

Brigham Young University Limited
(A private limited company and registered charity)

Annual report and financial statements
Year ended 31 December 2020

Company number: 1496990

Charity number: 280605

Brigham Young University Limited
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Year ended 31 December 2020

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Brigham Young University Limited

**Report of the trustees
for the year ended 31 December 2020**

The trustees are pleased to present their report together with the audited financial statements of Brigham Young University Limited ('The Charity') for the year ended 31st December 2020.

Legal and administrative details

Company number	01496990
Charity number	280605
Company secretary	Christopher Bauer
Registered office	27-29 Palace Court, London, W2 4LP
Principal office	27-29 Palace Court, London, W2 4LP
Bankers	HSBC 155 Brompton Road, London, SW3 1XD
Solicitors	Withers LLP 20 Old Bailey, London, EC4M 7EG
Auditors	Grant Thornton UK LLP 20 Colmore Circus, Birmingham, B4 6AT

Directors and trustees

The directors of the Charity are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees

The trustees serving during the year, subsequent to the year end and up to the date of signing the report were as follows:

Timothy Lynn Elliott
Renata Forste
Rebecca Stephenson
Robert Clayton
Robert Schwartz
Stan Benfell – Replaced Renata on 2 September 2021 and will review 2020 report

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2020

Structure, Governance and Management

Governing Document

Brigham Young University Limited is a private limited company and a registered charity. The Charity is governed by its Articles of Association, which were last amended on 6 September 2016.

Appointment of trustees

As set out in the Articles of Association, new or additional directors (trustees) are to be appointed by ordinary resolution or by decision of the trustees with the prior written consent of the sole shareholder and member, Brigham Young University, providing such persons are willing and permitted by law so to act, either to fill a vacancy or as an additional trustee up to a total of no more than five trustees. Currently no term is fixed to the term served. A member holding a majority in nominal amount of the issued ordinary share capital may at any time appoint or remove trustees.

Trustee induction and training

New trustees undergo training to brief them on their legal obligations under charity and company law; the content of the Articles of Association; the committee and decision making processes; and the business structure and recent financial performance of The Charity. Trustees are updated and advised on legal issues by the Office of the General Counsel at Brigham Young University and Withers Solicitors.

Organisation

The board of trustees administers The Charity. The board meets at least twice a year. Reports are received in or around each September for the previous financial year for approval by the trustees.

The trustees monitor progress throughout the year and other trustees meetings are held as and when required.

Related parties

The Charity's sole shareholder and member is Brigham Young University, a private non-profit corporation and higher education institution incorporated in the state of Utah, United States of America.

Going Concern

The performance and financial position of the entity, its cashflows, and liquidity position have been reviewed by the trustees in light of the economic conditions arising from the COVID 19 pandemic and Brexit. Forecasts and projections, taking account of reasonably possible changes in performance, show that the entity is expected to be able to operate within the level of its current facility for at least the next twelve months. Furthermore, as a precaution, the member has confirmed, in a letter of support, its willingness to provide support to ensure liabilities can be settled as they fall due for at least 12 months from the date of this report. The trustees therefore conclude it is appropriate to prepare these financial statements on the going concern basis.

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2020

Structure, Governance and Management (continued)
Employees

The Charity has the policy of ensuring that its employees are those that are able to meet the necessary requirements of their position and are up to date on any developments required for their position. This policy is achieved in a variety of ways:

- Applications for new positions in The Charity are invited from anyone with the relevant qualifications. The key emphasis is on their ability to meet the requirements of the position although the application form does request the applicant to mention if they have any illnesses or medical condition which the employer would need to be aware of in order to make reasonable adjustments should they be successful.
- The Charity will utilise regular staff meetings during the year which help to ensure that the employees' input is received regarding any decisions which affect their interests. In addition, there are websites and e-mail facilities available to enable more effective communication and training. This approach helps to ensure that employees receive systematic updates on matters concerning them as employees and ensures their involvement in relation to the financial and economic factors that affect the performance of The Charity.
- In addition to the above points, The Charity is mindful of the need to cater for those with disabilities. Where any employees become incapacitated during their employment they are entitled to receive long-term disability benefits from The Charity. Where an employee becomes disabled but not incapacitated the employer will make any reasonable adjustments necessary. On training and career development issues, there is no distinction made between disabled and non-disabled employees. The same opportunities are available to all staff, irrespective of disability. The key emphasis is on technical ability of each employee.

