Brian Mercer Trust

England & Wales · Charity number 1076925

Details

Other names	THE BRIAN MERCER CHARITABLE TRUST, Brian Mercer Trust
Status	Registered
Legal form	Trust
Registered	1999-08-06
Register	View on the Charity Commission register

Contact

Address	Suite 16b The Beehive Lions Drive Blackburn Lancashire
Phone	01254686600
Email	info@brianmercertrust.org
Website	www.brianmercertrust.org

Activities

Objects: a) Prevention of, or relief from, disadvantage and suffering resulting from poverty, ill-health, or other causes globally.b) Promotion of visual arts, and artistic talent especially in the North West of England.c) Support for charitable community initiatives local to Blackburn, Lancashire. d) Furtherance of any other charitable purposes in any part of the world as the Trustees may in their absolute discretion think fit.

Activities: The Brian Mercer Trust awards grants to charities and organisations whose aims are: a) Prevention of, or relief from, disadvantage and suffering resulting from poverty, ill-health, or other causes globally.b) Promotion of visual arts, and artistic talent especially in the North West of England.c) Support for charitable community initiatives local to Blackburn, Lancashire

Classification

- **How:** Makes Grants To Organisations
- **What:** The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Arts/culture/heritage/science, Economic/community Development/employment, Other Charitable Purposes
- **Who:** Other Charities Or Voluntary Bodies

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Geography

- **Area of benefit:** ANY PART OF THE WORLD
- Burkina Faso
- Congo (Democratic Republic)
- India
- Malawi
- Togo
- Uganda
- Zambia
- Blackburn With Darwen

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£752,936	£1,274,605	£38,045,218	0
2024-04-05	£1,373,488	£429,608	£38,789,333	0
2023-04-05	£1,319,934	£1,259,834	£35,409,021	0
2022-04-05	£1,315,044	£1,095,367	£38,011,597	0
2021-04-05	£1,321,060	£1,063,159	£36,874,140	0
2020-04-05	£1,288,311	£354,070	£29,739,491	0

Trustees

Name	Role	Appointed
KENNETH JOHN MERRILL		
Luke John Merrill		2024-06-29
Sarah Wakefield		2025-02-16

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Brian Mercer Trust

England & Wales - Charity number 1076925

Accounts

Docusign Envelope ID: 756BE44E-32D9-4017-A650-B12BD63AB151

Charity Commission Reference Number: 1076925

The Brian Mercer Trust

Annual Report and Financial Statements

For the Year Ended 5 April 2024

Docusign Envelope ID: 756BE44E-32D9-4017-A650-B12BD63AB151

The Brian Mercer Trust

Financial Statements

For the Year Ended 5 April 2024

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The Brian Mercer Trust

Reference and Administrative Details

Trustees	K J Merrill (Chairman) C J Clancy L J Merrill (appointed 29 June 2024)
Secretary to the trustees	C Kay
Accountants	Beever and Struthers Suite 9b The Beehive Lions Drive Shadsworth Business Park Blackburn Lancashire BB1 2QS
Investment Managers	Sarasin and Partners LLP 100 St Paul's Churchyard London EC4M 8BU
Bankers	The Co-Operative Bank 1 Balloon Street Manchester M60 4EP
Auditors	MHA 9 Winckley Square Preston Lancashire PR1 3HP
Principal address of the charity	Suite 9b The Beehive Lions Drive Shadsworth Business Park Blackburn Lancashire BB1 2QS
Charity Number	1076925

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The trustees present their annual report and audited financial statements for the year ended 5 April 2024. The financial statements have been prepared in accordance with Financial Reporting Standard 102 and the Charities SORP and in compliance with the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust is a registered charity, charity number 1076925, and was established under a Declaration of Trust dated 5 July 1999. The trust was established in 1998 following the wishes of Dr Brian Mercer. The trust does not actively fundraise and seeks to continue the charitable work desired by the donor through the careful stewardship of its existing resources.

New trustees are appointed by the existing trustees by resolution. There are no fixed terms under which trustees must serve or seek re-appointment. The trustees meet at least four times a year and agree the broad strategy and areas of activity for the Trust, reviewing all areas including grant making and investment policy. The day to day administration of the charity is dealt with primarily by K J Merrill, the chair of the Trust. He is assisted by the secretary of the trustees.

On appointment new trustees receive a formal induction which provides a brief history of the Trust, copies of meeting minutes (where relevant), copies of previous year's annual reports and accounts, a copy of the governing trust deed. Guidance is also provided on investments and the grant making process. All trustees are encouraged to access further training to aid them in their duties and improve the management of the Trust. This is available through the National Council for Voluntary Organisations (NCVO), of which the Trust is a member, or other sources.

All trustees give of their time freely and are unpaid. Details of trustee expenses and related party transactions are disclosed in note 4 to the accounts. Trustees are required to disclose all relevant interests and register them with the board of trustees and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises.

2. RISK MANAGEMENT

The trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The trustees consider the principal risk that the trust faces is the variability in performance of the investment portfolio and recent macro-economic events creating volatility in world stock markets have demonstrated this risk. To mitigate the risk the trustees have appointed Investment Managers who manage the investment portfolio on their behalf. The trustees meet with the Investment Managers, and receive investment reports, on a regular basis to review financial performance and to discuss potential future investment returns.

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3. ETHICAL INVESTING

The trust is a signatory to the Funders Commitment on Climate Change. Investment policy is consistent with Environment, Social and Governance (ESG) principles, notably excluding any investments in fossil fuel industries.

4. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

Charitable objects

a) Prevention of, or relief from, disadvantage and suffering resulting from poverty, ill-health, or other causes globally.
b) Promotion of visual arts, and artistic talent especially in the Northwest of England.
c) Support for charitable community initiatives local to Blackburn, Lancashire.
d) Furtherance of any other charitable purposes in any part of the world as the Trustees may in their absolute discretion think fit.

5. GRANT MAKING POLICY

The Trust:

- is proactive in seeking out effective organisations to support and less reliant on responding to applicants who have sought out the Trust.
- Prioritises applications that are supported by evidence of cost-effectiveness and, where this is lacking, is willing to fund independent outcome evaluation.
- Provides feedback to unsuccessful applicants, explaining the reasons for trustees' decision within 48 hours of the meeting.
- Is committed to following best practice and is a signatory to the IVAR's (Institute for Voluntary Action Research) commitments on best practice.

In order to be fully transparent about grants made and to assist potential grant applicants, the Trust now publishes comprehensive data through 360 Giving which details all grants made. Data includes the name of the grantee, nature of the grant, amount granted and duration of grant. A link to 360 Giving data is provided on the Trust's website.

How our grant programmes delivered public benefit:

Trustees are confident that the Trust's objectives are wholly charitable and that the means of selecting causes/organisations to fund meet the requirements of the best advice available.

Examples of grants made are provided below:

Prevention and Relief of Human Suffering

A three-year commitment was made to several charities including Re-cycle, Hello World and Our Sansar.

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Arts
A grant of £5,000 was made to HOME (for the biennial Manchester Open Arts Exhibition).

Causes Local to Blackburn Lancashire
The Trust continues to support local causes. A further grant of £10,000 was made to Festival of Making and £14,600 to The Making Rooms.

Payments amounting to £34,445 were also made to The Community CVS, a membership-based organisation which exists to promote, develop and support voluntary and community action in the borough of Blackburn with Darwen.

6. MONITORING ACHIEVEMENT

Trustees are aware of the limitations of being able to effectively monitor the achievements of their grant giving. Nevertheless, the following procedures are applied:

Where large grants are given, there is special attention to independent evidence of effectiveness before the grant is made. A meeting is usually held with senior personnel of the organisation. Brief written feedback is required annually and a more rigorous review using evidence from external sources (e.g. charity evaluators) made every three years, before the grant is reviewed.

In the case of smaller organisations (as for example Blackburn Youth Zone) Trustees have developed close working relationships with the organisations themselves and are actively involved in reviewing the activities of the organisations.

7. FUNDRAISING

The Charity does not do any fundraising activities.

8. FINANCIAL REVIEW

The Trust's work is entirely reliant on income and investment returns from its endowments. The funds held by the Trust have derived from the estate of the late Brian Mercer who died on 22 November 1998.

The Trustees have placed funds for investment with Sarasin and Partners LLP. During the year the Trust has made unrealised investment gains of £2,436,432 (2023: unrealised investment losses of £2,662,676) reflecting the movement in stock markets. At 5 April 2024 the funds invested were valued at £38,910,334 (2023: £36,023,902).

During the year, the trustees paid and agreed grants for charitable purposes amounting to £256,195 (2023: £1,088,077). Grants are made in accordance with decisions reached after discussions at meetings of the Trustees and after taking advice, where appropriate. The drop in annual grants from previous years is temporary and due to a new focus on pursuing climate-related interventions and finding space to increase grants to smaller organisations in the future.

9. INVESTMENT POLICY

Investments are held in the name of a nominee company. The trustees' policy is to invest for a combination of capital growth and income.

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The trustees make use of the advice and support of their investment managers, Sarasin and Partners. The performance of the fund is reviewed frequently with the investment managers and investment reports are discussed at trustee meetings. Future performance is considered after taking due advice from the investment manager.

The trustees have a written investment policy which is regularly reviewed and updated as necessary. Since the year end the trustees have changed investment advisor from Sarasin and Partners to Julius Baer.

