

Company registration number: 10722497

Charity registration number: 1172675

# The Brothers Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

**The Brothers Trust**  
**Contents (continued)**

Reference and Administrative Details	1
Strategic Report	2
Trustees' Report	3 - 5
Statement of Trustees' Responsibilities	6
Accountants' Report	7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11 - 22

## **The Brothers Trust**

### **Reference and Administrative Details**

<b>Trustees</b>	Dominic Holland
	Thomas Holland
	Nicola Holland
	Greg Cook
	Janine Cook
<b>Principal Office</b>	57 Canbury Park Road
	Kingston KT2 6LQ
	The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	10722497
<b>Charity Registration Number</b>	1172675
<b>Independent Examiner</b>	Shaun Ellis

**The Brothers Trust**  
**Strategic Report for the Year Ended 31 March 2021**

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2021, in compliance with s414C of the Companies Act 2006.

The strategic report was approved by the trustees of the charity on 30 November 2021 and signed on its behalf by:



Nicola Holland  
Trustee



## The Brothers Trust

### Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

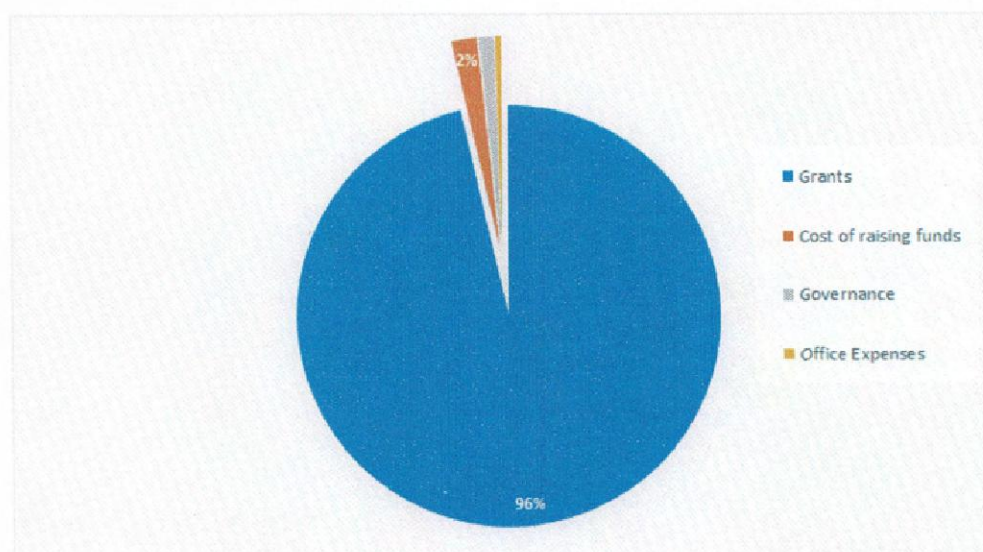
#### Objectives and activities

##### *Objects and aims*

The Brothers Trust (the "Charity") is a charity based and regulated in the United Kingdom with the key objectives:

- to raise funds and award grants to charities around the world. These charities are likely to be small and nimble, often managed by their founders and have a high coefficient of converting funds received to positive and tangible outcomes.
- to create awareness of our selected charities using our own social media platforms.
- to create memorable experiences for vulnerable and sick children from the charities that we support and also charities associated with endeavours like Make a Wish.

The charity aims to "support charities who struggle to be heard". It therefore seeks to give out as much as possible in grants and keep admin expenses as low as possible. As can be seen below, we have been successful this year with only 2% of costs relating to Governance or Office Expenses, 2% on raising funds (excluding cost of merchandising) with around 96% going as grants.



#### *Objectives, strategies and activities*

As with many charities, the last year has proved difficult for The Brothers Trust in these Covid times. We are fortunate to have a number of supporters worldwide who have continued to make regular contributions, and to have found support from a number of institutions.