Principal risks and uncertainties

The main risk The Charity faces is that it primarily relies on donations from its member, normally comprised chiefly of student study abroad fees, to finance its charitable activities. However, the member has guaranteed its future financial support, where necessary, to ensure that The Charity has sufficient reserves to meet the costs of its charitable activities.

Financial risk and management

The following statements summarise The Charity's identified forms of financial risk and management policies:

- Price risk – Salary costs are communicated to staff during the formal annual review of salaries. Prices of materials purchased are subject to contracts with suppliers, based on current market prices.
- Liquidity risk – The Charity has no long-term borrowings. Assurances of continuing financial support have been received from the member.
- Interest rate cash flow risk – The Charity is able to place surplus funds on short term deposit with the company's bankers.

The trustees have a risk management strategy which encompasses:

- An annual review of the risks The Charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the strategy; and
- The implementation of procedures designed to minimise any potential impact on The Charity should those risks materialise.

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2020

Objectives and activities

The objective of the Charity is:

- To promote and further the educational and other charitable work of Brigham Young University in the United Kingdom or elsewhere.

To achieve this objective The Charity continues to operate the London Educational Programs from the premises at 27, 29, and 31 Palace Court, London, W2 4LP under a License, Facilities Use, and Services Agreement with Brigham Young University (BYU). The Charity's premises continued to be managed on a day-to-day basis by Alvaro and Thais Magalhaes during 2020.

Each semester, different BYU students travel to London. A number of single discipline and interdisciplinary programs of study are offered, including courses in English, sociology, ancient scripture, history, language, literature, art and theatre. Students who complete these courses successfully are awarded credits which are counted towards their degree at BYU.

Any BYU student is able to apply to attend one of the study abroad programs provided they are willing to live by the university's code of conduct. In addition, students from other universities who meet BYU's academic standards and who are willing to live by BYU's code of conduct are welcome to apply for, and if accepted, participate in BYU's study abroad programs. Typically, 8 to 10 percent of the participants are from universities other than BYU. Because the program tends to be oversubscribed, students are then selected on the basis of their academic merit and strengths that they could bring to the program.

The Charity is committed to providing access to students across the socio-economic spectrum, and admittance to the program is determined without regard to the financial position of the applicant. Both BYU and The Charity are committed to providing quality education to the best and brightest, regardless of their financial or class background. Many BYU students are recipients of Pell Grants - US federal grants that are awarded to US students based on their family's financial situation. BYU itself, in addition to federal government grants, offers a wide range of financial aid, grants, and scholarships to students. These grants and awards, which are means tested, enable students from less wealthy families to attend the university.

Around 35% of BYU students receive some form of financial aid, and the financial aid from BYU can be used for study abroad programs. In addition, study abroad grants are available to BYU students on a "needs basis" to help them cover the additional cost of studying abroad in order to enable students from a wide range of financial backgrounds to participate in the study abroad program regardless of the students' financial circumstances.

The Charity is committed to a working and studying environment that is free from any form of unlawful discrimination. The Charity makes reasonable adjustments to meet the needs of staff and students who are or become disabled.

Students and faculty live in town-houses located at 27, 29, and 31 Palace Court in west-central London.

**Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2020**

Public benefit

The trustees understand and give due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Achievements and performance

Education

The Charity works to advance education for the public benefit. This object is achieved by the provision of lectures, classes, seminars, educational field trips, and cultural activities to the visiting students and lectures and educational events for the local community. The Charity's programs provide an educational environment that is designed to promote the academic and cultural development of its students. In 2020, BYU's Office of International Study Programs (ISP) sent a total of 63 students on programs to the United Kingdom, of which 41 attended programs based at the Charity's premises. For students enrolled on the programs at these premises, the Charity receives donations from BYU.

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2020

The following table enumerates the programs which operated under the auspices of The Charity in 2020:

Program name and semester/term	Enrolment
AMAR Foundation London Internship (Throughout year)	2
London, General Education Study Abroad – Winter 2020*	41
MBA Europe Study Abroad	15
Scottish Parliament Internship (Throughout year)	4
Wordsworth Trust Internship (Throughout year)	1
Total	<u>63</u>

* These programs are based at 27 Palace Court, London

All Spring, Summer, and Fall programs were canceled in 2020 due to the coronavirus pandemic.

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2020

Educational conferences sponsored in 2020

In addition to educational programs for students, BYU sponsored several academic conferences or events for the broader academic community. These were done as part of BYU's broader academic mission.

Academic Conferences | Hosted / Co-hosted / or Supported

1. **Phenomenology of Religious Experience: Heidegger's Phenomenology of Religious Life**
Corpus Christi, University of Oxford,
Oxford University Centre for Theology and Modern European Thought, Faculty of Theology and Religion,
BYU London Centre, 13-14 March 2020
2. **"COVID-19, Religion and Belief: Webinar Series" (12 online webinars in the series)**
April-June 2020

Government & Diplomatic | Hosted / Co-hosted / or Supported

3. **BYU Meeting with Jim Shannon MP**
House of Commons, 10 March 2020
BYU London met with Jim Shannon and discussed his work/contribution to International FORB.
4. **APPG International FORB Roundtable re: Nigeria Report Launch**
House of Commons (online), 15 June 2020
5. **National Parliamentary Prayer Breakfast: "Mission during lockdown and beyond"**
Westminster (online), 20 June 2020
6. **Anniversary of the Launch of the Independent Review of FCO Support for Persecuted Christians**
House of Lords (online) 8 July 2020
7. **The Coalition for Genocide Response: "Justice Delayed is Justice Denied – Daesh Fighters Still Enjoying Impunity Six Years On"**
Westminster, House of Lords (online), 5 August 2020
8. **"The International Day Commemorating the Victims of Acts of Violence Based on Religion or Belief"**
Lord Alton of Liverpool and the Coalition for Genocide Response, 22 August 2020

Note of Exception: Due to the COVID-19 pandemic and subsequent lockdown in the UK, the planned program of academic, civil society, and government programs were greatly curtailed and, in many cases, cancelled. In addition, the spring, summer, and fall ISP programs were cancelled. This was an unprecedented year that saw a 60-70% drop in support and engagement activities due to pan-national lockdowns and closure of Universities and other institutions. This is expected to continue into 2021

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2020

Financial Review

The Charity was funded in 2020 almost entirely by contributions from BYU. Each year the trustees carry out a detailed review of The Charity, which includes review of the previous year's achievements and financial statements, as well as budgets and anticipated activities for the next year.

Charitable expenditures in 2020 decreased compared to 2019 by 1.3% due to the cancellation of programs due to the covid pandemic. We would expect to see a larger decrease, however, there was an additional expense of maintenance and supplies relating 31 Palace Court.

Investment powers and policy

Under the Articles of Association, The Charity has the power to invest in any way the trustees deem to be in the best interests of The Charity. There were no investments during the year.

Reserves policy

The trustees have established the level of reserves (that is those funds that are freely available) that The Charity ought to have ready access to. The target level of reserves is £100,000 of net current assets. Reserves are needed to bridge any funding gap between spending and receiving resources. The reserves policy is reviewed on an annual basis. The actual reserves at 31 December 2020 were (£2,382). The charity received a donation in January 2021 of £146,309 to bring the level of reserves above the target.

