pension schemes for the employees shown above.

Key management personnel

The key management personnel are the trustees and the leadership team (listed on page 5). The total employee benefits of the Leadership team, including employer pension contributions was £200,489 (2020-21: £179,743)

7 Related party transactions

There were no material transactions with related parties (2020-2021: £nil).

8 Tangible fixed assets

Analysis of movement in tangible fixed assets

	Group and charity		
	Improvements to short leasehold property £'000	Equipment, fixtures and motor vehicles £'000	Total £'000
Cost			
at 1 April 2021	2,871	1,180	4,051
Additions	75	130	205
Disposals	(47)	(42)	(89)
At 31 March 2022	2,899	1,268	4,167
Depreciation			
at 1 April 2021	1,624	950	2,574
Charge for year	131	98	229
Disposals	(15)	(40)	(55)
At 31 March 2022	1,740	1,008	2,748
Net Book Value			
at 31 March 2022	1,159	260	1,419
at 31 March 2021	1,247	230	1,477
Net book value of assets held under finance leases			
at 31 March 2022	0	33	33
at 31 March 2021	0	67	67

9 Fixed asset investments

Investments are held to ensure Brathay has sufficient reserves and to meet future costs through capital growth and return on the investments.

Analysis of movement in investments

	Group and charity		
	UK unit trusts, listed stocks and shares	Cash	Total
	£'000	£'000	£'000
Market value			
at 1 April 2021	**920**	**21**	**941**
Additions	**260**	**86**	**346**
Revaluation	**23**	**0**	**23**
Reclassification from current assets	**100**	**0**	**100**
Disposals	**(337)**	**0**	**(337)**
At 31 March 2022	**966**	**107**	**1,073**
Historical cost at 31 March 2022	**818**	**107**	**925**

Analysis of movement by category

	Total	Total
	31 March 2022	31 March 2021
	£'000	£'000
Listed investments		
Fixed interest	**337**	356
Equities	**436**	403
Property	**54**	56
Alternatives	**139**	103
	966	918
Cash on deposit	**107**	22
	1,073	940

Analysis of movement by location

	Total	Total
	31 March 2022	31 March 2021
	£'000	£'000
Investments in the UK	463	486
Investments outside the UK	610	455
	1,073	941

9 Fixed asset investments continued

Material investments

The value of the following investments exceeded 5% of the total market value.

	31 March 2022		31 March 2021	
	Proportion	**Value**	Proportion	Value
	%	**£'000**	%	£'000
Fixed interest	**31**	**337**	**38**	356
Equities	**41**	**436**	**43**	403
Property	**5**	**54**	**6**	56
Alternatives	**13**	**139**	**11**	103
Cash	**10**	**107**	**2**	22

10 Debtors

	Group		Charity	
	2022	2021	**2022**	2021
	£'000	£'000	**£'000**	£'000
Trade debtors	**399**	257	**114**	79
Other taxes and social security	**0**	0	**57**	34
Other debtors	**0**	0	**0**	0
Amounts owed by subsidiary undertaking	**0**	0	**0**	0
Prepayments	**45**	114	**45**	114
Accrued income	**49**	131	**49**	131
	493	502	**265**	358

11 Current asset investments

Investments are held to ensure Brathay has sufficient reserves and to meet future costs through capital growth and return on the investments.

Analysis of movement in investments	Group and charity		
	UK unit trusts, listed stocks and shares	Cash	Total
	£'000	£'000	£'000
Market value			
at 1 April 2021	**300**	**0**	**300**
Additions	**0**	**0**	**0**
Reclassification to fixed assets	**(100)**	**0**	**(100)**
Revaluation	**0**	**0**	**0**
Disposals	**0**	**0**	**0**
At 31 March 2022	**200**	**0**	**200**
Historical cost at 31 March 2022	**267**	**0**	**267**

Analysis of movement by category	Total	Total
	31 March 2022	31 March 2021
	£'000	£'000
Listed investments		
Fixed interest	**70**	116
Equities	**90**	132
Property	**11**	18
Alternatives	**29**	34
	200	**300**

Analysis of movement by location	Total	Total
	31 March 2022	31 March 2021
	£'000	£'000
Investments in the UK	86	155
Investments outside the UK	114	145
	200	300

Material investments

The value of the following investments exceeded 5% of the total market value.

	31 March 2022		31 March 2021	
	Proportion	Value	Proportion	Value
	%	£'000	%	£'000
Fixed interest	**35**	**70**	**39**	116
Equities	**45**	**90**	**44**	132
Property	**6**	**11**	**6**	18
Alternatives	**15**	**29**	**11**	34

12 Creditors

Amounts falling due within one year

	Group		Charity	
	2022	2021	**2022**	2021
	£'000	£'000	**£'000**	£'000
Loans and finance leases	**9**	45	**9**	45
Trade creditors	**172**	113	**168**	52
Taxes and social security	**104**	129	**57**	38
Amounts owed to subsidiary undertaking	**0**	0	**195**	314
Other creditors	**6**	16	**6**	16
Accruals	**106**	81	**106**	81
Deferred income	**919**	1,029	**403**	542
	1,316	1,413	**944**	1,088

Amounts falling due in more than one year

	Group		Charity	
	2022	2021	**2022**	2021
	£'000	£'000	**£'000**	£'000
Loans and finance leases	**213**	222	**213**	222
	213	222	**213**	222

Analysis of loans & finance leases

	Loans	**Finance leases**	**Totals**
	£'000	**£'000**	**£'000**
Due within 1 year	0	9	9
Due in 2 - 5 years	200	13	213
Over 5 years	0	**0**	0
	200	22	222
Interest payable over the term of the agreements	27	3	30
Total commitment	227	25	252
Interest rate	2% above base rate	7%	

12 Creditors continued

Analysis of deferred income

Group	**Voluntary income £'000**	**Charitable £'000**	**Total £'000**
Deferred income at 1 April 2021	**32**	**997**	**1,029**
Income released during the year	**(80)**	**(2,158)**	**(2,238)**
Income deferred during the year	**137**	**1,991**	**2,128**
Deferred income at 31 March 2022	**89**	**830**	**919**

Charity	**Voluntary income £'000**	**Charitable £'000**	**Total £'000**
Deferred income at 1 April 2021	**35**	**507**	**542**
Income released during the year	**(80)**	**(1,389)**	**(1,469)**
Income deferred during the year	**137**	**1,192**	**1,329**
Deferred Income at 31 March 2022	**92**	**310**	**402**

13 Total charitable funds

Unrestricted reserves	**Group and charity**		
	Trustee reserve £'000	**Other reserves £'000**	**Total £'000**
At 1 April 2021	**947**	**918**	**1,865**
Income	**0**	**5,065**	**5,065**
Expenditure, gains and losses	**0**	**(4,719)**	**(4,719)**
Transfer between funds	**0**	**0**	**0**
Depreciation	**0**	**(229)**	**(229)**
At 31 March 2022	**947**	**1,035**	**1,982**

The transfer between funds represents the readjustment of trustee reserve back to the level previously agreed upon by trustees

Other reserves	**2022 £'000**	2021 £'000
General reserve	**1,035**	959
	1,035	959

13 Total charitable funds continued

Analysis of net assets between reserves

Fund balances at 31 March 2022 are represented by	Trustee reserve £'000	Other reserves £'000	Total reserves £'000
Tangible fixed assets	0	1,419	1,419
Fixed asset investments	947	126	1,073
Net current (liabilities)	0	(297)	(297)
Creditors due after more than one year	0	(213)	(213)
Total reserves	947	1,035	1,982

14 Notes to the consolidated cash flow statement

Reconciliation of net incoming resources to net cash flow from operating activities	Year ended 31 March 2022 £'000	Year Ended 31 March 2021 £'000
Net outgoing resources	95	(150)
Investment income	(16)	(19)
Investment fund charges	8	(1)
Interest payable	7	11
Depreciation	229	206
Loss on disposal of fixed assets	31	0
(Increase)/ decrease in stocks	0	4
(Increase)/decrease in debtors	9	(1)
Increase/(decrease) in creditors	(106)	(185)
	257	(135)

Analysis of cash flows

	Year ended 31 March 2022 £'000	Year Ended 31 March 2021 £'000
Returns on investment and servicing of finance		
Dividends received	14	17
Interest received	2	1
Interest paid	(7)	(11)
	9	7
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(205)	(65)
Net monies (invested in)/drawn from fixed/current asset investments	(10)	(17)
	(215)	(82)

14 Notes to the consolidated cash flow statement continued

	Year ended 31 March 2022 £'000	Year Ended 31 March 2021 £'000
Financing		
Management fee on payment of endowment fund	**(4)**	2
Cash inflow from loans	**0**	200
	(4)	**202**

Analysis of movement in net cash and liquid resources

	Opening balance £'000	Cash flows £'000	Closing balance £'000
Cash at bank and in hand and net cash and liquid resources	**279**	**47**	**326**

15 Trading subsidiary

Brathay has one trading subsidiary, Brathay Services Limited, a company incorporated in England and Wales. Brathay holds 100% of the issued share capital of Brathay Services Limited, being four £1 ordinary shares. The investment is shown at cost of £4.

