

Charity Registration No. 261397

**MRS E.E. BROWN CHARITABLE SETTLEMENT  
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS  
FOR THE YEAR ENDED 5 APRIL 2021**

# **MRS E.E. BROWN CHARITABLE SETTLEMENT**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	M D Brown D B Brown N B Brown
<b>Charity number</b>	261397
<b>Principal address</b>	2 Rutland Park Sheffield S10 2PD
<b>Accountants</b>	BHP LLP 2 Rutland Park Sheffield S10 2PD
<b>Bankers</b>	National Westminster Bank plc 21 The Square Retford Notts DN22 6DL
<b>Solicitors</b>	Wake Smith LLP No1 Velocity 2 Tenter Street Sheffield S1 4BY
<b>Investment advisors</b>	Brewin Dolphin 12 Smithfield Street London EC1A 9BD
<b>Independent examiner</b>	Nicola Adams ACA DChA BHP LLP 2 Rutland Park Sheffield S10 2PD

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# MRS E.E. BROWN CHARITABLE SETTLEMENT

## TRUSTEES' REPORT

*FOR THE YEAR ENDED 5 APRIL 2021*

The Trustees present their report and accounts for the year ended 5 April 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trust Fund's Deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (second edition - October 2019).

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

The Trust Fund arises from gifts made by Mrs Edna Elizabeth Brown by a deed of settlement dated 5 May 1970. Mrs Brown, who died in 2000, was either the mother or grandmother of the Trustees.

The Trustees who served during the year were:

M D Brown

The Lord Brown of Eaton-under-Heywood (Retired 20 September 2020)

D B Brown (Appointed 20 September 2020)

N B Brown (Appointed 20 September 2020)

Trustees are appointed in writing by the existing Trustees.

The Trustees regularly review the recipients and level of grants.

All Trustees give their time freely and no remuneration was paid in the year. No expenses were paid to the Trustees during the year.

The principal risks to which the charity is exposed are the security and the performance of the investments and cash and the Trustees are satisfied that they have arrangements in place to mitigate those risks.

### **Objectives and activities**

The Trust Fund is to be applied by the Trustees to benefit such charitable institutions or objects or purposes as the Trustees may at their total discretion from time to time decide.

Within these obligations, it has been the Trustees' policy for a number of years to give regular support to a number of charitable organisations. These are mostly paid out by annual standing orders. The Trustees make other grants from time to time (but will not be considering direct appeals for assistance until further notice).

It is not the Trustees' policy to make grants to individuals or in respect of medical research.

### **Public benefit**

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. Details of the activities carried out to deliver a public benefit are set out in the Achievements and performance section below.

### **Achievements and performance**

During the year grants were paid to 45 organisations totalling £21,700 (2020: £23,200). Details of the ongoing support provided and the grants made are set out in the notes to the accounts.

## **MRS E.E. BROWN CHARITABLE SETTLEMENT**

### **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 5 APRIL 2021**

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#### **Financial review**

The attached accounts show the current state of the charity's finances.

Total income for the year was £26,292 (2020: £37,786).

Total expenditure for the year was £33,653 (2020: £33,205). Investment management costs were £6,769 (2020: £6,933). Grants to institutions were £21,700 (2020: £23,200). Support costs were £5,184 (2020: £3,072).

Net income for the year was £156,515 (2020: net expenditure £125,455) after taking into account the gain on investment assets of £163,876 (2020: losses of £130,036). There was a surplus on the unrestricted fund of £20,158 (2020: deficit of £8,425) and a surplus on the endowment fund of £136,357 (2020: deficit of £117,030).

Total funds carried forward at 5 April 2021 are £1,017,771 (2020: £861,256) of which endowment funds are £838,934 (2020: £702,577) and unrestricted funds are £178,837 (2020: 158,679).

The Trustees consider the overall finances of the Charity to be sound.

#### **Reserves policy**

At 5 April 2021 the charity had unrestricted reserves amounting to £178,837. The Trustees consider it to be prudent to hold income reserves of this order partly so that the level of grants in the immediate future can be sustained in the event of any unforeseen fall in incoming resources and partly to enable the Trustees to make one or more particularly substantial grants without prejudicing the normal pattern of grant making.