10. RESERVES

The trustees aim to maintain cash reserves at a level which equates to approximately twelve months of charitable expenditure, including grant commitments. The trustees consider that this level will provide sufficient funds to meet the Trust's charitable commitments and ensure that there are sufficient funds available to cover governance costs. Unexpected expenditure or costs arising from an urgent need can be met from ongoing investment income. Future applications for grants will be considered in line with the grant making policy and will be funded from the investment return as resources allow.

The balance held in cash reserves at 5 April 2024 was £597,950 (2023:£600,149), against grant commitments and anticipated governance costs of £1,100,000. However, if there is a shortfall in cash reserves, then the investment advisors will sell a number of investments and transfer the appropriate level of cash to the Trust bank account.

Although the trustees are empowered to use both the income and capital of the trust in furtherance of the objects of the trust, the trustees have resolved to make charitable distributions out of the income of the Trust thereby maintaining the capital of the trust. The trustees may invest the funds of the Trust in any lawful manner.

11. FUTURE PLANS

At their meeting on April 13 2022, trustees decided to commit approximately 50% of funding from the "Prevention and Relief of Human Suffering" category towards issues that address climate change.

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Trustees' responsibilities for the financial statements

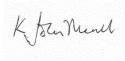
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and 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 incoming resources and application of resources 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 judgements and 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 operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on February 4, 2025 and signed on their behalf by:



K J Merrill
Chairman of Trustees

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The Brian Mercer Trust

Statement of Financial Activities

For the Year Ended 5 April 2024

		Unrestricted Funds	
		2024	2023
	Notes	£	£
Income and endowments from:			
Investments	2	1,373,488	1,319,934
Total Income		**1,373,488**	**1,319,934**
Expenditure on:			
Raising Funds	3	153,198	151,289
Charitable Activities	4	276,410	1,108,545
Total Expenditure		**429,608**	**1,259,834**
Net gains/(losses) on investments	5	2,436,432	(2,662,676)
Net income/(expenditure)/ movement in funds		**3,380,312**	**(2,602,576)**
Reconciliation of funds			
Total funds brought forward		35,409,021	38,011,597
Total funds carried forward		**38,789,333**	**35,409,021**

The notes on pages 10 to 14 form an integral part of these accounts

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The Brian Mercer Trust

Balance Sheet

For the Year Ended 5 April 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Investments	5		38,910,334		36,023,902
Current assets					
Debtors	6	32,449		29,970	
Cash at bank and in hand		597,950		600,149	
		630,399		**630,119**	
Liabilities					
Creditors: Amounts falling due within one year	7	(486,400)		(602,000)	
Net current assets			**143,999**		**28,119**
Total assets less current liabilities			**39,054,333**		**36,052,021**
Creditors: Amounts falling due after more than one year	8		(265,000)		(643,000)
Net assets			**38,789,333**		**35,409,021**
Funds					
Unrestricted income funds					
General fund			**38,789,333**		**35,409,021**

Approved by the Trustees on February 4, 2025 and signed on their behalf by:

K J Merrill
Chairman of Trustees

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The Brian Mercer Trust

Cashflow Statement

For the Year Ended 5 April 2024

	Notes	2024		2023	
		£	£	£	£
Cash flow from operating activities	1	(925,687)		(877,759)	
Net cash flow from operating activities			**(925,687)**		**(877,759)**
Cash flow from investing activities					
Payments to acquire investments		(450,000)		(57,719)	
Investment income received		1,373,488		1,319,934	
			923,488		**1,262,215**
Net increase/ (decrease) in cash and cash equivalents			**(2,199)**		**384,456**
Cash and cash equivalents at 5 April 2023			600,149		215,693
Cash and cash equivalents at 5 April 2024	2		**597,950**		**600,149**

1 Reconciliation of net income/ (expenditure) to net cash flow from operation activities

	2024	2023
	£	£
Net income/(expenditure) in the year	3,380,312	(2,602,576)
Investment income received	(1,373,488)	(1,319,934)
(Gains)/losses on investments	(2,436,432)	2,662,676
(Increase)/decrease in debtors	(2,479)	2,259
(Decrease)/Increase in creditors	(493,600)	379,816
	(925,687)	**(877,759)**

2 Cash and cash equivalents

	2024	2023
	£	£
Cash at bank and in hand	597,950	600,149
Cash and cash equivalents at 5 April	**597,950**	**600,149**

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1. Accounting Policies

1.1 Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

1.3 Incoming resources

Investment income is accounted for in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Other income is accounted for on an accruals basis as far as it is prudent to do so.

1.4 Resources expended and irrecoverable VAT

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

All expenditure is directly allocated to the relevant categories and no apportionments are considered necessary.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.5 Raising funds

The costs of raising funds consist of investment management fees

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1.6 Charitable activities – Grants payable

Grants payable are payments and commitments made to third parties in the furtherance of the charitable objectives of the trust. Grant commitments are recognised when a constructive obligation arises that results in payment being unavoidable. In accordance with the Charities SORP, grants are therefore accounted for once the offer has been made in writing.

1.7 Charitable activities - Governance costs

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with statutory regulation and constitutional good practice. These are analysed in detail in note 4 to the financial statements.

1.8 Taxation

As a registered charity, the Trust is generally exempt from Income Tax and Capital Gains Tax, but not from VAT.

1.9 Investments

All investments are carried at their fair market value. Investments in equities and fixed interest securities are all traded in quoted public markets. The basis of fair value for quoted investments is equivalent to the market value, using the mid price. Asset sales and purchases recognised at the date of trade at cost (that is their transaction value). Realised and unrealised gains and losses are taken to the Statement of Financial Activities. Investment income has been taken into account on the basis of due date of payment.

1.10 Judgements and key sources of estimation uncertainty

There have been no significant judgements (apart from those involving estimates) made in the process of applying the accounting policies.

There have been no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. Investment income

	2024	2023
	£	£
Income from UK listed investments (before deduction of fees)	1,354,090	1,316,314
Interest receivable on short term deposits and cash at bank	19,378	3,620
	1,373,488	**1,319,934**

3. Raising Funds

	2024	2023
Management Fees	£	£
Earned on Sarasin funds	276,021	272,905
Rebate	(122,823)	(121,616)
Net fees charged	**153,198**	**151,289**

Sarasin and Partners LLP charge fees to underlying investment funds in excess of the fee charges agreed with the trustees and a rebate of the excess fees is therefore made.

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4. Charitable Activities

	2024	2023
	£	£
Grants Payable	256,195	1,088,077
Governance Costs	20,215	20,468
Total Charitable Activities	**276,410**	**1,108,545**

Analysis of Grants Payable	2024 £	2023 £
African Adventure Foundation	8,000	-
Re-Cycle	30,000	-
Kids Club Kampala	-	58,400
Hope Health Action	-	15,000
Hello World	45,000	-
Deki	-	15,000
CSEF Moneywise	-	4,000
St Mary's Sixth Form College	-	(261)
The Making Rooms	14,600	14,600
The Whitaker	-	20,000
Festival of Making	20,000	30,000
Client Earth	-	100,000
Blaze Arts	-	45,000
Greenpeace	-	100,000
Oxfam	-	100,000
Cure International	-	9,000
Samaritans	-	15,000
Power for the People	-	30,000
Raising Futures Kenya	-	30,000
Cleanup Uk	-	3,000
Living Paintings Trust	-	2,000
Hutton Grammar School	-	2,500
Community Voluntary Service (CVS)	34,445	(10,662)
Stanley Grange Community Association	-	2,500
Open Eye Museum	-	(27,000)
Blackburn Youth Zone	-	95,000
Against Malaria Foundation	-	150,000
Nightsafe	-	75,000
Medecins Sans Frontiere	-	300,000
Legs4Africa	-	30,000
Tate Museum (reversal of commitment)	-	(40,000)
Blackburn with Darwen BC (reversal of commitment)	-	(80,000)
Our Sansar	30,000	-
Kairos Housing	30,000	-
ACAA	13,400	-
Crackerjacks	750	-
EFN Climate Activist Speaker Fund	20,000	-
HOME (Manchester Exhibition)	5,000	-
Castlefield Gallery	6,500	-

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EFN Membership	(1,500)	-
	256,195	**1,088,077**

Analysis of Governance costs

	2024	2023
	£	£
Accountancy and Trust administration	14,400	14,400
Audit fees	3,300	3,000
Trustees' travelling expenses	168	548
Environmental Funders Network Membership	1,500	1,500
Miscellaneous	827	1,020
	20,195	**20,468**

Related party transactions

None of the Trustees received any remuneration from the Trust. C Kay, the secretary of the charity during the year ended 5 April 2024 was a tax manager at Beever and Struthers Accountants. Fees paid to Beever and Struthers Accountants for accountancy and trust administration £14,400 (2023: £14,400) were payable in the year.