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2020

2021 plans

Education

Before the limitations imposed because of the coronavirus pandemic, the Charity planned to operate the following programs in the United Kingdom in 2021:

Program name and semester/term	Estimated Enrolment
AMAR Foundation London Internship (Throughout year)	2
London General Education Study Abroad – Fall 2021*	40
London Internships (Throughout year)	1
Scottish Parliament Internship (Throughout year)	1
Wordsworth Trust Internship (Throughout year)	1
Total	<u>45</u>

* These programs are based at 27 Palace Court, London

All Winter, Spring, and Summer 2021 programs were cancelled due to the coronavirus pandemic.

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2020

Educational conferences sponsored planned for 2021

In addition to educational programs for students, BYU Provo and the Charity plan to sponsor academic conferences or events for the broader academic community as follows:

Brigham Young University | BYU London Centre

Brigham Young University London Centre serves as the operational and academic base of Brigham Young University (BYU) in the United Kingdom and Ireland. The BYU London Centre houses international study abroad programs (ISPs) which accommodate over 170 students a year and serves as the operational base for between 400 to 500 undergraduate students each year and around 22 faculty members.

Each year, the BYU London Centre sponsors, co-sponsors, and supports a number of academic, civil society, and governmental institutions in the UK, Ireland, and continental Europe.

Note of Exception: Due to the COVID-19 pandemic and subsequent lockdown in the UK, the planned program of academic, civil society, and government programs were greatly curtailed and, in many cases, cancelled. This unprecedented period of disruption started in 2020 as noted in previous Director's reports and continued through most of 2021. The Fall 2021 program is the first intake of students since March 2020.

Academic Conferences | Hosted / Co-hosted / or Supported

1. **Euroseminar,**
BYU London Centre, December 2021

Government & Diplomatic | Hosted / Co-hosted / or Supported

2. **UK Freedom of Religion or Belief Forum | Stakeholder Meeting**
19 January 2021
3. **UK Freedom of Religion or Belief Forum | Stakeholder Meeting**
2 March 2021
4. **UK Freedom of Religion or Belief Forum | Stakeholder Meeting**
13 April 2021
5. **UK Freedom of Religion or Belief Forum | Stakeholder Meeting**
18 May 2021
6. **Briefing with Special Envoy ForB – Fiona Bruce UK Freedom of Religion or Belief**
10 June 2021
7. **UK Freedom of Religion or Belief Forum | Stakeholder Meeting**
22 June 2021
8. **UK Freedom of Religion or Belief Forum | Stakeholder Meeting**
8 July 2021

Brigham Young University Limited
Report of the trustees
for the year ended 31 December 2020

Trustees' responsibilities statement

The trustees (who are also directors of Brigham Young University Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

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

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees 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 charitable company's auditor is aware of that information.

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

On behalf of the trustees


Robert Clayton, Trustee

Date:

30.9.21
Company number: 01496990

Independent auditor's report to the members and trustees of Brigham Young University Limited

Opinion

We have audited the financial statements of Brigham Young University Limited (the 'charitable company') for the year ended 31 December 2020, which comprise the Statement of Financial Activities (including income and expenditure), the Balance Sheet, the Cash Flow statement 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 charitable company's affairs as at 31 December 2020 and of its 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 requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 charitable company 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

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

Independent auditor's report to the members and trustees of Brigham Young University Limited

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the charitable company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

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 charitable company'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.

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.

The responsibilities of the trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report, prepared for the purposes of company law, included in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members and trustees of Brigham Young University Limited

- the Strategic Report and the Directors' Report included in the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Trustees' Report.

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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the Trustees' Report.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members and trustees of Brigham Young University Limited

Auditor's responsibilities for the audit of the financial statements

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.

