

The Basil Brown Charitable Trust

Unaudited Financial Statements

For the year ended 30 June 2021

The Basil Brown Charitable Trust

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The Basil Brown Charitable Trust

Annual Report for the year to 30 June 2021

The Basil Brown Charitable Trust is constituted by its Deed of Trust dated 1 July 1998 and is a registered charity number 1070787. The address of the Charity is Camp House, 19 Camp Road, Clifton, Bristol, BS8 3LW. The Charity Trustees who served during the year to 30 June 2021 were:-

Mr Anthony Brown – Chairman
Mrs Gabrielle Brown
Mrs Miriam Monnington
Dr Antonia Ingrey

The Charity bankers were:-

National Westminster Bank plc
32 Corn Street
Bristol
BS99 7UG

The Independent Examiner was:-

Sarah Twist FCA DChA
A C Mole
Chartered Accountants
Stafford House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

The objects of the Charity to achieve public benefit are:-

- a) to relieve elderly, sick and disabled persons and to preserve and protect the good health of such persons.
- b) the welfare of sick and neglected animals and the prevention of cruelty to animals.
- c) the relief of poverty among and to preserve and protect the good health of former members of the Armed Forces in the United Kingdom (and in particular members of the Royal Air Force of whatever rank).
- d) the relief of poverty and financial hardship.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

Achievement and Performance

Covid 19 materially impacted the grant-making capacity of the Charity during the year and trustees remained prudent whilst for a second year utilizing undistributed income from previous years.

The grants made amounting to £45,100 took the revenue grants made by the Charity since its inception to £794k which together with capital grants of £215k meant that the Charity had now made grants in total of over £1 million, a significant landmark.

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The Charity made a further grant of £25,000 to the National Churches Trust. The work of churches during the pandemic in some of the poorest areas of the country in maintaining community cohesion, care of the elderly and as foodbank distribution centres had been particularly impressive.

An additional grant of £10,000 was made to The Park in south Bristol, an area of great deprivation, for disability access to the new community building. The creation of this vital resource centre had been remarkable achievement.

During the year revenue grants of £45,100 (p/y £75,500) were made to 12 (p/y 75) such organisations. No capital grants were made (p/y £ nil).

The balance of undistributed revenue income amounted to £46,568 (p/y £51,959).

Investment policy and returns

The investment policy of the charity into long term equity investment and particularly into dividend bearing shares. Due to the uncertainty caused by Covid 19 dividend income reduced as companies paused distributions but there are now positive signs of a resumption by many of them.

Total funds during the year rose by over 40%, recovering the loss on investments seen in the previous year.

A cash reserve is maintained both at the bank and in the portfolio to ensure continuity of grant making and to avoid recourse to equity sales at a disadvantageous time.

Risk Management

The Trustees have carried out an annual assessment of the risks with which the charity could be confronted and have satisfied themselves that all appropriate procedures to limit such risks are in place.

The charity is a grant making charity. No charities are reliant on grants made by it and the sole risk is to the investment assets held. The trustees believe that a wide diversification of investments helps to limit risk whilst the authority of two trustees is required for the movement of funds.

Covid-19 & Ukraine

In early 2022 there is cautious optimism that the worst of Covid 19 is over but that the impact of inflation has become evident. The challenge in maintaining the value of investments in this environment has been further amplified by the unfolding events of the war in Ukraine. Trustees consider that a diverse portfolio invested in companies with a wide range of products and services delivered both in the UK and worldwide will offer the best protection at a particularly uncertain time.

Governance and Management

Day to day management of the charity is undertaken by the Board of Trustees without remuneration. New Trustees are appointed at the invitation of the current Trustees. During each year, as appropriate, Trustees attend training events in charity law, charity accounting and compliance to give them an understanding of general changes to regulations and specifically to those relevant to a body, the sole purpose of which is to invest funds and make grants. There are no employees or premises for which the charity is responsible and the Trustees meet four times per annum, twice as grants meetings and once each for finance and compliance.

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Plans for the Future

During the period of Covid-19 and now the invasion of Ukraine it has been difficult to have clear plans for the future other than a commitment to raise revenue and make grants to organisations meeting the objects of the charity and with a continuing focus on the Bristol area.

The Charity has come through the financial crisis and Covid 19 and despite continuing uncertainties trustees feel confident that the Charity will continue to make further progress in this regard in the years to come.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Anthony Brown
Chairman

On behalf of the Board of Trustees

Independent examiner's report to the Trustees of The Basil Brown Charitable Trust

I report to the Trustees on my examination of the accounts of The Basil Brown Charitable Trust for the year ended 30 June 2021 which are set out on pages 5 to 12.

