

THE BROYST FOUNDATION
UNAUDITED ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Charity Commission Reference Number: 290525

THE BROYST FOUNDATION
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

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 - 11	Notes to the Accounts

THE BROYST FOUNDATION
LEGAL AND ADMINISTRATIVE DETAILS
YEAR ENDED 31 DECEMBER 2022

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 (deceased 28.11.2022)
Mrs L A Brora

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
104 Stockbridge Road
Chichester
West Sussex
PO19 8QP

THE BROYST FOUNDATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report and the accounts for the year ended 31 December 2022. These comply with current statutory requirements and the Charity's governing documents.

During the year we were saddened by the death of Mr V Laird. Together with his wife, he had been a very longstanding Trustee of the charity and his knowledge and wisdom, together with his kindness and humour, will be greatly missed by the continuing Trustees.

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.

At the start of the year under review, the charity owned 100% of the shares in P L B Properties Limited, a company of which Mr V Laird (deceased) and Ms C S Cox were directors. P L B Properties Limited was dissolved on 19 April 2022 after having distributed its reserves as a one off dividend to the Charity.

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, who carefully consider the Charity's needs together with the mix of skills required to meet the professional obligations of a Trustee. 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 £3,320,029 to £2,937,055. The Trustees actively monitor the performance of the investment portfolio to comparable market information including Peer Group Averages and overall investment conditions including global events and economic stability. Whilst the decline in value was disappointing, having given due consideration to the UK's economic position and global investment volatility, together with the information obtained from the charity's investment portfolio manager, the Trustees are of the opinion that the portfolio has performed satisfactorily and there is no immediate need to significantly alter its investment policy. 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 Charity'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 2022

ACHIEVEMENTS AND PERFORMANCE (Continued)

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 £430,381 (2021: surplus of £266,403), which has decreased the accumulated surplus of funds carried forward to £3,351,385 (2021: £3,781,766). The net deficit is primarily attributable to the reduction in value of the portfolio discussed earlier in the report. Income from investments has also reduced from £131,539 to £85,663, however, included within investment income in the prior year was a one-off return of £37,925 from the subsidiary PLB Properties Limited which sold its shared equity in an investment property and distributed its profits to the Charity, together with a one-off special dividend from Pennon Group PLC amounting to £20,590. Taking those one-off items into account, comparable investment income has actually increased by £12,639 for the year under review and the Trustees remain vigilant in ensuring the optimal rate of investment return is achieved for the Charity.

During the year, donations were made to a variety of causes in line with the charity's objects amounting to £105,800 (2021: £106,855). A deficit of £48,421, before movement in investment valuation, was recorded at the year end (2021: £493) and restricted funds, designated for the advancement of education, amounted to £1,055,095 (2021: £1,169,746).

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 economic uncertainty arising as a result of current events in Ukraine and fluctuations in the real value of Sterling.

RESERVES POLICY

The position of the cash reserves is reviewed at each Trustee meeting and the reserves policy is reviewed annually. The Trustees consider it prudent to retain a minimum amount of cash reserves equivalent to four years' projected expenditure with the aim of targeting annual donations of approximately £100,000, at the same time ensuring that the Charity's donations are in accordance with the specific objects laid down in the governing document. The Trustees also consider at each Trustees' meeting whether any cash reserves arising in excess of the minimum required in future could be moved into other investment opportunities, taking into account the Charity's governing document and objectives, whilst also maintaining a float of free reserves sufficient to accommodate any ad hoc donations that arise between Trustees' meetings. As at 31 December 2022, the cash balances amounted to £422,030, which is sufficient to meet the minimum amount.