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: the Charities SORP, the Charities Act 2011, the Companies Act 2006, The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), and the Education Act 2002.
- We understood how the charitable company is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board minutes, and through our legal and professional expenses review.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud

Independent auditor's report to the members and trustees of Brigham Young University Limited

- Challenging assumptions and judgments made by management in its significant accounting policies
- Identifying and testing journal entries
- Identifying and testing related party transactions
- Inspecting the board minutes
- Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
 - Knowledge of the industry in which the charitable company operates, and
 - Understanding of the legal and regulatory requirements specific to the entity including the provisions of the applicable legislation.
- The team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue recognition through manipulation of income.
- We did not identify any matters relating to non-compliance with laws and regulation and fraud.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - The charitable company's operations, including the nature of its revenue sources, to understand the classes of transactions, accounts balances, expected financial statement disclosures and business risks that may result in risks of material misstatement, and
 - The charitable company's control environment, including
 - Management's knowledge of relevant laws and regulations and how the charitable company is complying with those laws and regulations
 - The adequacy of procedures for authorisation of transactions and review of management accounts, and
 - Procedures to ensure that possible breaches of laws and regulations are appropriately resolved

Independent auditor's report to the members and trustees of Brigham Young University Limited

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

William Devitt
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham
Date: 30 September 2021

Brigham Young University Limited
Statement of the financial activities (including income & expenditure account)
for the year ended 31 December 2020

	Note	Year ended 31 December 2020			Year ended 31 December 2019		
		Unrestricted funds £	Designated funds £	Total funds £	Unrestricted funds £	Designated funds £	Total Funds £
Income from:							
Income from Charitable Activities	1	590,000	-	590,000	9,620,721	-	9,620,721
Investment income	1	116,063	-	116,063	101,293	-	101,293
Total income		<u>706,063</u>	<u>-</u>	<u>706,063</u>	<u>9,722,014</u>	<u>-</u>	<u>9,722,014</u>
Expenditure on:							
Expenditure on charitable activities	2	845,413	3,694	849,107	856,753	3,943	860,696
Total expenditure		<u>845,413</u>	<u>3,694</u>	<u>849,107</u>	<u>856,753</u>	<u>3,943</u>	<u>860,696</u>
Net income/(expenditure) and net movement in funds for the year	3	<u>(139,350)</u>	<u>(3,694)</u>	<u>(143,044)</u>	<u>8,865,260</u>	<u>(3,943)</u>	<u>8,861,317</u>
Reconciliation of Funds:							
Total funds brought forward		<u>10,727,570</u>	<u>144,551</u>	<u>10,872,121</u>	<u>1,862,310</u>	<u>148,495</u>	<u>2,010,804</u>
Total funds carried forward		<u>10,588,220</u>	<u>140,857</u>	<u>10,729,077</u>	<u>10,727,570</u>	<u>144,551</u>	<u>10,872,121</u>

None of the charity's activities discontinued during the above two financial years.

The statement of financial activities includes all gains and losses recognised in the year.


The accounting policies and notes on pages 21 to 29 form part of these financial statements.

Brigham Young University Limited
Balance Sheet
as at 31 December 2020

	Note	Year ended 31 December 2020	Year ended 31 December 2019
		£	£
Fixed assets			
Tangible assets	6	10,731,559	10,808,436
Total Fixed Assets		<u>10,731,559</u>	<u>10,808,436</u>
Current assets			
Cash at bank and in hand		123,782	95,876
Total Current Assets		<u>123,782</u>	<u>95,876</u>
Creditors falling due within one year			
Amounts falling due within one year	7	(126,164)	(32,091)
Net current assets		<u>(2,382)</u>	<u>63,786</u>
Creditors falling due in more than one year		-	-
Total assets less current liabilities		<u>10,729,177</u>	<u>10,872,221</u>
The Funds of the charity			
Called up share capital	8	100	100
Unrestricted income funds	9	10,588,220	10,727,570
Designated funds	9	140,857	144,551
Total charity funds	9	<u>10,729,177</u>	<u>10,872,221</u>