Brathay Services Limited delivers Brathay's professional development work. In addition to this it provides accommodation for participants and a wide range of other guests. Turnover in the year was £2,570,325 (2020-2021: £678,341) from which Brathay Services Limited made a profit of £1,219,928 (2020-2021: £302,404) which was donated to Brathay. The company's aggregate capital and reserves at 31 March 2022 in full was £4 (2020-2021: £4).

16 Post balance sheet events

None

Brathay Trust
Income and Expenditure Account

for the year ended 31 March 2022

	2022	2021
	£'000	£'000
Income from:		
Grants & donations	**1,075**	**787**
Exceptional grants and donations	**0**	**1,364**
Charitable activities	**1,180**	**674**
Other activities	**224**	**209**
Investment income	**16**	**19**
Brathay Services Ltd donations	**1,220**	**302**
Total	**3,715**	**3,355**
Expenditure on:		
Raising funds	**409**	**131**
Charitable activities	**3,212**	**3,375**
Other	**(1)**	**(1)**
Total	**3,620**	**3,505**
Net income/ (expenditure) for the year before other recognised gains and losses	**95**	**(150)**
Nets gains/(losses) on investments	**22**	**191**
Net income/(expenditure) for the year after other recognised gains and losses	**117**	**41**

BRATHAY TRUST

England & Wales - Charity number 1021586

Accounts

Brathay Trust
Trustees' Report and Accounts

for the year ended 31 March 2021

At Brathay we know everyone has the capacity to do extraordinary things...

BRATHAY

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Welcome to Brathay

Andy Watson, Chair of Trustees

It is a privilege to step into Charles Cowling's footsteps as Chair of Trustees and to be joining the Brathay community at such a challenging, yet exciting point in its long history.

Not only is it Brathay's 75th anniversary this year – a noteworthy achievement celebrated by the variety of 'Stories to Tell' submitted online by those whose lives have been impacted by the charity – but it's also a time of unforeseen change.

Covid rocked all our lives and Brathay was no exception. The lockdowns disrupted the charity's residential bookings and face-to-face delivery in communities. This caused massive uncertainty to income, leading to an intense focus on costs and sadly, the need to say goodbye to some colleagues.

That said, it's been hugely encouraging to see how the charity has not only survived but adapted, mainly by utilising skills and a unique offering around wellbeing to meet the needs of young people and their families adversely affected by Covid. Brathay is well-placed to understand the challenges of isolation, furlough, unemployment, poverty and, of course, illness, bereavement and mental health. Covid has heightened it all, and Brathay has done an impressive job, modifying both the content and style of programmes to reach out to those most in need.

Commercially, Brathay has risen to the challenge too. The charity relies heavily on its various social enterprise revenue streams and has done a great job to maintain some – not least offering Covid-safe and affordable accommodation to the public once overnight stays were permitted, and also by re-designing its fee-paying people development programmes for businesses. Residentials at Brathay were replaced by innovative interactive digital workshops which received much acclaim from participants, many of them young apprentices embarking on their careers. Training providers and employers will continue to work with our consultants to provide bespoke 'blended learning' programmes, combining digital workshops, immersive residentials and delivery in the workplace.

The same flexible approach has been seen with Challenge Events. As the accounts for this period show, these annual fundraisers took a huge hit, but the team persevered going on to host a postponed Windermere marathon in May 2021, smaller in numbers but still one of the UK's highest entry running events post-lockdown. Feedback from participants was excellent.

Brathay is still recovering but recovering well and we are starting to feel more optimistic about the future. As trustees, we couldn't have asked, or expected more, of staff. Many have had to put in extra hours to facilitate last-minute change and all have faced times of uncertainty and social isolation. Thank you to them all, and to all our volunteers, supporters, patrons and online followers.

If Brathay exists to instil positivity and resilience into thousands of young people every year, then high praise indeed for all those staff who are determined to pull together and practise what they preach.

Structure, Governance and Management

Legal structure

Brathay Trust (Brathay) was first constituted as a charity in 1946 and was incorporated as a company limited by guarantee in 1993. We are registered as a charity in England and Wales and governed by a Memorandum and Articles of Association and a Trust Deed.

Company Registration Number: 2814206.
Charity registration number 1021586.

Operations

Brathay's head office is at Brathay Hall, our residential centre in Cumbria set in the heart of the Lake District National Park. We also have a long-established centre in Bradford city centre out of which we deliver a variety of community-based programmes. Our strong community footing extends to Barrow and our outreach work spreads further still, often linked to schools and colleges and allowing us to operate at ground level in some very challenging urban areas.

Brathay has one wholly owned subsidiary, Brathay Services Ltd, which is operated and governed entirely within this structure.

Registered Office

Brathay Hall
Clappersgate
Ambleside
Cumbria
LA22 0HP

Company Secretary

Heather T Dixon

Governance

The governing body is the Board of Trustees. At 31 March there were nine trustees, which has now increased to eleven. There is no upper limit to this number. Trustees of Brathay are also directors under the Companies Act.

The Board of Trustees has responsibility for setting and monitoring Brathay's performance against the strategic objectives set and meets a minimum of four times a year. The trustees have one committee, the Finance and Investment Committee, with other matters being reported directly to the Board.

A Risk and Compliance committee will operate from October 2021.

Additionally, a number of trustees have responsibility for liaising with the leadership team in key areas.

Trustees

Joanna H Coleman
Ann M Crane (Appointed 4 May 2021)
Charles Cowling (Resigned 15 May 2021)
Christopher W Dickinson
Julie A Frizzell (Appointed 15 May 2021)
David Jackman (Resigned 28 January 2021)
Sarah Hodgson Jones
Paul Johnson
Paul Mayson (Appointed 4 May 2021)
Christopher McDonald
Katharine S McIntyre (Resigned 31 December 2020)
Diane Millward (Resigned 15 May 2021)
Marc A Pate
Gillian Prior (Resigned 15 May 2021)
Mark R J Turner (Appointed 15 May 2021)
Andrew S Watson (Appointed 4 May 2021)

Charles Cowling was Chair of Trustees until 15 May 2021 and was succeeded by Andrew Watson. Paul Johnson was Vice Chair of Trustees throughout the year.

Structure, Governance and Management

Finance and Investment Committee

Members

Charles Cowling
Ann M Crane
Christopher W Dickinson
Christopher McDonald
Diane Millward
Gillian Prior
Mark RJ Turner (from 29 July 2021)
Andrew S Watson

All members served the committee from the date of their appointment, or to the date of their resignation, as a Trustee, unless otherwise indicated.

Chair and Treasurer

Katharine S McIntyre was Brathay's Chair of the Finance and Investment Committee and Treasurer until 31 December 2020, at which point Christopher McDonald was elected to the position.

Leadership Team

The trustees delegate the day-to-day management of Brathay to its paid executives. This is delivered by the chief executive and the leadership team who report at least quarterly to trustees. The leadership team comprises:

Godfrey C Owen, Chief Executive
Heather T Dixon, Finance Director
Rachel C Head, Head of Children and Young People's Services.

Contact details

www.brathay.org.uk www.brathay.com
www.brathaychallenges.com
Email: hello@brathay.org.uk
Telephone: 015394 33041

Operations

The Finance and Investment Committee routinely meets five times a year. It considers specific issues in greater detail and makes recommendations on those issues to the Board as a whole.

Additionally it:

- receives reports on operational matters and ensures the implementation of strategic decisions;
- scrutinises the budget and business plans;
- undertakes the annual audit review and monitors the performance of the investment managers;
- reviews, recommends and reports to the Board on issues of financial reporting, major projects, reserves management, investment management, internal financial controls, financial risk management and the monitoring of compliance with relevant law, regulations and good practice;
- is responsible for Brathay's remuneration policy and strategy, ensuring that the remuneration process is professional and impartial, setting the remuneration of the leadership team and ensuring employees are kept informed. As far as possible, salary scales and benefits are benchmarked to national charities and other relevant/local information.

Structure, Governance and Management

Professional advisors

Bankers

Cumberland Building Society
Cumberland House
Cooper Way
Parkhouse
Carlisle
CA3 0JF

Independent auditor

Lamont Pridmore
Chartered Accountants and Statutory Auditor
136 Highgate
Kendal
Cumbria
LA9 4HW

Insurance broker

Marsh Commercial
J36 Rural Auction Centre
Crooklands
Kendal
Cumbria
LA7 7FP

Investment advisors

Sanlam
Windsor House
Cornwall Road
Harrogate
North Yorkshire
HG1 2PW

Legal advisors

Temple Heelis
1 Kent View
Kendal
Cumbria
LA9 4DZ

Thomson Hayton Winkley
114-116 Stricklandgate
Kendal
Cumbria
LA9 4QA

Pension administrator

Old Mutual Wealth
Fifteen
Rosehill Industrial Estate
Montgomery Way
Carlisle
Cumbria
CA1 2RW

Structure, Governance and Management

Trustees' Responsibilities

Trustees (who are also directors of Brathay Trust for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company law requires trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Structure, Governance and Management

Trustee Appointments

When recruiting new trustees, the Board looks for members whose skills and backgrounds complement and enhance the existing team. Vacancies are advertised and trustees, staff and other interested parties may nominate a person for consideration.

Brathay promotes and values diversity within the trustee body, recognising the importance of having a wide range of views, knowledge and experiences leading the organisation. Potential new trustees meet with the chair, chief executive and trustees before being elected to the Board. They are provided with information about Brathay and visit the head office in Ambleside and/or one of our regional offices.

