



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

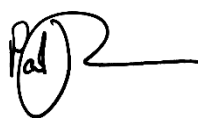
our financial position, ensuring that we can continue to offer our services to those who need them most.

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 usually 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 spirit 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:



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

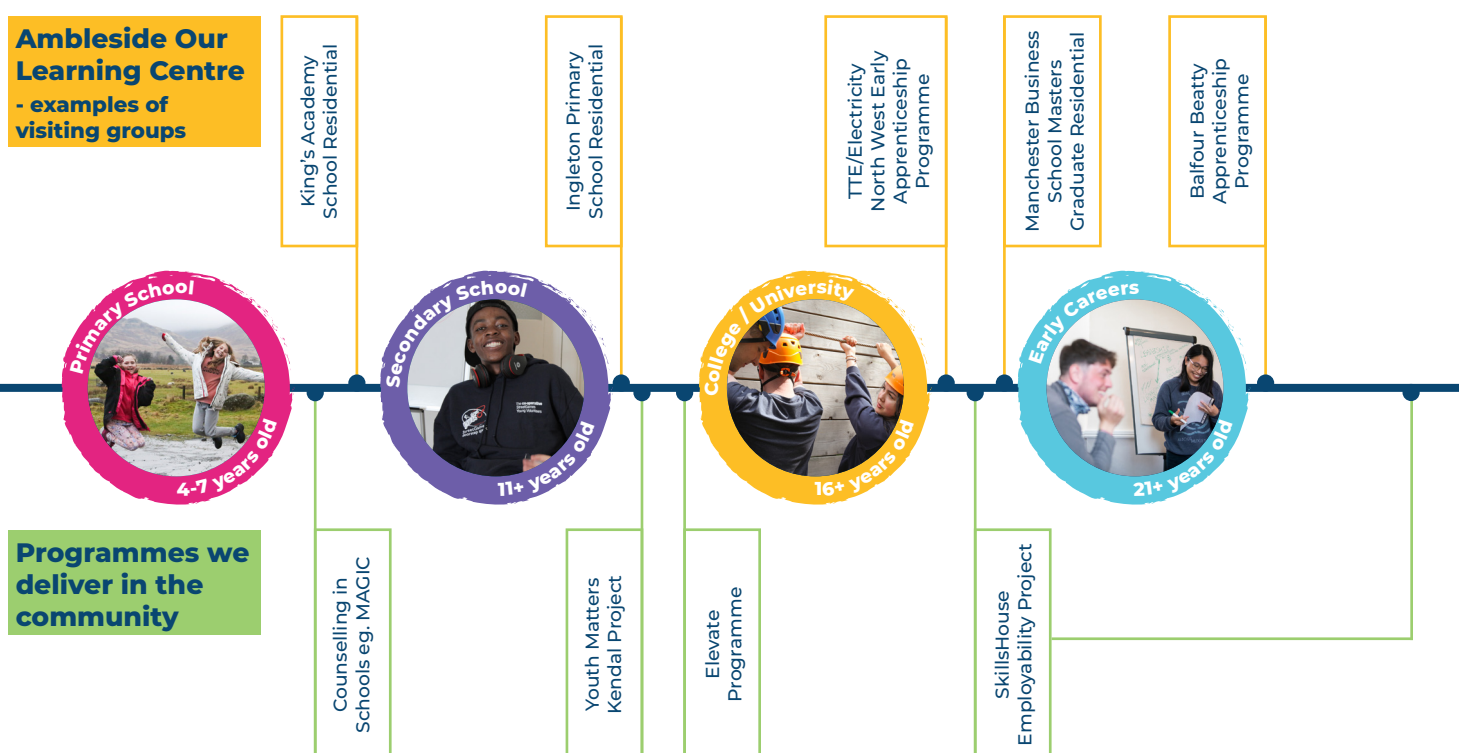
- Brathay Trust works with young people through their transformative early years from 5 years old right through to their early careers (21+ years old).

