

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 2024

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

Reference and Administrative Details	1
Strategic Report	2
Trustees' Report	3 - 8
Statement of Trustees' Responsibilities	9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Financial Statements	13 - 25

**The Brothers Trust**

**Reference and Administrative Details**

<b>Charity Registration Number</b>	1172675
<b>Company Registration Number</b>	10722497
<b>Registered Office</b>	57 Canbury Park Road Kingston KT2 6LQ
<b>Independent Examiner</b>	Shaun Ellis

## **The Brothers Trust**

### **Strategic Report for the Year Ended 31 March 2024**

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2024, in compliance with s414C of the Companies Act 2006.

#### **Financial review**

##### ***Policy on reserves***

The Charity seeks to hold sufficient reserves to cover operating activities in the next six months plus support key charities. At the end of this financial year, the trustees felt this should be £125,000. Current reserves are comfortably above this level.

##### ***Principal funding sources***

Funding has come from a number of donations, the specific fund raising events and from profits remitted from our trading company.

The strategic report was approved by the trustees of the charity on 23 December 2024 and signed on its behalf by:

DocuSigned by:  
  
.....BCBEB59158FB4E2.....  
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 and auditors' report of the charitable company for the year ended 31 March 2024.

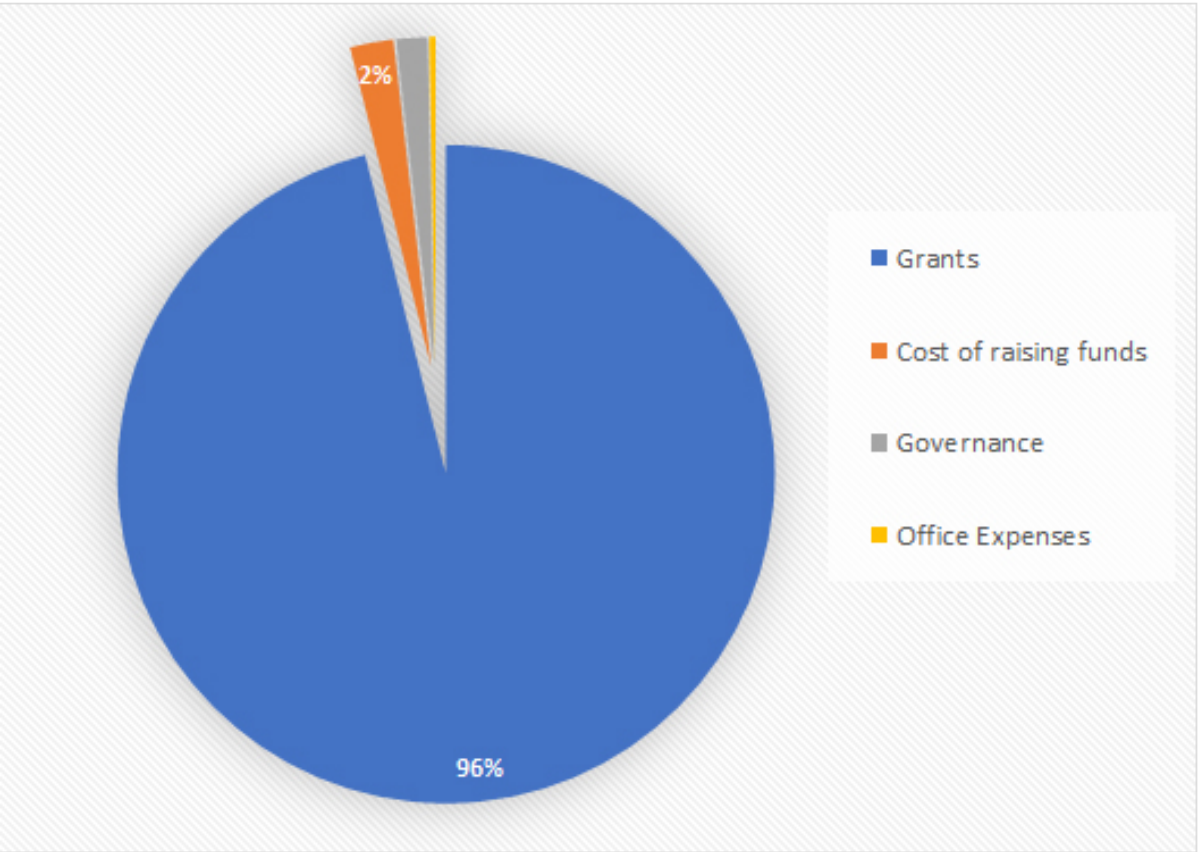
Objectives and activities

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 again been successful this year with 96% of revenues being available for grants with only 2% of costs relating to Governance or Office Expenses, and 2% on raising funds (excluding cost of merchandising). Despite the continued impact of inflation in the year, the Trustees have ensured that this has not negatively impacted the Charity.



## **The Brothers Trust**

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

#### ***Grant making policies***

It is important to The Brothers Trust to identify charities without expensive administrative running costs and are efficiently run. The Trust generally discourages the notion of beneficiaries becoming reliant on TBT for continued support. Instead, TBT encourages the charities it supports to continue fundraising efforts and to seek financial support elsewhere to avoid dependency on our Trust.

The Charity regularly evaluates the effectiveness of its grants, asking for regular feedback and progress reports from beneficiaries. This progress is fully reported on TBT website so our supporters can see the positive impact of their support.

#### ***Use of volunteers***

The Charity could not function without the help and assistance of its volunteer trustees who give so much time to the running of the charity.

