

Registered Charity Number: 1173809

The Bransford Trust

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

The Bransford Trust

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The Bransford Trust

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 5 APRIL 2022

The trustees present their report and audited consolidated financial statements of the charity and its subsidiary for the year ended 5 April 2022.

References in these financial statements to “the charity” include The Bransford Trust (CIO charity number 1173809) or its predecessor The Bransford Trust (unincorporated entity charity number 1106554) depending on the context.

The trustees have adopted the provisions of 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).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a Charitable Incorporated Organisation (CIO).

Recruitment and appointment of new trustees

New trustees are invited by existing trustees based on personal recommendations.

All new trustees on appointment receive training and an induction to the role of a charity trustee. They are subject to the usual credit and DBS checks if deemed necessary. Decisions are made by majority vote at trustees meetings.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1173809

Principal address

C/O Royal Porcelain Works
Severn Street
Worcester
Worcestershire, WR1 2NE

Trustees

Mr C A Kinnear OBE
Mrs B Kinnear (resigned 22nd April 2022)
Mr J A Yelland (resigned 22nd April 2022)
Mr D Sutcliffe
Mrs L Freeman
Mr A Freeman
Mr A Kinnear
Mrs C Kinnear

The Bransford Trust

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 5 APRIL 2022 (Continued)

Auditors

Richards Sandy Audit Services Limited
Thorneloe House
25 Barbourne Road
Worcester, WR1 1RU

Investment Managers

Canaccord Genuity Wealth Management
41 Lothbury
London, EC2R 7AE

Bankers

Handelsbanken
Unit 4, The Triangle
Wildwood Drive
Worcester, WR5 2QX

Solicitors

Trethowans LLP
1 London Road
Salisbury
Wiltshire, SP1 3HP

Accountants

PSG Bowdens LLP
100 High Street
Evesham, WR11 4EU

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charitable objects of The Bransford Trust include relief of poverty, relief of sickness, advancement of education, promotion of the arts, culture and heritage, advancement in the lives of young people and other charitable purposes for the public benefit.

The main activities undertaken to achieve these purposes are providing support for charitable initiatives through grants and the use of facilities at Royal Porcelain Works, which is owned by the charity.

Public benefit

The trustees confirm that they have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance issued by the Charity Commission on public benefit when deciding on the charity's activities.

Organisation

Royal Porcelain Works Limited (company registration number 08629931) is a wholly owned trading subsidiary of The Bransford Trust.

Fundraising activities

The Bransford Trust does not engage in any fundraising activities (as defined by section 162A of Charities Act 2011).

The Bransford Trust

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 5 APRIL 2022 (Continued)

ACHIEVEMENT AND PERFORMANCE

Grants totalling £41,200 (2021 - £4,250) were awarded in the year and a further £25,000 (2021 - £45,000) was paid from previous year's awards. From previous year's awards, £12,500 (2021 - £41,500) remains unpaid at the year end. A full schedule of grants is given in note 7 on page 20.

As a result of the uncertainty caused by Covid-19, the war in Ukraine and the cost of living crisis we felt we needed to be cautious with our donations and charity work over the period. We believe that we are now in a much better position to increase the amount available to be donated to worthy causes.

During the year the trustees have implemented a plan to deal with certain historical issues relating to the development of the site as the Royal Porcelain Works, including addressing certain snagging type issues. New commercial tenants have been found for several of the commercial units of the Royal Porcelain Works and as a result rental income increased significantly towards the end of the year.

FINANCIAL REVIEW

The results for the year and financial position of the charity are as shown in the annexed financial statements. The trustees consider the state of affairs of the Trust to be satisfactory.

Investment income is £659,514 (2021 - £517,771) and the costs of raising funds, including management of listed investments, are £176,250 (2021 - £143,780). Net income for the year amounted to £231,000 (2021 - £158,784), with donations and investment income being spent on charitable activities and investment management. No donations have been received into the Trust this year (2021 - £3,000). Expenditure on charitable activities is £310,445 (2021 - £290,288), the increase being due to grants approved.

