

THE BROOMTON FOUNDATION

REPORT AND ACCOUNTS

YEAR ENDED 5 APRIL 2022

THE BROOMTON FOUNDATION

I N D E X

Year ended 5 April 2022

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THE BROOMTON FOUNDATION

GENERAL INFORMATION

Year ended 5 April 2022

Established by deed	6 April 2008
Charity number	1125386
Trustees	B Chamberlain J F Chamberlain R H Chamberlain K E Lewis
Principal office	Providence House 141-145 Princes Street Ipswich Suffolk IP1 1QJ
Trust summary	<p>The charity was established in the United Kingdom by a deed dated 6 April 2008.</p> <p>The income and capital of the Trust is held by the Trustees for such charitable purposes as they think fit.</p> <p>Up to 5 April 2018 £9,698,127 was gifted to the Trust.</p> <p>On 31 December 2018 £1,350,000 was gifted to the Trust.</p> <p>On 24 December 2019 £470,000 was gifted to the Trust.</p> <p>On 23 December 2020 £1,050,000 was gifted to the Trust.</p> <p>On 22 December 2021 £3,150,000 was gifted to the Trust.</p>
Bankers	C Hoare & Co 37 Fleet Street London EC4P 4DQ
Investment advisors	CCLA Investment Management 85 Queen Victoria Street London EC4V 4ET
Auditor	Dixon Wilson Audit Services LLP 22 Chancery Lane London WC2A 1LS

THE BROOMTON FOUNDATION

TRUSTEES' ANNUAL REPORT

Year ended 5 April 2022

The Trustees present their annual report and accounts for the year ended 5 April 2022. The accounts comply with current statutory requirements and are in compliance with the relevant provisions of the Charities Act 2011, the Trust Deed, 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 (FRS 102) (effective 1 January 2019). The report should be read in conjunction with the general information provided on page 2.

Administrative information

The Broomton Foundation is a charity registered with the Charity Commission, registration number 1125386. It is governed and constituted by a Trust Deed dated 6 April 2008.

Structure, governance, and management

The Trustees who have served during the year are those shown on page 2. The power of appointment of new Trustees is vested in the current Trustees in accordance with the terms of the Trust Deed.

New trustees are thoroughly briefed by the existing trustees on appointment to their posts.

Objectives and activities for the public benefit

The object of the charity, as set out in the Trust Deed, is to provide financial support to such charitable purposes or charitable institutions as the Trustees in their absolute discretion select. The charity's only activity is fulfilling this objective by making grants and donations throughout the year.

The Trustees, having regard to the public benefit guidance published by the Charity Commission in accordance with section 17 of the Charities Act 2011, consider that the purpose and activities of the charity satisfy the requirements of the public benefit test set out in section 4 of the same act.

Achievements and performance

The trustees' overall investment objective is to maintain a multi-asset portfolio and achieve a balance of income and capital growth.

Recipients of grants are identified and selected by the Trustees, who meet on a regular basis to discuss the charity's application of funds. Once all Trustees are in agreement as to the nature and size of grants, these are made according to the Trustees' instructions. The charity does not respond to unsolicited requests for funding.

During the year total gifts to the Endowment fund of £1,575,000 (2021 - £525,000) were received. Total gifts to the Unrestricted fund were £1,575,329 (2021 - £525,000). Donations amounting to £834,804 (2021 - £242,875) were committed to by the Trustees. Donations included significant support of both local and global charitable institutions supporting a wide range of causes, as shown on page 12 of these accounts.

Financial review and risk management

Investments at the year-end had a market value of £15,073,055 (2021 - £12,625,810), an increase of 19.4% (2021 - increase of 30.4%). Endowment funds stand at £15,948,092 (2021 - £13,368,847) and Unrestricted funds are currently £3,192,447 (2021 - £2,059,092). The Endowment funds are, in accordance with the Trust Deed, expendable endowment funds created by ongoing gifts, and the Unrestricted funds are the funds used to finance the charity's charitable activities.

It is the Trustees' policy to distribute income as soon as practical after receipt. However, if suitable charities or charitable purposes to support cannot be identified, the Trustees will retain reserves until such time as suitable charities or charitable purposes can be identified.

The Trustees have identified the major risk to the charity as a fall in incoming resources. The risk has been reviewed and is deemed low likelihood and impact. The Trustees manage this risk by maintaining substantial resources in the Endowment fund of the charity.