#### ***Objectives, strategies and activities***

In the past financial year, TBT continues to make key grants to specifically identified charities in line with the remit already explained. The outcomes of all our grants are strictly assessed for their effectiveness and informs future decisions on further grants. Grants are made for specific and agreed purposes which TBT have selected from options that identified charities have presented to us.

These include the following grants:

#### ***Alex's Wish - £35,000***

The Brother's Trust has made a grant towards the development of Arm Assist prototypes. Alex's Wish gave another £37K from fundraising activities. This funding has been critical in enabling Alex's Wish and Duchenne UK to drive forwards in refining a product that will be ready for market by 2026.

#### ***Arts 4 Dementia - £8,000***

In collaboration with artists and cultural organisations, they support, promote and deliver inspiring arts activities for people living with the early stages of dementia. This grant was to train 25 artists to be able to deliver these programmes, and paid for an 8 week course for 10 people and their carers.

#### ***Canine Concern - £3,000***

This lovely charity provides care dogs, along with their trained volunteer owners, and visit a range of locations - these visits can be incredibly beneficial to people experiencing a variety of situations. Like care homes to help the elderly combat loneliness; hospitals to help patients' mental health and recovery; companies and offices to reduce stress levels in staff; and many more. This grant was awarded to acknowledge the commitment of these wonderful volunteers and encourage others to join the cause.

#### ***Cure EB - £70,000***

The charity seeks to assist those suffering from Epidermolysis Bullosa ("EB"), in particular but not exclusively by making grants: to fund medical research and/or clinical trials anywhere in the world for the purpose of discovering, developing and delivering treatments for EB; and too fund the treatment of patients who are suffering from EB. Our research grant is specifically for Cell & Gene Therapy for RDEB SCC - Minnesota, USA. Trying to establish a very new way of tackling the RDEB cancer risk.

#### ***Debra - £82,000***

This grant helped Debra maintain their holiday homes throughout the country that offer a really welcome respite holidays to their members and their families.

## **The Brothers Trust**

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

#### ***Dentaid - £7,056***

Dentaid works to reduce oral pain by running oral health education programmes and volunteering experiences. This grant paid for a mobile dentist surgery to run 4 sessions in Kingston, assisted by volunteer dentists and support staff.

#### ***Fairshot - £13,000***

Empowering Adults with Learning Disabilities through Specialty Coffee. This grant paid for a graduation ceremony for the young adults who have been training in '23 and sponsoring 6 new learners at their cafe.

#### ***Fine Cell Works - £10,000***

This is a UK-based rehabilitation charity and social enterprise. For over 25 years they've been transforming the lives of prisoners and prison leavers, one stitch at a time. Our grant has funded a motivational awards scheme.