Net realised gains on investment assets were £70,187 (2021 – net realised gains of £336,970) and net unrealised losses on listed investments and properties were £2,084,963 (2021 – net unrealised gains of £1,317,980). The value of the listed investment portfolio has slightly fallen across the year due to the impact of global events. The residential property portfolio was revalued during the year and has increased in value by £158,500 in addition to the £2,500 realised gain on sale of one of the properties, and the commercial investment property was revalued during the year and has reduced in value by £2,228,828 having previously been held at cost.

The principal funding source is income from the charity's investments, along with the trading activities of Royal Porcelain Works Limited and some periodic donations.

The net assets at 5 April 2022 were £20,609,057 (2021 - £22,392,833).

RESERVES POLICY

The charity holds investments totalling £16,914,870 (2021 - £19,732,880) for the purpose of generating investment income used to fund the activities of the charity. Because of the volatility in the value of investments the charity has not set formal limits on the amounts to be held in such investments. In addition, the charity holds freehold property and related assets totalling £3,259,732 (2021 - £3,331,560) which the charity rents to both local charities and other organisations undertaking activities in line with the aims of the charity.

The Bransford Trust

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 5 APRIL 2022 (Continued)

Free reserves excluding amounts held in fixed assets and also excluding concessionary loans relating to investment property held for capital appreciation of £550,000 (2021 - £1,075,000) was £984,455 (2021 - £403,393). The charity reduced its grant making activities during the year due to Covid-19, the war in Ukraine and the cost of living crisis, causing significant uncertainty as to the expected performance of investment holdings. The charity will look to increase the level of grants issued in the next financial year.

The trustees consider the reserves of the charity to be satisfactory.

FUTURE DEVELOPMENTS

The trustees regularly review the strategy and aims of the grant procedures and will continue making grants to causes with particular emphasis on education, music, the arts and the welfare and benefit of sick and young people.

INVESTMENT POLICY

The Bransford Trust has no restricted funds and a total return approach is used for the management of its investment portfolio.

The trustees are required to use income before they use capital and have appointed Canaccord Genuity Wealth Management as investment managers. They are tasked with preserving the Trust's capital investments and producing an annual distributable income of at least 2% above inflation derived from investment income and gains excluding directly held property. They manage a mixed portfolio of equities, fixed interest and corporate bonds and cash.

Canaccord Genuity Wealth Management provide quarterly updates and an annual report for the trustees and attend the full trustees' meetings to present details of the investment performance, including an overview of the general economic climate. In addition, they meet more frequently with the delegated sub-committees of trustees as required. The appointment as investment managers to the Trust is reconfirmed by the trustees annually.

The trustees engage local property experts Morgan Aps and GJS Dillon to manage the residential property portfolio and the commercial property portfolio on their behalf.

All income is generated from assets which are unrestricted. Sufficient assets are held in quickly realisable investments to cover any unexpected drop in income or cash requirement. The investment policy has been achieved in the year.

GRANT MAKING POLICY

The trustees meet twice a year to review the financial performance of the Trust and consider requests for grants. They delegate some functions to a sub-committee of at least two trustees who meet more regularly to review the Trust investments and administration. Additional "fast track" awards and grants up to £2,000 each may be approved by each trustee between trustee meetings. These awards must be ratified at a subsequent full trustee meeting. These awards and grants are limited so that no trustee may approve more than £6,000 per annum by means of this "fast track" process.

The trustees regularly review the strategy and aims of the grant procedures and will continue making grants to causes with particular emphasis on education, music, the arts and the welfare and benefit of sick and young people.

The Bransford Trust

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 5 APRIL 2022 (Continued)

RISK ASSESSMENT

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure.

The biggest risk to the charity is the risk of unfavourable movements in the market price of their holdings of listed investments which may cause a significant fall in the value listed investments as well as a reduction in the level of income generated by these investments. The trustees mitigate this risk by relying on advice from their investment managers in managing their holdings of listed investments.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

ON BEHALF OF THE BOARD OF TRUSTEES



Trustee – C A Kinnear OBE

Date: 30 November 2022

The Bransford Trust

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE BRANSFORD TRUST

Opinion

We have audited the financial statements of The Bransford Trust and its subsidiary for the year ended 5 April 2022 which comprise the consolidated Statement of Financial Activities, the consolidated and charity Balance Sheets, the consolidated Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 5 April 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

The Bransford Trust

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE BRANSFORD TRUST (Continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, other than the financial statements and our Report of the Independent Auditors thereon.