Trustee effectiveness

Following their appointment, each trustee receives a briefing pack and comprehensive induction. This covers their role, duties and accountabilities as a trustee and includes information about Brathay, our policies, structure and work. Particular importance is placed on matters relating to safeguarding and child protection. As part of this process, trustees are encouraged to observe Brathay's work.

Each trustee completes a register of interests and related party transactions; this register is updated annually and whenever any changes occur. New trustees are also invited to attend a Finance and Investment Committee meeting. An effectiveness review is carried out annually, allowing each trustee to comment confidentially on Board effectiveness and the results are considered in the light of best practice in the charity sector.

Risk management

Trustees have overall responsibility for ensuring that Brathay has an appropriate system of control and for taking suitable steps to safeguard Brathay's assets. A summary of the major risks to which Brathay is exposed, and the relevant mitigating factors, is maintained in a risk register. Risks are reviewed twice a year by trustees. They work closely with the leadership team to ensure that Brathay has appropriate policies, systems and procedures to manage the risks facing Brathay.

Key risks

Trustees recognise that Brathay faces significant risk in a wide range of areas including:

- financial risks
- health and safety
- information management
- people
- reputational risks
- safeguarding
- technological risks.

In all cases control measures are in place and regularly reviewed. These controls are designed to reduce the risk to an acceptable level. In considering the biggest risks Brathay faces, as a charity working with a wide range of people, including some of the most vulnerable, the correct management of safeguarding is key. Following on from this, both data and information management need to be robust. Additionally to ensure an on-going and sustainable impact, financial risks must be effectively managed, a major issue as the economy moves through the impact of the pandemic.

Structure, Governance and Management

Objectives, aims and public benefit

Brathay's objectives, as set out in the memorandum and articles of association, are:

- to establish and maintain a centre or centres in any part of Great Britain for the education, including the physical training and moral, intellectual and physical development, of young persons of both sexes from within the United Kingdom;
- to initiate and prosecute, whether at the said centres or elsewhere, investigation and research into questions affecting the education of such persons;
- to instruct the staff of such centres and other persons to qualify them to promote the aforesaid purposes; and
- to promote any other charitable purposes of an educational nature relating to any of the purposes aforesaid.

It should be noted that while the language of the objectives is now very dated, the spirt behind the words remains the same and Brathay seeks to deliver its work in an inclusive manner which recognises and values diversity.

These objectives underpin Brathay's organisational purpose and are encapsulated in Brathay's mission:

'To improve the life chances of children and young people by inspiring them to engage positively in their communities.'

This is achieved by placing wellbeing at the heart of everything we do; the link to public benefit is clear.

Brathay's key objective is to fulfill this mission by delivering its 2020-2025 strategic plan.

The strategy was reviewed in the summer 2020, following the onset of the Covid19 pandemic, and remains highly relevant. The key strands remain unchanged but progress has inevitably been slowed by the current crisis.

Our work focuses on individual and community wellbeing and is upheld by our three key objectives:

1. To establish an organisation that reflects the brand identity of 'One Brathay'
2. To achieve financial sustainability
3. To develop our proposition to align with the modern world.

Structure, Governance and Management

Funding our work

Brathay supports the standards as set out in The Code of Fundraising Practice and has subscribed to the Fundraising Regulator. The code has a number of reporting requirements and we report as follows:

- We do not use third-party organisations to carry out fundraising activities on our behalf. Our processes and practices are designed to ensure compliance with the standards cited.
- There have been no complaints in relation to fundraising activity.
- We take appropriate steps to ensure the data security of personal information of individuals.
- The organisation has appropriate controls to ensure the protection of vulnerable people and others from unreasonable intrusion on a person's privacy and unreasonably persistent approaches or undue pressure to donate, in the course of or in connection with fundraising for Brathay.

Whilst our work with people and organisations is contracted and paid for by corporate organisations, the funding for our work with children and young people is from a much wider range of sources. Some work is directly commissioned, such as by local authorities, whilst other work is paid for by funding from trusts and foundations, corporate sponsorship, surpluses generated from challenge or other events, the trading activities of Brathay's subsidiary, appeals and individual giving.

As well as funding community and residential projects with young people these types of funding also support capital projects.

When funding is received it is not taken as income in the accounts until the programme or project it relates to is delivered. Any amounts received in this way are included as deferred income. This is the case irrespective of the source of the income – for example, any challenge event income linked to delivery of a programme would be deferred.

Income that comes from funders, tenders and events involves considerable upfront time and resource, often with a significant delay between this investment being made and the income showing in the accounts.

Structure, Governance and Management

Brathay's work this year includes projects supported by grants from:

- BBC Children in Need
- Ben's Educational Trust
- CAST Digital
- Hadley Trust
- Cumberland Building Society Foundation
- Cumbria Community Foundation
- ESF Community Fund
- Garfield Weston Foundation
- GiveBradford
- Go Higher West Yorkshire
- The Hedley Foundation
- IGEN Trust
- Peter Cruddas Foundation
- SkillsHouse
- Sovereign Health Care
- TLG Holiday Activity & Food Programme
- Wigan Community Fund
- Youth in Mind

Capital projects have also been supported by:

Cirencester Friendly 125 Foundation, The Manchester Guardian Society Charitable Trust, The Percy Bilton Charity, Yor4Good, Morrisons Foundation and Cumbria Community Foundation - COVID19 Response Fund.

Funding through public events

Ordinarily, the fundraising team also organises a range of annual challenge events open to the public and aimed at raising funds from entry fees and sponsorship from participants. These events also give profile to a wider audience of potential supporters than would otherwise be the case. Income relating to these events is deferred until the event takes place as are third party costs relating to them. The costs of the staff team for designing, developing, delivering and marketing these events are accounted for as they are incurred.

The contribution of fundraising activities is regularly reviewed. There is the obvious direct financial impact as well as the indirect benefit of raising Brathay's profile each year.

Utilising volunteers to help us in our efforts

Our strategy continues to be to deliver good people management practice, with a thriving staff team and volunteer resource.

Volunteers are extremely important to our ability to deliver certain events and projects. We rely on, and are very grateful for, the support of volunteers to deliver key fundraising events such as our challenge events. We also benefit from the services of a wide range of volunteers in other parts of our work including within the community.

Brathay works in partnership with volunteers to ensure they feel valued and have a high quality experience, where possible providing them with personal or organisational development opportunities. The support of volunteers and local communities is key to our success and is very much appreciated.

Structure, Governance and Management

Developing partnerships

Brathay recognises the fundamental importance of effective partnerships in ensuring we deliver our objectives. They do not meet the formal definitions of related parties but are important for an understanding of Brathay's activities.

Partners from all sectors are central to Brathay's work and include funders, customers, local authorities, businesses, schools, colleges, other charities, youth organisations, and community groups.

Partnerships are also central to working with corporate bodies keen to be recognised as caring employers committed to helping staff achieve their full potential, whatever their circumstances. Our partnerships share a joint commitment to achieving social change.

Our key partnerships include:

- Centre for Youth Impact
- F4H
- The Francis C Scott Charitable Trust
- Cumbria Community Foundation
- The Sir John Fisher Foundation
- Miles Moore Ceramics
- University of Cumbria
- Wigan Council
- Barrow Borough Council
- Bradford City Council
- Bradford Consortia of Barnardo's, YMCA and James
- Leeds City Council
- NCS and English Football League
- Bradford and Craven Clinical Commissioning Group
- Cumbria Office of the Police and Crime Commissioner
- Barra Culture and Women's Community Matters
- Theatre by the Lake
- ASICS UK
- The Climbers Shop, Ambleside
- Pete Bland Sports Ltd
- VOOM Sports Nutrition
- Langdale Hotel & Spa
- BAE Systems

For many years, we have worked in partnership with Wigan Council, delivering residentials from their two centres in Cumbria. The Council have taken the decision to use the centres differently going forward and this partnership ended on 30 September 2021.

Achievements and Performance

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing objectives and activities described in this section.

In essence, Brathay exists to support young people's wellbeing, to enable them to feel good and function well by becoming critically aware and empowered to take steps to develop and improve their lives. With increased awareness they can realise their own capabilities and begin to have more effective life choices. This puts them in a stronger position to shape their own future, make the right steps forward and even perhaps become a positive role model and a source of inspiration to others.

We believe that by helping indivudals in this way, our work can also, indirectly, have a long-lasting impact on wider communities.

As we go about the design and delivery of our programmes, we strive always to keep the following elements embedded in all our activities:

1. **Practice:** To ensure that every participant has an inspiring, meaningful and evidence-based experience.
2. **Reputation:** To enhance our reputation for personal development and leadership in our chosen fields so that our expertise is sought after.
3. **People and Culture:** To create an environment that is vibrant, innovative, person centred and focused on results where participants feel valued and supported.
4. **Performance:** To develop our business model to achieve sustainability.

Additionally, each of our activities supports our focus on wellbeing:

- directly through our own programmes;
- through working with adults, either in their professional or family roles, to increase their chances of making a meaningful impact on children and young peoples' lives;
- by generating financial contribution and other resources for us to operate sustainably and achieve our long-term mission both now and in the future.

