

THE BRIGHT FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

THE BRIGHT FOUNDATION

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THE BRIGHT FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2021

Trustees	J Bright, Chair LK Fletcher J Ireland JR Hayward S Williams U Nicholson GM Nebel
Charity registered number	1179452
Principal office	2 London Road St Leonards-on-sea East Sussex TN37 6AE
Key management personnel	C Garlick P Risbridger (CEO)
Chief executive officer	P Risbridger (appointed 11 June 2021)
Independent auditors	Bishop Fleming LLP Chartered Accountants Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees present their annual report together with the audited financial statements of the Charity for the 1 September 2020 to 31 August 2021.

Objectives and activities

a. Policies and objectives

The Bright Foundation is an arts education Charity founded by Academy Award winning Costume Designer and philanthropist, John Bright. Our mission is to use the lifetime's work of our founder and benefactor to be a catalyst for creative learning and inspire a new generation of imaginative children and young people to reach their full potential.

We believe in the power of arts and creativity to shape happier and healthier children and young people. Our vision is for all children and young people to have their imaginations sparked and their wellbeing nurtured through a quality cultural curriculum, regardless of their background.

John Bright is an internationally renowned Costume Designer for film, TV and theatre, as well as founder and owner of the costume house, Cosprop which is based in London.

The objects of the Charity are:

1. To advance in life and relieve the needs of disabled and/or socially and economically disadvantaged children and young people through:

(a) advancing education in particular (but not exclusively) in the arts, the history of theatre and the making of period toys, by the establishment and maintenance of a theatre, a museum and by providing or supporting the provision of artistic workshops and other facilities and activities which will encourage greater understanding and appreciation of the arts;

(b) preserving and protecting their mental and physical health, in particular by providing or assisting in the provision of tactile sensory activities, and other activities and facilities promoting mindfulness meditation and relaxation;

(c) providing recreational and leisure time activities in the interest of social welfare, designed to improve their conditions of life;

(d) providing facilities and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals; and

2. Such other charitable purposes (according to the law of England and Wales) as the trustees think fit from time to time.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Objectives and activities (CONTINUED)

b. Strategies for achieving objectives

From two different venues in and around Hastings, we will offer a programme of creative learning to children and young people. The Barn Theatre and Museum based at Rodgers Farm in the surrounding countryside of Hastings, features a 60 seat barn-converted children's theatre and workshop studio, alongside a museum and exhibition space showcasing John's collection of antique toys, puppets and model theatre sets. In this beautiful setting, we will invite schools, families and local groups to experience the joy of play and creation, learn about the history of childhood, and be inspired by performance. The Benbow Arts Space, located in the heart of St. Leonards-on-sea, is an exhibition and community space. Capturing a bygone era, the striking yet flexible spaces will offer workshops, events and public exhibitions for our local communities.

We launched the foundation and opened the Barn Theatre and Museum in June 2022. The Benbow Arts Space will open in 2023, alongside an expanded programme of outdoor learning within the 24 acres of land surrounding the Barn Theatre and Museum.

We have formed a Teachers Advisory Group in order to:

- advise us to ensure our programmes and exhibitions are educationally relevant and accessible for local schools & groups
- help us test our venues and activities with small groups of children and young people
- be champions for The Bright Foundation and make introductions and recommendations

We are building local networks with voluntary sector groups, creatives, and other venues, consulting on our plans and identifying partnerships for our work when we launch.

c. Activities undertaken to achieve objectives

The main focus of activity in the year to 31 August 2021 was completion of the capital programme at Rodgers Farm. Works completed in June 2021 and the final building certificate issued on 15 November 2021.

Cataloguing and restoration of John's collection of period toys and puppets took place throughout the year in preparation for the opening museum exhibition.

The Foundation appointed its first Chief Executive Officer, Polly Risbridger, who began induction in June 2021, taking up the full time post in November 2021. This has enabled the handover of leadership from Chris Garlick who was gifted part time from Cosprop until this point to set up and run the Charity.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Objectives and activities (CONTINUED)

d. Main activities undertaken to further the Charity's purposes for the public benefit

Our primary beneficiaries are children and young people. In the first year we will solely focus on those living in Hastings and Rother, and will expand our reach over time.

Hastings is the 13th most deprived local authority in the country, and has the highest child poverty rate in the South East with an increase of more than 7% since 2015. It has the lowest educational attainment statistics in East Sussex (25.4% of residents have no qualifications – compared to 22.5% across England).