The accounting policies and notes on pages 21 to 29 form part of these accounts. The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of trustees and were signed on its behalf by:


Robert Clayton, Trustee
 Date: 30-9-21
 Company number: 01496990

Brigham Young University Limited
Statement of Cash Flows
as at 31 December 2020

	Year ended 31 December 2020	Year ended 31 December 2019
	£	£
Cash flows from operating activities:		
Net (expenditure) / income	(143,044)	8,861,317
Depreciation	165,667	151,911
Increase in creditors	94,073	10,281
Net cash provided/(absorbed) by operating activities	116,695	9,023,509
Cash flows from investing activities:		
Purchase of property, plant and equipment	(88,790)	(9,004,896)
Net cash used in investing activities	(88,790)	(9,004,896)
Net cash provided by financing activities	-	-
Increase / (decrease) in cash and cash equivalents in the year	27,905	18,613
Cash and cash equivalents at the beginning of period	95,876	77,263
Cash and cash equivalents at the end of period	123,782	95,876

Brigham Young University Limited
Accounting policies
for the year ended 31 December 2020

A summary of the significant accounting policies which have been applied consistently, are as follows:

Basis of accounting

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 Standards 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 Companies Act 2006.

Brigham Young University Limited 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 note(s).

Legal status of the charitable company

The charity is a private limited company which is registered in England and Wales.

Incoming resources

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income is received from the company's sole shareholder and member, Brigham Young University, to provide funds for the company's charitable activities and to ensure that the company has adequate reserves. These donations are received as cash and are separately disclosed in the statement of financial activities and income and expenditure account. Amounts received are calculated on a per student basis and are disclosed under Income from Charitable Activities.

Additionally, donations are received from the company's member to provide additional funding and are not calculated on a per student basis, but are to cover specific costs. These donations are received as cash and are separately disclosed in the statement of financial activities and income and expenditure account. Amounts are disclosed under Donations and legacies.

Going Concern

The performance and financial position of the entity, its cashflows, and liquidity position has been reviewed by the trustees in light of the economic conditions arising from the COVID 19 pandemic and Brexit. Forecasts and projections, taking account of reasonably possible changes in performance, show that the entity is expected to be able to operate within the level of its current facility for at least the next twelve months. Furthermore, as a precaution, the member has confirmed in a letter of support, its willingness to provide support to ensure liabilities can be settled as they fall due for at least 12 months from the date of this report. The trustees therefore conclude it is appropriate to prepare these financial statements on the going concern basis.

Brigham Young University Limited
Accounting policies (continued)
for the year ended 31 December 2020

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

Charitable activities expenditure comprises the direct costs related to the achievement of the charitable objectives and an analysis of these costs are provided in note 2.

Governance costs are included within charitable activities expenditure and are those costs that relate to activities which provide the governance infrastructure which allows the charity to operate and to generate the information required for public accountability.

Expenditure is recognised on an accruals basis.

Liabilities

Future liabilities are recognised when the charity has a legal or constructive financial obligation, that can be reliably estimated and for which there is an expectation that payment will be made.

Tangible fixed assets and depreciation

Individual fixed assets costing £6,000 or more are capitalised at cost. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write down each asset to its estimated residual value evenly over its expected useful life, as follows:

Freehold buildings	50 years
Building improvements	25 years
Furnishings and equipment	10 years
Vehicles	4 years

Pension contributions

The Charity contributes to two pension schemes for employees. Employees hired before 2019 participate in a defined benefit scheme operated by The Church of Jesus Christ of Latter-day Saints (Great Britain), the Deseret UK Benefit Plans (see note 12). The fund is valued every three years by a professionally qualified independent actuary, with rates of contributions payable being determined by the actuary. In the intervening years, the actuary reviews the continuing appropriateness of the rates. Pension costs are accounted for on the basis of contributions made during the year or accrued at the year-end (i.e., on a defined contribution basis), as required by Financial Reporting Standard 102 Section 28 in circumstances where The Charity cannot identify with any degree of accuracy its share of the scheme assets and liabilities. Employees hired after 2018 are enrolled in a third-party defined contribution scheme administered by Scottish Widows. The Charity provides no other past retirement benefits to its employees.