5. Fixed asset investments

	2024	2023
	£	£
Market value at 6 April	36,023,902	38,628,859
Additions	450,000	57,719
Sales	-	-
Unrealised (losses)/surplus on revaluation of investments	2,436,432	(2,662,676)
Market value at 5 April	**38,910,334**	**36,023,902**
Historic cost at 5 April	25,009,119	24,559,119
The market value of investments is made up as follows:		
UK investments listed on a recognised stock exchange	**38,910,334**	**36,023,902**

6. Debtors

	2024	2023
	£	£
Investment Management Fee Rebate	**32,449**	**29,970**

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7. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Accruals – Audit Fee	3,300	3,000
Accruals – Accountancy Fee	3,600	-
Grants agreed and payable	479,500	599,000
	486,400	**602,000**

8. Creditors: Amounts falling due after more than one year

	2024	2023
	£	£
Grants agreed and payable	**265,000**	**643,000**

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Independent Auditor's Report on the Financial Statements to the Trustees of The Brian Mercer Trust

For the Year Ended 5 April 2024

Opinion

We have audited the financial statements of The Brian Mercer Charitable Trust for the year ended 5 April 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and notes to the financial statements, including 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 charity's affairs as at 5 April 2024, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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 trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

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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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees are responsible for the preparation of the financial statements which 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concerns basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

Docusign Envelope ID: 756BE44E-32D9-4017-A650-B12BD63AB151

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:

- Reviewing board minutes.
- Auditing the risk management override of controls, including through testing journal entries and other adjustments for appropriateness.
- Testing completeness of income.
- Enquiries with management about any known or suspected incidents on non-compliance with regulations and fraud.
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to fixed asset investments.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at:https://www.frc.org.uk/Auditors-responsibilites. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charites (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

MHA

MHA
Registered Auditor
9 Winckley Square
Preston
Lancashire
PR1 3HP
Date: February 5, 2025

MHA is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

Brian Mercer Trust

England & Wales - Charity number 1076925

Accounts

Charity Commission Reference Number: 1076925

The Brian Mercer Trust

Annual Report and Financial Statements

For the Year Ended 5 April 2023

The Brian Mercer Trust

Financial Statements

For the Year Ended 5 April 2023

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The Brian Mercer Trust

Reference and Administrative Details

Trustees	R P T Duckworth (Chairman) C J Clancy M A E T Clitheroe (resigned 19 January 2023) K J Merrill
Secretary to the trustees	C Kay
Accountants	Beever and Struthers Suite 9b The Beehive Lions Drive Shadsworth Business Park Blackburn Lancashire BB1 2QS
Investment Managers	Sarasin and Partners LLP 100 St Paul's Churchyard London EC4M 8BU
Bankers	Lloyds Bank Church Street Blackburn Lancashire BB2 1JQ
Auditors	MHA Moore & Smalley 9 Winckley Square Preston Lancashire PR1 3HP
Principal address of the charity	Suite 9b The Beehive Lions Drive Shadsworth Business Park Blackburn Lancashire BB1 2QS
Charity Number	1076925

The trustees present their annual report and audited financial statements for the year ended 5 April 2023. The financial statements have been prepared in accordance with Financial Reporting Standard 102 and the Charities SORP and in compliance with the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust is a registered charity, charity number 1076925, and was established under a Declaration of Trust dated 5 July 1999. The trust was established in 1998 following the wishes of Dr Brian Mercer. The trust does not actively fundraise and seeks to continue the charitable work desired by the donor through the careful stewardship of its existing resources.

New trustees are appointed by the existing trustees by resolution. There are no fixed terms under which trustees must serve or seek re-appointment. The trustees meet at least four times a year and agree the broad strategy and areas of activity for the Trust, reviewing all areas including grant making and investment policy. The day to day administration of the charity is dealt with primarily by K J Merill, one of the trustees. He is assisted by the secretary of the trustees.

On appointment new trustees receive a formal induction which provides a brief history of the Trust, copies of meeting minutes (where relevant), copies of previous year's annual reports and accounts, a copy of the governing trust deed. Guidance is also provided on investments and the grant making process. All trustees are able to access further training to aid them in their duties and improve the management of the Trust. This is available through the National Council for Voluntary Organisations (NCVO), of which the Trust is a member, or other sources.

All trustees give of their time freely and are unpaid. Details of trustee expenses and related party transactions are disclosed in note 4 to the accounts. Trustees are required to disclose all relevant interests and register them with the board of trustees and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises.

2. RISK MANAGEMENT

The trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The trustees consider the principal risk that the trust faces is the variability in performance of the investment portfolio and recent macro-economic events creating volatility in world stock markets have demonstrated this risk. To mitigate the risk the trustees have appointed Investment Managers who manage the investment portfolio on their behalf. The trustees meet with the Investment Managers, and receive investment reports, on a regular basis to review financial performance and to discuss potential future investment returns.

3. ETHICAL INVESTING

The trust is a signatory to the Funders Commitment on Climate Change. Investment policy is consistent with Environment, Social and Governance (ESG) principles, notably excluding any investments in fossil fuel industries.

4. OBJECTIVES AND ACTIVITES FOR THE PUBLIC BENEFIT

Charitable objects

a) Prevention of, or relief from, disadvantage and suffering resulting from poverty, ill-health, or other causes globally.
b) Promotion of visual arts, and artistic talent especially in the North West of England.
c) Support for charitable community initiatives local to Blackburn, Lancashire.
d) Furtherance of any other charitable purposes in any part of the world as the Trustees may in their absolute discretion think fit.

5. GRANT MAKING POLICY

The Trust :

- is proactive in seeking out effective organisations to support and less reliant on responding to applicants who have sought out the Trust.
- Prioritises applications that are supported by evidence of cost-effectiveness
- Provides feedback to unsuccessful applicants, explaining the reasons for trustees' decision within 48 hours of the meeting.

In order to be fully transparent about grants made and to assist potential grant applicants, the Trust now publishes comprehensive data through 360 Giving which details all grants made. Data includes the name of the grantee, nature of the grant, amount granted and duration of grant. A link to 360 Giving data is provided on the Trust's website.

How our grant programmes delivered public benefit:

Trustees are confident that the Trust's objectives are wholly charitable and that the means of selecting causes/organisations to fund meet the requirements of the best advice available.

Examples of grants made are provided below:

Prevention and Relief of Human Suffering

A further commitment of £300,000 was made to Medecins Sans Frontiere, a large charity that provides humanitarian medical care. £100,000 is to be paid per annum for the next three years.

A further commitment of £150,000 was made to Against Malaria Foundation, a United Kingdom based charity that provides long lasting insecticidal nets to populations at high risk of Malaria, primarily Africa. This grant is to be paid over the next three years.

Arts

A further grant of £20,000 was made to The Whitaker Museum and Art Gallery, a small museum in Rossendale offering modern art exhibitions.

A three year commitment of £15,000 per annum was made to Blaze Arts, a youth led arts charity in Lancashire.

Causes Local to Blackburn Lancashire

The Trust continues to support local causes. A further grant of £75,000 (£25,000 per annum over the next three years) was made to Blackburn Youth Zone, a 21st Century inclusive youth hub in the centre of Blackburn.

Payments amounting to £34,420 were also made to The Community CVS, a membership based organisation which exists to promote, develop and support voluntary and community action in the borough of Blackburn with Darwen.

Climate Change

Commitments were made to Client Earth, Greenpeace and Oxfam, large charities that are campaigning to change the world for the better. One off payments of £25,000 each were made and a three year commitment of £75,000 to each charity.

6. MONITORING ACHIEVEMENT

Trustees are aware of the limitations of being able to effectively monitor the achievements of their grant giving. Nevertheless, the following procedures are applied:

Where large grants are given there is special attention to independent evidence of effectiveness before the grant is made. A meeting is usually held with senior personnel of the organisation. Brief written feedback is required annually and a more rigorous review using evidence from external sources (e.g. charity evaluators) made every three years, before the grant is reviewed.

In the case of smaller organisations (as for example Blackburn Youth Zone) Trustees have developed close working relationships with the organisations themselves and are actively involved in reviewing the activities of the organisations.

7. FUNDRAISING

The Charity does not do any fundraising activities.

8. FINANCIAL REVIEW

The Trust's work is entirely reliant on income and investment returns from its endowments. The funds held by the Trust have derived from the estate of the late Brian Mercer who died on 22 November 1998.

The Trustees have placed funds for investment with Sarasin and Partners LLP. During the year the Trust has made unrealised investment losses of £2,662,676 reflecting the movement in stock markets (2022: unrealised investment gains of £917,780 were made). At 5 April 2023 the funds invested were valued at £36,023,902 (2022: £38,628,859).

During the year, the trustees paid and agreed grants for charitable purposes amounting to £1,088,077 (2022: £918,206). Grants are made in accordance with decisions reached after discussions at meetings of the Trustees and after taking advice, where appropriate.

9. INVESTMENT POLICY

Investments are held in the name of a nominee company. The trustees' policy is to invest for a combination of capital growth and income.

The trustees make use of the advice and support of their investment managers, Sarasin and Partners. The performance of the fund is reviewed frequently with the investment managers and investment reports are discussed at trustee meetings. Future performance is considered after taking due advice from the investment manager.

The trustees have a written investment policy which is regularly reviewed and updated as necessary.

10. RESERVES

The trustees aim to maintain cash reserves at a level which equates to approximately twelve months of charitable expenditure, including grant commitments. The trustees consider that this level will provide sufficient funds to meet the Trust's charitable commitments and ensure that there are sufficient funds available to cover governance costs. Unexpected expenditure or costs arising from an urgent need can be met from ongoing investment income. Future applications for grants will be considered in line with the grant making policy and will be funded from the investment return as resources allow.

The balance held in cash reserves at 5 April 2023 was £600,149 (2022 :£215,693), against grant commitments and anticipated governance costs of £1,100,000. However, if there is a shortfall in cash reserves, then Sarasins will sell a number of investments and transfer the appropriate level of cash to the Trust bank account.