Our annual delivery in headline numbers

During the Covid pandemic of 2020-21, our annual delivery reduced significantly with programmes either being postponed or moved online. The exception has been the continuous provision of community programmes enabling us to continue supporting vulnerable young people and families adversely affected by the pandemic.

That said, lockdown restrictions still severely limited the number of young people we were able to support. Despite the restrictions, we were still able to reach out to and help over 5,000 families and young people this year alone. As the restrictions are lifted, we look forward to working with even greater numbers than before.

Achievements and Performance

Charitable activities against objectives set

Placing wellbeing at the heart of all we do ensures our achievements align to our objectives, focusing on high quality practice and enhancing our reputation. This can be seen across Brathay as follows:

Children & Young People Services

We work with young people in communities and during residential experiences at our Lake District centre, delivering programmes that increase their wellbeing and supporting them to feel good and function well. By focusing on awareness of the attitudes, behaviours and skills they need, we support them to become empowered to make active choices that will benefit them and the people around them. This helps to build their inner resilience and self-confidence and enhances their overall potential and future life chances.

Leading the way in research

Brathay has a long-established record for leading the way in practice development alongside the design and delivery of our programmes. We view every participant's experience of Brathay as a 'journey' during which they build awareness, evaluate their choices and take positive action.

This simple but powerful process has developed over many years into a highly effective approach to learning. Outcomes are monitored, recorded and evaluated by our own academic researchers and our findings continue to be used to help shape policy and good practice throughout the wider sector, as well as enhancing our professional reputation and impact.

People Development

We work with employees from all business sectors and industry, from apprentices and graduates starting out in their careers through to those at key stages in their self-development as managers and leaders. Our programmes support wellbeing at work, enabling employees to engage with change and develop their talent and coaching and mentoring skills.

Challenge Events

All our outdoor challenge events contribute to our mission. Not only do they improve the wellbeing of those taking part and the families supporting them, but they increase our profile nationwide and provide an opportunity for members of the public to support us financially by sponsoring individual particpants. Funds raised by these events supports our work with young people and maintain our infastructure.

Guest Services

We continue to boost revenue through our greatest physical asset, Brathay Hall by offering venue hire and B&B at weekends and off-peak times. We promote Brathay as an inspirational place to stay and, prior to the pandemic, to develop a variety of family-based dining and social events which all help to bring yet another dimension to our wellbeing agenda.

Achievements and Performance

Making a difference

Despite the restrictions of Covid placed on all our core activity, we have continued to work hard throughout the year in our efforts to make a real difference to children and young peoples' lives.

Other than day trips for short periods between national and regional lockdowns, residential programmes for children were not permitted throughout the financial year.

As an alternative, we:

- supported 3,754 children, young people and family members through a range of community programmes;
- worked with almost 50 children and young people visiting on 'day trips' between lockdowns;
- supported 1,349 delegates through mostly digital/remote talent development and leadership consulting programmes whenever organisations have been able and ready to engage.

These children and young people came from varying backgrounds and geographical locations and through our various Engagement, Development and Leadership programmes. We worked with them in a range of socially distanced settings, both on and off-line. Looking forwards, we will build on the skills and techniques acquired around effective online delivery to offer a truly blended approach of remote learning alongside immersive residentials at our centres in the Lake District.

It remains the case that we work with young people of all ages and their families, many of whom are vulnerable, providing early intervention support which focuses on supporting families to feel good and function well. This includes mental health and wellbeing support; parenting and family relationship support, and support for those at risk of exploitation, and/or in unhealthy relationships.

We also work to develop those who are often lacking the confidence to find work or training or affected by substance misuse issues or other significant challenges in their lives.

Broadly speaking, our programmes fall into three categories:

1) Engagement programmes

Through our role as a delivery partner on the national 'See Hear Respond' programme and during the summer and early autumn of 2020, we successfully engaged children and young people who were 'hidden' from society's statutory support services. This included delivering:

- 308 packages of support in a range of ways including therapeutic; reintegration into education, or advice & support;
- face to face and digital support to 138 individuals;
- 60 detached sessions, engaging with 334 young people.

This was an incredible effort when put in the context of Covid 19 and while delivery was at times a real challenge, requiring intense working over a short time frame, supporting a large number of referrals, the commitment of Brathay and our staff to meeting the needs of young people and making this programme work is a testament to the dedication and resilience of both individual staff members and organisational values.

Achievements and Performance

2) Development programmes

Development programmes are delivered throughout our footprint areas. For example, our Yorkshire and Humber team have three commissioned Bradford and Craven 'Youth in Mind' contracts.

The initial contracts have been developing peer mentoring in schools and supporting the Medical Needs Education Service (MNES). Both have achieved significant impact in the lives of young people despite beginning, and operating, within a pandemic.

During the height of the pandemic, the MNES delivered a combination of counselling and youth work activity to support five young people back on-roll at school. Fifteen more young people, who previously had no engagement with education, have now engaged with the MNES team. This includes online lessons and making the transition from home learning to face to face learning in a school environment.

Through this work, we were enabling young people to build relationships with other young people, increasing self confidence and self-esteem and learning to trust professionals. This work was delivered digitally and in schools.

21 schools signed up to the peer mentoring programme, with 20 staff receiving training and toolkits during the height of the pandemic. This was a challenging programme to establish due to the immense pressure schools were under. To support them, we adapted quickly and moved to digital delivery.

We also now lead and coordinate the multi-disciplinary team 'One Trusted Pathway', the front door to mental health provision for children and young people in Bradford and Craven, involving close liaison with the Child and Adult Mental Health Service and the broader Youth in Mind Service.

Prior to the pandemic, we were focused on developing our presence in Cumbria. We received funding for a dedicated team of professionals based in the south of the county, covering Barrow and South Lakes, and this has helped to establish our presence as a partner in supporting young people in the community.

This team was at a different stage in development when Covid-19 struck but, after an initial period of furlough, staff were able to work supporting children and their families through programmes such as the national 'See, Hear, Respond' partnership and working with young people and their families on Walney Island delivering the 'Stronger Families, Successful Futures' programme.

3) Leadership programmes

Our leadership programmes assume young adults are engaged and empowered but need support to take the lead in their own lives as well as for social action. They may become future leaders in schools, communities, or organisations.

For example, based in Cumbria, the Changing Culture Programme supported by the Arts Council supports the next generation of sector leaders and is jointly delivered with the University of Cumbria and Theatre by the Lake.

These are long term programmes, running over several years but again impacted on by Covid-19 restrictions. We have however continued to deliver this work throughout the year, using new and innovative approaches to assist us.

Achievements and Performance

Our work within the corporate sector

Wellbeing features highly in the leadership and development programmes we offer to corporate clients. We have seen an increase in the focus that organisations have put on the wellbeing of their staff to achieve business objectives, added to which, the expectations of shareholders that companies strive to better deliver environmental, social and governance (ESG) responsibilities has changed the relationship that many organisations have with their local communities.

Brathay has been well-placed to respond to this with programmes that develop emerging talent, build a sustainable workforce, and unite organisations around a common vision or culture, whilst also delivering specific executive interventions to address issues such as directorate or supply chain alignment.

Brathay's approach to supporting culture change and leadership has enabled many organisations to engage positively with their stakeholders in new and authentic ways. At the same time, many of our clients are able to provide support to our community work through their corporate social responsibility programmes.

We enjoy long lasting relationships with almost all our clients, many of them senior business leaders who came to Brathay as a child or young person, and recognise the impact the experience had on their outlook and capabilities.

Other key achievements up to March 2021

Covid-19 hit us significantly towards the end of the previous financial year, forcing us to cancel or postpone all residential courses, yet at the same time, our community work has made a critical and effective contribution to supporting the young people and communities we serve by continuing to deliver our mission throughout the pandemic.

Here are some examples of what has been able to happen this year:

1) Our role as a delivery partner in Cumbria and Bradford, in support of the national Barnardo's 'See Hear Respond' programme, funded by the Department for Education, contributed to reaching 100,000 children, young people and families who were 'hidden children', struggling as a result of Covid 19 but who did not qualify for statutory support.
2) We secured two additional contracts with Bradford and Craven CCG 'Youth in Mind' programme realising our ambition to extend our early intervention mental health and wellbeing offer to vulnerable young people.
3) Building on the success of our family support work and during the peak of the pandemic, we received confirmation that our 'Families First' Team were the highest performers across the voluntary and community sector partnership in the third quarter of the year.

Achievements and Performance

4) Our Challenge Events brand maintained its presence in the marketplace despite being unable to run many of our events this year due to social distancing and other regulations. The Langdale Marathon, 10in10, Brathay 262 and the Windermere Marathon took place, but with fewer entries and in different ways because of the restrictions. We have worked hard to maintain relationships with participants to ensure the events are well positioned for the future.
5) Miles Moore Ceramics remain as our 'Artists in Residence' with a studio on site. They are committed to supporting our work but the opportunities to develop this partnership were limited this year.
6) We made significant inroads into adapting the focus and course content of some of our programmes to allow us to target new markets post-Covid; for example, wellbeing support packages for our partners F4H and over-worked medical and non-medical staff within the NHS.

On track with our 5-year strategy

We began 2020 with the launch of a new 5-year strategy that would build on our past successes to increase our impact in the communities we serve. Central to this was the notion of 'One Brathay' with the organisation working more collaboratively and holistically, both externally, extending our reach within the wider community by seeking to develop more effective partnerships with other agencies and also internally, across our different teams and departments.