#### ***Friends of the Elderly IRELAND - £15,000***

Friends of the Elderly works hard to provide a wide range of social programmes for older people who would benefit from a friendly chat or a social outing. This grant has helped to pay for a big Christmas party, 50 social days and some cabaret nights.

#### ***The Lunchbowl Network - £10,000***

The Lunchbowl Network educates and feeds over 400 of the most vulnerable and disadvantaged children in the Kibera slum in Nairobi, Kenya. This year we funded the costs of school uniforms and sports kits.

#### ***Mamabiashara - £10,000***

They help to support women and children leaving abusive relationships in Kenya and providing training and employment. Each £10K grant rescued 700-800 women with an average of 2 children (so, 700/800 children) each from a life of violence (tribal/domestic/sexual and/or extreme physical) and fear.

#### ***Mizen Foundation - £10,000***

This amazing charity helps young people across the UK by challenging them to be the change-makers & peace-makers in their local communities. This grant enabled them to give talks in 30 schools.

#### ***Momentum - £74,766***

This year TBT funded a range of projects including a Families Support worker, and 150 creative therapy sessions for seriously ill children.

#### ***P.E.A.K - £45,000***

This is an organisation dedicated to supporting families and educators who live or work with children pre or post an autism diagnosis. Their mission is to give support and training in practical strategies that address challenges faced whilst navigating the autistic spectrum so that your children reach their peak potential. The Brothers Trust start up grant enabled this small charity to take a step up and we are really excited about the difference this has already made.

#### ***RB Kares - £7,500***

RBKares is a group of volunteers that aims to mobilise the community to respond at pace to needs that arise within the borough of Kingston amongst hospital workers, carers, refugees, and other vulnerable groups.

#### ***Sparks Book Awards - £4,000***

This grant paid for 670 books to allow under-privileged kids to partake in this valuable scheme.

**The Brothers Trust**  
**Trustees' Report (continued)**

**Stem 4 - £20,000**

Stem4 is a charity that promotes positive mental health in teenagers and those who support them including their families and carers, education professionals, as well as school nurses and GPs through the provision of mental health education, resilience strategies and early intervention. This grant assisted with updates to the Head Ed and Combined Minds programmes.

**Story Book Dads - £10,000**

This charity allows families to reconnect through the magic of storytelling. They help parents in prison to record bedtime stories and messages for their children on CD or DVD. We supported their core funding as well as production of comic books, a new initiative.