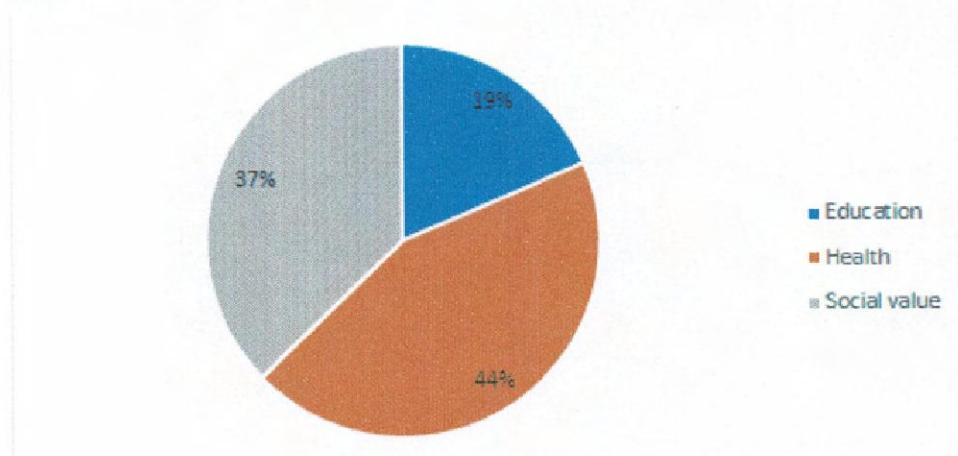
While in-person events have not been available, we have been able found to run a number of virtual events, including quizzes, raffles and continue to sell a successful range of merchandise. This has created a continuing income throughout the pandemic which in-turn has enabled The Trust to continue supporting our various charities.

## The Brothers Trust

### Trustees' Report (continued)

#### **Public benefit**

The Brothers Trust aims to help small charities either financially or through publicity. The charities supported cover a range of areas broadly split into education, health and social benefit. The split between each sector can be seen below.



The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Grant making policies**

It is important to The Brothers Trust to find charities without expensive administrative costs and can demonstrate that they are efficiently run. The Trust discourages the notion that beneficiaries become dependent or expectant on The Brothers Trust.

The Charity has regularly evaluated the effectiveness of its grants, asking for regular feedback and progress reports from its beneficiaries. This is then reported on The Brothers Trust website so that our supporters are able to understand the positive impact of their support.

#### **Structure, governance and management**

##### **Financial instruments**

##### **Objectives and policies**

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

##### **Cash flow risk**

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.



## **The Brothers Trust**

### **Trustees' Report (continued)**

#### ***Credit risk***

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

#### ***Liquidity risk***

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance. Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

The annual report was approved by the trustees of the charity on 30 November 2021 and signed on its behalf by:



.....  
Nicola Holland  
Trustee

## **The Brothers Trust**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of The Brothers Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

Approved by the trustees of the charity on 30 November 2021 and signed on its behalf by:



.....  
Nicola Holland  
Trustee



**Chartered Accountants' Report to the Trustees on the Preparation of the  
Unaudited Statutory Accounts of  
The Brothers Trust  
for the Year Ended 31 March 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of The Brothers Trust for the year ended 31 March 2021 as set out on pages 9 to 22 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of The Brothers Trust, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of The Brothers Trust and state those matters that we have agreed to state to the Board of Directors of The Brothers Trust, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Brothers Trust and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that The Brothers Trust has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and results of The Brothers Trust. You consider that The Brothers Trust is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of The Brothers Trust. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.



Chartered Accountants

30 November 2021

## **The Brothers Trust**

### **Independent Examiner's Report to the trustees of The Brothers Trust**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 9 to 22.

#### **Respective responsibilities of trustees and examiner**

As the charity's trustees of The Brothers Trust (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of The Brothers Trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

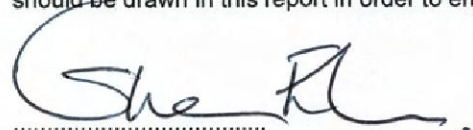
#### **Independent examiner's statement**

Since The Brothers Trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ACCA, which is one of the listed bodies.