Although the trustees are empowered to use both the income and capital of the trust in furtherance of the objects of the trust, the trustees have resolved to make charitable distributions out of the income of the Trust thereby maintaining the capital of the trust. The trustees may invest the funds of the Trust in any lawful manner.

11. FUTURE PLANS

At their meeting on April 13 2022, trustees decided to commit approximately 50% of funding from the "Prevention and Relief of Human Suffering" category towards issues that address climate change.

12. COVID-19

In 2022/23 the impact of Covid-19 to the Charity has been minimal. The Charity has been able to meet all grant obligations easily due to the level of funds held in the bank.

Trustees' responsibilities for the financial statements

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and 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 incoming resources and application of resources 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 judgements and 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 operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 05/02/2024 and signed on their behalf by:

K J Merrill
Trustee

The Brian Mercer Trust

Statement of Financial Activities

For the Year Ended 5 April 2023

		Unrestricted Funds	
		2023	**2022**
	Notes	**£**	**£**
Income and endowments from:			
Investments	2	1,319,934	1,315,044
Total Income		1,319,934	1,315,044
Expenditure on:			
Raising Funds	3	151,289	156,802
Charitable Activities	4	1,108,545	938,565
Total Expenditure		1,259,834	1,095,367
Net gains/(losses) on investments	5	(2,662,676)	917,780
Net income/(expenditure)/ movement in funds		(2,602,576)	1,137,457
Reconciliation of funds			
Total funds brought forward		38,011,597	36,874,140
Total funds carried forward		35,409,021	38,011,597

The notes on pages 10 to 14 form an integral part of these accounts

The Brian Mercer Trust

Balance Sheet

For the Year Ended 5 April 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Investments	5		36,023,902		38,628,859
Current assets					
Debtors	6	29,970		32,229	
Cash at bank and in hand		600,149		215,693	
		630,119		247,922	
Liabilities					
Creditors: Amounts falling due within one year	7	(602,000)		(579,184)	
Net current assets			28,119		(331,262)
Total assets less current liabilities			36,052,021		38,297,597
Creditors: Amounts falling due after more than one year	8		(643,000)		(286,000)
Net assets			35,409,021		38,011,597
Funds					
Unrestricted income funds					
General fund			35,409,021		38,011,597

05/02/2024

Approved by the Trustees on …….. and signed on their behalf by:

K J Merrill
Trustee

The Brian Mercer Trust

Cashflow Statement

For the Year Ended 5 April 2023

	Notes	2023		2022	
		£	£	£	£
Cash flow from operating activities	1	(877,759)		(864,203)	
Net cash flow from operating activites			(877,759)		(864,203)
Cash flow from investing activities					
Payments to acquire investments		(57,719)		(955,917)	
Investment income received		1,319,934		1,315,044	
			1,262,215		359,127
Net increase/ (decrease) in cash and cash equivalents			384,456		(505,076)
Cash and cash equivalents at 5 April 2022			215,693		720,769
Cash and cash equivalents at 5 April 20223	2		600,149		215,693

1 Reconciliation of net income/ (expenditure) to net cash flow from operation activities

	2023	2022
	£	£
Net income/(expenditure) in the year	(2,602,576)	1,137,457
Investment income received	(1,319,934)	(1,315,044)
(Gains)/losses on investments	2,662,676	(917,780)
(Increase)/decrease in debtors	2,259	(2,300)
(Decrease)/Increase in creditors	379,816	233,464
	(877,759)	(864,203)

2 Cash and cash equivalents

	2023	2022
	£	£
Cash at bank and in hand	600,149	215,693
Cash and cash equivalents at 5 April	600,149	215,693

1. Accounting Policies

1.1 Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

1.3 Incoming resources

Investment income is accounted for in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Other income is accounted for on an accruals basis as far as it is prudent to do so.

1.4 Resources expended and irrecoverable VAT

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

All expenditure is directly allocated to the relevant categories and no apportionments are considered necessary.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.5 Raising funds

The costs of raising funds consist of investment management fees

1.6 Charitable activities – Grants payable

Grants payable are payments and commitments made to third parties in the furtherance of the charitable objectives of the trust. Grant commitments are recognised when a constructive obligation arises that results in payment being unavoidable. In accordance with the Charities SORP, grants are therefore accounted for once the offer has been made in writing.

1.7 Charitable activities - Governance costs

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with statutory regulation and constitutional good practice. These are analysed in detail in note 4 to the financial statements.

1.8 Taxation

As a registered charity, the Trust is generally exempt from Income Tax and Capital Gains Tax, but not from VAT.

1.9 Investments

All investments are carried at their fair market value. Investments in equities and fixed interest securities are all traded in quoted public markets. The basis of fair value for quoted investments is equivalent to the market value, using the mid price. Asset sales and purchases recognised at the date of trade at cost (that is their transaction value). Realised and unrealised gains and losses are taken to the Statement of Financial Activities. Investment income has been taken into account on the basis of due date of payment.

1.10 Judgements and key sources of estimation uncertainty

There have been no significant judgements (apart from those involving estimates) made in the process of applying the accounting policies.

There have been no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. Investment income

	2023	2022
	£	£
Income from UK listed investments (before deduction of fees)	1,316,314	1,314,931
Interest receivable on short term deposits and cash at bank	3,620	113
	1,319,934	1,315,044

3. Raising Funds

	2023	2022
Management Fees	£	£
Earned on Sarasin funds	272,905	288,413
Rebate	(121,616)	(131,611)
Net fees charged	151,289	156,802

Sarasin and Partners LLP charge fees to underlying investment funds in excess of the fee charges agreed with the trustees and a rebate of the excess fees is therefore made.

4. Charitable Activities	2023 £	2022 £
Grants Payable	1,088,077	918,206
Governance Costs	20,468	20,359
Total Charitable Activities	1,108,545	938,565

Analysis of Grants Payable	2023 £	2022 £
Intercare	-	30,000
Age UK Blackburn with Darwen	-	50,000
Chase Africa	-	30,000
Drugs for Neglected Diseases	-	150,000
Pragya	-	30,000
Team Kenya	-	30,000
LUV Leprosy	-	16,000
African Adventure Foundation	-	20,000
BFC Barefoot College	-	30,000
WSV	-	25,000
Adami Project	-	18,000
Sightsavers	-	300,000
Love Russia	-	11,000
Re-Cycle	-	7,000
Kids Club Kampala	58,400	15,000
Play Action International	-	14,114
Police Community Clubs of Great Britain	-	3,750
Haslingden High School	-	2,500
Bacup & Rawtenstall Grammar School	-	2,500
Runshaw College	-	2,500
Hope Health Action	15,000	5,500
Hello World	-	15,000
Cure International	-	4,350
Friends of Monze	-	2,140
Power for the People	-	15,000
Hope Foundation	-	3,000
Ring20 Research & Support	-	12,500
Carer's Worldwide	-	14,723
Deki	15,000	5,000
Practical Tools Initiative	-	15,000
CSEF Moneywise	4,000	4,000
Adrienne Seed	-	2,979
St Mary's Sixth Form College	(261)	2,500
Clitheroe Royal Grammar School	-	2,500
The Making Rooms	14,600	14,600
Lancashire Sailing School	-	6,050
The Whitaker	20,000	6,000
Festival of Making	30,000	-

Client Earth	100,000	-
Blaze Arts	45,000	-
Greenpeace	100,000	-
Oxfam	100,000	-
Cure International	9,000	-
Samaritans	15,000	-
Power for the People	30,000	-
Raising Futures Kenya	30,000	-
Cleanup Uk	3,000	-
Living Paintings Trust	2,000	-
Hutton Grammar School	2,500	-
Community Voluntary Service (CVS)	(10,662)	-
Stanley Grange Community Association	2,500	-
Open Eye Museum	(27,000)	-
Blackburn Youth Zone	95,000	-
Against Malaria Foundation	150,000	-
Nightsafe	75,000	-
Medecins Sans Frontiere	300,000	-
Legs4Africa	30,000	-
Tate Museum (reversal of commitment)	(40,000)	-
Blackburn with Darwen BC (reversal of commitment)	(80,000)	-
	1,088,077	918,206

Analysis of Governance costs

	2023	2022
	£	£
Accountancy and Trust administration	14,400	15,300
Audit fees	3,000	3,024
Trustees' travelling expenses	548	290
Legal Fees	-	1,140
Environmental Funders Network Membership	1,500	-
Miscellaneous	1,020	605
	20,468	20,359

Related party transactions

None of the Trustees received any remuneration from the Trust. C Kay, the secretary of the charity during the year ended 5 April 2023 was a tax manager at Beever and Struthers Accountants. Fees paid to Beever and Struthers Accountants for accountancy and trust administration £14,400 (2022: £15,300) were payable in the year.

