

THE BROYST FOUNDATION
UNAUDITED ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Charity Commission Reference Number: 290525

THE BROYST FOUNDATION
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

INDEX

| Page Number | |
|-------------|-----------------------------------|
| 1 | Legal and Administrative Details |
| 2 - 4 | Trustees' Report |
| 5 | Independent Examiner's Report |
| 6 | Statement of Financial Activities |
| 7 | Balance Sheet |
| 8 - 12 | Notes to the Accounts |

THE BROYST FOUNDATION
LEGAL AND ADMINISTRATIVE DETAILS
YEAR ENDED 31 DECEMBER 2020

CHARITABLE STATUS

The Charity Commission registration number of The Broyst Foundation is 290525.

TRUSTEES

Ms C S Cox
Mr R D L Showan
Mr V C Laird

PRINCIPAL ADDRESS

1st Floor
Chilworth Point
1 Chilworth Road
Southampton
Hampshire
SO16 7JQ

ADVISORS

Accountants

Rothmans LLP
Chartered Accountants
Chilworth Point
1 Chilworth Road
Southampton
Hampshire
SO16 7JQ

Solicitors

Paris Smith LLP
Number 1 London Road
Southampton
Hampshire
SO15 2AE

Bankers

Adam & Company Plc
25 St Andrew Square
Edinburgh
Scotland
EH2 1AF

Independent Examiners

Chichester Accounting
Chartered Accountants
104 Stockbridge Road
Chichester
West Sussex
PO19 8QP

THE BROYST FOUNDATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and the accounts for the year ended 31 December 2020. These comply with current statutory requirements and the Charity's governing documents.

STRUCTURE AND GOVERNANCE

The Broyst Foundation was constituted by a Trust Deed dated 16 October 1984 as The Mooney Family Foundation. The name was changed to The Broyst Foundation on 5 June 1986.

The charity owns 100% of the shares in P L B Properties Limited, a company of which Mr V Laird and Ms C S Cox are directors.

The Trustees meet regularly throughout the year to discuss charitable activities and to deliberate and conclude on any significant matters arising. In planning the Foundation's donations for the year, the Trustees give equal consideration to all requests received for donations, and assess them in accordance with the charity's objectives and the Commission's guidance on public benefit.

APPOINTMENT AND TRAINING OF TRUSTEES

The power to appoint new Trustees is vested in the existing or continuing Trustees. The induction and training of new Trustees is also overseen by existing or continuing Trustees.

OBJECTIVES AND ACTIVITIES

The Foundation's objectives were amended on 16 March 2006 to the relief of sickness and preservation and protection of good health for the public benefit within the United Kingdom and Overseas in such manner or by such means as the Trustees in their absolute discretion think fit.

The designated fund, The Reg Burns Foundation, is to be used for the advancement of education for the public benefit within the United Kingdom and Overseas in such a manner or by such means as the Trustees in their absolute discretion think fit.

The Foundation's charitable activities usually take the form of donations to causes or other charities aligned with the objectives outlined above.

To fulfill these objectives the Foundation is funded by its return on investments, through dividend income and by interest received in respect of funds held on deposit.

PUBLIC BENEFIT

Whilst reviewing the Foundation's aims, objectives and planning future activities, the Trustees always consider the Charity Commission's general guidance on public benefit and ensure that the Foundation's activities are in accordance with the charitable objectives. The charitable activities undertaken by the Foundation, by their nature and the improvements the activities have made to many lives, are without doubt undertaken for the benefit of the public.

ACHIEVEMENTS AND PERFORMANCE

During the year, the value of the charity's fixed asset investments decreased from £3,171,274 to £3,050,680, due to the volatility in the investment market following the COVID-19 pandemic. The Trustees are pleased that despite the impact felt by the investment market at the time of the first national lockdown, the charity's investment portfolio has reversed much of its reduction in value by late April 2021. The return made on the Charity's investments during the year under review together with the reserves brought forward, have enabled the Trustees to sustain the Foundation's activities and achieve its objectives, increasing the level of donations made in the year.

THE BROYST FOUNDATION
TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees adapted their management procedures in light of the COVID-19 pandemic, moving to online meeting platforms in order to ensure the charity's activities continued at their usual levels without the ability to meet in person. The Foundation has continued to support The Donkey Sanctuary at Ivybridge, the Countess Mountbatten Hospice and other charities connected with handicapped children and children with non-curable diseases, whilst continuing to extend its assistance to a wider range of people and organisations.

FINANCIAL REVIEW

The Statement of Financial Activities for the year shows a net deficit in funds of £163,990 (2019: net surplus of £282,641), which has decreased the accumulated surplus of funds carried forward to £3,515,363 (2019: £3,679,353). This primarily resulted from unrealised losses on the investment portfolio.