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Trustees

As explained more fully in the Trustees' Responsibilities Statement (set out on page 6), the trustees are responsible for the preparation of financial statements that give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The Bransford Trust

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE BRANSFORD TRUST (Continued)

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the charity operates in and how the charity is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks and irregularities, including known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Companies Act 2006 (and related legislation), the Charities Act 2011 (and related legislation) and laws and regulation regarding VAT, including partial VAT exemptions.

We performed audit procedures to detect non-compliances which may have a material impact on the financial statements, which included reviewing the financial statement disclosures, reviewing the calculations of VAT returns (including ensuring that only input VAT on qualifying expenditure has been claimed) and sample testing of monthly payroll records for the calculation of gross wages, payroll taxes and pension costs.

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

The Bransford Trust

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE BRANSFORD TRUST (Continued)

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Robert Iestyn Richards FCA FCCA CTA (Senior Statutory Auditor)

Richards Sandy Audit Services Limited (Statutory Auditor)

Thorneloe House

25 Barbourne Road

Worcester

WR1 1RU

Date:

8/12/2012

The Bransford Trust

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2022

	Notes	2022 Total unrestricted funds £	2021 Total unrestricted funds £
INCOME FROM:			
Donations	2	-	3,000
Other trading activities	3	58,181	72,081
Investments	4	659,514	517,771
Total		717,695	592,852
EXPENDITURE ON:			
Raising funds	5	176,250	143,780
Charitable activities	6	310,445	290,288
Total		486,695	434,068
NET INCOME		231,000	158,784
Net gains/(losses) on investment assets			
Listed investments	12	53,052	1,652,450
Investment property	12	(2,067,828)	2,500
Net movement in funds		(1,783,776)	1,813,734
RECONCILIATION OF FUNDS			
Total funds brought forward		22,392,833	20,579,099
TOTAL FUNDS CARRIED FORWARD		20,609,057	22,392,833

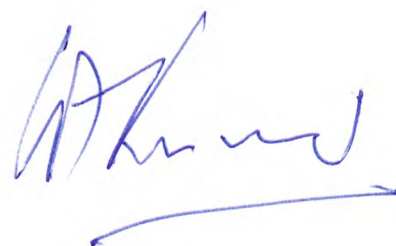
The Bransford Trust

BALANCE SHEETS AS AT 5 APRIL 2022

	Notes	The Group		The Charity	
		2022	2021	2022	2021
		£	£	£	£
FIXED ASSETS					
Tangible assets	11	3,259,732	3,331,560	3,259,732	3,331,560
Investments	12	16,914,870	19,732,880	16,977,871	19,795,881
		20,174,602	23,064,440	20,237,603	23,127,441
CURRENT ASSETS					
Stock	15	56,977	56,977	-	-
Debtors	16	71,557	81,626	99,648	101,351
Cash at bank and in hand		958,459	367,373	909,607	337,595
		1,086,993	505,976	1,009,255	438,946
CREDITORS: amounts falling due within one year	17	(652,538)	(1,165,083)	(634,053)	(1,161,050)
NET CURRENT ASSETS/(LIABILITIES)		434,455	(659,107)	375,202	(722,104)
TOTAL ASSETS LESS CURRENT LIABILITIES		20,609,057	22,405,333	20,612,805	22,405,337
CREDITORS: amounts falling due after more than one year	18	-	(12,500)	-	(12,500)
NET ASSETS		20,609,057	22,392,833	20,612,805	22,392,837
FUNDS					
Unrestricted income funds		20,609,057	22,392,833	20,612,805	22,392,837
TOTAL FUNDS		20,609,057	22,392,833	20,612,805	22,392,837

The financial statements were approved by the Board of Trustees on 30 November 2022