5. Fixed asset investments

	2023	2022
	£	£
Market value at 6 April	38,628,859	36,755,162
Additions	57,719	1,121,917
Sales	-	(166,000)
Unrealised (losses)/surplus on revaluation of investments	(2,662,676)	917,780
Market value at 5 April	36,023,902	38,628,859
Historic cost at 5 April	24,559,119	24,501,400
The market value of investments is made up as follows:		
UK investments listed on a recognised stock exchange	36,023,902	38,605,599

6. Debtors

	2023	2022
	£	£
Investment Management Fee Rebate	29,970	32,229

7. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Accruals – Audit Fee	3,000	5,184
Grants agreed and payable	599,000	574,000
	602,000	579,184

8. Creditors: Amounts falling due after more than one year

	2023	2022
	£	£
Grants agreed and payable	643,000	286,000

Opinion

We have audited the financial statements of The Brian Mercer Charitable Trust for the year ended 5 April 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and notes to the financial statements, including 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 charity's affairs as at 5 April 2023, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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 trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees are responsible for the preparation of the financial statements which 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concerns basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

- Reviewing board minutes.
- Auditing the risk management override of controls, including through testing journal entries and other adjustments for appropriateness.
- Enquiries with management about any known or suspected incidents on non-compliance with regulations and fraud.
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to fixed asset investments.

Because of the field in which the client operates, we identified that compliance with the Charities Act 2011 is the are most likely to have a material impact on the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at:https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilites-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charites (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

MHA Moore and Smalley

MHA Moore and Smalley
Chartered Accountants and Statutory Auditor
9 Winckley Square
Preston
Lancashire
PR1 3HP

Date: 05/02/2024

MHA Moore and Smalley is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Brian Mercer Trust

England & Wales - Charity number 1076925

Accounts

Charity Commission Reference Number: 1076925

The Brian Mercer Trust

Annual Report and Financial Statements

For the Year Ended 5 April 2022

The Brian Mercer Trust

Financial Statements

For the Year Ended 5 April 2022

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The Brian Mercer Trust

Reference and Administrative Details

Trustees	R P T Duckworth (Chairman) C J Clancy M A E T Clitheroe K J Merrill
Secretary to the trustees	C Kay
Accountants	Beever and Struthers Suite 9b The Beehive Lions Drive Shadsworth Business Park Blackburn Lancashire BB1 2QS
Investment Managers	Sarasin and Partners LLP 100 St Paul's Churchyard London EC4M 8BU
Bankers	Lloyds Bank Church Street Blackburn Lancashire BB2 1JQ
Auditors	MHA Moore & Smalley 9 Winckley Square Preston Lancashire PR1 3HP
Principal address of the charity	Suite 9b The Beehive Lions Drive Shadsworth Business Park Blackburn Lancashire BB1 2QS
Charity Number	1076925

The trustees present their annual report and audited financial statements for the year ended 5 April 2022. The financial statements have been prepared in accordance with Financial Reporting Standard 102 and the Charities SORP and in compliance with the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust is a registered charity, charity number 1076925, and was established under a Declaration of Trust dated 5 July 1999. The trust was established in 1998 following the wishes of Dr Brian Mercer. The trust does not actively fundraise and seeks to continue the charitable work desired by the donor through the careful stewardship of its existing resources.

New trustees are appointed by the existing trustees by resolution. There are no fixed terms under which trustees must serve or seek re-appointment. The trustees meet at least four times a year and agree the broad strategy and areas of activity for the Trust, reviewing all areas including grant making and investment policy. The day to day administration of the charity is dealt with primarily by K J Merill, one of the trustees. He is assisted by the secretary of the trustees.

On appointment new trustees receive a formal induction which provides a brief history of the Trust, copies of meeting minutes (where relevant), copies of previous year's annual reports and accounts, a copy of the governing trust deed. Guidance is also provided on investments and the grant making process. All trustees are able to access further training to aid them in their duties and improve the management of the Trust. This is available through the National Council for Voluntary Organisations (NCVO), of which the Trust is a member, or other sources.

All trustees give of their time freely and are unpaid. Details of trustee expenses and related party transactions are disclosed in note 4 to the accounts. Trustees are required to disclose all relevant interests and register them with the board of trustees and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises.

2. RISK MANAGEMENT

The trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The trustees consider the principal risk that the trust faces is the variability in performance of the investment portfolio and recent macro-economic events creating volatility in world stock markets have demonstrated this risk. To mitigate the risk the trustees have appointed Investment Managers who manage the investment portfolio on their behalf. The trustees meet with the Investment Managers, and receive investment reports, on a regular basis to review financial performance and to discuss potential future investment returns.

3. ETHICAL INVESTING

The trust is a signatory to the Funders Commitment on Climate Change. Investment policy is consistent with Environment, Social and Governance (ESG) principles, notably excluding any investments in fossil fuel industries.

4. OBJECTIVES AND ACTIVITES FOR THE PUBLIC BENEFIT

Charitable objects

a) Prevention of, or relief from, disadvantage and suffering resulting from poverty, ill-health, or other causes globally.
b) Promotion of visual arts, and artistic talent especially in the North West of England.
c) Support for charitable community initiatives local to Blackburn, Lancashire.
d) Furtherance of any other charitable purposes in any part of the world as the Trustees may in their absolute discretion think fit.

5. GRANT MAKING POLICY

The Trust :

- is proactive in seeking out effective organisations to support and less reliant on responding to applicants who have sought out the Trust.
- Prioritises applications that are supported by evidence of cost-effectiveness
- Provides feedback to unsuccessful applicants, explaining the reasons for trustees' decision within 48 hours of the meeting.

In order to be fully transparent about grants made and to assist potential grant applicants, the Trust now publishes comprehensive data through 360 Giving which details all grants made. Data includes the name of the grantee, nature of the grant, amount granted and duration of grant. A link to 360 Giving data is provided on the Trust's website.

How our grant programmes delivered public benefit:

Trustees are confident that the Trust's objectives are wholly charitable and that the means of selecting causes/organisations to fund meet the requirements of the best advice available.

Examples of grants made are provided below:

Prevention and Relief of Human Suffering

A further commitment of £300,000 was made to Sightsavers, a large charity that works to eliminate avoidable blindness and to ensure that people with disabilities can participate equally in society. £100,000 is to be paid per annum for the next three years.

A further commitment was made to Drugs for Neglected Diseases for £50,000 per annum to be paid over the next three years.

Arts

The Trust continues to support some local schools by providing a grant of £2,500 to the art department. A grant of £6,000 was made to The Whitaker Museum and Art Gallery, a small museum in Rossendale offering modern art exhibitions.

Causes Local to Blackburn Lancashire

The Trust continues to support local causes. £10,000 per annum for five years was committed to Age UK with Darwen.

One off payments were made to the Lancashire Sailing School (£6,050), and The Making Rooms (£14,600) with potentially further payments to be made to The Making Rooms.

6. MONITORING ACHIEVEMENT

Trustees are aware of the limitations of being able to effectively monitor the achievements of their grant giving. Nevertheless, the following procedures are applied:

Where large grants are given there is special attention to independent evidence of effectiveness before the grant is made. A meeting is usually held with senior personnel of the organisation. Brief written feedback is required annually and a more rigorous review using evidence from external sources (e.g. charity evaluators) made every three years, before the grant is reviewed.

In the case of smaller organisations (as for example Blackburn Youth Zone) Trustees have developed close working relationships with the organisations themselves and are actively involved in reviewing the activities of the organisations.

7. FUNDRAISING

The Charity does not do any fundraising activities.

8. FINANCIAL REVIEW

The Trust's work is entirely reliant on income and investment returns from its endowments. The funds held by the Trust have derived from the estate of the late Brian Mercer who died on 22 November 1998.

The Trustees have placed funds for investment with Sarasin and Partners LLP. During the year the Trust has made unrealised investment gains of £917,780 reflecting the movement in stock markets (2021: unrealised investment gains of £6,876,748 were made). At 5 April 2022 the funds invested were valued at £38,628,859 (2021: £36,755,162).

During the year, the trustees paid and agreed grants for charitable purposes amounting to £918,206 (2021: £895,775). Grants are made in accordance with decisions reached after discussions at meetings of the Trustees and after taking advice, where appropriate.

9. INVESTMENT POLICY

Investments are held in the name of a nominee company. The trustees' policy is to invest for a combination of capital growth and income.

The trustees make use of the advice and support of their investment managers, Sarasin and Partners. The performance of the fund is reviewed frequently with the investment managers and investment reports are discussed at trustee meetings. Future performance is considered after taking due advice from the investment manager.

The trustees have a written investment policy which is regularly reviewed and updated as necessary.

10. RESERVES

The trustees aim to maintain cash reserves at a level which equates to approximately twelve months of charitable expenditure, including grant commitments. The trustees consider that this level will provide sufficient funds to meet the Trust's charitable commitments and ensure that there are sufficient funds available to cover governance costs. Unexpected expenditure or costs arising from an urgent need can be met from ongoing investment income. Future applications for grants will be considered in line with the grant making policy and will be funded from the investment return as resources allow.

The balance held in cash reserves at 5 April 2022 was £215,693 (2021 :£720,769), against grant commitments and anticipated governance costs of £1,055,000. However, if there is a shortfall in cash reserves, then Sarasins will sell a number of investments and transfer the appropriate level of cash to the Trust bank account.

Although the trustees are empowered to use both the income and capital of the trust in furtherance of the objects of the trust, the trustees have resolved to make charitable distributions out of the income of the Trust thereby maintaining the capital of the trust. The trustees may invest the funds of the Trust in any lawful manner.

11. FUTURE PLANS

At their meeting on April 13 2022, trustees decided to commit approximately 50% of funding from the "Prevention and Relief of Human Suffering" category towards issues that address climate change.

12. COVID-19

In 2021/22 the impact of Covid-19 to the Charity has been minimal. The Charity has been able to meet all grant obligations easily due to the level of funds held in the bank.