We will initially reach children and young people through schools, but over time will offer more bespoke activities to those who experience disadvantage or have additional support needs. For example D/deaf and/or disabled young people, young people with special education needs, young carers, those at risk of exclusion.

The Bright Foundation will also benefit teachers, support workers, local artists and creatives, and families.

Our programme offer at Rodgers Farm from June 2022 will include:

- Launch Weekend – a free family festival featuring indoor and outdoor performance, alongside arts and crafts activities
- School visits and learning days – one day visits for local groups including museum tour, puppet show and creative learning workshops inspired by the museum and show
- Family shows – performances for families
- Summer School – creative residency programme for young people
- Associate Schools and Partners – Long term partnerships with local schools and community groups to devise bespoke cultural learning programme
- Creative Wellbeing Retreats - An offer to teachers and local artists to use the spaces at Rodgers Farm and The Benbow for professional development, creative development time, and wellbeing support
- Volunteering and paid internships

All activities will instil confidence, nurture physical and emotional wellbeing, promote creativity and collaboration, encourage cultural awareness and understanding, and offer cross-curricular learning experiences. We aim for Rodgers Farm to offer a safe, creative, educational and relaxing space for 5-25 year olds in need of respite from their daily lives.

The Benbow Arts Space will launch in Summer 2023.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

a. Main achievements of the Charity

Having been delayed for a number of years due to the Covid-19 pandemic, bat conservation issues, and delays with planning consent, we are delighted to have completed the capital works at Rodgers Farm. Feedback from people that visit Rodgers Farm endorse the quality of the facilities and the beauty of the location.

We are pleased to have recruited 7 very keen education specialists to form our teachers advisory group, with representatives from Primary, Secondary, and Further Education as well as freelance creative practitioners. Their roles include a SEND specialist, a headteacher, performing arts and visual arts teacher and senior leaders.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Achievements and performance (CONTINUED)

b. Key performance indicators

The key performance indicators for 2020-21 were to:

- Complete the capital works at Rodgers Farm
- Appoint the foundation's first Chief Executive Officer
- Establish a budget for the foundation's launch year and agree level of Cosprop support for 2021-22
- Resolve the lease arrangements for foundation's second venue - the Admiral Benbow
- Agree a vision and mission statement

c. Review of activities

The Foundation achieved all the KPIs for the year and now has an action plan and opening season in place to launch in June 2022.

The capital works completed in Summer 2021 and the final building certificate issued on 15 November 2021.

Polly Risbridger started as CEO, one day a week from June 2021, going full time in November 2021. During her first three months she worked with staff and Board to develop and approve the vision, mission and values and create outline plans for the launch season. An initial budget plan for 2021-22 secured a donation of £400,000 from Cosprop.

In 2019 John Bright purchased the former Admiral Benbow pub in St Leonards-on-sea as a second venue for the foundation. A lease is now in place for this with JMB Propco (John Bright's property company) based on market rent for 2021-22 going to peppercorn from Year 2 onwards. This venue will be named The Benbow Arts Space and become a community arts and exhibition space. This won't open until 2023 and is currently the office base for the Foundation.

d. Factors relevant to achieve objectives

There continued to be set backs and delays due to the pandemic.

e. Fundraising activities and income generation

John Bright and his Company Cosprop Limited remain the sole funders of the Foundation.

f. Investment policy and performance

The funds that have been made available to the Foundation have been tied up in the Capital project and basic operational needs, including payroll. There were no additional funds that would have benefitted from investment.

Longer term the CAF bank have recommended Charity Investment specialists, Tilneys, because there will be a large inheritance at some point in the future. We have met with them and they are able to advise as and when the Foundation is in need of this service.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Financial review

a. Going concern

The Trustees have reviewed the circumstances of the Charity and consider that adequate resources continue to be available to fund the activities of the Charity for the foreseeable future. The Trustees are of the view that the Charity is a going concern. In particular, the Trustees have considered the impact of COVID-19 on the Charity operations and consider this to be low. The Trustees have assessed that the Charity has sufficient reserves and cash balances to mitigate any potential unforeseen impact arising. Further information in respect of the Trustees' going concern assessment is included in note 2.2 to the financial statements.

b. Reserves policy

Funds have been made available to the Charity to enable the capital project and to meet the salaries of the staff employed. All funds are currently planned to be invested in this project to create a space to carry out its objectives and aims as detailed in the Achievement and Performance section. The Charity does not expect to build any reserves until such time as the Charity commences operations due to the continued support from the main benefactor, the Trustees consider that the Charity does not need to hold any additional reserves at this time.