The strategy remains in place, albeit we have had to make some operational adjustments in the light of the Covid-19 pandemic, but the fundamental principle that no individual can thrive alone is unchanged.

Our 'One Brathay' approach is arguably more relevant now than ever and we have purposefully used lockdown to add to our breadth of knowledge, expertise and resources, offering many of our programmes digitally and adapting some of the learning content to respond to the changing needs of our young people and even our corporate clients.

Our 2020-25 strategy is to achieve financial sustainability via a more streamlined 'One Brathay' organisation – a subtle but profound switch of emphasis that will enable us to maximise impact. Never more so have we felt the need to focus on delivering relevant and engaging programmes – especially those facing difficult times in their lives, be it adversity, inequality, lack of direction, neglect, or exploitation.

Achievements and Performance

The strategy enhances our mission by introducing new ways of working to maximise impact and includes the commitments to:

- Collective thinking; collaborative working
- Seeking partners, developing support systems
- Creating the foundations
- Making it happen
- A commitment to our people
- Ensuring financial sustainability.

It also embodies our vision and purpose:

Feel good, function well: Everything we do and say comes from a shared culture of support to promote well-being.

Use what we learn: We continually develop our practice responding to change and new knowledge.

Be connected: We are committed to embracing the digital world within Brathay and beyond.

Think creatively: We allow our creativity to enhance our working practices and relationships with partners.

Be streamlined: We look at what we do and how we do it to help boost performance and efficiency.

Work collectively: We are evolving as 'One Brathay' providing a seamless and integrated offer to individuals and organisations.

Covid-19 recovery plans

During March 2020 we introduced a Covid-19 recovery plan which incorporated the key elements of the new strategy. We quickly acknowledged that the world was becoming increasingly uncertain and that, as an organisation, we faced some difficult practical and financial challenges around the furloughing of many of our staff, the temporary closure of our Lake District centres and the postponement of our biggest annual fundraising events.

We had no sense how long this crisis would last but, throughout, we sought to be flexible and innovative. The hugely volatile external climate created an environment where we were continually reacting, reorganising and reprioritising, as we worked to minimise the impact of a pandemic on our organisation and those we strive to support.

Whilst much of what we do day to day depends on us being with people, the importance of our work with children, young people and families was more evident than ever and we were able to expand our community engagement, working closely with many in need in the communities we work in throughout lockdown.

Achievements and Performance

Moving on from Covid-19

Brathay continues to make difficult but prudent changes to operate within the 'new normal'. The uncertainty surrounding what this looks like continues and we are stepping cautiously into the new world. The key elements of our recovery plan continue to be:

Achieve financial sustainability – ensuring core costs are in line with reduced income and re-structuring to make us more competitive.

Develop our proposition to align with the modern world – by embracing the digital world more widely and finding new ways of engaging with both our youth and corporate markets to inspire people to choose Brathay.

Establish an organisation that lives and breathes as 'One Brathay' – to be achieved by bringing our teams and resources closer together in a common approach to wellbeing; thinking and operating more collaboratively; setting the intent to be adaptable and agile, and benefitting from more efficient systems and procedures.

Financial review

The accounts, which form part of this report, comply with the requirements of FRS102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees consider that in preparing these accounts, they have consistently applied appropriate accounting policies supported by reasonable and prudent judgements and estimates where required.

A resolution to appoint the firm Lamont Pridmore as auditors to the organisation was passed at the Annual General Meeting and they have indicated their willingness to be reappointed as statutory auditor.

Summary

The results for the year are dominated by the impact on our operations created by the Covid 19 pandemic. This incredibly challenging operating environment affected all parts of Brathay's activities. The advent of Covid-19 had an impact in 2019/20 but a much greater effect this year.

Income losses and gains

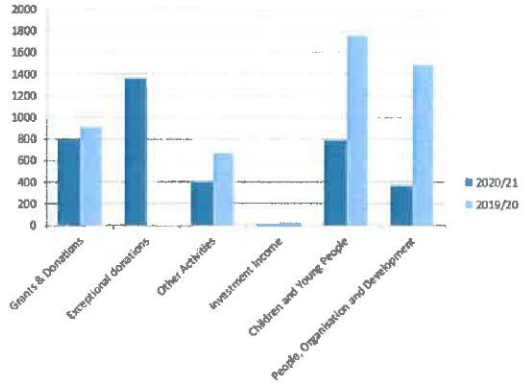
Much of our charitable work, fundraising activities and social enterprise activities were affected by Government restrictions and associated income streams reduced dramatically.

We worked, and continue to work, proactively and flexibly, to ensure costs were minimised whilst retaining the skills and structures needed to bounce back as the pandemic ends. The Job Retention Scheme allowed us to retain essential roles that could not otherwise have been afforded. We focused on developing our digital offering both to adults and children and young people and, when permitted, maximised income from our on-site accommodation. We were also able to continue and develop work in communities where support to children, young people and adults has been crucial during the pandemic. We worked closely with funders and donors and are very grateful to all those who have supported us at this difficult time.

Exceptional income of £1,364k is included within these accounts relating to support directly received as a result of the pandemic, including £932k from the Job Retention Scheme.

We planned, replanned and developed our offerings throughout the year as we sought to navigate a very difficult year. The net deficit for the year, before recognised losses was £150k, well within the framework of our financial plan.

An analysis of Brathay's income is shown below:



Even now, Brathay's principal funding sources continue to be:

- grants and donations received from grant-making trusts and statutory bodies
- amounts invoiced to clients for training, education and development activities.

Fees from our charitable activities includes income for all aspects of work for children and young people and with adults, both at our residential sites and within the communities we work in.

Financial review

Our residential work was directly impacted on by regulations and sector guidance, that even now continue. This has affected both the amount of work we can undertake and the size of the groups we can work with. Our work with adults has also been directly affected in this way. These factors are changing gradually but until they have worked through the system, our income is directly affected.

This is supported by a much wider range of smaller scale income generating activities and this is reflected within other activities. During the year there have been windows when it has been possible to deliver products such as bed and breakfast and self catering and these activities have been extremely important to our social enterprise model.

Income for the year was £3.7m, including £1.4m of exceptional income to provide support during the pandemic. This is a direct result of the impact of Covid 19 on the markets in which we work as illustrated by the £2.1m reduction in our income from charitable activities.

Donations includes monies raised by participants in Brathay Challenge events, the largest of which is the Brathay 10in10, as well as smaller amounts from a wide range of sources. The need to cancel the majority of our events, with a restricted version of others, affected both income from grants and donations (reduced by £127k) and other activities, which includes entry fees. The £267k reduction in other activities also shows the effect of regulations on the hospitality parts of our offering.

The main element of donated goods and services comes from Brathay's use of the Brathay Hall site at a peppercorn rent. This and the support of other donors is invaluable to us.

Costs

As a delivery charity, rather than a grant giving one, our primary costs are people.

Over the course of the pandemic, FTE staff numbers have reduced significantly. In the early part of the year, as part of our response to Covid 19, and our need to manage costs to a sustainable level, a number of roles were made redundant (19 during a 3 month period between late June and September) .

A much smaller number of redundancies followed outside this period as we continued to manage within a constantly changing external environment and worked hard to ensure we had the right roles in place for the future.

Total staff costs for the year were £2,632k including redundancy payments of £42k. There remains a small gender pay gap bias in favour of women.

Brathay also works with a large number of associate trainers and consultants who are not employees. Working with the right balance of associates and staff is key to maintaining a stable operating base.These roles were also affected by the pandemic.

Other key expenditure includes the running and operating costs of our residential sites and office bases which split between direct costs related to delivery of our work and costs of providing standard head office functions including business support services and the executive function. These support costs represent 5% of total costs.

Financial review

Investments and liquidity

The management of investments and liquidity is of key importance to Brathay.

Sanlam Private Investments continue to provide investment management services to Brathay. They report to the trustees on a quarterly basis when investments are reviewed to ensure that the objectives of the portfolio are being met. Investment performance is measured against an appropriate benchmark.

Trustees review the risk profile periodically with the investment managers. The aim of the portfolio is to achieve medium term capital growth by way of investment performance and the reinvestment of dividends to ensure Brathay has sufficient reserves, in line with the reserves policy, and to meet future costs. The policy is relatively risk averse, with a significant proportion of funds held in fixed interest stocks.

At 31 March the value of the investment portfolios was £1,241k the majority of which is held within a portfolio currently managed by Sanlam. The investment portfolio has rebounded from the losses incurred when markets fell at the start of the pandemic and shows some additional growth. Unrealised gains for the year stand at £191k.

Cash is held in savings accounts with the Cumberland Building Society because the return is significantly better for cash than within the portfolio. At the year end cash balances stood at £275k, though they vary significantly month to month. The level of cash held assists in a positive cashflow management strategy and helps to manage the risk inherent in drawing on investments in an otherwise unplanned manner.

During the year, Brathay has managed in such a way that investments have not been drawn on. Trustees expect that there will be a need to use reserves as we manage our way out of the pandemic and £300k of investments have been reclassified as current assets to reflect this.

The cash position is regularly reviewed by Trustees and remains particularly important as we manage out of the pandemic and make the investments in people and activities needed to secure our future.