Trustees' responsibilities for the financial statements

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and 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 incoming resources and application of resources 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 judgements and 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 operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 31/01/2023 and signed on their behalf by:

R P T Duckworth
Chairman of Trustees

The Brian Mercer Trust

Statement of Financial Activities

For the Year Ended 5 April 2022

		Unrestricted Funds	
		2022	**2021**
	Notes	**£**	**£**
Income and endowments from:			
Investments	2	1,315,044	1,321,060
Total Income		1,315,044	1,321,060
Expenditure on:			
Raising Funds	3	156,802	144,031
Charitable Activities	4	938,565	919,128
Total Expenditure		1,095,367	1,063,159
Net gains/(losses) on investments	5	917,780	6,876,748
Net income/(expenditure)/ movement in funds		1,137,457	7,134,649
Reconciliation of funds			
Total funds brought forward		36,874,140	29,739,491
Total funds carried forward		38,011,597	36,874,140

The notes on pages 10 to 14 form an integral part of these accounts

The Brian Mercer Trust

Balance Sheet

For the Year Ended 5 April 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Investments	5		38,628,859		36,755,162
Current assets					
Debtors	6	32,229		29,929	
Cash at bank and in hand		215,693		720,769	
		247,922		750,698	
Liabilities					
Creditors: Amounts falling due within one year	7	(579,184)		(341,720)	
Net current assets			(331,262)		408,978
Total assets less current liabilities			38,297,597		37,164,140
Creditors: Amounts falling due after more than one year	8		(286,000)		(290,000)
Net assets			38,011,597		36,874,140
Funds					
Unrestricted income funds					
General fund			38,011,597		36,874,140

Approved by the Trustees on 31/01/2023 and signed on their behalf by:

R P T Duckworth
Chairman of Trustees

The Brian Mercer Trust

Cashflow Statement

For the Year Ended 5 April 2022

	Notes	2022		2021	
		£	£	£	£
Cash flow from operating activities	1	(864,203)		(777,200)	
Net cash flow from operating activites			(864,203)		(777,200)
Cash flow from investing activities					
Payments to acquire investments		(955,917)		(1,330,479)	
Investment income received		1,315,044		1,321,060	
			359,127		(9,419)
Net increase/ (decrease) in cash and cash equivalents			(505,076)		(786,619)
Cash and cash equivalents at 5 April 2021			720,769		1,507,388
Cash and cash equivalents at 5 April 2022	2		215,693		720,769

1 Reconciliation of net income/ (expenditure) to net cash flow from operation activities

	2022	2021
	£	£
Net income/(expenditure) in the year	1,137,457	7,134,649
Investment income received	(1,315,044)	(1,321,060)
(Gains)/losses on investments	(917,780)	(6,876,748)
(Increase)/decrease in debtors	(2,300)	(4,038)
(Decrease)/Increase in creditors	233,464	289,997
	(864,203)	(777,200)

2 Cash and cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	215,693	720,769
Cash and cash equivalents at 5 April	215,693	720,769

1. Accounting Policies

1.1 Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

1.3 Incoming resources

Investment income is accounted for in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Other income is accounted for on an accruals basis as far as it is prudent to do so.

1.4 Resources expended and irrecoverable VAT

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

All expenditure is directly allocated to the relevant categories and no apportionments are considered necessary.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.5 Raising funds

The costs of raising funds consist of investment management fees

1.6 Charitable activities – Grants payable

Grants payable are payments and commitments made to third parties in the furtherance of the charitable objectives of the trust. Grant commitments are recognised when a constructive obligation arises that results in payment being unavoidable. In accordance with the Charities SORP, grants are therefore accounted for once the offer has been made in writing.

1.7 Charitable activities - Governance costs

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with statutory regulation and constitutional good practice. These are analysed in detail in note 4 to the financial statements.

1.8 Taxation

As a registered charity, the Trust is generally exempt from Income Tax and Capital Gains Tax, but not from VAT.

1.9 Investments

All investments are carried at their fair market value. Investments in equities and fixed interest securities are all traded in quoted public markets. The basis of fair value for quoted investments is equivalent to the market value, using the mid price. Asset sales and purchases recognised at the date of trade at cost (that is their transaction value). Realised and unrealised gains and losses are taken to the Statement of Financial Activities. Investment income has been taken into account on the basis of due date of payment.

1.10 Judgements and key sources of estimation uncertainty

There have been no significant judgements (apart from those involving estimates) made in the process of applying the accounting policies.

There have been no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. Investment income

	2022	2021
	£	£
Income from UK listed investments (before deduction of fees)	1,314,931	1,320,367
Interest receivable on short term deposits and cash at bank	113	693
	1,315,044	1,321,060

3. Raising Funds

	2022	2021
Management Fees	£	£
Earned on Sarasin funds	288,413	254,122
Rebate	(131,611)	(110,091)
Net fees charged	156,802	144,031

Sarasin and Partners LLP charge fees to underlying investment funds in excess of the fee charges agreed with the trustees and a rebate of the excess fees is therefore made.

4. Charitable Activities	2022 £	2021 £
Grants Payable	918,206	895,775
Governance Costs	20,359	23,353
Total Charitable Activities	938,565	919,128

Analysis of Grants Payable	2022 £	2021 £
The Wish Centre	-	10,000
Blackburn with Darwen Borough Council (grant payment on hold)	-	120,000
Blackburn Youth Zone	-	75,000
Medecins Sans Frontiere	-	300,000
Nightsafe	-	75,000
APT Action on Poverty	-	10,000
Legs4Africa	-	30,000
Against Malaria Foundation	-	150,000
Our Sansar	-	20,000
Intercare	30,000	10,000
Blackburn Food Bank	-	20,000
Chifundo UK	-	2,000
Hope Health	-	2,500
Child In Need India	-	5,000
Afghan & Central Asian Association	-	5,000
Phase Worldwide	-	4,000
Age UK Blackburn with Darwen	50,000	10,000
Morecambe Bay Academy	-	2,500
Westholme School	-	2,500
Baines School	-	2,500
QEGS School	-	2,500
Ormskirk School	-	2,500
Kirkham Grammar School	-	2,500
Raising Future	-	14,775
Chase Africa	30,000	10,000
Our Lady's Catholic School, Morcambe	-	2,500
Rossall School	-	2,500
AKS Lytham School	-	2,500
Drugs for Neglected Diseases	150,000	-
Pragya	30,000	-
Team Kenya	30,000	-
LUV Leprosy	16,000	-
African Adventure Foundation	20,000	-
BFC Barefoot College	30,000	-
WSV	25,000	-
Adami Project	18,000	-
Sightsavers	300,000	-
Love Russia	11,000	-
Re-Cycle	7,000	-
Kids Club Kampala	15,000	-
Play Action International	14,114	-
Police Community Clubs of Great Britain	3,750	-

Haslingden High School	2,500	-
Bacup & Rawtenstall Grammar School	2,500	-
Runshaw College	2,500	-
Hope Health Action	5,500	-
Hello World	15,000	-
Cure International	4,350	-
Friends of Monze	2,140	-
Power for the People	15,000	-
Hope Foundation	3,000	-
Ring20 Research & Support	12,500	-
Carer's Worldwide	14,723	-
Deki	5,000	-
Practical Tools Initiative	15,000	-
CSEF Moneywise	4,000	-
Adrienne Seed	2,979	-
St Mary's Sixth Form College	2,500	-
Clitheroe Royal Grammar School	2,500	-
The Making Rooms	14,600	-
Lancashire Sailing School	6,050	-
The Whitaker	6,000	-
	918,206	895,775

Analysis of Governance costs

	2021	2020
	£	£
Accountancy and Trust administration	15,300	18,000
Audit fees	3,024	2,280
Trustees' travelling expenses	290	275
Website fees	-	2,250
Legal Fees	1,140	-
Miscellaneous	605	548
	20,359	23,353

Related party transactions

None of the Trustees received any remuneration from the Trust. C Kay, the secretary of the charity during the year ended 5 April 2022 was a tax manager at Beever and Struthers Accountants. Fees paid to Beever and Struthers Accountants for accountancy and trust administration £15,300 (2021: £18,000) were payable in the year.

5. Fixed asset investments

	2022	2021
	£	£
Market value at 6 April	36,755,162	28,547,935
Additions	1,121,917	1,330,479
Sales	(166,000)	-
Unrealised (losses)/surplus on revaluation of investments	917,780	6,876,748
Market value at 5 April	38,628,859	36,755,162
Historic cost at 5 April	24,501,400	23,484,874
The market value of investments is made up as follows:		
UK investments listed on a recognised stock exchange	38,605,599	36,755,162

6. Debtors

	2022	2021
	£	£
Investment Management Fee Rebate	32,229	29,929

7. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Accruals – Audit Fee	5,184	2,220
Accruals – Accounts Fee	-	4,500
Grants agreed and payable	574,000	335,000
	579,184	341,720

8. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Grants agreed and payable	286,000	290,000

Opinion

We have audited the financial statements of The Brian Mercer Charitable Trust for the year ended 5 April 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and notes to the financial statements, including 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 charity's affairs as at 5 April 2022, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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 trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees are responsible for the preparation of the financial statements which 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concerns basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

- Reviewing board minutes.
- Auditing the risk management override of controls, including through testing journal entries and other adjustments for appropriateness.
- Enquiries with management about any known or suspected incidents on non-compliance with regulations and fraud.
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to fixed asset investments and future performance in light of the impact of Covid-19.