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

1. accounting records were not kept in respect of The Brothers Trust as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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



Shaun Ellis  
ACCA

30 November 2021



## The Brothers Trust

### Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2021 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	272,956	272,956
Other trading activities	4	<u>159,831</u>	<u>159,831</u>
Total income		<u>432,787</u>	<u>432,787</u>
<b>Expenditure on:</b>			
Raising funds	6	(53,559)	(53,559)
Charitable activities	7	<u>(392,634)</u>	<u>(392,634)</u>
Total expenditure		<u>(446,193)</u>	<u>(446,193)</u>
Net expenditure		<u>(13,406)</u>	<u>(13,406)</u>
Net movement in funds		(13,406)	(13,406)
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>130,774</u>	<u>130,774</u>
Total funds carried forward	17	<u><u>117,368</u></u>	<u><u>117,368</u></u>
	Note	Unrestricted funds £	Total 2020 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	485,575	485,575
Other trading activities	4	86,688	86,688
Investment income	5	<u>754</u>	<u>754</u>
Total income		<u>573,017</u>	<u>573,017</u>
<b>Expenditure on:</b>			
Raising funds	6	(55,523)	(55,523)
Charitable activities	7	<u>(456,547)</u>	<u>(456,547)</u>
Total expenditure		<u>(512,070)</u>	<u>(512,070)</u>
Net income		<u>60,947</u>	<u>60,947</u>
Net movement in funds		60,947	60,947
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>69,827</u>	<u>69,827</u>
Total funds carried forward	17	<u><u>130,774</u></u>	<u><u>130,774</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 17.

The notes on pages 11 to 22 form an integral part of these financial statements.



**The Brothers Trust**  
**(Registration number: 10722497)**  
**Balance Sheet as at 31 March 2021**

	Note	2021 £	2020 £
<b>Current assets</b>			
Stocks	13	81,338	-
Debtors	14	749	1,000
Cash at bank and in hand	15	110,945	130,024
		<u>193,032</u>	<u>131,024</u>
<b>Creditors: Amounts falling due within one year</b>	16	<u>(75,664)</u>	<u>(250)</u>
<b>Net assets</b>		<u>117,368</u>	<u>130,774</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>117,368</u>	<u>130,774</u>
<b>Total funds</b>	17	<u>117,368</u>	<u>130,774</u>

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities:**

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 9 to 22 were approved by the trustees, and authorised for issue on 30 November 2021 and signed on their behalf by:



.....  
Nicola Holland  
Trustee

The notes on pages 11 to 22 form an integral part of these financial statements.

## **The Brothers Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

57 Canbury Park Road  
Kingston  
KT2 6LQ

These financial statements were authorised for issue by the trustees on 30 November 2021.

#### **2 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.

##### **Statement of compliance**

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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### **Basis of preparation**

The Brothers Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

##### **Income and endowments**

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 the income receivable can be measured reliably.



## **The Brothers Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)**

#### **2 Accounting policies (continued)**

##### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

##### ***Donated services and facilities***

These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

##### ***Gift aid***

Income from tax reclaims is included at the same time as the gift/donation to which it relates.

##### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

##### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

##### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

##### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

##### ***Grant provisions***

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

##### ***Governance costs***

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.



## **The Brothers Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)**

#### **2 Accounting policies (continued)**

##### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

##### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

## **The Brothers Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)**

#### **2 Accounting policies (continued)**

##### **Foreign exchange**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

##### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

##### **Financial instruments**

###### **Classification**

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.



## **The Brothers Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)**

#### **2 Accounting policies (continued)**

##### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.