- 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

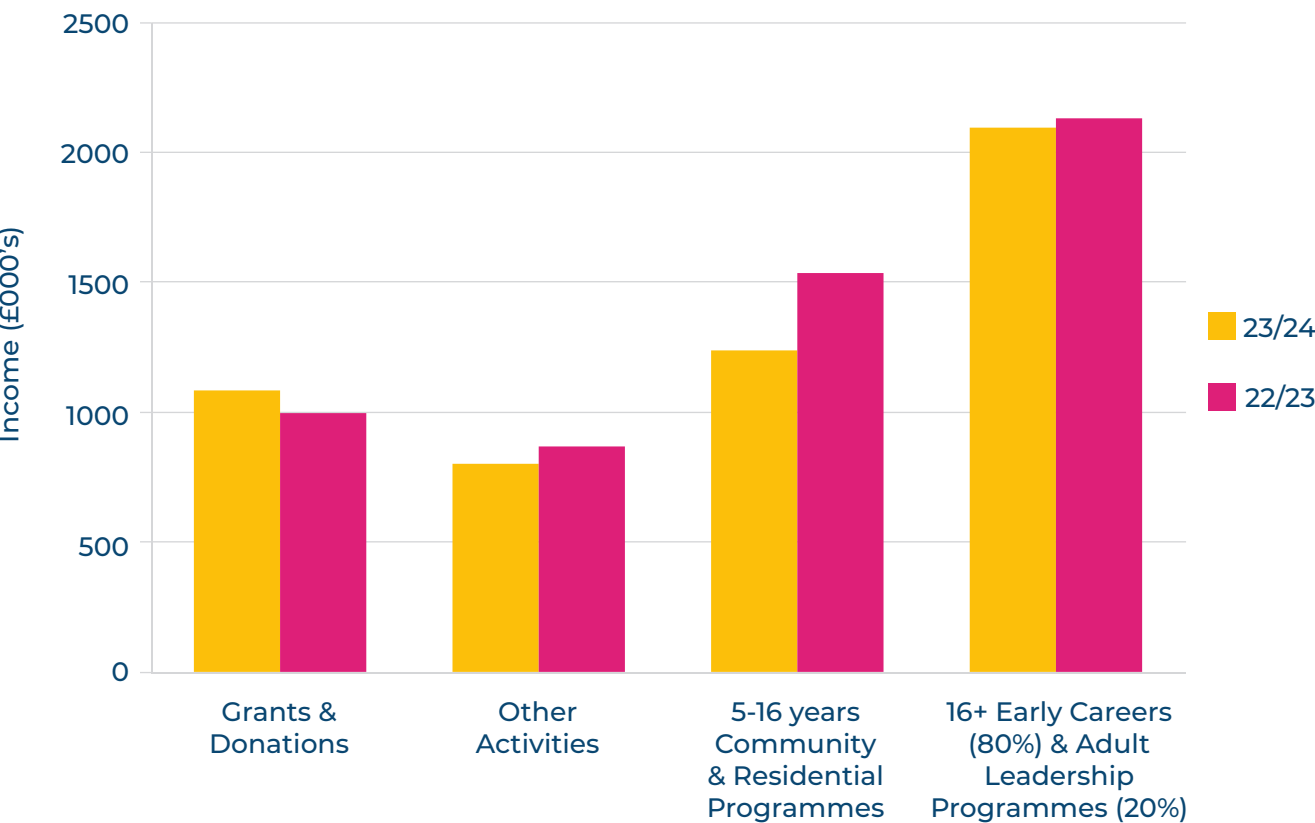
The results for the year showed a slight fall in income as the various income streams normalised in the first full year which had been unaffected by the pandemic since 2019-20. With a management focus on aligning costs with income, there was also an overall reduction in costs, which was a remarkable 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.

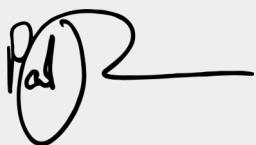
The notes on pages 25 to 37 form part of these financial statements.

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 £'000	2023 £'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
	£'000	£'000
Land & buildings	16	80
Other	9	0
	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

	Group and Charity		
Unrestricted reserves	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	2023
		£'000	£'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 £'000	Other reserves £'000	Total reserves £'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 £'000	Year Ended 31 March 2023 £'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 £'000	Cash flows £'000	Closing balance £'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 £'000	2023 £'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)



BRATHAY

Trustees Report and Annual Accounts 2023/2024

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