At the year end, the Charity held £973,085 of reserves which are all designated to the capital build project and associated costs. Of this balance, £907,665 represents the NBV of the assets under construction at the year end.

c. Principal risks and uncertainties

The principal risk to the Foundation rests with its dependence on the sole funding stream coming from John Bright via Cosprop. This funding is dependent on the success of the business. Cosprop has had a very stable history of profitability over the past fifty-five years and there is nothing to indicate this will change. There was a financial impact on Cosprop as a result of closure during lockdown, however the business has picked up and has been trading very profitably in 2021.

As a contingency, the related Company, Cosprop Limited, has the potential option for selling Cosprop or selling part of the assets of the Company to continue to fund the Foundation. The Charity does not have control over this decision.

d. Financial risk management objectives and policies

The Board of Trustees is responsible for the organisation's systems of internal control, including risk management. The Charity's manager is the officer who is responsible for the management of systems of internal control and the implementation of policies set by the Board. The Board monitors and scrutinises the budget, accounting practice and financial performance against budget.

Operations and day-to-day management is determined by financial regulations and internal controls are supervised by the Charity's manager, with support from the Trustees.

Throughout the year we have continued to review and evolve our risk management framework to ensure that we are comprehensively capturing risk across a range of categories; and so ensure that our register is fully updated; new risks registered and explored in detail; with recorded actions needed to mitigate against the risks, reported through to the Board at every full board meeting and, where relevant, specific meetings are called to respond to urgent risks.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

e. Principal funding

John Bright has committed to funding the Foundation via his Company, Cosprop Limited. This will continue until the Foundation is able to carry out fundraising. John Bright has bequeathed Cosprop Limited, including its property in Islington, Rodgers Farm and the new property in St Leonards, The Admiral Benbow to the Foundation.

Structure, governance and management

a. Constitution

The Bright Foundation is a charitable incorporated organisation, formerly known as The Children's Art and Education Foundation, and is registered as a charity in England and Wales with number 1179452. The Charity is constituted by a CIO constitution dated 3 August 2018 as amended on 24 March 2020 ("the CIO constitution") when the name of the Charity was changed to The Bright Foundation.

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are appointed by the Trustees in accordance with the terms of the CIO Constitution.

When appointing new Trustees, the Board will give consideration to the skills and experience mix, and diversity of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Charity's development.

c. Organisational structure and decision-making policies

The Board of Trustees oversees the overall the management and operations of the Charity and compliance with its statutory obligations. The Board of Trustees meets quarterly.

Senior Management of the Charity's operations on a day-to-day basis was delegated by the Trustees to an experienced manager who was gifted from Cosprop Limited. This manager has also assisted the Trustees in the process of structuring the organisation, as well as overseeing the day-to-day management tasks and finances. These responsibilities were handed over to the newly appointed CEO between June and October 2021 who took over senior leadership from November 2021.

The Charity has four staff to assist with certain aspects of day-to-day management. Two are based at Rodgers Farm to oversee management of that site and two others, a marketing and developmental role and an education and arts role, who are responsible for the curation of exhibitions, and programming performance use of the theatre, as well as developing further links with local schools and other charitable associations.

d. Policies adopted for the induction and training of Trustees

Provision for the induction and training of Trustees is led through the Charity's managers and Chair of the Board. This includes the role of the Trustees, the strategic intention of the charity's Business Plan, and a briefing on all activities, the organisation's financial position, systems, reporting, and management policies. A Trustee Induction Pack of information underpins this training. Publications such as "The Essential Trustee: what you need to know" (Charity Commission) are also issued to new Trustees.

e. Pay policy for key management personnel

Chris Garlick has undertaken the role of Senior Manager until the appointment of Polly Risbridger in July 2021. His service was gifted to Foundation by Cosprop Limited. He has been supported by Christine Hill, who has a history of Charity senior management and was paid on a consultancy basis.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Structure, governance and management (CONTINUED)

f. Related party relationships

Both John Bright and Chris Garlick are connected to Cosprop Limited as senior managers in that Company. All transactions between the two organisation are only 1 way, with benefit to the Charity only. Further details are included in note 20 to the financial statements.