Because of the field in which the client operates, we identified that compliance with the Charities Act 2011 is the are most likely to have a material impact on the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at:https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilites-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charites (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

MHA Moore and Smalley

MHA Moore and Smalley
Chartered Accountants and Statutory Auditor
9 Winckley Square
Preston
Lancashire
PR1 3HP

Date: 02/02/2023

MHA Moore and Smalley is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Brian Mercer Trust

England & Wales - Charity number 1076925

Accounts

Charity Commission Reference Number: 1076925

The Brian Mercer Trust

Annual Report and Financial Statements

For the Year Ended 5 April 2021

The Brian Mercer Trust

Financial Statements

For the Year Ended 5 April 2021

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The Brian Mercer Trust

Reference and Administrative Details

Trustees	R P T Duckworth (Chairman) C J Clancy M A E T Clitheroe K J Merrill
Secretary to the trustees	J Adams
Accountants	Beever and Struthers Suite 9b The Beehive Lions Drive Shadsworth Business Park Blackburn Lancashire BB1 2QS
Investment Managers	Sarasin and Partners LLP 100 St Paul's Churchyard London EC4M 8BU
Bankers	Lloyds Bank Church Street Blackburn Lancashire BB2 1JQ
Auditors	MHA Moore & Smalley 9 Winckley Square Preston Lancashire PR1 3HP
Principal address of the charity	Suite 9b The Beehive Lions Drive Shadsworth Business Park Blackburn Lancashire BB1 2QS
Charity Number	1076925

The trustees present their annual report and audited financial statements for the year ended 5 April 2021. The financial statements have been prepared in accordance with Financial Reporting Standard 102 and the Charities SORP and in compliance with the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

Structure, governance and management

The Trust is a registered charity, charity number 1076925, and was established under a Declaration of Trust dated 5 July 1999. The trust was established in 1998 as a lasting tribute to its founder. The trust does not actively fundraise and seeks to continue the charitable work desired by the donor through the careful stewardship of its existing resources.

New trustees are appointed by the existing trustees by resolution. There are no fixed terms under which trustees must serve or seek re-appointment. The trustees meet at least three times a year and agree the broad strategy and areas of activity for the Trust, reviewing all areas including grant making and investment policy. The day to day administration of the charity is dealt with primarily by K J Merill, one of the trustees. He is assisted by the secretary of the trustees.

On appointment new trustees receive a formal induction which provides a brief history of the Trust, copies of meeting minutes (where relevant), copies of previous year's annual reports and accounts, a copy of the governing trust deed. Guidance is also provided on investments and the grant making process. All trustees are able to access further training to aid them in their duties and improve the management of the Trust. This is available through the National Council for Voluntary Organisations (NCVO), of which the Trust is a member, or other sources.

All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 4 to the accounts. Trustees are required to disclose all relevant interests and register them with the board of trustees and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises.

Risk management

The trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The trustees consider the principal risk that the trust faces is the variability in performance of the investment portfolio and recent macro-economic events creating volatility in world stock markets have demonstrated this risk. To mitigate the risk the trustees have appointed Investment Managers who manage the investment portfolio on their behalf. The trustees meet with the Investment Managers, and receive investment reports, on a regular basis to review financial performance and to discuss potential future investment returns.

Objectives and activities for the public benefit

The objects of the Trust were initially as follows:

1) the advancement of education and in particular, but not restricted to, the provision of grants for the promotion of medical and scientific research and the dissemination of the useful results thereof; and
2) the furtherance and promotion of any other exclusively charitable objects and purposes in any part of the world as the Trustees may in their absolute discretion think fit.

Within these broad objectives Trustees focused grant making to the following areas: Eyesight (30%), Liver disease (30%), Arts (20%) and "Others" (20%). Following a detailed review of grant giving and evidence of effectiveness these have now been changed to:

1. **PREVENTION AND RELIEF OF HUMAN SUFFERING (75%)**

To support interventions directed towards reducing suffering caused by poverty and ill health whether in the UK or overseas. Such interventions must be of proven best-value or demonstrate the potential to become so.

2**. ARTS (10%)**

To encourage and support the development of emerging artistic talent (working broadly in the field of visual arts), especially within the North West of the UK.

3**. CAUSES LOCAL TO BLACKBURN, LANCASHIRE (15%)**

To provide funding for well-designed, evidence-based interventions benefiting those living in the area of Blackburn, Lancashire.

Grant making policy

The Trust continues to:

- Be more proactive in seeking out effective organisations to support and less reliant on responding to applicants who have sought out the Trust.
- Prioritise applications that are supported by rigorous evidence of cost-effectiveness
- Increase its use of independent charity evaluators in finding effective interventions/organisations.

In order to be fully transparent about grants made and to assist potential grant applicants, the Trust now publishes comprehensive data through 360 Giving. A link to 360 Giving data is provided on the Trust's website.

How our grant programmes delivered public benefit:

Trustees are confident that the Trust's objectives are wholly charitable and that the means of selecting causes/organisations to fund meet the requirements of the best expert advice available.

Examples of grants made are provided below:

Prevention and Relief of Human Suffering

A further commitment of £300,000 was made to Medecins Sans Frontiere UK, an international humanitarian medical organisation. £100,000 is to be paid per annum for the next three years.

A final payment of £50,000 was paid to Drugs for Neglected Diseases to help fund their sleeping sickness program. This was the final payment of five.

A further commitment of £150,000 was made to Against Malaria Foundation for the next three years.

Arts

The Trust continues to support local schools by providing a grant of £2,500 to the art departments of ten schools. A third and final payment of £9,000 was made in the year to the Open Eye Gallery, a photography gallery in Liverpool.

Causes Local to Blackburn Lancashire

The Trust has made a further commitment to Blackburn Youth Zone (£25,000 per annum for the next three years), an innovative multicultural venue that provides facilities for sport and personal development in Blackburn town centre.

A further commitment was made to support Nightsafe (£25,000 per annum for the next three years), a charity set up to support homeless people aged 16-24 within Blackburn and the surrounding areas.

One off payments were made to the Wish Centre (£10,000), and Blackburn Food Bank (£20,000).

Monitoring achievement

Trustees are aware of the limitations of being able to effectively monitor the achievements of their grant giving. Nevertheless, the following procedures are applied:

Usually, where large grants are given there is special attention to independent evidence of effectiveness before the grant is made. A meeting is usually held with the chief executive (or other senior personnel of the organisation). Brief written feedback is required annually and a more rigorous review using evidence from external sources (e.g. charity evaluators) made every three years, before the grant is reviewed.

In the case of smaller grants (as for example Blackburn Youth Zone) Trustees have developed close working relationships with the organisations themselves and are actively involved in reviewing the activities of the organisations.

Fundraising

The Charity does not do any fundraising activities.

Financial review

The Trust's work is entirely reliant on income and investment returns from its endowments. The funds held by the Trust have derived from the estate of the late Brian Mercer who died on 22 November 1998.

The Trustees have placed funds for investment with Sarasin and Partners LLP. During the year the Trust has made unrealised investment gains of £6,876,748 reflecting the movement in stock markets (2020: unrealised investment losses of £2,425,808 were made). At 5 April 2021 the funds invested were valued at £36,755,162 (2020: £28,547,934).

During the year, the trustees paid and agreed grants for charitable purposes amounting to £895,775 (2020: £197,073). Grants are made in accordance with decisions reached after discussions at meetings of the Trustees and after taking advice, where appropriate.

Investment policy

Investments are held in the name of a nominee company. The trustees' policy is to invest for a combination of capital growth and income.

The trustees make use of the advice and support of their investment managers, Sarasin and Partners. The performance of the fund is reviewed frequently with the investment managers and investment reports are discussed at trustee meetings. Future performance is considered after taking due advice from the investment manager.

The trustees have a written investment policy which is regularly reviewed and updated as necessary.

Reserves

The trustees aim to maintain cash reserves at a level which equates to approximately twelve months of charitable expenditure, including grant commitments. The trustees consider that this level will provide sufficient funds to meet the Trust's charitable commitments and ensure that there are sufficient funds available to cover governance costs. Unexpected expenditure or costs arising from an urgent need can be met from ongoing investment income. Future applications for grants will be considered in line with the grant making policy and will be funded from the investment return as resources allow.

The balance held in cash reserves at 5 April 2021 was £720,769 (2020 :£1,507,388), against grant commitments and anticipated governance costs of £685,000. Any residual balance in cash reserves will be reinvested for the future.

Although the trustees are empowered to use both the income and capital of the trust in furtherance of the objects of the trust, the trustees have resolved to make charitable distributions out of the income of the Trust thereby maintaining the capital of the trust. The trustees may invest the funds of the Trust in any lawful manner.

Future plans

Trustees will assess the effect of the changes made to their objectives and application procedures, making refinements where necessary.

Grant awards

In the next 12 months, the trustees anticipate that they will make grants utilising as much as possible of the investment income realised in the previous year.

Covid-19

In 2020/21 the impact of Covid-19 to the Charity has been minimal. The Charity has been able to meet all grant obligations easily due to the level of funds held in the bank.

The market value of investments at 5 April 2021 has increased substantially since 5 April 2020 after a fall in the value of investments due to the uncertainty surrounding the pandemic.