The pension contributions are therefore accounted for on the basis of a defined contribution scheme. The contributions are recognised as an expense in the SOFA when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. Full details of the Deseret UK Benefit plan are provided in the financial statements of The Church of Jesus Christ of Latter-day Saints (Great Britain).

Brigham Young University Limited
Accounting policies (continued)
for the year ended 31 December 2020

Fund accounting

Funds held by the charity are:

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

Designated funds - set aside by the trustees out of unrestricted funds and are not available for other purposes or projects.

Debtors

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

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.

Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

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 recognised at their settlement value.

Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates.

There are no key assumptions concerning the future or other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Brigham Young University Limited
Notes to the financial statements
for the year ended 31 December 2020

1. Incoming resources

Interest income £143 (2019: £210) was derived from funds held in the bank accounts.

Donations of £192,890 (2019: £571,902) were received from BYU in relation to program funding for the students attending programs at the Charity's premises. The Spring, Summer and Fall programs were cancelled in 2020 due to the COVID 19 pandemic.

Other income of £397,109 (2019: £9,048,849) was received from Brigham Young University for the purpose of operating the centre without students during the COVID 19 pandemic.

Rental income of £115,921 (2019: £101,083) was received from tenants in the newly purchased property at 31 Palace Court. The tenants will be allowed to complete their current lease agreements, but tenancy will not be renewed going forward.

BYU Limited benefits from certain insurance coverages purchased by an affiliated entity. The affiliated entity does not pass on this insurance cost to BYU Limited and is not able to specify the cost of the coverage for BYU Limited.

2 Charitable Activities

	2020 £	2019 £
Program costs	35,461	35,715
Staff costs	409,521	330,366
Depreciation	165,667	151,911
Food and kitchen supplies	22,191	83,827
Maintenance & repairs	88,384	108,870
Taxes	26,851	42,187
Utilities	51,128	61,092
Motor vehicle and travel	8,627	9,166
General office costs	11,259	19,216
Telephone	11,095	12,593
Other expenditure	13,654	954
Support costs (audit fee)	5,268	4,800
	<u>849,107</u>	<u>860,696</u>

All of the above charitable costs constitute support costs and entirely relate to the provision of educational facilities.

Expenditure on charitable activities of £3,694 (2019: £3,943) was from designated funds and related to depreciation on buildings transferred into the charity in 2013.

Brigham Young University Limited
Notes to the financial statements (continued)
for the year ended 31 December 2020

3 Net income/expenditure for the year

	2020	2019
	£	£
Net income/expenditure for the year is stated after charging:		
Depreciation	165,667	151,911
Auditor's remuneration	<u>4,800</u>	<u>4,800</u>

4 Employees

	2020	2019
	£	£
Staff costs incurred during the year		
Wages and salaries	306,029	248,600
Social security costs	29,180	26,385
Other pension costs	<u>74,313</u>	<u>55,381</u>
	<u>409,521</u>	<u>330,366</u>

No employees had employee benefits in excess of £60,000 (2019: nil). Pension costs are wholly charged to unrestricted funds.

The average weekly number of persons (excluding directors)
employed by The Charity during the year was:

	2020	2019
Office administration and cleaning	<u>7</u>	<u>7</u>

Staff costs includes termination payments of £38,977 which were accrued at the year end.

Trustees' remuneration

None of the trustees received any remuneration or reimbursements from The Charity during the year (2019: nil).

Key management personnel

The key management personnel of The Charity is the Academic Director. The remuneration of the Academic Director is set by the Board of Trustees following an annual review and is normally increased in line with inflation and is consistent with Brigham Young University's annual review process.