Signed on behalf of the Board of Trustees



Trustee – C A Kinnear OBE

The Bransford Trust

CASHFLOW STATEMENT FOR THE YEAR ENDED 5 APRIL 2022

	Notes to the cash flow statement	2022 £	2021 £
Cashflows from operating activities:			
Net cash provided by/(used in) operating activities	1	<u>(190,279)</u>	<u>(321,082)</u>
Cashflows from investing activities:			
Income from listed investments		503,131	368,697
Proceeds from sales of investments		3,304,934	3,219,142
Purchase of investments		<u>(2,922,731)</u>	<u>(2,792,436)</u>
Net cash provided by/(used in) investing activities		<u>885,334</u>	<u>795,403</u>
Cashflows from financing activities:			
Concessionary loans repaid in year		<u>(525,000)</u>	<u>(625,000)</u>
Net cash provided by/(used in) financing activities		<u>(525,000)</u>	<u>(625,000)</u>
Change in cash and cash equivalents in the year		<u>170,055</u>	<u>(150,679)</u>
Cash and cash equivalents at the beginning of the year	2	1,024,311	1,174,990
Cash and cash equivalents at the end of the year	2	<u>1,194,366</u>	<u>1,024,311</u>

The Bransford Trust

NOTES TO THE CASHFLOW STATEMENT FOR THE YEAR ENDED 5 APRIL 2022

1 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income/(expenditure) for the year <i>(as per the statement of financial activities)</i>	231,000	158,784
Adjustments for:		
Depreciation charge	71,828	71,828
Listed investment income	(503,131)	(368,697)
(Increase)/decrease in debtors	10,069	(48,943)
Increase/(decrease) in creditors	(45)	(134,054)
Net cash provided by/(used in) operating activities	(190,279)	(321,082)

2 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022	2021
	£	£
Cash at bank and in hand	958,459	367,373
Cash investments	235,907	656,938
Total cash and cash equivalents	1,194,366	1,024,311

3 ANALYSIS OF CHANGES IN NET DEBT

	As at 5 April 2021	Cash flows in year	As at 5 April 2022
	£	£	£
Cash at bank and in hand	367,373	591,086	958,459
Cash investments	656,938	(421,031)	235,907
	1,024,311	170,055	1,194,366
Concessionary loans	(1,075,000)	525,000	(550,000)
	(50,689)	695,055	644,366

The Bransford Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

1 ACCOUNTING POLICIES

Basis of preparation

The Bransford Trust meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements are prepared on a going concern basis under the historical cost convention, except for listed investments and investment properties which are measured at fair value. The financial statements are presented in sterling which is the functional currency of the charity rounded to the nearest pound.

Consolidation

The consolidated financial statements incorporate those of The Bransford Trust and its sole subsidiary Royal Porcelain Works Limited. All intra-group transactions, balances and unrealised gains on transactions between the Bransford Trust and Royal Porcelain Works Limited have been eliminated on consolidation. Any unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the relating asset transferred. The accounting policies of Royal Porcelain Works Limited are not considered different from those of the consolidated financial statements. Royal Porcelain Works Limited has a financial year end of 31 March 2022 and the financial results of Royal Porcelain Works Limited are adjusted for the effects of any significant transactions or events that occur between 31 March 2022 and 5 April 2022.

Exemption from preparing individual charity cash flow statement

As permitted by the exemptions within FRS 102 and Charities SORP (FRS 102), a separate cash flow statement for the charity's individual results has not been prepared.

Income

Income, including grants receivable and donations, is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Rents receivable are recognised on a straight-line basis over the term of the lease.

Interest income (including interest receivable on fixed interest listed investment bonds) is recognised for all interest-bearing instruments on the effective interest rate basis. Dividends are recognised in the income statement when they are declared.

Donated goods

If at receipt it is practical to assess the fair value of donated goods, then donated goods are recognised in income at fair value at time of receipt. Where it is impractical to assess the fair value of donated goods, they are not recognised in the financial statements until they are sold.

The Bransford Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

Expenditure

Expenditure is included on an accruals basis. Liabilities are included in the accounts as soon as recognised.

The cost of raising funds includes investment management costs.

Charitable activities costs include grant funding and support costs which are all allocated to charitable activities as this is the predominant activity. Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Governance costs comprise the costs of internal and external audit, any legal advice for the trustees, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Grant making policy

The trustees meet twice a year to review the financial performance of the Trust and consider requests for grants. They delegate some functions to a sub-committee of at least two trustees who meet more regularly to review the Trust investments and administration. Additional "fast track" awards and grants up to £2,000 each may be approved by each trustee between trustee meetings. These awards must be ratified at a subsequent full trustee meeting. These awards and grants are limited so that no trustee may approve more than £6,000 per annum by means of this "fast track" process.