## **The Brothers Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)**

#### **2 Accounting policies (continued)**

##### ***Debt instruments***

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

##### ***Investments***

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

## The Brothers Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

#### 2 Accounting policies (continued)

##### *Derivative financial instruments*

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

##### *Fair value measurement*

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

#### 3 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations from companies, trusts and similar proceeds	187,881	187,881
Donations from individuals	85,075	85,075
<b>Total for 2021</b>	<b>272,956</b>	<b>272,956</b>
<b>Total for 2020</b>	<b>485,575</b>	<b>485,575</b>

#### 4 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income;		
Sales of goods and services	96,781	96,781
Events income;		
Other events income	63,050	63,050
<b>Total for 2021</b>	<b>159,831</b>	<b>159,831</b>
<b>Total for 2020</b>	<b>86,688</b>	<b>86,688</b>



## The Brothers Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

#### 5 Investment income

	Unrestricted funds General £	Total funds £
Total for 2021	-	-
Total for 2020	<u>754</u>	<u>754</u>

#### 6 Expenditure on raising funds

##### a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Total for 2020		<u>10,226</u>	<u>10,226</u>

##### b) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Costs of goods sold		<u>53,559</u>	<u>53,559</u>
Total for 2021		<u>53,559</u>	<u>53,559</u>
Total for 2020		<u>45,297</u>	<u>45,297</u>



## The Brothers Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

#### 7 Expenditure on charitable activities

		Unrestricted funds	Total
	Note	General £	funds £
Grant funding of activities		358,393	358,393
Governance costs	8	34,241	34,241
<b>Total for 2021</b>		<u>392,634</u>	<u>392,634</u>
<b>Total for 2020</b>		<u>456,547</u>	<u>456,547</u>

**Total  
expenditure  
£**

In addition to the expenditure analysed above, there are also governance costs of £34,241 (2020 - £21,973) which relate directly to charitable activities. See note 8 for further details.

#### 8 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds	Total
	General £	2021 £
Marketing and publicity	2,962	2,962
Other governance costs	31,029	31,029
	<u>33,991</u>	<u>33,991</u>

	Unrestricted funds	Total
	General £	2020 £
Legal fees	480	480
Marketing and publicity	473	473
Other governance costs	20,770	20,770
	<u>21,723</u>	<u>21,723</u>

## The Brothers Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

#### 9 Grant-making

##### Analysis of grants

	Grants to institutions		Grants to individuals
	2021	2020	2021
	£	£	£
<b>Analysis</b>			
Charitable Grants	347,893	434,574	10,500

The support costs associated with grant-making are £Nil (31 March 2020 - £Nil).

Below are details of material grants made to institutions

Name of institution	Activity	2021 £	2020 £
Momentum		77,000	22,419
Debra		44,812	74,675
The Empowerment Plan		42,802	38,162
Kare's4Kids Inc		30,560	7,618
Tear Fund		26,822	32,672
John Foundation		23,106	32,233
Mama Biashara		20,001	-
Lunch Bowl		19,746	81,767
Rachel Lovelocks		15,185	-
Artists for Africa		13,033	27,639
St Francis' Center		10,605	-
Warmheart Grant		7,221	-
Anthony Nolan		6,000	-
Alex Wish		5,000	25,000
Shabach Ministry		5,000	-
Wimbledon Old Boys		1,000	-
Dr. Gary Burnstein Community Health		-	38,089
Storybook Dads		-	30,000
A Band of Brothers		-	10,000
HSSH		-	10,000
Richard Challoner		-	4,000
Other Small Grants		-	300
		<u>347,893</u>	<u>434,574</u>



## The Brothers Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

#### 10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

#### 11 Independent examiner's remuneration

	2021 £	2020 £
<b>Other fees to examiners</b>		
Examination-related assurance services	<u>250</u>	<u>250</u>

#### 12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 13 Stock

	2021 £
Finished goods	<u>81,338</u>

#### 14 Debtors

	2021 £	2020 £
Due from group undertakings	725	1,000
Other debtors	<u>24</u>	<u>-</u>
	<u>749</u>	<u>1,000</u>

#### 15 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	-	44
Cash at bank	<u>110,945</u>	<u>129,980</u>
	<u>110,945</u>	<u>130,024</u>

## The Brothers Trust

### Notes to the Financial Statements for the Year Ended 31 March 2021 (continued)

#### 16 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	75,414	-
Accruals	250	250
	<u>75,664</u>	<u>250</u>

#### 17 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>				
General	<u>130,774</u>	<u>432,787</u>	<u>(446,193)</u>	<u>117,368</u>