The levels of donations made during the year increased to £124,330 (2019: £109,630). The Trustees continued their policy of increasing the level of donations, to an amount in excess of net income, in order to lower the overall cash balance, as this had been increasing over recent years. This resulted in a deficit of £62,173, before investment losses. At the reporting date, the restricted funds, designated for the advancement of education, amounted to £1,077,604 (2019: £1,122,569).

Given the strength of the charity's balance sheet, the Trustees are of the opinion that the charity has no financial uncertainties regarding the charity's financial sustainability or ability to continue as a going concern, despite the COVID-19 pandemic.

RESERVES POLICY

The position of the cash reserves is reviewed at each Trustee meeting and the reserves policy is reviewed annually when the financial statements are approved.

Given the continuing uncertainty regarding the impact of the COVID-19 pandemic and the recent notification of a proposed change in ownership of the investment fund managers, the Trustees consider it prudent to retain a minimum amount of cash reserves equivalent to four years' projected expenditure. As at 31 December 2020, the cash balances amounted to £470,083 with a further £147,888 held within the Charity's investment portfolio. The Trustees have considered investing some of the surplus cash, but are not ready to commit additional monies to the investment portfolio, given the continuing potential volatility of markets. After a review of the level of reserves held at the reporting date the Trustees consider this to be above the required minimum required and as such have agreed to utilise the surplus cash reserves held as funds available for distribution.

PLANS FOR THE FUTURE

As described above, the Trustees are continuing to concentrate on supporting the relief of sickness and preservation and protection of good health together with the advancement of education. To meet the charity's objectives, the Trustees shall continue to review and manage the investments of the charity and meet regularly to consider all donation requests received.

TRUSTEES' RESPONSIBILITIES FOR THE ACCOUNTS

Charity Law requires the Trustees to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charity and its financial activities for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departure disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

THE BROYST FOUNDATION

TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, Charities SORP (FRS 102) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 18 August 2021 and signed on their behalf by:-



MS C S COX
Trustee



MR V C LAIRD
Trustee

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF THE BROYST FOUNDATION

I report on the accounts of the Trust for the year ended 31 December 2020, which are set out on pages 6 to 12.

Respective responsibilities of the trustees and independent examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Your attention is drawn to the fact that the charity has prepared the accounts (financial statements) in accordance with the relevant version of the 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) 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.

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Heather Cheesman FCA
Chichester Accounting
Chartered Accountants
104 Stockbridge Road
Chichester
West Sussex
PO19 8QP

Date: 27th July 2021

THE BROYST FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

| | Note | Unrestricted Funds £ | Restricted Funds £ | 2020 Total £ | 2019 Total £ |
|--|-------------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM: | | | | | |
| Investments | 5 | 50,543 | 22,525 | 73,068 | 126,451 |
| Donations received | | 11,000 | - | 11,000 | - |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL | | 61,543 | 22,525 | 84,068 | 126,451 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| EXPENDITURE ON: | | | | | |
| Charitable activities | 6 | 101,938 | 27,724 | 129,662 | 113,890 |
| Investment management costs | 8 | 11,419 | 5,089 | 16,508 | 16,818 |
| Trustee expense | 9 | 71 | - | 71 | 61 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL | | 113,428 | 32,813 | 146,241 | 130,769 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Net income / (expenditure) and net movement in Funds before gains and losses on investments | | (51,885) | (10,288) | (62,173) | (4,318) |
| Net gains / (losses) on investment | 2 | (67,140) | (34,677) | (101,817) | 286,959 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| Net movement in funds | | (119,025) | (44,965) | (163,990) | 282,641 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 2,556,784 | 1,122,569 | 3,679,353 | 3,396,712 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL FUNDS CARRIED FORWARD | | <u>£2,437,759</u> | <u>£1,077,604</u> | <u>£3,515,363</u> | <u>£3,679,353</u> |

THE BROYST FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2020

| | Note | 2020 | 2019 |
|---|------|-------------------|-------------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Investments | 3 | <u>3,050,680</u> | <u>3,171,274</u> |
| TOTAL FIXED ASSETS | | 3,050,680 | 3,171,274 |
| CURRENT ASSETS | | | |
| Cash at bank and in hand | | 470,083 | 513,839 |
| LIABILITIES | | | |
| CREDITORS: Amounts falling due within one year | 4 | <u>(5,400)</u> | <u>(5,760)</u> |
| NET CURRENT ASSETS | | 464,683 | 508,079 |
| TOTAL ASSETS | | <u>£3,515,363</u> | <u>£3,679,353</u> |
| The funds of the charity | | | |
| Unrestricted income funds | 10 | 2,437,759 | 2,556,784 |
| Restricted income funds | 10 | <u>1,077,604</u> | <u>1,122,569</u> |
| TOTAL CHARITY FUNDS | | <u>£3,515,363</u> | <u>£3,679,353</u> |

These accounts were approved by the Trustees on 18 August 2021 and signed on their behalf by:-



MS C S COX
Trustee



MR V C LAIRD
Trustee

THE BROYST FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES

Accounting Convention

The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the 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 (FRS102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011 and UK Generally Accepted Accounting 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 relevant version of the 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 (FRS102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The accounts also comply with the Charity's governing documents.