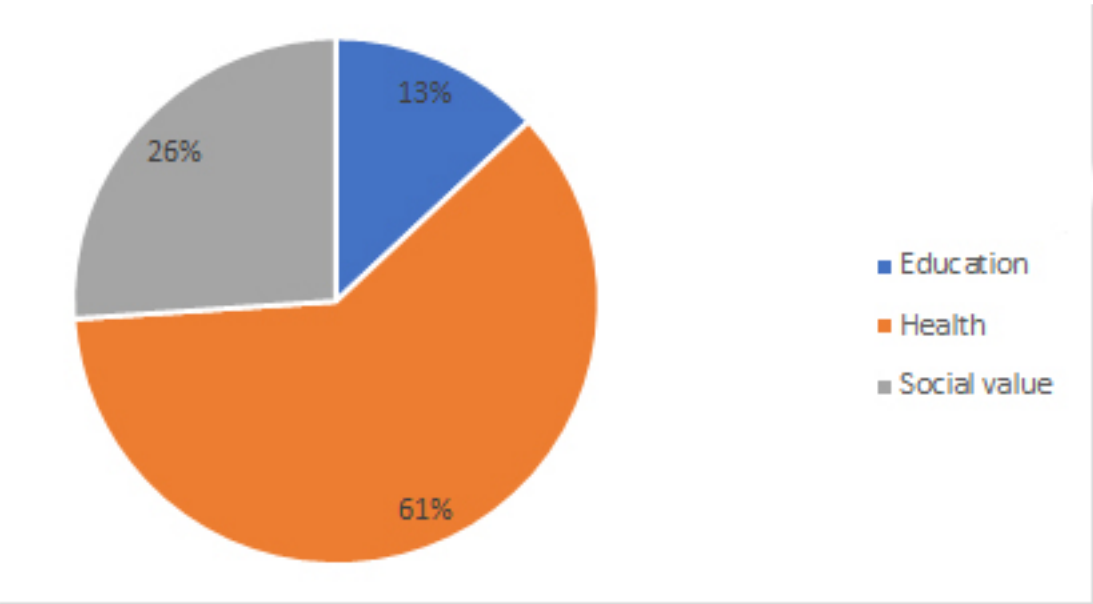
**Tor Support Services - £5,000**

This wonderful charity provides confidential Counselling, Advice and Support for Young People Aged 5 to 25, in Okehampton and the Surrounding Parishes. This grant funded 96 sessions.

**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.



**Going concern**

The Trustees consider that it is appropriate to prepare the financial statements on a going concern basis. There are sufficient reserves in the charity to continue to operate, and the fundraising plans continue to be successful, alongside its merchandising.

**Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:



## **The Brothers Trust**

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

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

##### ***Nature of governing document***

The Charity operates under its memorandum and articles of incorporation as a private company limited by guarantee. These documents were created 12th April 2017 and have not been updated.

##### ***Recruitment and appointment of trustees***

The Trustees are recruited based on the needs of the Charity. In the past year, the board has been strengthened considerably through reviewing missing skills and seeking to fill these gaps. This has included legal, financial, and governance.

##### ***Arrangements for setting key management personnel remuneration***

None of the Trustees receive remuneration.

##### ***Organisational structure***

The Charity operates with a very small staff comprised of some paid contractors and volunteers. They work together making collective day-to-day decisions. The Trustees then meet at least 6 times per year to discuss strategic aims and objectives.

As noted elsewhere, the sale of Brothers Trust merchandising has moved to its wholly owned subsidiary, The Brothers Trust (Trading) Ltd. This gives all of its profits in cash each year to the Charity, and the same team are responsible for running this company.

#### **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. Generally, the charity does not need to use these contracts but may do if required. 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.

##### ***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 Brothers Trust**

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

#### **Disclosure of information to auditor**

Each trustee has taken 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 auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 23 December 2024 and signed on its behalf by:

DocuSigned by:  
  
BO8EB59159FB4E3.....  
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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 the incoming resources and application of resources, including its income and expenditure, of the charitable company 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 accounting standards, comprising FRS 102 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 proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 23 December 2024 and signed on its behalf by:

DocuSigned by:  
  
.....BCBEB59158EBAE2.....  
Nicola Holland  
Trustee

## The Brothers Trust

### Independent Examiner's Report to the trustees of The Brothers Trust ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2024.

#### Responsibilities and basis of report

As the charity's trustees of the Company (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 Company 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 Company'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.

Signed by:  
  
-----  
Shaun Ellis  
ACCA

23 December 2024

## The Brothers Trust

### Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2024 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	199,006	199,006
Other trading activities	4	<u>422,788</u>	<u>422,788</u>
Total income		<u>621,794</u>	<u>621,794</u>
<b>Expenditure on:</b>			
Raising funds	5	(77,764)	(77,764)
Charitable activities	6	<u>(503,189)</u>	<u>(503,189)</u>
Total expenditure		<u>(580,953)</u>	<u>(580,953)</u>
Net income		<u>40,841</u>	<u>40,841</u>
Net movement in funds		40,841	40,841
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>244,551</u>	<u>244,551</u>
Total funds carried forward	17	<u><u>285,392</u></u>	<u><u>285,392</u></u>
	Note	Unrestricted funds £	Total 2023 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	353,775	353,775
Other trading activities	4	<u>414,215</u>	<u>414,215</u>
Total income		<u>767,990</u>	<u>767,990</u>
<b>Expenditure on:</b>			
Raising funds	5	(93,274)	(93,274)
Charitable activities	6	<u>(602,972)</u>	<u>(602,972)</u>
Total expenditure		<u>(696,246)</u>	<u>(696,246)</u>
Net income		<u>71,744</u>	<u>71,744</u>
Net movement in funds		71,744	71,744
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>172,807</u>	<u>172,807</u>
Total funds carried forward	17	<u><u>244,551</u></u>	<u><u>244,551</u></u>

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

The funds breakdown for 2023 is shown in note 17.