The Trustees have unrestricted investment powers.

#### **Going concern**

There are no material uncertainties in relation to going concern. Further details about the adoption of the going concern basis are given in note 1.11 to the accounts.

#### **Investment policy**

The expendable endowment fund assets are held predominately in quoted securities covering a diversified range of assets including Fixed Interest, UK and Overseas Equities, Commercial Property and Alternative Investments.

The investment objective is to maximise the funds of the charity through a mixture of the above assets, achieving a level of income commensurate to the asset mix and capital growth ahead of inflation over time. This objective should be achieved undertaking only a moderate level of risk. Currently around three quarters of the unrestricted income fund is held in quoted securities.

The unrestricted income fund is held in quoted securities and cash on deposit at the best interest rates available.

The Trustees' investments are managed by the investment advisors on a discretionary basis.

#### **Asset cover for funds**

Note 13 sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

**MRS E.E. BROWN CHARITABLE SETTLEMENT**

**TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 5 APRIL 2021***

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Approved by the Trustees and signed on their behalf by:

M D Brown  
Trustee

Dated: 8 December 2021

A handwritten signature in dark ink, appearing to read 'M D Brown', with a long horizontal flourish extending to the right.

## **MRS E.E. BROWN CHARITABLE SETTLEMENT**

### **INDEPENDENT EXAMINER'S REPORT**

#### **TO THE TRUSTEES OF MRS E.E. BROWN CHARITABLE SETTLEMENT**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 5 April 2021, which are set out on pages 5 to 14.

#### **Responsibilities and basis of report**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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

Your attention is drawn to the fact that the charity has prepared the accounts (financial statements) in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) 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 since been withdrawn.

We understand that 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.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records.
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



Nicola Adams ACA DChA  
BHP LLP

2 Rutland Park  
Sheffield  
S10 2PD

Dated: ...Feb 2, 2022.....

# MRS E.E. BROWN CHARITABLE SETTLEMENT

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2021

	Notes	Unrestricted funds £	Endowment funds £	Total 2021 £	Total 2020 £
<b>Income and endowments from:</b>					
Investments and deposit interest	3	26,292	-	26,292	37,786
<b>Expenditure on:</b>					
<b>Raising funds</b>					
Investment management costs	4	-	6,769	6,769	6,933
<b>Charitable activities</b>					
Organisations - less than £1,000	5	12,700	-	12,700	13,200
Organisations - £1,000 or more	5	9,000	-	9,000	10,000
Support costs	6	4,344	840	5,184	3,072
<b>Total expenditure</b>	4	<b>26,044</b>	<b>7,609</b>	<b>33,653</b>	<b>33,205</b>
Net gains/(losses) on investments		19,910	143,966	163,876	(130,036)
<b>Net income/(expenditure) - net movement in funds</b>		<b>20,158</b>	<b>136,357</b>	<b>156,515</b>	<b>(125,455)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward at 6 April 2020		158,679	702,577	861,256	986,711
<b>Total funds carried forward at 5 April 2021</b>		<b>178,837</b>	<b>838,934</b>	<b>1,017,771</b>	<b>861,256</b>

All income and expenditure amounts relate to continuing activities.

# MRS E.E. BROWN CHARITABLE SETTLEMENT

## BALANCE SHEET

AS AT 5 APRIL 2021

		2021		2020
	Notes	£	£	As Restated £
<b>Fixed assets</b>				
Investments	10	963,240		806,838
<b>Current assets</b>				
Debtors	11	-	3,848	
Cash at bank and In hand		57,633	53,582	
		57,633	57,430	
<b>Creditors: amounts falling due within one year</b>	12	(3,102)	(3,012)	
<b>Net current assets</b>		54,531		54,418
<b>Net assets</b>	13	1,017,771		861,256
<b>Charity funds</b>				
<b>Capital funds</b>				
Endowment funds		838,934		702,577
<b>Income funds</b>				
Unrestricted Income funds		178,837		158,679
		1,017,771		861,256

The accounts were approved by the Trustees on 8 December 2021

*Malcolm D. Brown*

M D Brown  
Trustee



## **MRS E.E. BROWN CHARITABLE SETTLEMENT**

### **NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 5 APRIL 2021**

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#### **1 Accounting policies**

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) Issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The E E Brown Charitable Settlement meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the charity and rounded to the nearest £.