There are risks associated with investing in equities but the fact that the capital gains can offset the funds utilised by the Trust shows one of the major benefits. Withdrawals from funds are carefully managed to ensure cash withdrawals are made in a controlled way and holding cash outside the portfolio forms part of this strategy.

Trustees are satisfied that investments have performed steadily in what has been a very turbulent year for the market and investment objectives have been met.

The consolidated balance sheet shows a decrease in net current liabilities of £368k as a result of the reclassification of investments. Deferred income remains significant. The nature of Brathay's activities means that deferred income is always likely to be significant.

Reserves

The majority of income Brathay generates is used immediately to deliver services and meet running costs. The markets in which we operate are volatile and one of the key operational risks we face is to ensure we continue to be sustainable. As a result trustees review Brathay's reserve requirements each year.

Financial review

Brathay recognises the need to have an appropriate level of reserves to allow it to operate effectively and to be able to carry on its work in periods of significant challenge, with adequate time to adjust its strategy to new circumstances. The need for reserves arises for the following reasons:

- Unpredictable income streams
- Inflexible cost base which takes time to change
- Pressures on cash flow
- The need to continue to provide services to vulnerable young people during times of operational realignment.
- The need to invest in the necessary infrastructure to support and develop Brathay's charitable work.

In formulating its policy, Brathay has considered the impact of these factors in detail. It has then considered the planned approach to a financial crisis and what this means for reserves. The impact of Covid-19 is such that it is likely to be some time before we meet this level of reserves however we believe it is important to be clear about our ideal position.

Aims

Considering all factors, the aim of trustees is to work to move Brathay over time to a position where free reserves are equal to three times monthly recurring costs (currently estimated as £700k). The objective is that this would give Brathay time to continue its work and adjust its strategy if faced with challenging market conditions. Further details of Brathay's reserves are in note 14 to the accounts.

Reserves at the end of the year totalled £1,865k, all of which are unrestricted. There are no designated reserves with £947k in the trustee reserve. Free reserves, defined as total reserves less tangible fixed assets totalled £388k.

Financial impact of Covid-19

As an organisation working primarily face to face with children, young people and adults primarily – but not exclusively – in a residential setting, the impact of the pandemic on Brathay was both immediate and extremely significant. With the exception of some of our community work, all other income streams ceased at the end of March 2021 and were able to continue only intermittently throughout the current financial year. Some are still only gradually resuming.

As explained in the 2020 accounts, Trustees and the leadership team took immediate steps to review Brathay's operations and put in place a recovery plan to ensure the survival of the organisation to allow us to deliver our charitable mission in to the future.

This approach continued throughout the year with regular reviews of the impact of our actions and further development of our plans and activities.

Key elements of our approach remain:

- Review Brathay's strategy for 2020- 2025. We believe our strategy is more relevant than ever and this has set the framework for our recovery plan.
- Minimise costs in the short term whilst planning for the future. This included immediate shut down of our centres and use of the Government's Job Retention Scheme.
- Be realistic not overoptimistic about the future and plan accordingly.
- Recognise the impact of Covid-19 on the scale and nature of residential delivery and drive forward our plans for other forms of delivery.

We made significant organisational changes by reducing our staffing levels significantly and restructuring our Leadership Team to focus on developing and delivering our new operational plans.

Financial review

Our recovery plan showed a very substantial deficit for the year, the actual deficit of £150k was well within the budget set. It remains the fact that this is a significant draw on our reserves and that the impact of the pandemic is still being felt.

We have a robust plan and budget for the 2022 financial year, but again are budgeting for a deficit. Management accounts to date show that we are well ahead of the financial position set out and we will continue to carefully negotiate the need to balance recovering investments with business critical expenditure on people and our assets.

Our shared focus is on:

- Bringing teams and departments together to concentrate on a common approach to wellbeing.
- Having a single united aim of developing our practice and development.
- Reviewing how we do what we do to ensure efficiency.
- Having an 'agile' organisation.

The longer-term view

At the time of the last accounts, we had not expected the pandemic to last throughout the 2020/21 financial year and beyond. A global pandemic that is utterly unpredictable and beyond our influence continues however w e have a robust and flexible recovery plan. We monitor performance closely and are currently well ahead of budget.

Moving on from Covid-19, we recognise there will be significantly more issues in society related to the wellbeing of children, young people, and families. These will be in addition to long term social challenges already within society. There will be a greater gap between the haves and have-nots which will have long term impact on opportunity for young people as they grow up. We will always work our hardest to ensure we are there to support them.

Going Concern

The accounts have been prepared on a going concern basis. Trustees have carefully considered the steps that Brathay has taken and the actions necessary to ensure a stable future. Brathay has sufficient reserves to manage the liquidity of the organisation on an on-going basis.

A rigorous and detailed planning process has been completed. The delivery of plans is regularly reviewed and closely monitored in order to ensure effective business management. Trustees recognise there may continue to be an occasional need to utilise investments as a result of historical losses already sustained.

Post balance sheet events

Covid-19 will continue to affect our markets until normality is restored following the pandemic however there are no significant post balance sheet events to report.

By order of the Board of Trustees
A. S. Watson
Director and Chair of the Board of Trustees
Approved by the Board of Trustees on 23 October 2021

Independent Auditor's Report to the Trustees and Members of Brathay Trust

Year ended 31 March 2021

Opinion

We have audited the financial statements of Brathay Trust (the 'charitable company') for the year ended 31 March 2021 which comprise the consolidated Statement of Financial Activities, consolidated Balance Sheet, consolidated Cash Flow Statement 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trustees' 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 charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable company'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 trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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:

The objectives of our audit in respect of fraud are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with the trustees.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are: 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) (Charities SORP (FRS 102)), FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the Companies Act 2006.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- We examined supporting documents for all material balances, transactions and disclosures.

- We applied analytical procedures to identify any unusual or unexpected relationships.

- We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Lamont BSc FCA (Senior Statutory Auditor)

For and on behalf of
Lamont Pridmore
Chartered Accountants & Statutory Auditor
136 Highgate
Kendal
Cumbria
LA9 4HW

23 October 2021

Consolidated Statement of Financial Activities

(incorporating the Income and Expenditure account) for the year ended 31 March 2021

	Note	Unrestricted Funds £'000	Other Reserves £'000	Total 2021 £'000	Total 2020 £'000
Income from:	3				
Grants & donations		787	0	787	914
Exceptional grants and donations		1,364	0	1,364	0
Charitable activities		1,158	0	1,158	3,251
Other activities		403	0	403	670
Investment income		19	0	19	27
Total		3,731	0	3,731	4,862
Expenditure on:	4				
Raising funds		131	0	131	321
Charitable activities		3,746	0	3,746	4,824
Other		4	0	4	12
Total		3,881	0	3,881	5,157
Net income/(expenditure) before other recognised gains and losses		(150)	0	(150)	(295)
Transfer between funds		0	0	0	0
Net gains/(losses) on investments		191	0	191	(111)
Net movement in funds		41	0	41	(406)
Reconciliation of funds					
Fund balances brought forward		877	947	1,824	2,230
Fund balances carried forward at		918	947	1,865	1,824

All activities are continuing and there are no recognised gains or losses other than those recorded in the Statement of Financial Activities.

In accordance with the provisions of the Companies Act 2006, a Statement of Financial Activities dealing with the results of the charity only has not been presented. Gross income of the charity of £3,355,000 and net expenditure of £3,505,000 has been dealt with in the accounts of the charity.

The notes on pages 34 to 47 form part of these financial statements.

Consolidated Balance Sheet

as at 31 March 2021

	Notes	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fixed assets					
Tangible assets	8	**1,477**	1,618	**1,477**	1,618
Investments	9	**941**	1,033	**941**	1,033
		2,418	2,651	**2,418**	2,651
Current assets					
Stock	10	**0**	4	**0**	4
Debtors	11	**502**	501	**358**	279
Investments	12	**300**	0	**300**	0
Cash at bank and in hand		**279**	288	**99**	212
		1,081	793	**757**	495
Current liabilities					
Creditors: amounts falling due within one year	13	**(1,413)**	**(1,490)**	**(1,088)**	(1,192)
Net Current liabilities		**(332)**	(697)	**(331)**	(697)
Total assets less current liabilities		**2,086**	1,954	**2,087**	1,954
Creditors: amounts falling due after more than one year	13	**(222)**	(130)	**(222)**	(130)
Net assets		**1,864**	1,824	**1,865**	1,824
Charitable funds					
Trustee reserve		**947**	947	**947**	947
Other reserves		**918**	877	**918**	877
Total charitable funds	14	**1,865**	1,824	**1,865**	1,824

These financial statements were approved by the Board of Trustees on 23 October 2021, and were signed on its behalf by:

Andrew Watson
Director & Chair of the Board of Trustees
Christopher McDonald
Director & Treasurer of the Board of Trustees

The notes on pages 34 to 47 form part of these financial statements.

Consolidated Cash Flow Statement

for the year ended 31 March 2021

	Notes	2021 £'000	2020 £'000
Net cash inflow from operating activities	15	(135)	217
Returns on investment and servicing of finance		7	17
Capital expenditure and financial investment		(82)	(134)
Financing		202	45
Increase/(decrease) in cash in the year		(8)	145

The notes on pages 34 to 47 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2021

1 Company Status

Brathay Trust (Brathay) is a charitable company limited by guarantee (incorporated in the UK). The liability in respect of the guarantee, as set out in the Memorandum of Association, is limited to £1 per member of the company. The members of the company, who are also directors, are the trustees.