Trustees' responsibilities for the financial statements

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and 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 incoming resources and application of resources 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 judgements and 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 operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 12/01/2022 and signed on their behalf by:

R P T Duckworth
Chairman of Trustees

The Brian Mercer Trust

Statement of Financial Activities

For the Year Ended 5 April 2021

		Unrestricted Funds	
		2021	**2020**
	Notes	**£**	**£**
Income and endowments from:			
Investments	2	1,321,060	1,288,311
Total Income		1,321,060	1,288,311
Expenditure on:			
Raising Funds	3	144,031	136,044
Charitable Activities	4	919,128	218,026
Total Expenditure		1,063,159	354,070
Net gains/(losses) on investments	5	6,876,748	(2,425,808)
Net income/(expenditure)/ movement in funds		7,134,649	(1,491,567)
Reconciliation of funds			
Total funds brought forward		29,739,491	31,231,058
Total funds carried forward		36,874,140	29,739,491

The notes on pages 10 to 14 form an integral part of these accounts

The Brian Mercer Trust

Balance Sheet

For the Year Ended 5 April 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Investments	5		36,755,162		28,547,934
Current assets					
Debtors	6	29,929		25,892	
Cash at bank and in hand		720,769		1,507,388	
		750,698		1,533,280	
Liabilities					
Creditors: Amounts falling due within one year	7	(341,720)		(236,723)	
Net current assets			408,978		1,296,557
Total assets less current liabilities			37,164,140		29,844,491
Creditors: Amounts falling due after more than one year	8		(290,000)		(105,000)
Net assets			36,874,140		29,739,491
Funds					
Unrestricted income funds					
General fund			36,874,140		29,739,491

Approved by the Trustees on 12/01/2022..... and signed on their behalf by:

R P T Duckworth
Chairman of Trustees

The Brian Mercer Trust

Cashflow Statement

For the Year Ended 5 April 2021

	Notes	2021		2020	
		£	£	£	£
Cash flow from operating activities	1	(777,200)		(678,852)	
Net cash flow from operating activites			(777,200)		(678,852)
Cash flow from investing activities					
Payments to acquire investments		(1,330,479)		(504,979)	
Investment income received		1,321,060		1,288,418	
			(9,419)		783,439
Net increase/ (decrease) in cash and cash equivalents			(786,619)		104,587
Cash and cash equivalents at 5 April 2020			1,507,388		1,402,801
Cash and cash equivalents at 5 April 2021	2		720,769		1,507,388

1 Reconciliation of net income/ (expenditure) to net cash flow from operation activities

	2021	2020
	£	£
Net income/(expenditure) in the year	7,134,649	(1,491,567)
Investment income received	(1,321,060)	(1,288,418)
(Gains)/losses on investments	(6,876,748)	2,425,808
(Increase)/decrease in debtors	(4,038)	(2,884)
(Decrease)/Increase in creditors	289,997	(321,791)
	(777,200)	(678,852)

2 Cash and cash equivalents	2021	2020
	£	£
Cash at bank and in hand	720,769	1,507,388
Cash and cash equivalents at 5 April	720,769	1,507,388

1. Accounting Policie

1.1 Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

1.3 Incoming resources

Investment income is accounted for in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Other income is accounted for on an accruals basis as far as it is prudent to do so.

1.4 Resources expended and irrecoverable VAT

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

All expenditure is directly allocated to the relevant categories and no apportionments are considered necessary.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.5 Raising funds

The costs of raising funds consist of investment management fees

1.6 Charitable activities – Grants payable

Grants payable are payments and commitments made to third parties in the furtherance of the charitable objectives of the trust. Grant commitments are recognised when a constructive obligation arises that results in payment being unavoidable. In accordance with the Charities SORP, grants are therefore accounted for once the offer has been made in writing.

1.7 Charitable activities - Governance costs

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with statutory regulation and constitutional good practice. These are analysed in detail in note 4 to the financial statements.

1.8 Taxation

As a registered charity, the Trust is generally exempt from Income Tax and Capital Gains Tax, but not from VAT.

1.9 Investments

All investments are carried at their fair market value. Investments in equities and fixed interest securities are all traded in quoted public markets. The basis of fair value for quoted investments is equivalent to the market value, using the mid price. Asset sales and purchases recognised at the date of trade at cost (that is their transaction value). Realised and unrealised gains and losses are taken to the Statement of Financial Activities. Investment income has been taken into account on the basis of due date of payment.

1.10 Judgements and key sources of estimation uncertainty

There have been no significant judgements (apart from those involving estimates) made in the process of applying the accounting policies.

There have been no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. Investment income

	2021	2020
	£	£
Income from UK listed investments (before deduction of fees)	1,320,367	1,285,165
Interest receivable on short term deposits and cash at bank	693	3,146
	1,321,060	1,288,311

3. Raising Funds

	2021	2020
Management Fees	£	£
Earned on Sarasin funds	254,122	238,379
Rebate	(110,091)	(102,335)
Net fees charged	144,031	136,044

Sarasin and Partners LLP charge fees to underlying investment funds in excess of the fee charges agreed with the trustees and a rebate of the excess fees is therefore made.

4. Charitable Activities	2021 £	2020 £
Grants Payable	895,775	197,073
Governance Costs	23,353	20,953
Total Charitable Activities	919,128	218,026

Analysis of Grants Payable	2020 £	2020 £
The Police Community of GB	-	3,750
Drugs for Neglected Diseases	-	40,000
ERIC The Children's Bowel & Bladder Charity	-	10,000
The Wish Centre	10,000	5,000
Children's Safety Education Foundation	-	4,000
Concern Worldwide	-	28,900
Legs 4 Africa	-	5,000
Salvation Army	-	20,000
Opportunity Sports Foundation	-	19,240
Bay Leadership	-	2,500
Blackpool Sixth Form College	-	2,500
Lancaster Girls School	-	2,500
Lytham High School	-	2,500
St Wilfrid's School	-	2,500
Blackburn College	-	2,500
Hutton College	-	2,500
Lancaster Royal Grammar School	-	2,500
Butterflies	-	500
St Silas Church	-	10,683
Castlefield Galley	-	30,000
Blackburn with Darwen Borough Council	120,000	-
Blackburn Youth Zone	75,000	-
Medecins Sans Frontiere	300,000	-
Nightsafe	75,000	-
APT Action on Poverty	10,000	-
Legs4Africa	30,000	-
Against Malaria Foundation	150,000	-
Our Sansar	20,000	-
Intercare	10,000	-
Blackburn Food Bank	20,000	-
Chifundo UK	2,000	-
Hope Health	2,500	-
Child In Need India	5,000	-
Afghan & Central Asian Association	5,000	-
Phase Worldwide	4,000	-
Age UK Blackburn with Darwen	10,000	-
Morecambe Bay Academy	2,500	-
Westholme School	2,500	-
Baines School	2,500	-
QEGS School	2,500	-
Ormskirk School	2,500	-

Kirkham Grammar School	2,500	-
Raising Future	14,775	-
Chase Africa	10,000	-
Our Lady's Catholic School, Morecambe	2,500	-
Rossall School	2,500	-
AKS Lytham School	2,500	-
	895,775	197,073

Analysis of Governance costs

	2021	2020
	£	£
Accountancy and Trust administration	18,000	18,000
Audit fees	2,280	2,100
Trustees' travelling expenses	275	309
Website fees	2,250	-
Miscellaneous	548	544
	23,353	20,953

Related party transactions

None of the Trustees received any remuneration from the Trust. J Adams, the secretary of the charity during the year ended 5 April 2021 was a partner at Beever and Struthers Accountants. Fees paid to Beever and Struthers Accountants for accountancy and trust administration £18,000 (2020: £18,000) were payable in the year. During the year, travel expenses totalling £275 (2020: £nil) were reimbursed to the trustees.

5. Fixed asset investments

	2021	2020
	£	£
Market value at 6 April	28,547,935	30,468,763
Additions	1,330,479	504,979
Unrealised (losses)/surplus on revaluation of investments	6,876,748	(2,425,808)
Market value at 5 April	36,755,162	28,547,934
Historic cost at 5 April	23,484,874	22,154,394
The market value of investments is made up as follows:		
UK investments listed on a recognised stock exchange	36,755,162	28,547,934

6. Debtors

	2021	2020
	£	£
Investment Management Fee Rebate	29,929	25,892

7. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Accruals – Audit Fee	2,220	2,040
Accruals – Accounts Fee	4,500	-
Grants agreed and payable	335,000	234,683
	341,720	236,723

8. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Grants agreed and payable	290,000	105,000

Independent Auditor's Report on the Financial Statements to the Trustees of The Brian Mercer Trust

For the Year Ended 5 April 2021

Opinion

We have audited the financial statements of The Brian Mercer Charitable Trust (the 'charity') for the year ended 5 April 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2021, 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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 trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

- Reviewing board minutes;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness;
- Enquiries with management, about any known or suspected instances of non-compliance with regulations and fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to fixed asset investments and future performance in light of the impact of Covid-19.

Because of the field in which the client operates, we identified that compliance with the Charities Act 2011 is the area most likely to have a material impact on the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

MHA Moore and Smalley

MHA Moore and Smalley
Chartered Accountants and Statutory Auditor
9 Winckley Square
Preston
Lancashire
PR1 3HP

Date: 18/01/2022

MHA Moore and Smalley is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006