Financial Reporting Standard 102 – Reduced Disclosure Exemptions

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;

Incoming Resources

Voluntary income is recognised once the Charity has the entitlement to the resources and the amount receivable can be measured with sufficient reliability.

Investment income is recognised on an accruals basis.

Resources Expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Irrecoverable VAT is charged to the Statement of Financial Activities when incurred and is included within the expenditure category to which it relates.

Fixed and Current Asset Investments

Investments held as fixed or current assets are revalued to fair value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

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.

THE BROYST FOUNDATION
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES (continued)

Fund Accounting

The Trustees' discretion is unrestricted regarding the purpose to which the unrestricted fund can be used. Restricted funds can only be used for the advancement of education and research.

Significant Judgements and Estimates

The trustees believe there are no significant judgements, estimates and assumptions that may have a material effect on the preparation of the financial statements for the year. The Fixed Asset Investment within the property investment company was sold during the year and all other investments are listed investments.

Related Parties

There have been no related party transactions in the year that require disclosure.

2 REALISED AND UNREALISED GAIN / (LOSSES) ON INVESTMENTS

| | Note | Unrestricted Funds £ | Restricted Funds £ | 2020 Total £ | 2019 Total £ |
|---|------|----------------------------|--------------------------|--------------------|--------------------|
| Realised gain/(loss) on investment | | (12,451) | (5,549) | (18,000) | 25,556 |
| Increase/(decrease) in value of fixed asset investments | 3 | (54,689) | (29,128) | (83,817) | 261,403 |
| Realised and unrealised gain / (losses) on investments | | <u>(67,140)</u> | <u>(34,677)</u> | <u>(101,817)</u> | <u>286,959</u> |

3 FIXED ASSET INVESTMENTS

The split of investments between unrestricted and restricted funds are as follows:

| | Unrestricted £ | Restricted £ | Total £ |
|-------------------------------|-------------------|-----------------|-------------------|
| Balance at 1 January 2020 | 2,287,842 | 883,432 | 3,171,274 |
| Additions | 60,118 | 26,793 | 86,911 |
| Disposals | (163,769) | (72,986) | (236,755) |
| Revaluation | (54,689) | (29,128) | (83,817) |
| Net movement in cash deposits | <u>78,212</u> | <u>34,855</u> | <u>113,067</u> |
| Total as at 31 December 2020 | <u>£2,207,714</u> | <u>£842,966</u> | <u>£3,050,680</u> |

THE BROYST FOUNDATION
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

3 FIXED ASSET INVESTMENTS (continued)

The split of the investments between UK and Overseas are as follows:

| | UK | Foreign | 2020 Total | 2019 Total |
|---|-------------------|-----------------|-------------------|-------------------|
| | £ | £ | £ | £ |
| Fixed interest securities | 614,636 | - | 614,636 | 687,843 |
| Index linked | - | - | - | - |
| Equities | 1,461,122 | 726,988 | 2,188,110 | 2,338,848 |
| Subsidiary undertaking (see note below) | 37,946 | - | 37,946 | 27,276 |
| Unlisted securities | - | - | - | 2,441 |
| Cash deposits | 147,888 | - | 147,888 | 34,946 |
| Alternative investments | 62,100 | - | 62,100 | 79,920 |
| | <u>£2,323,692</u> | <u>£726,988</u> | <u>£3,050,680</u> | <u>£3,171,274</u> |
| Historical cost | <u>£1,962,284</u> | <u>£456,189</u> | <u>£2,418,473</u> | <u>£2,570,553</u> |

The Foundation holds 100% of the ordinary share capital of P L B Properties Limited, a property investment company incorporated in England & Wales. P L B Properties Limited acts as a vehicle for the trustees of the charity to hold the shared equity in an investment property-which was sold in the period under review, realising a profit on disposal of £16,970.

| | 2020 | 2019 |
|--|----------------|---------------|
| | £ | £ |
| The income and expenditure of the subsidiary were: | | |
| Turnover | - | - |
| Administrative expenses | (11,855) | (855) |
| Interest receivable and similar income | 5,555 | 15 |
| Profit on disposal of fixed asset | 16,970 | - |
| | <u>£10,670</u> | <u>£(840)</u> |

| | 2020 | 2019 |
|--|----------------|----------------|
| | £ | £ |
| The assets and liabilities of the subsidiary were: | | |
| Fixed assets | - | 24,280 |
| Current assets | 38,799 | 3,836 |
| | <u>38,799</u> | <u>28,116</u> |
| Creditors: amounts falling due within one year | (853) | (840) |
| | <u>£37,946</u> | <u>£27,276</u> |