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>				
General	<u>69,827</u>	<u>573,017</u>	<u>(512,070)</u>	<u>130,774</u>

#### 18 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 March 2021 £
Current assets	193,032	193,032
Current liabilities	<u>(75,664)</u>	<u>(75,664)</u>
Total net assets	<u>117,368</u>	<u>117,368</u>

	Unrestricted funds General £	Total funds at 31 March 2020 £
Current assets	131,024	131,024
Current liabilities	<u>(250)</u>	<u>(250)</u>
Total net assets	<u>130,774</u>	<u>130,774</u>



**The Brothers Trust**  
**Statement of Financial Activities by fund for the Year Ended 31 March 2021**  
**Unrestricted Funds**

	Total Unrestricted Funds 2021 £	Total Unrestricted Funds 2020 £
<b>Income and Endowments from:</b>		
Donations and legacies	272,956	485,575
Other trading activities	159,831	86,688
Investment income	-	754
	<u>432,787</u>	<u>573,017</u>
<b>Total income</b>		
<b>Expenditure on:</b>		
Raising funds	(53,559)	(55,523)
Charitable activities	(392,634)	(456,547)
	<u>(446,193)</u>	<u>(512,070)</u>
<b>Total expenditure</b>		
Net (expenditure)/income	<u>(13,406)</u>	<u>60,947</u>
Net movement in funds	(13,406)	60,947
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>130,774</u>	<u>69,827</u>
Total funds carried forward	<u>117,368</u>	<u>130,774</u>

## The Brothers Trust

### Detailed Statement of Financial Activities for the Year Ended 31 March 2021

	Total 2021 £	Total 2020 £
<b>Income and Endowments from:</b>		
Donations and legacies (analysed below)	272,956	485,575
Other trading activities (analysed below)	159,831	86,688
Investment income (analysed below)	-	754
Total income	<u>432,787</u>	<u>573,017</u>
<b>Expenditure on:</b>		
Raising funds (analysed below)	(53,559)	(55,523)
Charitable activities (analysed below)	<u>(392,634)</u>	<u>(456,547)</u>
Total expenditure	<u>(446,193)</u>	<u>(512,070)</u>
Net (expenditure)/income	<u>(13,406)</u>	<u>60,947</u>
Net movement in funds	(13,406)	60,947
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>130,774</u>	<u>69,827</u>
Total funds carried forward	<u><u>117,368</u></u>	<u><u>130,774</u></u>



# The Brothers Trust

## Detailed Statement of Financial Activities for the Year Ended 31 March 2021 (continued)

	Total 2021 £	Total 2020 £
<b>Donations and legacies</b>		
Appeals and donations	85,075	485,575
Appeals and donations - companies	187,881	-
	<u>272,956</u>	<u>485,575</u>
<b>Other trading activities</b>		
Sales of purchased goods	96,781	86,688
Fundraising Events	63,050	-
	<u>159,831</u>	<u>86,688</u>
<b>Investment income</b>		
Interest on cash deposits	-	754
	<u>-</u>	<u>754</u>
<b>Raising funds</b>		
Other fundraising costs	-	(10,226)
Purchases	(46,427)	(37,236)
Subcontract cost	(7,132)	(8,061)
	<u>(53,559)</u>	<u>(55,523)</u>
<b>Charitable activities</b>		
Grants payable - institutions	(347,893)	(434,574)
Grants payable - individuals	(10,500)	-
Repairs and maintenance	(404)	-
Office expenses	(361)	(1,406)
Computer software and maintenance costs	(866)	(397)
Promotional expenses	(2,962)	(473)
Accountancy fees	(4,282)	(6,830)
Independent examiner's fee	(250)	(250)
Legal and professional fees	-	(480)
Bank charges	(15,763)	(7,526)
Foreign currency (gains)/losses	(9,353)	(4,611)
	<u>(392,634)</u>	<u>(456,547)</u>