Company Registration Number: 2814206. Charity registration number 1021586

The registered office is:
Brathay Hall
Clappersgate
Ambleside
Cumbria
LA22 0HP

2 Accounting Policies

Basis of Preparation

The financial statements are prepared in accordance with the following and on a going concern basis

- applicable UK accounting standards
- the historical cost convention, as modified by the inclusion of investments at market value,
- the Statement of Recommended Practice Accounting and Reporting by Charities FRS 102, ('the SORP'), the Companies Act 2006 and the Charities Act 2011

Brathay Trust meets the definition of a public benefit entity under FRS102.

Going Concern

The trustees and officers have considered their obligation to prepare financial statements on an appropriate basis, having specific regard to Brathay's net liability position. This results from income being received in advance of projects being delivered, as has been the position for many years, and is part of normal operations.

The trustees have also assessed the impact of budgets, working capital needs, cash and investments. As a result they are of the opinion that Brathay has sufficient reserves to be able to meet its obligations as they fall due and accordingly the accounts have been prepared on a going concern basis.

Basis of Consolidation

The consolidated accounts of the group incorporate the accounts of the charity and its subsidiary undertaking both of which are prepared to 31 March 2021. The trading results of the subsidiary undertaking as shown in note 16 are consolidated on a line-by-line basis within the consolidated Statement of Financial Activities. A separate Statement of Financial Activities for the charity is not presented as permitted by the SORP and the Companies Act 2006.

Income

Donations, other than for specific projects and fundraising appeals, are accounted for at the time of receipt. Donations for specific projects or appeals are deferred until the projects to which they relate are delivered. All deferred income is accounted for in note 13.

Donations in kind are included within voluntary income and are included at their estimated market value.

Income from capital grants is accounted for when entitlement to the grant becomes unconditional. Until that point it is deferred. Capital grants are accounted for within the restricted reserve.

Notes to the Financial Statements

For the year ended 31 March 2021

Income from fees and grants for delivering charitable activities is accounted for on the basis of the amount receivable for services delivered in the year. Income received in advance of the delivery of the activity to which it relates is deferred. Income of this sort is accounted for within the restricted reserve.

Income from other activities, including entry fees for events, rents, accommodation and bar sales is accounted for as the service, supply or event to which they relate is delivered.

Investment income is accounted for as receivable.

Expenditure

All expenditure is accounted for on the accruals basis as it is incurred and irrecoverable VAT is allocated to the category to which it relates. Some central support costs are allocated to expenditure categories on a basis that is consistent with the use of those resources.

The costs of generating funds and cost of charitable activities include an element of indirect support costs. Support costs represent the staff costs incurred in providing direct support to Brathay's programmes. These include costs relating to central finance, human resources, IT, health and safety and corporate communications. They have been apportioned between the costs of generating funds and cost of charitable activities on a basis consistent with the use of those resources.

Defined contribution pension schemes

Pension contributions are charged to the Statement of Financial Activities as incurred.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation charged to date. Brathay capitalises assets with an initial cost in excess of £1,000 and depreciation is calculated to write off the cost of each asset on a straight-line basis over its expected economic life. The lives used are as follows:
Improvements to leasehold property: the lesser of 25 years, the life of the lease or the useful economic life of the asset.

Equipment, fixtures and fittings and motor vehicles:2-10 years

No impairment review is required and finance costs are not capitalised within the cost of the asset.

Financial Instruments

Brathay only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at amortised cost.
Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors.
Financial liabilities held at amortised cost comprise trade and other creditors.

Investments

Investments are stated at market value.
Movements in unrealised gains and losses on revaluation of fixed asset investments are included under 'gains on investments' in the Statement of Financial Activities.

Notes to the Financial Statements

For the year ended 31 March 2021

Note 1 and 2

Stock

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell.

Reserves

Unrestricted funds

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

Designated funds are unrestricted funds, which have been applied or reserved by the Trustees for a specific purpose. The aim and use of each designated fund is set out in note 14.

The trustee reserve is an expendable endowment which trustees have the power to convert into 'income'. Distinguishable from 'income' by the absence of a positive duty on the part of the trustees to apply it for the purposes of the charity, unless and until this power to convert into 'income' is actually exercised. Trustees apply the income from the Trustee Reserve at their discretion.

Restricted funds

Restricted funds are those which are to be used in accordance with specific restrictions of the donors or which have been raised by the Charity for particular purposes. There are currently no restricted funds.

3 Income

	Year ended 31 March 2021	Year Ended 31 March 2020
	£'000	£'000
Grants and donations		
Grants for charitable programmes	**410**	480
Grants for capital projects	**26**	16
Donations	**231**	246
Donated capital goods and services	**120**	127
Donated goods and services	**0**	45
	787	914
Exceptional grants and donations	**1,364**	0
	2,151	**914**
Charitable activities		
Fees for Training, Education and Development:		
Children and young people	**786**	1,762
People and organisation development	**372**	1,489
	1,158	3,251
Other activities		
Trading income	**190**	388
Rents receivable	**108**	128
Fees from events	**78**	137
Other	**27**	17
	403	670
Investment income		
Dividends receivable	**17**	25
Interest receivable		
short term bank deposits	**2**	2
	19	27

During the financial year 2020-2021 Brathay received exceptional grants and donations of £1,364,000 to provide support during the pandemic. £932,000 came from the Government's Job Retention Scheme and the remainder from grant giving Trusts and Foundations, Local Govt support schemes and a private donor

4 Analysis of expenditure

	Direct Costs	Support Costs	Year ended 31 March 2021	Year Ended 31 March 2020
	£'000	£'000	£'000	£'000
Raising funds				
Voluntary income	31	9	40	103
Activities	66	6	72	177
Investment management	(1)	0	(1)	6
Governance costs	15	5	20	35
	111	20	131	321
Charitable activities				
Training, education and development				
Children and young people	2,424	119	2,543	2,614
Adults	1,147	56	1,203	2,210
	3,571	175	3,746	4,824
Other	0	4	4	12
Total expenditure	3,682	199	3,881	5,157

5 Net income for the year

The net income for the year is stated after charging:

	Year ended 31 March 2021	Year Ended 31 March 2020
	£'000	£'000
Auditor's remuneration - audit	10	10
Depreciation - owned assets	180	189
Depreciation - leased assets	26	27

Operating lease commitments

	Payment due on leases expiring		
	within one year	within 2 to 5 years	Total
	£'000	£'000	£'000
Land & buildings	11	22	33
Other	25	36	61
	36	58	94

6 Trustee and staff information

Trustees remuneration and expenses

No remuneration was paid to trustees or any persons connected with a Trustee (2019-20: nil). Expenses reimbursed to trustees amounted to £nil (2019-20: nil). In addition, on occasion, Brathay provides accommodation at the head office to trustees attending board meetings.

Professional indemnity insurance

Brathay has a professional indemnity policy for £2m, including trustees' liability cover, for which the premium was £3,593 (2019-20: £3,266).

Staff costs

	Year ended 31 March 2021 £'000	Year Ended 31 March 2020 £'000
Wages and salaries	**2,344**	2,568
National Insurance costs	**180**	205
Pension costs	**108**	117
	2,632	2,890

The above staff costs include termination payments for 11 staff £42,000 (2019-20: £nil)

Brathay has two defined contribution pension schemes both of which comply with the requirements of auto enrolment. Additionally Brathay pays into personal pension plans for a small number of employees. Brathay contributes 5% (2019-20: 5%), of employees basic salary to these schemes, after the first three months of employment. At 31 March 2020 outstanding pension contributions totalled £15,761 (2019-20: £19,271).

Staff numbers

The average monthly number of employees, analysed by function, was:

	Year ended 31 March 2021 No	Year Ended 31 March 2020 No
Fundraising, business development & marketing	**14**	14
Charitable activities	**83**	93
Management and support	**8**	10
	105	110

This is based on the number of staff employed by Brathay and excludes any associates who are paid via the payroll.

The staff numbers above are head count. The movement in full time equivalent hasdecreased from 112.28 in March 2020 to 87.93 In March 2021

6 Trustee and staff information continued

Employees earning over £60,000

	Year ended 31 March 2021 No	Year Ended 31 March 2020 No
£70,000 - £ 79,999	1	1
£60,000 - £ 69,999	0	1

Brathay contributed a total of £3,339 (2019-20: £6,731) to defined contribution pension schemes for the employees shown above.

Key management personnel

The key management personnel are the trustees and the leadership team (listed on page 5). The total employee benefits of the Leadership team, including employer pension contributions was £179,743 (2019-20: £295,780)

7 Related party transactions

There were no material transactions with related parties (2019-2020: £nil).