The notes on pages 13 to 25 form an integral part of these financial statements.

**The Brothers Trust**  
**(Registration number: 10722497)**  
**Balance Sheet as at 31 March 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	12	1,018	-
<b>Current assets</b>			
Debtors	13	74,619	240,501
Investments	14	1	1
Cash at bank and in hand	15	<u>211,750</u>	<u>73,763</u>
		286,370	314,265
<b>Creditors: Amounts falling due within one year</b>	16	<u>(1,996)</u>	<u>(69,714)</u>
<b>Net current assets</b>		<u>284,374</u>	<u>244,551</u>
<b>Net assets</b>		<u>285,392</u>	<u>244,551</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>285,392</u>	<u>244,551</u>
<b>Total funds</b>	17	<u>285,392</u>	<u>244,551</u>

For the financial year ending 31 March 2024 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.

The financial statements on pages 11 to 25 were approved by the trustees, and authorised for issue on 23 December 2024 and signed on their behalf by:

DocuSigned by:  
  
 8C8EB59458FB4E2.....  
 Nicola Holland  
 Trustee

The notes on pages 13 to 25 form an integral part of these financial statements.

## **The Brothers Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2024**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in , 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 23 December 2024.

#### **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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **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 2024 (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.

#### ***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.

#### ***Support costs***

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

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

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



# The Brothers Trust

## Notes to the Financial Statements for the Year Ended 31 March 2024 (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.

#### **Tangible fixed assets**

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

#### **Current asset investments**

Current asset investments are included at the lower of cost and net realisable value / market value.

#### **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.

# The Brothers Trust

## Notes to the Financial Statements for the Year Ended 31 March 2024 (continued)

### 2 Accounting policies (continued)

#### **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.

#### **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 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 2024 (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 2024 (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 2024 (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	96,330	96,330
Donations from individuals	102,676	102,676
<b>Total for 2024</b>	<u>199,006</u>	<u>199,006</u>
<b>Total for 2023</b>	<u>353,775</u>	<u>353,775</u>

### 4 Income from other trading activities

	Unrestricted funds General £	Total funds £
Events income;		
Other events income	422,788	422,788
<b>Total for 2024</b>	<u>422,788</u>	<u>422,788</u>
<b>Total for 2023</b>	<u>414,215</u>	<u>414,215</u>

**The Brothers Trust**  
**Notes to the Financial Statements for the Year Ended 31 March 2024**  
**(continued)**

**5 Expenditure on raising funds**

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

	<b>Note</b>	<b>Total funds £</b>
<b>b) Costs of trading activities</b>		
	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Other direct costs of activities for generating funds	(432)	(432)
<b>Total for 2024</b>	(432)	(432)
<b>Total for 2023</b>	1,918	1,918

**c) Investment management costs**

	<b>Note</b>	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Allocated support costs	7	11,220	11,220
<b>Total for 2024</b>		11,220	11,220
<b>Total for 2023</b>		13,668	13,668
			<b>Total costs £</b>

**6 Expenditure on charitable activities**

**The Brothers Trust**  
**Notes to the Financial Statements for the Year Ended 31 March 2024**  
**(continued)**

**6 Expenditure on charitable activities (continued)**

		<b>Unrestricted funds</b>	<b>Total</b>
	<b>Note</b>	<b>General £</b>	<b>funds £</b>
Grant funding of activities		486,804	486,804
Governance costs	7	<u>16,385</u>	<u>16,385</u>
<b>Total for 2024</b>		<u>503,189</u>	<u>503,189</u>
<b>Total for 2023</b>		<u>602,972</u>	<u>602,972</u>
			<b>Total expenditure £</b>

In addition to the expenditure analysed above, there are also governance costs of £16,385 (2023 - £15,761) which relate directly to charitable activities. See note 7 for further details.