Responsibilities and basis of report

As the charity Trustees of The Basil Brown Charitable Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Sarah Twist FCA DChA
Chartered Accountant
A C Mole
Stafford House
Blackbrook Park Avenue
Taunton
TA1 2PX

Date

The Basil Brown Charitable Trust

Statement of Financial Activities
Year ended 30 June 2021

		Total Funds 2021 £	Total Funds 2020 £
Income	Note		
Investments	2	39,709	66,388
		<hr/>	<hr/>
Total Income		39,709	66,388
		<hr/>	<hr/>
Expenditure			
Raising funds		-	78
Charitable activities	3	46,126	78,930
		<hr/>	<hr/>
Total Expenditure		46,126	79,008
		<hr/>	<hr/>
Net gains/(losses) on investments	5	591,879	(516,324)
		<hr/>	<hr/>
Net Income/(Expenditure)		585,462	(528,944)
		<hr/>	<hr/>
Net Movement in Funds		585,462	(528,944)
Reconciliation of Funds: -			
Total Funds Brought Forward	7	1,437,935	1,966,879
		<hr/>	<hr/>
Total Funds Carried Forward	7	2,023,397	1,437,935
		<hr/>	<hr/>

The notes on pages 7 to 12 form part of these financial statements

The Basil Brown Charitable Trust

Balance Sheet as at 30 June 2021

	Note	2021 £	2020 £
Fixed Assets			
Investments	5	1,922,371	1,330,163
Current Assets			
Cash at bank and in hand		102,004	108,702
		<u>102,004</u>	<u>108,702</u>
Creditors: Amounts falling due within one year	6	(978)	(930)
		<u> </u>	<u> </u>
Net Current Assets		101,026	107,772
		<u> </u>	<u> </u>
Total Net Assets		2,023,397	1,437,935
		<u> </u>	<u> </u>
The Funds of the Charity:			
Unrestricted Funds	7	2,023,397	1,437,935
		<u> </u>	<u> </u>
Total Charity Funds		2,023,397	1,437,935
		<u> </u>	<u> </u>

These financial statements were approved by the Trustees on
their behalf by:

and signed on

.....
MR A R E BROWN
Chairman

The notes on pages 7 to 12 form part of these financial statements

The Basil Brown Charitable Trust

Notes to the Financial Statements **Year ended 30 June 2021**

1. Accounting Policies

a) Basis of preparation and assessment of going concern

Basil Brown Charitable Trust is a registered charity constituted by its Trust Deed dated 1 July 1998. The Charity is registered in England and Wales. The registered office is 19 Camp Road, Bristol, BS8 3LW.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value with the exception of investments which are held at fair value. The financial statements have been prepared in accordance with the 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 (FRS102) issued October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

b) Income

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

Investment income generated from listed investments is recognised when receivable and the amount can be measured reliably.

Legacy income is recognised in the period it has been received or where there is sufficient evidence that it is probable the legacy will be received.

c) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the Trust.

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Notes to the Financial Statements **Year ended 30 June 2021**

- d) **Raising Funds**
The costs of raising funds consist of investment management fees.
- e) **Charitable activities**
The expenditure on charitable activities includes grants made, governance costs and support costs.
- f) **Grants and donations**
The Trust gives to charitable organisations in the form of one-off grants for causes covered by the Trusts objects. Such costs are charged to the Statement of Financial Activities as they arise.
- g) **Fixed asset investments**

Listed investments
Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at fair value at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The Trust does not acquire or use put options, derivatives or other complex financial instruments.

Social investments
Concessionary loans are mixed motive investments initially recognised at transition value less subsequent repayments. Interest received on concessionary loans is recognised in the statement of financial activities when receivable.
- h) **Realised gains and losses**
All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.
- i) **Classification of funds**
Funds are classified according to the manner in which they are allowed to be spent. The trust has only Unrestricted Funds. The Capital Trust Fund is held to generate income for the charity with a maximum of 5% of the capital paid out as capital grants. It is the aim of the Trustees to distribute the income trust fund annually.
- j) **Cash and cash equivalents**
Cash and cash equivalents include cash in hand, deposits and other short-term highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.
- k) **Financial instruments**
The Trust only has financial assets and liabilities that qualify as basic financial instruments including cash and bank balances, trade and other payables, and investments. Basic financial instruments are therefore recognised at transaction price and subsequently at amortised cost with the exception of investments which are subsequently measured at fair value.