8 Tangible fixed assets

Analysis of movement in tangible fixed assets

	Group and charity		
	Improvements to short leasehold property £'000	Equipment, fixtures and motor vehicles £'000	Total £'000
Cost			
at 1 April 2020	2,848	1,138	3,986
Additions	23	42	65
Disposals	0	0	0
At 31 March 2021	2,871	1,180	4,051
Depreciation			
at 1 April 2020	1,492	876	2,368
Charge for year	132	74	206
Disposals	0	0	0
At 31 March 2021	1,624	950	2,574
Net Book Value			
at 31 March 2021	1,247	230	1,477
at 31 March 2020	1,356	262	1,618
Net book value of assets held under finance leases			
at 31 March 2021	0	67	67
at 31 March 2020	98	124	222

9 Fixed asset investments

Investments are held to ensure Brathay has sufficient reserves and to meet future costs through capital growth and return on the investments.

Analysis of movement in investments

	Group and charity		
	UK unit trusts, listed stocks and shares	Cash	Total
	£'000	£'000	£'000
Market value			
at 1 April 2020	**944**	**89**	**1,033**
Additions	**799**	**0**	**799**
Revaluation	**191**	**0**	**191**
Reclassification to current assets	**(300)**	**0**	**(300)**
Disposals	**(714)**	**(68)**	**(782)**
At 31 March 2021	**920**	**21**	**941**
Historical cost at 31 March 2021	**1,097**	**89**	**1,186**

Analysis of movement by category

	Total	Total
	31 March 2021	31 March 2020
	£'000	£'000
Listed investments		
Fixed interest	**356**	383
Equities	**403**	377
Property	**56**	25
Alternatives	**103**	159
	918	944
Cash on deposit	**22**	89
	940	1,033

Analysis of movement by location

	Total	Total
	31 March 2021	31 March 2020
	£'000	£'000
Investments in the UK	486	455
Investments outside the UK	455	578
	941	1,033

9 Fixed asset investments continued

Material investments

The value of the following investments exceeded 5% of the total market value.

	31 March 2021		31 March 2020	
	Proportion	Value	Proportion	Value
	%	£'000	%	£'000
Fixed interest	**38**	**356**	37	383
Equities	**43**	**403**	36	377
Alternatives	**11**	**103**	15	159
Cash	**2**	**22**	9	89

10 Stock

	Group		Charity	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Consumable stock	**0**	4	**0**	4

11 Debtors

	Group		Charity	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Trade debtors	**257**	361	**79**	108
Other taxes and social security	**0**	0	**34**	32
Other debtors	**0**	0	**0**	0
Amounts owed by subsidiary undertaking	**0**	0	**0**	0
Prepayments	**114**	102	**114**	102
Accrued income	**131**	38	**131**	37
	502	501	**358**	279

12 Current asset investments

Investments are held to ensure Brathay has sufficient reserves and to meet future costs through capital growth and return on the investments.

Analysis of movement in investments	Group and charity		
	UK unit trusts, listed stocks and shares	Cash	Total
	£'000	£'000	£'000
Market value			
at 1 April 2020	0	0	0
Additions	0	0	0
Reclassification from fixed assets	300	0	300
Revaluation	0	0	0
Disposals	0	0	0
At 31 March 2021	300	0	300
Historical cost at 31 March 2021	0	0	0

Analysis of movement by category	Total	Total
	31 March 2021	31 March 2020
	£'000	£'000
Listed investments		
Fixed interest	116	0
Equities	132	0
Property	18	0
Alternatives	34	0
	300	0

Analysis of movement by location	Total	Total
	31 March 2021	31 March 2020
	£'000	£'000
Investments in the UK	155	0
Investments outside the UK	145	0
	300	0

Material investments

The value of the following investments exceeded 5% of the total market value.

	31 March 2021		31 March 2020	
	Proportion	Value	Proportion	Value
	%	£'000	%	£'000
Fixed interest	39	116	37	383
Equities	44	132	36	377
Alternatives	11	34	15	159

13 Creditors

Amounts falling due within one year

	Group		Charity	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Loans and finance leases	**45**	85	**45**	85
Trade creditors	**113**	170	**52**	157
Taxes and social security	**129**	186	**38**	110
Amounts owed to subsidiary undertaking	**0**	0	**314**	118
Other creditors	**16**	22	**16**	22
Accruals	**81**	66	**81**	66
Deferred income	**1,029**	961	**542**	634
	1,413	1,490	**1,088**	1,192

Amounts falling due in more than one year

	Group		Charity	
	2021	2020	**2021**	2020
	£'000	£'000	**£'000**	£'000
Loans and finance leases	**222**	130	**222**	130
	222	130	**222**	130

Analysis of loans & finance leases

	Loans	Finance leases	Totals
	£'000	**£'000**	**£'000**
Due within 1 year	15	30	45
Due in 2 - 5 years	150	72	222
Over 5 years	50	**0**	50
	215	102	317
Interest payable over the term of the agreements	18	7	25
Total commitment	233	109	342
Interest rate	2% above base rate	7%	

13 Creditors continued

Analysis of deferred income

Group	Voluntary income £'000	Charitable activities £'000	Total £'000
Deferred income at 1 April 2020	80	901	981
Income released during the year	(129)	(1,422)	(1,551)
Income deferred during the year	81	1,518	1,599
Deferred income at 31 March 2021	**32**	**997**	**1,029**

Charity	Voluntary income £'000	Charitable activities £'000	Total £'000
Deferred income at 1 April 2020	137	526	663
Income released during the year	(115)	(1,105)	(1,220)
Income deferred during the year	13	1,086	1,099
Deferred Income at 31 March 2021	**35**	**507**	**542**

14 Total charitable funds

Unrestricted reserves

	Group and charity		
	Trustee reserve £'000	Other reserves £'000	Total £'000
At 1 April 2020	947	877	1,824
Income	0	3,731	3,731
Expenditure, gains and losses	0	(3,484)	(3,484)
Transfer between funds	0	0	0
Depreciation	0	(206)	(206)
At 31 March 2021	947	918	1,865

The transfer between funds represents the readjustment of trustee reserve back to the level previously agreed upon by trustees

Other reserves	2021 £'000	2020 £'000
General reserve	918	871
Designated funds Brathay Explore	0	6
	918	877

Restricted reserves

None

14 Total charitable funds continued

Analysis of net assets between reserves

Fund balances at 31 March 2021 are represented by	Trustee reserve £'000	Other reserves £'000	Total reserves £'000
Tangible fixed assets	0	1,477	1,477
Fixed asset investments	947	(6)	941
Net current (liabilities)	0	(332)	(332)
Creditors due after more than one year	0	(222)	(222)
Total reserves	947	917	1,864

15 Notes to the consolidated cash flow statement

Reconciliation of net incoming resources to net cash flow from operating activities	Year ended 31 March 2021 £'000	Year Ended 31 March 2020 £'000
Net outgoing resources	(150)	(295)
Investment income	(19)	(27)
Investment fund charges	(1)	6
Interest payable	11	10
Depreciation	206	216
(Increase)/ decrease in stocks	4	9
(Increase)/decrease in debtors	(1)	52
Increase/(decrease) in creditors	(185)	291
Capital donation	0	(45)
	(135)	217

Analysis of cash flows

	Year ended 31 March 2021 £'000	Year Ended 31 March 2020 £'000
Returns on investment and servicing of finance		
Dividends received	17	25
Interest received	1	2
Interest paid	(11)	(10)
	7	17
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(65)	(318)
Net monies (invested in)/drawn from fixed/current asset investments	(17)	184
	(82)	(134)

15 Notes to the consolidated cash flow statement continued

	Year ended 31 March 2021 £'000	Year Ended 31 March 2020 £'000
Financing		
Management fee on payment of endowment fund	2	(5)
Cash inflow from loans	200	50
	202	45

Analysis of movement in net cash and liquid resources

	Opening balance £'000	Cash flows £'000	Closing balance £'000
Cash at bank and in hand and net cash and liquid resources	288	(8)	280

16 Trading subsidiary

Brathay has one trading subsidiary, Brathay Services Limited, a company incorporated in England and Wales. Brathay holds 100% of the issued share capital of Brathay Services Limited, being four £1 ordinary shares. The investment is shown at cost of £4.

Brathay Services Limited delivers Brathay's professional development work. In addition to this it provides accommodation for participants and guests. Turnover in the year was £678,341 (2019-2020: £2,530,014) from which Brathay Services Limited made a profit of £302,404 (2019-2020: £926,035) which was donated to Brathay. The company's aggregate capital and reserves at 31 March 2021 in full was £4 (2019-2020: £4).

17 Post balance sheet events

Brathay was seriously impacted by the Covid-19 pandemic and with a substantial proportion of our work involving face to face contact the impact on income has been significant. A substantial number of staff were furloughed in early March 2020 and a recovery plan was implemented, further details can be found in the Trustees' Report.

Brathay Trust
Income and Expenditure Account

for the year ended 31 March 2021

	2021	2020
	£'000	£'000
Income from:		
Grants & donations	**787**	**914**
Exceptional grants and donations	**1,364**	**0**
Charitable activities	**674**	**1,114**
Other activities	**209**	**277**
Investment income	**19**	**27**
Brathay Services Ltd donations	**302**	**926**
Total	**3,355**	**3,258**
Expenditure on:		
Raising funds	**131**	**321**
Charitable activities	**3,375**	**3,249**
Other	**(1)**	**(17)**
Total	**3,505**	**3,553**
Net income/ (expenditure) for the year before other recognised gains and losses	**(150)**	**(295)**
Nets gains/(losses) on investments	**191**	**(111)**
Net income/(expenditure) for the year after other recognised gains and losses	**41**	**(406)**