5 Taxation

The company is a registered charity and as such is entitled to certain tax exemptions on income and profits carried on in furtherance of The Charity's primary objectives, if any profits and surpluses are applied solely for charitable purposes.

Brigham Young University Limited
Notes to the financial statements (continued)
for the year ended 31 December 2020

6 Tangible fixed assets

	Land and buildings	Furnishings & Equipment	Vehicles	Total
	£	£		£
Cost				
1 January 2020	13,012,870	59,359	20,400	13,092,629
Additions	88,790	-	-	88,790
31 December 2020	13,101,660	59,359	20,400	13,181,419
Depreciation				
1 January 2020	2,232,731	31,912	19,550	2,284,193
Charge for the year	158,881	5,936	850	165,667
31 December 2020	2,391,612	37,848	20,400	2,449,860
Net book value				
31 December 2020	10,710,048	21,511	-	10,731,559
31 December 2019	10,780,139	27,447	850	10,808,436

The cost of land at 31 December 2020 was £5,817,647 (2019: £5,817,647). Land is not depreciated.

Brigham Young University Limited
Notes to the financial statements (continued)
for the year ended 31 December 2020

7 Creditors: Amounts falling due within one year

	2020	2019
	£	£
Accruals	<u>126,124</u>	<u>32,091</u>

8 Called up share capital

	2020	2019
	£	£
Authorised 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted and issued 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

9 Analysis of charitable funds

Unrestricted funds

The 'free reserves' after allowing for all designated funds.

Designated funds

Designated for the value of unrestricted funds represented by buildings owned and used by The Charity on an on-going basis, that were transferred into The Charity in 2013.

10 Related party transactions

The sole shareholder and member of The Charity is Brigham Young University, a corporation incorporated in the state of Utah, United States of America.

Related party transactions are detailed in note 1 to the financial statements.

Brigham Young University Limited
Notes to the financial statements (continued)
for the year ended 31 December 2020

11 Ultimate holding company

The Charity is a private limited company that is limited by shares, all of which are owned by Brigham Young University, a corporation incorporated in the state of Utah, United States of America.

12 Pension and other post-employment commitments

The Charity participates in a pension scheme operated by The Church of Jesus Christ of Latter-day Saints (Great Britain), the Deseret UK Benefit Plans ("The Plan"). The scheme is of the defined benefit type and is funded by contributions from the participating companies and their employees at rates determined by independent actuaries in the light of regular valuations. Such contributions are held in trustee-administered funds completely independent of group finances. Full disclosure of the valuation is shown in the accounts of The Church of Jesus Christ of Latter-day Saints (Great Britain).

Since 2019, all new employees of The Charity participate in a third-party pension scheme administered by Scottish Widows. The scheme is a defined contribution scheme and is funded by contributions from the employees and The Charity. The assets of the scheme are held separately from those of The Charity in independently administered funds.

The Charity has accounted for the schemes as if both were defined contribution schemes because it is not feasible to split the assets and liabilities of the schemes between all the companies whose employees are members. Contributions to the scheme for the year were £74,313 (2019: £55,381).

13 Future finance

Brigham Young University has confirmed that it will continue to provide funds to support the Charity's future activities.

Brigham Young University Limited
Notes to the financial statements (continued)
for the year ended 31 December 2020

14 Analysis of group net assets between funds

	Unrestricted funds £	Designated funds £	Total funds £
Tangible fixed assets	10,590,702	140,857	10,731,559
Cash in bank and in hand	123,782	-	123,782
Other net current assets/(liabilities)	(126,164)	-	(126,164)
Total	10,588,320	140,857	10,729,177

15 Group Accounts

The largest group accounts that include Brigham Young University Limited are the accounts of The Corporation of the President of the Church of Jesus Christ of Latter-day Saints. The smallest group accounts that include Brigham Young University Limited are the accounts of Brigham Young University. Brigham Young University is a private educational institution based in Provo, Utah in the United States of America. The employer identification number of Brigham Young University is 87-0217280.