The Basil Brown Charitable Trust

Notes to the Financial Statements **For the year ended 30 June 2021**

l) **Critical accounting judgements and estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The trustees are of the opinion that there are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

m) **Taxation**

The Trust is a registered charity and is, therefore, exempt from liability to taxation on its income and capital gains, to the extent that they are applied for charitable purposes.

		2021	2020
		£	£
2. Income from Investments			
Dividends		39,709	66,251
Interest		-	137
		<hr/>	<hr/>
		39,709	66,388
		<hr/>	<hr/>
3. Expenditure on Charitable Activities			
	Note	2021	2020
		£	£
Direct Costs			
Grants paid:			
Revenue	4	45,100	75,500
		<hr/>	<hr/>
		45,100	75,500
Support Costs			
Accountancy		-	2,500
Independent examiner's fees		1,026	930
		<hr/>	<hr/>
		46,126	78,930
		<hr/>	<hr/>

The Basil Brown Charitable Trust

Notes to the Financial Statements
For the year ended 30 June 2021

4. Grants Paid

Grants paid comprise the following grants to institutions:-

	Revenue Grants £	Capital Grants £	2021 £	2020 £
Trinity Academy Lockleaze	-	-	-	1,000
SMV Charity	5,000	-	5,000	5,000
National Churches Trust	25,000	-	25,000	25,000
Quartet Community Foundation – High Sheriff Fund	1,000	-	1,000	1,000
The Park	10,000	-	10,000	-
Colston Society	-	-	-	1,000
Paradise Pastures	2,000	-	2,000	1,000
Bristol Music Trust	-	-	-	5,000
RNA Academy	-	-	-	5,000
Other	2,100	-	2,100	31,500
	<hr/>	<hr/>	<hr/>	<hr/>
Total Grants to Institutions	45,100	-	45,100	75,500
	<hr/>	<hr/>	<hr/>	<hr/>

5. Fixed Asset Investments

	Listed Investments £	Total 2021 £	Total 2020 £
Movement in fixed asset investments			
Market value brought forward			
At 1 July 2020	1,233,930	1,233,930	1,729,046
Additions to investment at cost	508,573	508,573	393,868
Disposals at carrying value	(636,229)	(636,229)	(372,660)
Net gain/(loss) on revaluation	591,879	591,879	(516,324)
	<hr/>	<hr/>	<hr/>
Market value at 30 June 2021	1,698,153	1,698,153	1,233,930
Cash held within the investment portfolio	224,218	224,218	96,233
	<hr/>	<hr/>	<hr/>
	1,922,371	1,922,371	1,330,163
	<hr/>	<hr/>	<hr/>
Investments at fair value comprised:		2021 £	2020 £
Equities		1,698,153	1,233,930
Cash held within the Investment portfolio		224,218	96,233
		<hr/>	<hr/>
		1,922,371	1,330,163
		<hr/>	<hr/>

The Basil Brown Charitable Trust

Notes to the Financial Statements
For the year ended 30 June 2021

6. Creditors falling due within one year

	2021	2020
	£	£
Accruals	978	930

7. Statement of Funds

	Balance at 1 July 2020	Income	Expenditure	Gains/ (Losses)	Balance at 30 June 2021
	£	£	£	£	£
Unrestricted Funds					
Income Trust Fund	51,959	39,709	(45,100)	-	46,568
Capital Trust Fund	1,385,976	-	(1,026)	591,879	1,976,829
Total Funds	1,437,935	39,709	(46,126)	591,879	2,023,397

In accordance with the Trust Deed income is allocated as grants in the year that it arises or accumulated in the Income Trust Fund to be distributed within the next two years.

The Capital Trust Fund is used to generate distributable income for the Trust. In accordance with the Trust deed not more than 5% of the value of the fund can be distributed at one time.

Statement of Funds - comparative

	Balance at 1 July 2019	Income	Expenditure	(Losses)/ Gains	Balance at 30 June 2020
	£	£	£	£	£
Unrestricted Funds					
Income Trust Fund	61,071	66,388	(75,500)	-	51,959
Capital Trust Fund	1,905,808	-	(3,508)	(516,324)	1,385,976
Total Funds	1,966,879	66,388	(79,008)	(516,324)	1,437,935

The Basil Brown Charitable Trust

Notes to the Financial Statements
For the year ended 30 June 2021

8. Key Management Personnel

The Charity considers its key management personnel to comprise of the Trustees.

9. Trustee Remuneration and Expenses

No remuneration has been paid to the Trustees during the current or preceding period. The charity has not met any individual expenses incurred by the Trustees for services provided to the charity (2020: none)

10. Related Party Transactions

There were no related party transactions in the year (2020: none).