**7 Analysis of governance and support costs**

**Governance costs**

	<b>Unrestricted funds</b>	<b>Total</b>
	<b>General £</b>	<b>2024 £</b>
Legal fees	35	35
Marketing and publicity	4,002	4,002
Other governance costs	11,998	11,998
Independent Examiner's remuneration	<u>350</u>	<u>350</u>
	<u>16,385</u>	<u>16,385</u>
	<b>Unrestricted funds</b>	<b>Total</b>
	<b>General £</b>	<b>2023 £</b>
Marketing and publicity	5,450	5,450
Other governance costs	<u>10,311</u>	<u>10,311</u>
	<u>15,761</u>	<u>15,761</u>

**The Brothers Trust**  
**Notes to the Financial Statements for the Year Ended 31 March 2024**  
**(continued)**

**8 Grant-making**

**Analysis of grants**

	<b>Grants to institutions</b>	
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Analysis</b>		
Charitable Grants	486,804	587,211

The support costs associated with grant-making are £Nil (31 March 2023 - £Nil).

Below are details of material grants made to institutions

<b>Name of institution</b>	<b>Activity</b>	<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
Debra		82,000	80,000
Momentum		74,766	-
Cure EB		70,000	-
PEAK		45,000	-
John Foundation		39,568	38,180
Alex Wish		35,000	75,000
Stem 4		20,000	50,000
Friends of the Elderly		15,000	-
Fairshot		13,000	-
Fine Cell Work		10,000	-
Lunch Bowl		10,000	29,000
Mama Biashara		10,000	20,000
Mizen Foundation		10,000	-
Storybook Dads		10,000	25,500
Arts4Dementia		8,000	-
Warm Heart		7,914	8,118
RBKares		7,500	-
DentaId		7,056	-
Tor Support		5,000	-
Spark School Book Grant		4,000	-
Canine Concern		3,000	-
EB Research Partnership		-	125,433
Other Grants		-	135,980
		<u>486,804</u>	<u>587,211</u>

**9 Trustees remuneration and expenses**

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



**The Brothers Trust**  
**Notes to the Financial Statements for the Year Ended 31 March 2024**  
**(continued)**

**10 Independent examiner's remuneration**

	<b>2024</b>
	<b>£</b>
<b>Other fees to examiners</b>	
Examination-related assurance services	<u><u>350</u></u>

**The Brothers Trust**  
**Notes to the Financial Statements for the Year Ended 31 March 2024**  
**(continued)**

**11 Taxation**

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

**12 Tangible fixed assets**

	<b>Furniture and equipment £</b>	<b>Total £</b>
<b>Cost</b>		
Additions	1,357	1,357
At 31 March 2024	1,357	1,357
<b>Depreciation</b>		
Charge for the year	339	339
At 31 March 2024	339	339
<b>Net book value</b>		
At 31 March 2024	1,018	1,018

**13 Debtors**

	<b>2024 £</b>	<b>2023 £</b>
Trade debtors	47,499	95,653
Due from group undertakings	27,113	144,811
Other debtors	7	37
	74,619	240,501

**14 Current asset investments**

	<b>2024 £</b>	<b>2023 £</b>
Shares in group undertakings and participating interests	1	1

**15 Cash and cash equivalents**

	<b>2024 £</b>	<b>2023 £</b>
Cash at bank	211,750	73,763

**The Brothers Trust**  
**Notes to the Financial Statements for the Year Ended 31 March 2024**  
**(continued)**

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

	<b>2024</b> <b>£</b>	<b>2023</b> <b>£</b>
Trade creditors	1,995	1,381
Other creditors	1	68,333
	<u>1,996</u>	<u>69,714</u>

**17 Funds**

	<b>Balance at 1</b> <b>April 2023</b> <b>£</b>	<b>Incoming</b> <b>resources</b> <b>£</b>	<b>Resources</b> <b>expended</b> <b>£</b>	<b>Balance at 31</b> <b>March 2024</b> <b>£</b>
<b>Unrestricted funds</b>				
General	<u>244,551</u>	<u>621,794</u>	<u>(580,953)</u>	<u>285,392</u>