The trustees regularly review the strategy and aims of the grant procedures and will continue making grants to causes with particular emphasis on education, music, the arts and the welfare and benefit of sick and young people.

Tangible fixed assets

Tangible fixed assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	2% on cost
Freehold land	not depreciated
Fixtures, fittings & equipment	10% on cost

In the individual accounts of The Bransford Trust, freehold land and buildings rented to its subsidiary Royal Porcelain Works Limited, which Royal Porcelain Works Limited uses for trading purposes (rather than renting out to third parties under operating leases), are classified as tangible fixed assets.

Investments

Quoted investments are stated at market value and investment property is revalued annually. Increases/(decreases) on revaluations are transferred to/(from) the Statement of Financial Activities.

Investment property is valued annually either by an independent professional valuer or by the trustees on an open market basis.

The Bransford Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

Stock

Stock is measured at the lower of cost (or valuation for donated stock) and net realisable value.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the charity becomes party to contractual provisions of the instrument. Financial assets are offset, with the net amounts presented in the accounts where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts, discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction.

Concessionary loans

Concessionary loan made to or received from third parties on which no interest is to be charged are measured at historical cost.

Government grants

Government grants are recognised under the performance model. Grants that does not impose specified future performance-related conditions are recognised in income when the grant proceeds are received or receivable. Grants that imposes specified future performance-related conditions are recognised in income only when the performance-related conditions are met. Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Defined contribution pension schemes

The Bransford Trust operates a defined contribution pension scheme. Contributions payable to The Bransford Trust's pension scheme are charged in the period to which they relate.

Accumulated funds

Unrestricted general funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

The Bransford Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

Significant judgements and key sources of estimation uncertainty

The areas where accounting policies of The Bransford Trust cause significant estimates or judgements in their application are:

- the point of recognition of grants issued (see note 7); and
- the depreciation policies applied to tangible fixed assets (see note 11).

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

2 DONATIONS INCOME

	2022	2021
	£	£
Donations from C A & B Kinnear	-	3,000
	<u>-</u>	<u>3,000</u>

3 OTHER TRADING ACTIVITIES INCOME

	2022	2021
	£	£
Hall and room hire	42,960	1,032
Grants	10,731	68,064
Other trading income	4,490	2,985
	<u>58,181</u>	<u>72,081</u>

4 INVESTMENT INCOME

	2022	2021
	£	£
Rent and service charges from investment properties	156,383	148,393
Income from listed investments	503,131	368,697
Bank interest	-	681
	<u>659,514</u>	<u>517,771</u>

The Bransford Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

5 RAISING FUNDS EXPENDITURE

	2022	2021
	£	£
Direct costs of trading subsidiary	37,447	21,841
Investment management costs	105,850	112,528
Property management costs	25,475	4,694
Property repairs	7,478	4,717
	<u>176,250</u>	<u>143,780</u>

6 CHARITABLE ACTIVITIES EXPENDITURE

	2022	2021
	£	£
<u>Royal Porcelain Works:</u>		
Professional fees	36,895	31,938
Wages and salaries	62,245	57,656
Marketing	1,694	2,294
Site management	56,040	56,587
Depreciation	71,828	71,828
	<u>228,702</u>	<u>220,303</u>
<u>Grants approved in year (note 7)</u>	41,200	4,250
<u>Support costs relating to Royal Porcelain Works:</u>		
Legal & professional fees	20,143	46,267
Administration costs	13,256	12,451
Bank charges	486	367
<u>Governance costs:</u>		
Auditors' remuneration re external scrutiny	4,000	4,000
Accounts preparation	2,658	2,650
	<u>310,445</u>	<u>290,288</u>