##### **1.2 Income**

Dividends and interest are taken into account in the year in which they are received.

##### **1.3 Expenditure**

Expenditure is included on an accruals basis inclusive of any irrecoverable VAT.

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.

All governance and secretarial costs are akin to support costs under SORP 2019. All costs other than investment fees are therefore shown as support costs under charitable expenditure.

##### **1.4 Investments**

Investments are included at their market value on 5 April and the unrealised net gains or losses arising from the revaluation are recognised in the Statements of Financial Activities.

##### **1.5 Prior year adjustment**

Cash that is held by investment managers as part of the investment portfolio is now included in the Balance Sheet within investments. Previously this cash had been included in the Balance Sheet within cash at bank and in hand. As a result of this the comparative figure for investments have been increased by £8,230 and the comparative figure for cash at bank and in hand has been reduced by the same amount.

## **MRS E.E. BROWN CHARITABLE SETTLEMENT**

### **NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 5 APRIL 2021**

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#### **1.6 Fund accounting**

##### **Expendable Endowment Fund**

This fund represents the value of the original gift to the charity in 1970, together with the net investment gains, realised and unrealised since that time. The Trustees are required to apply the income of the fund to such charitable objects and institutions as they at their absolute discretion decide. They are also empowered to apply the capital in the same way. However the Trustees consider that for the 80 year period of the trust the capital should be regarded as reasonably permanent and as such is shown in the financial statements as an expendable endowment fund.

##### **Unrestricted Income Fund**

These are the reserves which the Trustees are free to use in accordance with the charity's objectives.

#### **1.7 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

#### **1.8 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 the acquisition or opening of the deposit or similar account.

#### **1.9 Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### **1.10 Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### **1.11 Going Concern**

The charity has sufficient reserves to enable it to continue for the foreseeable future. Therefore, the trustees believe it is appropriate for the financial statements to be prepared on the going concern basis.

# MRS E.E. BROWN CHARITABLE SETTLEMENT

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

### 2 Prior year's statement of financial activities

	Unrestricted funds £	Endowment funds £	Total 2020 £
<b><u>Income and endowments from:</u></b>			
Investments	37,786	-	37,786
<b><u>Expenditure on:</u></b>			
Raising funds			
Investment management costs	-	6,933	6,933
Charitable activities			
Organisations - less than £1,000	13,200	-	13,200
Organisations - more than £1,000	10,000	-	10,000
Support costs	3,072	-	3,072
<b>Total expenditure</b>	<b>26,272</b>	<b>6,933</b>	<b>33,205</b>
Net losses on investments	(19,939)	(110,097)	(130,036)
<b>Net expenditure - Net movement in funds</b>	<b>(8,425)</b>	<b>(117,030)</b>	<b>(125,455)</b>
<b>Reconciliation of Funds</b>			
Total funds brought forward at 6 April 2019	167,104	819,607	986,711
<b>Total funds carried forward at 5 April 2020</b>	<b>158,679</b>	<b>702,577</b>	<b>861,256</b>

### 3 Income from Investments

	2021 £	2020 £
Income from listed investments	26,266	37,600
Interest receivable	26	186
	<b>26,292</b>	<b>37,786</b>

# MRS E.E. BROWN CHARITABLE SETTLEMENT

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

### 4 Total expenditure

	Other costs £	Grant funding £	Total 2021 £	Total 2020 £
<b>Raising funds</b>				
Investment management costs	6,769	-	6,769	6,933
<b>Charitable activities</b>				
Organisations - less than £1,000	-	12,700	12,700	13,200
Organisations - £1,000 or more	-	9,000	9,000	10,000
Support costs	5,184	-	5,184	3,072
	<b>11,953</b>	<b>21,700</b>	<b>33,653</b>	<b>33,205</b>

### 5 Grants payable

	2021 £	2020 £
Organisations - less than £1,000	12,700	13,200
Organisations - £1,000 or more	9,000	10,000
	<b>21,700</b>	<b>23,200</b>