	<b>Balance at 1</b> <b>April 2022</b> <b>£</b>	<b>Incoming</b> <b>resources</b> <b>£</b>	<b>Resources</b> <b>expended</b> <b>£</b>	<b>Balance at 31</b> <b>March 2023</b> <b>£</b>
<b>Unrestricted funds</b>				
General	<u>172,807</u>	<u>767,990</u>	<u>(696,246)</u>	<u>244,551</u>

**18 Analysis of net assets between funds**

	<b>Unrestricted</b> <b>funds</b> <b>General</b> <b>£</b>	<b>Total funds at</b> <b>31 March</b> <b>2024</b> <b>£</b>
Tangible fixed assets	1,018	1,018
Current assets	286,370	286,370
Current liabilities	<u>(1,996)</u>	<u>(1,996)</u>
Total net assets	<u>285,392</u>	<u>285,392</u>
	<b>Unrestricted</b> <b>funds</b> <b>General</b> <b>£</b>	<b>Total funds at</b> <b>31 March</b> <b>2023</b> <b>£</b>
Current assets	314,265	314,265
Current liabilities	<u>(69,714)</u>	<u>(69,714)</u>
Total net assets	<u>244,551</u>	<u>244,551</u>

**The Brothers Trust**

**Statement of Financial Activities by fund for the Year Ended 31 March 2024**

**Unrestricted Funds**

	<b>Total Unrestricted Funds 2024 £</b>	<b>Total Unrestricted Funds 2023 £</b>
<b>Income and Endowments from:</b>		
Donations and legacies	199,006	353,775
Other trading activities	<u>422,788</u>	<u>414,215</u>
Total income	<u>621,794</u>	<u>767,990</u>
<b>Expenditure on:</b>		
Raising funds	(77,764)	(93,274)
Charitable activities	<u>(503,189)</u>	<u>(602,972)</u>
Total expenditure	<u>(580,953)</u>	<u>(696,246)</u>
Net income	<u>40,841</u>	<u>71,744</u>
Net movement in funds	40,841	71,744
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>244,551</u>	<u>172,807</u>
Total funds carried forward	<u><u>285,392</u></u>	<u><u>244,551</u></u>

## The Brothers Trust

### Detailed Statement of Financial Activities for the Year Ended 31 March 2024

	Total 2024 £	Total 2023 £
<b>Income and Endowments from:</b>		
Donations and legacies (analysed below)	199,006	353,775
Other trading activities (analysed below)	422,788	414,215
Total income	<u>621,794</u>	<u>767,990</u>
<b>Expenditure on:</b>		
Raising funds (analysed below)	(77,764)	(93,274)
Charitable activities (analysed below)	(503,189)	(602,972)
Total expenditure	<u>(580,953)</u>	<u>(696,246)</u>
Net income	<u>40,841</u>	<u>71,744</u>
Net movement in funds	40,841	71,744
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>244,551</u>	<u>172,807</u>
Total funds carried forward	<u><u>285,392</u></u>	<u><u>244,551</u></u>

## The Brothers Trust

### Detailed Statement of Financial Activities for the Year Ended 31 March 2024 (continued)

	Total 2024 £	Total 2023 £
<b><i>Donations and legacies</i></b>		
Appeals and donations	102,676	215,688
Appeals and donations - companies	96,330	138,087
	<u>199,006</u>	<u>353,775</u>
<b><i>Other trading activities</i></b>		
Fundraising Events	422,788	414,215
	<u>422,788</u>	<u>414,215</u>
<b><i>Raising funds</i></b>		
Fundraising costs	(66,976)	(77,688)
Purchases	-	(1,918)
(Profit)/loss on foreign currency	432	-
Casual wages	(9,425)	(12,544)
Insurance	(189)	-
Office expenses	(1,267)	(1,124)
Depreciation of office equipment	(339)	-
	<u>(77,764)</u>	<u>(93,274)</u>
<b><i>Charitable activities</i></b>		
Grants payable - institutions	(486,804)	(587,211)
Office expenses	(88)	(135)
Travel and subsistence	(161)	(447)
Advertising	(4,002)	(5,450)
Accountancy fees	(9,360)	(9,360)
Independent examiner's fee	(350)	-
Legal and professional fees	(35)	-
Bank charges	(2,389)	(369)
	<u>(503,189)</u>	<u>(602,972)</u>