The Bransford Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

7 GRANTS

	Commitments at 5/4/21	Approved in the year	Paid in the year	Commitments at 5/4/22	Due within 1 year	Due after 1 year
	£	£	£	£	£	£
Worcester Live	-	6,200	(6,200)	-	-	-
Worcester Cathedral	37,500		(25,000)	12,500	12,500	-
Malvern Youth Community Trust (The Cube)	-	5,000	(5,000)	-	-	-
Collar & Tie	-	15,000	(15,000)	-	-	-
County Air Ambulance	4,000	(4,000)	-	-	-	-
Dyson Perrins Museum	-	5,000	(5,000)	-	-	-
Severn Valley Railway	-	5,000	(5,000)	-	-	-
Small donations < £5,000	-	9,000	(9,000)	-	-	-
	41,500	41,200	(70,200)	12,500	12,500	-

8 NET INCOME/(EXPENDITURE)

This is stated after charging/(crediting);

	2022 £	2021 £
Depreciation	71,828	71,828
Auditors remuneration	4,000	4,000

9 TRUSTEES REMUNERATION, BENEFITS AND EXPENSES

No trustees received any remuneration or other benefits or expenses for the year ended 5 April 2022 or the year ended 5 April 2021.

The Bransford Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

10 STAFF COSTS

	2022	2021
	£	£
Gross wages	58,640	68,653
Social security costs	1,855	1,235
Employer's pension costs (defined contribution schemes)	1,750	1,781
	<u>62,245</u>	<u>71,669</u>

The average number of employees for the year was 2 (2021 – 2).

No employee received remuneration of £60,000 or above for the year ended 5 April 2022 or the year ended 5 April 2021.

11 TANGIBLE FIXED ASSETS

The group and the charity

	Freehold land & buildings £	Fixtures, fittings and equipment £	Total £
Cost:			
At 6 April 2021	3,433,795	88,319	3,522,114
Additions	-	-	-
At 5 April 2022	<u>3,433,795</u>	<u>88,319</u>	<u>3,522,114</u>
Depreciation:			
At 6 April 2021	173,239	17,315	190,554
Charge	62,996	8,832	71,828
At 5 April 2022	<u>236,235</u>	<u>26,147</u>	<u>262,382</u>
Net book value			
At 5 April 2022	<u>3,197,560</u>	<u>62,172</u>	<u>3,259,732</u>
At 5 April 2021	<u>3,260,556</u>	<u>71,004</u>	<u>3,331,560</u>

Included in freehold land and buildings of the charity is property rented to Royal Porcelain Works Limited, the charity's subsidiary, with net book value of £3,197,560 (2021 - £3,260,556).

The Bransford Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

12 INVESTMENTS

The Group

	<u>Listed</u> <u>Investments</u> £	<u>Cash</u> £	<u>Freehold</u> <u>Property</u> £	<u>Total</u> £
MARKET VALUE				
At 6 April 2021	12,778,114	656,938	6,297,828	19,732,880
Additions	2,917,731	-	5,000	2,922,731
Disposals	(2,779,934)	(421,031)	(525,000)	(3,725,965)
Revaluations	53,052	-	(2,067,828)	(2,014,776)
At 5 April 2022	12,968,963	235,907	3,710,000	16,914,870

	<u>Quoted</u> <u>Investments</u> £	<u>Investment</u> <u>Property</u> £	<u>2022 Total</u> £	<u>2021 Total</u> £
The investments are held:				
Fixed Interest	4,534,999	-	4,534,999	5,201,896
Equities	5,708,559	-	5,708,559	5,217,000
Alternative Investments	2,725,405	-	2,725,405	2,359,218
Portfolio Cash	235,907	-	235,907	470,805
Cash Investments	-	-	-	186,133
Investment Property	-	3,710,000	3,710,000	6,297,828
	13,204,870	3,710,000	16,914,870	19,732,880

The Charity

	<u>Listed</u> <u>Investments</u> £	<u>Cash</u> £	<u>Freehold</u> <u>Property</u> £	<u>Subsidiary</u> <u>Undertakings</u> £	<u>Total</u> £
MARKET VALUE					
At 6 April 2021	12,778,116	656,936	6,297,828	63,001	19,795,881
Additions	2,917,731	(421,031)	5,000	-	2,501,700
Disposals	(2,779,934)	-	(525,000)	-	(3,304,934)
Revaluations	53,052	-	(2,067,828)	-	(2,014,776)
At 5 April 2022	12,968,963	235,907	3,710,000	63,001	16,977,871