g. Trustees' indemnities

Under the terms of the CIO Constitution, the Trustees are:

- (a) entitled to be reimbursed from the property of the Charity or the Charity may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the Charity; and
- (b) may benefit from trustee indemnity insurance cover purchased at the Charity's expense in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.

h. Plans for future periods

The Bright Foundation officially launched at Rodgers Farm in June 2022. Key aims for the organisation over 2021-22 are to:

- Launch the Bright Foundation and our opening season
- Develop a brand identity and launch a new website
- Secure local and national press coverage to raise the profile of the Foundation and John Bright's lifetime of work
- Attract at least 400 people to visit Rodgers Farm, through community open days, school visits and holiday projects
- Grow our networks with local communities, schools, families, creatives and voluntary sector organisations
- Launch a fundraising campaign to diversify our income base
- Set up all operational and venue management systems and policies
- Develop plans for the launch of The Benbow Arts Space in 2023

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



J Bright
Chair

Date: 27th July 2022

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

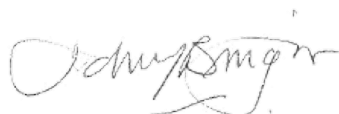
The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Charity (Accounts and Reports) Regulations 2008 and the provisions of the Memorandum of Association. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:



J Bright

Chair

Date: 27th July 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIGHT FOUNDATION

OPINION

We have audited the financial statements of The Bright Foundation (the 'Charity') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIGHT FOUNDATION (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

- We have considered the nature of the industry and sector, control environment, and financial performance;
- We have considered the results of enquiries with management and the Trustees in relation to their own identification and assessment of the risks of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to the completeness of income in respect of investments. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charities SORP 2019 and FRS 102.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty. These included data protection legislation.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management in relation to actual and potential claims or litigation;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around the cut-off of donations received; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIGHT FOUNDATION (CONTINUED)

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in the financial statements or non-compliance with regulation, will be detected by us. This risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one-off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Pamela Tuckett FCA DChA (Senior statutory auditor)

for and on behalf of
Statutory Auditors
Chartered Accountants
Statutory Auditors
Salt Quay House
Plymouth
PL4 0BN

Date: 27th July 2022

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE BRIGHT FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
Donations and legacies	4	1,021	18,617	19,638	1,023,719
TOTAL INCOME		1,021	18,617	19,638	1,023,719
EXPENDITURE ON:					
Charitable activities		1,021	128,624	129,645	145,427
TOTAL EXPENDITURE		1,021	128,624	129,645	145,427
NET MOVEMENT IN FUNDS		-	(110,007)	(110,007)	878,292
RECONCILIATION OF FUNDS:					
Total funds brought forward		-	1,083,092	1,083,092	204,800
Net movement in funds		-	(110,007)	(110,007)	878,292
TOTAL FUNDS CARRIED FORWARD		-	973,085	973,085	1,083,092

The Statement of Financial Activities includes all gains and losses recognised in the year.

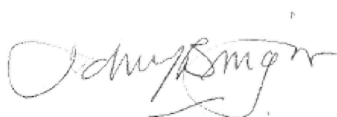
The notes on pages 17 to 28 form part of these financial statements.

THE BRIGHT FOUNDATION

BALANCE SHEET AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	9	908,438	724,790
		<u>908,438</u>	<u>724,790</u>
CURRENT ASSETS			
Debtors	10	-	2,333
Cash at bank and in hand		83,431	425,608
		<u>83,431</u>	<u>427,941</u>
Creditors: amounts falling due within one year	11	(18,784)	(69,639)
NET CURRENT ASSETS		<u>64,647</u>	<u>358,302</u>
TOTAL NET ASSETS		<u><u>973,085</u></u>	<u><u>1,083,092</u></u>
CHARITY FUNDS			
Restricted funds	12	-	-
Unrestricted funds	12	973,085	1,083,092
TOTAL FUNDS		<u><u>973,085</u></u>	<u><u>1,083,092</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



J Bright

Chair

Date: 27th July 2022

The notes on pages 17 to 28 form part of these financial statements.