THE BROOMTON FOUNDATION

TRUSTEES' ANNUAL REPORT

Year ended 5 April 2022

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report 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 charity Trustees to prepare financial statements for each 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 the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

So far as each Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware. Each Trustee has taken all reasonable steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

By order of the Trustees



B CHAMBERLAIN
Trustee
2nd Feb 2023

THE BROOMTON FOUNDATION

AUDITOR'S REPORT

Year ended 5 April 2022

Independent Auditor's Report to the Trustees of The Broomton Foundation

Opinion

We have audited the financial statements of The Broomton Foundation (the 'charity') for the year ended 5 April 2022 which comprise the statement of financial activities, balance sheet, statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 trustee's 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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

THE BROOMTON FOUNDATION

AUDITOR'S REPORT

Year ended 5 April 2022

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
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 4, 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.

Auditor's responsibilities for the audit of the 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:

We gained an understanding of the legal and regulatory framework applicable to the charity by considering, amongst other things, the sector in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the assessed level of risk, but recognised that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to UK Charity Law.

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

THE BROOMTON FOUNDATION

AUDITOR'S REPORT

Year ended 5 April 2022

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. 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.

Dixon Wilson Audit Services LLP

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Dixon Wilson Audit Services LLP, Statutory Auditor
22 Chancery Lane
London
WC2A 1LS

2 February 2023
Date:.....

Dixon Wilson Audit Services LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE BROOMTON FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 5 April 2022

	Note	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Unrestricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Income from:							
Donations and legacies		1,575,329	1,575,000	3,150,329	525,000	525,000	1,050,000
Investment income							
- Bank interest		1,174	-	1,174	1,911	-	1,911
- Dividend income		395,002	-	395,002	357,447	-	357,447
- Other income		14,001	-	14,001	11,474	-	11,474
		410,177	-	410,177	370,832	-	370,832
Total income		1,985,506	1,575,000	3,560,506	895,832	525,000	1,420,832
Expenditure on:							
Charitable activities	2	(852,151)	-	(852,151)	(254,986)	-	(254,986)
Total expenditure		(852,151)	-	(852,151)	(254,986)	-	(254,986)
Net gains on financial assets	4	-	1,004,245	1,004,245	-	2,417,508	2,417,508
Net income		1,133,355	2,579,245	3,712,600	640,846	2,942,508	3,583,354
Net movement in funds		1,133,355	2,579,245	3,712,600	640,846	2,942,508	3,583,354
Reconciliation of funds:							
Funds brought forward	7	2,059,092	13,368,847	15,427,939	1,418,246	10,426,339	11,844,585
Funds carried forward	7	3,192,447	15,948,092	19,140,539	2,059,092	13,368,847	15,427,939

THE BROOMTON FOUNDATION

BALANCE SHEET

At 5 April 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	4	15,073,055	12,625,810
Current assets			
Cash at bank and in hand		4,104,577	2,930,741
Debtors	5	108,427	95,938
		4,213,004	3,026,679
Creditors: amounts falling due within one year	6	(145,520)	(224,550)
Net current assets		4,067,484	2,802,129
Net assets		19,140,539	15,427,939
The funds of the charity:			
Unrestricted funds	8	3,192,447	2,059,092
Endowment funds	8	15,948,092	13,368,847
	8	19,140,539	15,427,939

The financial statements on pages 8 to 14 were approved by the Trustees on *2nd February* 2023 and signed on their behalf by:

R H CHAMBERLAIN

Kate G

K E LEWIS

B Chamberlain

B CHAMBERLAIN

J F CHAMBERLAIN

THE BROOMTON FOUNDATION

STATEMENT OF CASH FLOWS

Year ended 5 April 2022

	2022 £	2021 £
Net movement in funds	3,712,600	3,583,354
Less: income from investments	(409,003)	(368,921)
Less: gains on investments	(1,004,245)	(2,417,508)
Less: interest receivable	(1,174)	(1,911)
Decrease in creditors	(79,030)	(50,652)
Net cash generated from operating activities	<u>2,219,148</u>	<u>744,362</u>
<i>Cash flows from investing activities:</i>		
Dividends, rebates, and interest	397,688	366,767
Purchase of investments	(1,443,000)	(525,000)
Net cash used in investing activities	<u>(1,045,312)</u>	<u>(158,233)</u>
Change in cash and cash equivalents	1,173,836	586,129
Cash and cash equivalents brought forward	2,930,741	2,344,612
Cash and cash equivalents carried forward (page 9)	<u>4,104,577</u>	<u>2,930,741</u>

THE BROOMTON FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2022

1. Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 1 January 2019 and the Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS 102.

Going concern

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern, and that there are no key assumptions that affect items in the accounts.

Income recognition

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

Donations and legacies are recognised when the charity has been notified in writing of both the amount and the settlement date.

Dividends are accounted for on an ex-dividend accruals basis. Interest on deposits and fixed interest securities are accounted for on an accruals basis.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. This is accrued once the recipient has been notified of the grant award.