THE BROYST FOUNDATION
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

| | | | |
|----------|--|----------------|----------------|
| 3 | FIXED ASSET INVESTMENTS (continued) | 2020 | 2019 |
| | Representing: | £ | £ |
| | Called up share capital | 100 | 100 |
| | Other reserves | 26,400 | 26,400 |
| | Retained earnings | 11,446 | 776 |
| | | <u>£37,946</u> | <u>£27,276</u> |

The above value of P L B Properties Limited is included in the unrestricted fund.

| | | | |
|----------|---|---------------|---------------|
| 4 | CREDITORS: Amounts falling due within one year | 2020 | 2019 |
| | | £ | £ |
| | Accruals | <u>£5,400</u> | <u>£5,760</u> |

5 INVESTMENT INCOME

| | Unrestricted Fund £ | Restricted Fund £ | 2020 Total £ | 2019 Total £ |
|--------------------------------------|---------------------------|-------------------------|--------------------|--------------------|
| Dividends – equities (UK and Non-UK) | 46,195 | 20,588 | 66,783 | 121,490 |
| Interest on cash deposits | <u>4,348</u> | <u>1,937</u> | <u>6,285</u> | <u>4,961</u> |
| Total as at 31 December 2020 | <u>£50,543</u> | <u>£22,525</u> | <u>£73,068</u> | <u>£126,451</u> |

6 CHARITABLE ACTIVITIES

The charity undertakes its charitable activities through donations to other charities and individuals in furtherance of its charitable activities.

| | Donations £ | Support and governance costs £ | 2020 Total £ | 2019 Total £ |
|--------------------------------|-----------------|---|--------------------|--------------------|
| Funded from unrestricted funds | 98,250 | 3,688 | 101,938 | 83,957 |
| Funded from restricted funds | <u>26,080</u> | <u>1,644</u> | <u>27,724</u> | <u>29,933</u> |
| | <u>£124,330</u> | <u>£5,332</u> | <u>£129,662</u> | <u>£113,890</u> |

THE BROYST FOUNDATION

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

| | Unrestricted Fund £ | Restricted Fund £ | 2020 Total £ | 2019 Total £ |
|--|---------------------------|-------------------------|--------------------|--------------------|
| Governance Costs | | | | |
| Accountancy & bookkeeping fees | 2,144 | 956 | 3,100 | 3,000 |
| Independent examination fees | 346 | 154 | 500 | 600 |
| Provision of Trustees and administration | <u>1,198</u> | <u>534</u> | <u>1,732</u> | <u>660</u> |
| Total as at 31 December 2020 | <u>£3,688</u> | <u>£1,644</u> | <u>£5,332</u> | <u>£4,260</u> |

8 INVESTMENT MANAGEMENT COSTS

| | Unrestricted Fund £ | Restricted Fund £ | 2020 Total £ | 2019 Total £ |
|------------------------------|---------------------------|-------------------------|--------------------|--------------------|
| Investment management costs | <u>11,419</u> | <u>5,089</u> | <u>16,508</u> | <u>16,818</u> |
| Total as at 31 December 2020 | <u>£11,419</u> | <u>£5,089</u> | <u>£16,058</u> | <u>£16,818</u> |

9 TRUSTEES' REMUNERATION AND BENEFITS

None of the trustees has been paid any remuneration or received any other benefits from an employment with the charity or a related entity. During the year, one of the trustees was reimbursed £71 (2019: £61) directly in respect of trustee meeting expenses.

10 ANALYSIS OF FUND ASSETS AND LIABILITIES

| | Note | 2020 Unrestricted Fund £ | 2020 Restricted Fund £ |
|-------------------------|------|-----------------------------------|---------------------------------|
| Fixed asset investments | 3 | 2,207,714 | 842,966 |
| Current assets | | 232,718 | 237,365 |
| Current liabilities | | <u>(2,673)</u> | <u>(2,727)</u> |
| | | <u>£2,437,759</u> | <u>£1,077,604</u> |
| | Note | 2019 Unrestricted Fund £ | 2019 Restricted Fund £ |
| Fixed asset investments | 3 | 2,287,842 | 883,432 |
| Current assets | | 271,991 | 241,848 |
| Current liabilities | | <u>(3,049)</u> | <u>(2,711)</u> |
| | | <u>£2,556,784</u> | <u>£1,122,569</u> |