# MRS E.E. BROWN CHARITABLE SETTLEMENT

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

### 5 Grants payable, continued

2021  
£

2020  
£

Grants to institutions relating to organisations - £1,000 or more comprise:

Jewish Museum	1,000	1,000
Magen David Adom	2,000	2,000
Nightingale House	1,000	1,000
The Royal Star & Garter Homes	1,000	1,000
St. John's Ophthalmic Hospital	1,000	1,000
Licoricia of Winchester Statue Appeal	-	1,000
Victim Support	1,000	1,000
SCOPE	1,000	1,000
Jewish Care	1,000	1,000
	<b>9,000</b>	<b>10,000</b>

### 6 Support costs

2021  
£

2020  
£

Accountancy charges	3,672	2,382
Independent examination fees	648	630
Bank charges	24	60
Legal charges	840	-
	<b>5,184</b>	<b>3,072</b>

### 7 Trustees

The Trustees (or any persons connected with them) neither received or waived any remuneration during the year (2020: £nil).

The Trustees (or any persons connected with them) did not have any expenses reimbursed during the year (2020: £nil).

### 8 Employees

There were no employees during either year.

# MRS E.E. BROWN CHARITABLE SETTLEMENT

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

### 9 Taxation

The charity is considered to pass the tests set out in Schedule 6, paragraph 1 of the Finance Act 2010 and therefore meets the definition of a charity for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received with in categories covered by the Income Tax Act 2007, Part 10 S521 - S537 or S256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### 10 Fixed asset investments

	Unrestricted Funds £	Endowment Funds £	Total 2021 £	Total 2020
<b>Listed Investments</b>				
Market value at 6 April 2020	102,812	695,796	798,608	914,994
Disposals proceeds	(22,182)	(122,386)	(144,568)	(152,791)
Acquisitions at cost	22,182	100,876	123,058	165,988
Change in value in the year	19,910	143,966	163,876	(129,583)
Market value at 5 April 2021	122,722	818,252	940,974	798,608
Investment cash	2,614	19,652	22,266	8,230
<b>At 5 April 2021</b>	<b>125,336</b>	<b>837,904</b>	<b>963,240</b>	<b>806,838</b>
Historical cost:				
At 5 April 2021	96,830	504,878	601,708	
At 5 April 2020	96,830	512,261	609,091	

### 11 Debtors

	2021 £	2020 £
Income tax recoverable	-	3,848

**MRS E.E. BROWN CHARITABLE SETTLEMENT**

**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 5 APRIL 2021**

<b>12 Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Independent examination charges	<b>648</b>	<b>630</b>
Accountancy charges	<b>2,454</b>	<b>2,382</b>
	<b>3,102</b>	<b>3,012</b>

# MRS E.E. BROWN CHARITABLE SETTLEMENT

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

### 13 Analysis of net assets between funds

	Unrestricted funds £	Endowment funds £	Total £
<b>Fund balances at 5 April 2021 are represented by:</b>			
Investments	125,336	837,904	963,240
Current assets	56,603	1,030	57,633
Creditors: amounts falling due within one year	(3,102)	-	(3,102)
	<u>178,837</u>	<u>838,934</u>	<u>1,017,771</u>
 <b>Fund balances at 6 April 2020 were represented by:</b>			
Investments	105,978	700,860	806,838
Current assets	55,713	1,717	57,430
Creditors: amounts falling due within one year	(3,012)	-	(3,012)
	<u>158,679</u>	<u>702,577</u>	<u>861,256</u>
 <b>Unrealised gains included above in the 2021 balances:</b>			
On Investments	25,892	313,374	339,266
	<u>25,892</u>	<u>313,374</u>	<u>339,266</u>
 <b>Reconciliation of movements in unrealised gains</b>			
Unrealised gains at 6 April 2020	5,982	183,535	189,517
In respect of disposals in year	-	(7,862)	(7,862)
	<u>5,982</u>	<u>175,673</u>	<u>181,655</u>
Net gains on revaluations in year	19,910	137,701	157,611
	<u>25,892</u>	<u>313,374</u>	<u>339,266</u>

### 14 Related parties

There are no related party transactions in either year.