	<u>Quoted</u> <u>Investments</u> £	<u>Investment</u> <u>Property</u> £	<u>Subsidiary</u> <u>Undertakings</u> £	<u>2022 Total</u> £	<u>2021 Total</u> £
The investments are held:					
Fixed Interest	4,534,999	-	-	4,534,999	5,201,896
Equities	5,708,559	-	-	5,708,559	5,217,000
Alternative Investments	2,725,405	-	-	2,725,405	2,359,218
Portfolio Cash	235,907	-	-	235,907	470,805
Cash Investments	-	-	-	-	186,133
Investment Property	-	3,710,000	-	3,710,000	6,297,828
Subsidiary undertakings	-	-	63,001	63,001	63,001
	13,204,870	3,710,000	63,001	16,977,871	19,795,881

The Bransford Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

INVESTMENT PROPERTY VALUATION

An independent professional valuation of the residential investment properties was completed by Morgan Aps Sales & Lettings LLP in January 2022, which the trustees considered to not be significantly different from the year end valuation. An independent professional valuation of the commercial investment properties was completed by GJS Dillion with a valuation date of 4 April 2022.

13 SUBSIDIARY UNDERTAKING

The Bransford Trust has a wholly owned subsidiary, Royal Porcelain Works Limited. Available profits are gift aided to the charity. The summary financial performance of the subsidiary is:

	2022	2021
	£	£
Turnover	116,655	139,404
Cost of sales	(56,964)	(31,909)
Gross profit	59,691	107,495
Administrative expenses	(63,434)	(42,602)
(Loss)/profit for the financial year	(3,743)	64,893

The aggregate of the assets and liabilities was:

Assets	158,014	155,478
Liabilities	(98,764)	(92,485)
Net assets	59,250	62,993

14 PARENT CHARITY

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary. The summary financial performance of the charity alone is:

	2022	2021
	£	£
Gross income	634,634	490,019
Expenditure	(399,890)	(396,128)
Net income/(expenditure)	234,744	93,891
Net gains/(losses) on investments	(2,014,776)	1,654,950
Total funds brought forward	22,392,837	20,643,996
Total funds carried forward	20,612,805	22,392,837

15 STOCK

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Goods held for resale	56,977	56,977	-	-

The Bransford Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

16 DEBTORS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	59,817	20,748	30,074	4,275
Other debtors	11,740	55,126	1,000	9,626
Amounts owed by Royal Porcelain Works Ltd	-	-	68,574	82,969
VAT	-	5,752	-	4,481
	<u>71,557</u>	<u>81,626</u>	<u>99,648</u>	<u>101,351</u>

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Concessionary loans – see note 21	550,000	1,075,000	550,000	1,075,000
Trade creditors	14,920	22,322	5,333	12,834
Grants payable – see note 7	12,500	29,000	12,500	29,000
Other creditors	930	1,659	929	1,659
VAT	3,062	-	7,458	-
Accruals	41,267	35,351	39,627	34,056
Deferred income	29,859	1,751	18,206	8,501
	<u>652,538</u>	<u>1,165,083</u>	<u>634,053</u>	<u>1,161,050</u>

Deferred income

Deferred income relates to investment property rental income received that relates to the next financial year.

18 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Grants payable – see note 7	-	12,500	-	12,500
	<u>-</u>	<u>12,500</u>	<u>-</u>	<u>12,500</u>

The Bransford Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2022

19 OPERATING LEASE COMMITMENTS

At the year end The Bransford Trust had minimum lease income under non-cancellable operating leases fall due as follows:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Within one year	95,658	58,800	48,075	33,800
Between one and five years	121,881	76,158	75,131	61,575
After five years	-	-	-	-
	<u>217,539</u>	<u>134,958</u>	<u>123,206</u>	<u>95,375</u>

20 CONTROL

The charity is under the control of its trustees.

21 RELATED PARTY TRANSACTIONS

At the year end, trustees Mr C A Kinnear OBE and Mrs B Kinnear were owed interest free concessionary loans amounting to £550,000 (2021 - £1,075,000) which are to be repaid once certain investment properties have been sold.

During the year The Bransford Trust purchased insurance under normal market conditions totalling £13,739 (2021 - £14,568) from Sutcliffe Insurance Brokers Limited, a company in which D Sutcliffe is a director and shareholder of its parent company.