THE BRIGHT FOUNDATION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	2021 £	2020 £
Cash flows from operating activities		
Net cash provided by/ (used in) operating activities	(158,336)	937,480
Cash flows from investing activities		
Purchase of tangible fixed assets	(183,841)	(609,130)
Net cash used in investing activities	(183,841)	(609,130)
Change in cash and cash equivalents in the year	(342,177)	328,350
Cash and cash equivalents at the beginning of the year	425,608	97,258
Cash and cash equivalents at the end of the year	83,431	425,608

The notes on pages 17 to 28 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. GENERAL INFORMATION

The Charity is a charitable incorporated organisation registered in England and Wales, within the United Kingdom. The registered Charity number is 1179452 and the registered office is 2 London Road, St Leonards-on-sea, East Sussex, TN37 6AE.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 January 2019 which has since been withdrawn.

The Bright Foundation 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.

2.2 GOING CONCERN

At the year end, the Charity held £973,085 of reserves which are all designated to the capital build project and associated costs. The Trustees have reviewed the circumstances of the Charity and consider that adequate resources continue to be available to fund the activities of the Charity for the foreseeable future. The Trustees are of the view that the Charity is a going concern. The Trustees have assessed that the Charity has sufficient reserves and cash balances to mitigate any potential unforeseen impact arising.

The Trustees acknowledge that the Charity is not currently financially viable without the financial support of the related Company, Cosprop Limited. Cosprop Limited have committed to support the Charity for a minimum of 12 months to ensure the going concern basis is appropriate.

2.3 INCOME

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

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. ACCOUNTING POLICIES (continued)

2.4 EXPENDITURE (CONTINUED)

All expenditure is inclusive of irrecoverable VAT.

2.5 GOVERNMENT GRANTS

Government grants of a revenue nature are credited to the Statement of Financial Activities as the related expenditure is incurred.

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Plant and machinery	- 5 years
Fixtures and fittings	- 5 years
Assets under construction	- Not depreciated until brought into use

2.7 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.9 PENSIONS

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. ACCOUNTING POLICIES (continued)

2.10 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

4. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Donations	-	18,617	18,617
COVID-19 grant	1,021	-	1,021
TOTAL 2021	1,021	18,617	19,638

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. INCOME FROM DONATIONS AND LEGACIES (CONTINUED)

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Donations	-	1,011,256	1,011,256
COVID-19 grant	12,463	-	12,463
TOTAL 2020	12,463	1,011,256	1,023,719

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Charitable Activities	97,417	32,228	129,645

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Charitable Activities	107,068	38,359	145,427

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2021 £	Total funds 2020 £
Depreciation	193	-
Hospitality	-	1,587
Consultancy fees	-	8,234
Legal fees	3,929	8,899
Office equipment & stationery	3,789	855
Insurance	2,649	1,768
Travel expenses	246	1,205
Premises costs	2,055	130
Building works	487	-
Repairs and renewals	3,973	-
Accountancy fees	1,169	2,435
Internet	117	174
Bank charges	85	80
Grounds maintenance	136	92
Governance costs	13,400	12,900
	32,228	38,359

6. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	7,100	7,000
Fees payable to the Charity's auditor for services not relating to the audit of the Charity's annual accounts:		
All non-audit services not included above	3,040	2,600

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. STAFF COSTS

	2021 £	2020 £
Wages and salaries	94,590	99,880
Social security costs	3,257	8,164
Contribution to defined contribution pension schemes	2,830	2,324
	100,677	110,368

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	2020 No.
Staff	3	4

No employee received remuneration amounting to more than £60,000 in either year.

All Trustees and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Charity are considered to be key management personnel as listed on page 1. Total remuneration, including employer pension contributions, in respect of these individuals is £15,317 (2020: £13,199).

8. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, expenses totalling £NIL were reimbursed or paid directly to Nil Trustees (2020 - £243 to 1 Trustee).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

9. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Assets under construction £	Total £
COST OR VALUATION				
At 1 September 2020	-	-	724,790	724,790
Additions	366	600	182,875	183,841
At 31 August 2021	366	600	907,665	908,631
DEPRECIATION				
Charge for the year	120	73	-	193
At 31 August 2021	120	73	-	193
NET BOOK VALUE				
At 31 August 2021	246	527	907,665	908,438
At 31 August 2020	-	-	724,790	724,790

Assets under construction relate to the development of the site at Rodgers Farm, Hastings. The Charity leases the related land at this site under an operating lease. This site is to be bequeathed to the Charity.