Provisions for liabilities

A provision is recognised when the charity has a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and either the timing or the amount of the obligation is uncertain. The amount recognised as a provision is the best estimate of the expenditure required to settle or to transfer the obligation to a third party at the reporting date. Provisions are discounted where the time value of money is material.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

THE BROOMTON FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2022

1. Accounting policies (continued)

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets or financial liabilities.

Taxation

The charity is exempt from taxation under sections 521 to 536 of the Income Tax Act 2007.

2. Analysis of expenditure on charitable activities	Note	2022 £	2021 £
Grants to charitable causes and institutions	3	834,804	242,875
<i>Support costs allocated to charitable activities:</i>			
Sundry		7	-
<i>Governance costs allocated to charitable activities:</i>			
Audit		6,498	5,700
Accountancy services		2,808	2,700
Bank charges		534	336
Consultancy fees		7,500	3,375
		<u>852,151</u>	<u>254,986</u>

3. Grants and donations	2022 £	2021 £
Feeding Britain	50,000	-
Headway	50,000	50,000
Maggies Centre	10,000	-
Pancreatic Cancer UK	-	25,000
Pop Chorus	(1,003)	14,400
Resurgo Trust	30,000	-
Riding for the Disabled Association	80,000	34,000
Seeding Hope	60,000	-
Service Dogs UK	207	16,475
University of Pennsylvania (USA) Foundation Ltd	500,000	-
Ukraine Appeal	50,000	-
Walnut Tree	-	103,000
Other institutions	5,600	-
	<u>834,804</u>	<u>242,875</u>

THE BROOMTON FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2022

4. Investments	2022 £	2021 £
Market value at 6 April 2021	12,625,810	9,683,302
Additions at cost	1,443,000	525,000
Net gains on financial assets (page 8)	1,004,245	2,417,508
Market value at 5 April 2022	<u>15,073,055</u>	<u>12,625,810</u>
Historical cost	<u>10,376,466</u>	<u>8,933,466</u>
Investments at fair value consists of:		
UK unit trusts	15,073,055	12,625,810
Market value at 5 April 2022	<u>15,073,055</u>	<u>12,625,810</u>

5. Debtors	2022 £	2021 £
Accrued income	<u>108,427</u>	<u>95,938</u>

6. Creditors: amounts falling due within one year	2022 £	2021 £
Accruals	9,595	8,400
Grants and donations payable	135,925	216,150
	<u>145,520</u>	<u>224,550</u>

7. Funds analysis	Opening balance £	Income £	Expenditure £	Unrealised gains £	Closing balance £
Unrestricted funds	2,059,092	1,985,506	(852,151)	-	3,192,447
Endowment funds	13,368,847	1,575,000	-	1,004,245	15,948,092
Total funds	<u>15,427,939</u>	<u>3,560,506</u>	<u>(852,151)</u>	<u>1,004,245</u>	<u>19,140,539</u>

Funds analysis - prior year

	Opening balance £	Income £	Expenditure £	Unrealised gains £	Closing balance £
Unrestricted funds	1,418,246	895,832	(254,986)	-	2,059,092
Endowment funds	10,426,339	525,000	-	2,417,508	13,368,847
Total funds	<u>11,844,585</u>	<u>1,420,832</u>	<u>(254,986)</u>	<u>2,417,508</u>	<u>15,427,939</u>

THE BROOMTON FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2022

8. Total funds

Total funds at 5 April 2022 are represented by:

	Unrestricted funds £	Endowment funds £	Total funds £
Investments	-	15,073,055	15,073,055
Cash at bank and in hand	3,229,540	875,037	4,104,577
Debtors	108,427	-	108,427
Creditors	(145,520)	-	(145,520)
	<u>3,192,447</u>	<u>15,948,092</u>	<u>19,140,539</u>

9. Related party transactions

The Trustees received no emoluments or reimbursement of expenses for their services to the charity in the current or previous year, and the charity had no employees during the year (2021 - none).

Aggregate donations received from a related party, of which three directors are trustees of the charity, without conditions totalled £3,150,000 (2021 - £1,050,000).

No further related party transactions requiring disclosure took place during the reporting period.

10. Financial assets and liabilities

The following are financial liabilities that qualify as basic financial instruments and are initially recognised at transaction value and subsequently measured at their amortised cost:

Financial liabilities	2022 £	2021 £
Accruals	9,595	8,400
Donations/grants payable	135,925	216,150
	<u>145,520</u>	<u>224,550</u>

The following are financial assets that qualify as basic financial instruments and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price:

Financial assets		
UK unit trusts	15,073,055	12,625,810
	<u>15,073,055</u>	<u>12,625,810</u>