10. DEBTORS

	2021 £	2020 £
DUE WITHIN ONE YEAR		
Prepayments and accrued income	-	2,333

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	5,900	-
Other taxation and social security	1,567	-
Other creditors	1,177	2,859
Accruals	10,140	66,780
	18,784	69,639

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

12. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Capital Build Project	1,083,092	-	(193)	(109,814)	973,085
GENERAL FUNDS					
General Funds	-	18,617	(128,431)	109,814	-
TOTAL UNRESTRICTED FUNDS	1,083,092	18,617	(128,624)	-	973,085
RESTRICTED FUNDS					
COVID-19 Grant	-	1,021	(1,021)	-	-
TOTAL OF FUNDS	1,083,092	19,638	(129,645)	-	973,085

DESIGNATED FUNDS

Capital Build Project - This represents general funds which have been designated to the capital build project. All funds are currently planned to be invested in this project to create a space to carry out its objectives and aims when the Charity commences operations.

RESTRICTED FUNDS

COVID-19 Grant - This is funding received from the government in respect of the Coronavirus Job Retention Scheme.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**
12. STATEMENT OF FUNDS (CONTINUED)**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Capital Build Project	204,800	-	-	878,292	1,083,092
GENERAL FUNDS					
General Funds	-	1,011,256	(132,964)	(878,292)	-
RESTRICTED FUNDS					
COVID-19 Grant	-	12,463	(12,463)	-	-
TOTAL OF FUNDS	204,800	1,023,719	(145,427)	-	1,083,092

13. SUMMARY OF FUNDS**SUMMARY OF FUNDS - CURRENT YEAR**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
Designated funds	1,083,092	-	(193)	(109,814)	973,085
General funds	-	18,617	(128,431)	109,814	-
Restricted funds	-	1,021	(1,021)	-	-
	1,083,092	19,638	(129,645)	-	973,085

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

13. SUMMARY OF FUNDS (CONTINUED)

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
Designated funds	204,800	-	-	878,292	1,083,092
General funds	-	1,011,256	(132,964)	(878,292)	-
Restricted funds	-	12,463	(12,463)	-	-
	<u>204,800</u>	<u>1,023,719</u>	<u>(145,427)</u>	<u>-</u>	<u>1,083,092</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	908,438	908,438
Current assets	83,431	83,431
Creditors due within one year	(18,784)	(18,784)
TOTAL	<u>973,085</u>	<u>973,085</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	724,790	724,790
Current assets	427,941	427,941
Creditors due within one year	(69,639)	(69,639)
TOTAL	<u>1,083,092</u>	<u>1,083,092</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**
15. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(110,007)	878,292
ADJUSTMENTS FOR:		
Depreciation charges	193	-
Decrease/(increase) in debtors	2,333	(2,333)
Increase/(decrease) in creditors	(50,855)	61,521
NET CASH PROVIDED BY/ (USED IN) OPERATING ACTIVITIES	(158,336)	937,480

16. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	83,431	425,608

17. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £	Cash flows £	Other non- cash changes £	At 31 August 2021 £
Cash at bank and in hand	425,608	(342,177)	-	83,431
Debt due within 1 year	(865)	200	665	-
	424,743	(341,977)	665	83,431

18. CAPITAL COMMITMENTS

	2021 £	2020 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	-	279,491

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £2,830 (2020: £2,324). Contributions totalling £1,177 (2020: £431) were payable to the fund at the balance sheet date and are included in other creditors.

20. RELATED PARTY TRANSACTIONS

During the year, donations from a related Company, of which one of the Trustees is a Director, were received totalling £Nil (2020: £998,057). At the balance sheet date £Nil (2020: £200) was owed to this Company. The Charity also received a gift in kind from this Company in relation to employee time costs, a donation of £13,047 (2020: £13,199) has been recognised in respect of this.

During the year, gifts in kind were received from a Trustee amounting to £5,570 (2020: £Nil). In addition, included in other creditors is £Nil (2020: £665) repayable to this Trustee which represented funds repayable by the Charity for informal loans.

During the year, purchases of £920 (2020: £Nil) were made from a Company in which a Trustee is a Director. £Nil (2020: £Nil) was outstanding to the Company at the year end.

The Charity is in a lease with a Trustee, in which a peppercorn rent is paid, for use of land.

21. CONTROLLING PARTY

The Charity is controlled by the Trustees.