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 2022

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 9 August 2023 and signed on their behalf by:-



MS C S COX
Trustee



MR R D L SHOWAN
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 2022, which are set out on pages 5 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: 7th July 2023

THE BROYST FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted Funds £	Restricted Funds £	2022 Total £	2021 Total £
INCOME AND ENDOWMENTS FROM:					
Investments	5	59,168	26,495	85,663	131,539
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL		59,168	26,495	85,663	131,539
		<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURE ON:					
Charitable activities	6	98,865	17,534	116,399	113,338
Other	8	12,218	5,467	17,685	17,708
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL		111,083	23,001	134,084	131,046
		<hr/>	<hr/>	<hr/>	<hr/>
Net gains / (losses) on investment	2	(263,815)	(118,145)	(381,960)	265,910
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		(315,730)	(114,651)	(430,381)	266,403
Reconciliation of funds					
Total funds brought forward		2,612,020	1,169,746	3,781,766	3,515,363
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		£2,296,290	£1,055,095	£3,351,385	£3,781,766
		<hr/>	<hr/>	<hr/>	<hr/>

THE BROYST FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Note	2022	2021
FIXED ASSETS		£	£
Investments	3	<u>2,937,055</u>	<u>3,320,029</u>
TOTAL FIXED ASSETS		2,937,055	3,320,029
CURRENT ASSETS			
Cash at bank and in hand		<u>422,030</u>	<u>468,737</u>
LIABILITIES			
CREDITORS: Amounts falling due within one year	4	<u>(7,700)</u>	<u>(7,000)</u>
NET CURRENT ASSETS		414,330	461,737
TOTAL ASSETS		<u>£3,351,385</u>	<u>£3,781,766</u>
The funds of the charity			
Unrestricted income funds	10	2,296,290	2,612,020
Restricted income funds	10	<u>1,055,095</u>	<u>1,169,746</u>
TOTAL CHARITY FUNDS		<u>£3,351,385</u>	<u>£3,781,766</u>

These accounts were approved by the Trustees on 9 August 2023 and signed on their behalf by:-

CS Cox

MS C S COX
Trustee

R D L Showan

MR R D L SHOWAN
Trustee

THE BROYST FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1 ACCOUNTING POLICIES

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) (effective 1 January 2019) – (Charities SORP (FRS 102))*, the *Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)* and the Charities Act 2011 and UK Generally Accepted Accounting Practice. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

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 financial statements are presented in Sterling, which is the functional currency of the charity.

The accounts also comply with the Charity's governing documents. The accounts have been prepared on a going concern basis as the trustees have no material uncertainties about the Charity's ability to continue.

Charities SORP 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

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio..

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

Fixed Asset Investments are a form of basic financial instrument initially recognised at transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The Charity does not acquire put options, derivatives or other complex financial instruments. All gains and losses arising from fixed asset investments are taken to the Statement of Financial Activities as they arise.

THE BROYST FOUNDATION

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 ACCOUNTING POLICIES (continued)

Fixed and Current Asset Investments (continued)

Realised gains and losses on fixed asset investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Current Asset Investments comprise comprises of savings with an original maturity of more than three months but less than one year.

Taxation

The Broyst Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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 £	2022 Total £	2021 Total £
Realised gain/(loss) on investment		(29,493)	(13,208)	(42,701)	9,744
Increase/(decrease) in value of fixed asset investments	3	(234,322)	(104,937)	(339,259)	256,166
Realised and unrealised gain / (losses) on investments		<u>(263,815)</u>	<u>(118,145)</u>	<u>(381,960)</u>	<u>265,910</u>

THE BROYST FOUNDATION

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 FIXED ASSET INVESTMENTS

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

	Unrestricted £	Restricted £	Total £
Balance at 1 January 2022	2,382,864	937,165	3,320,029
Additions	208,037	93,166	301,203
Disposals	(202,989)	(90,905)	(293,894)
Revaluation	(234,322)	(104,937)	(339,259)
Net movement in cash deposits	<u>(35,242)</u>	<u>(15,782)</u>	<u>(51,024)</u>
Total as at 31 December 2022	<u>£2,118,348</u>	<u>£818,707</u>	<u>£2,937,055</u>

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

	UK £	Foreign £	2022 Total £	2021 Total £
Fixed interest securities	330,806	100,763	431,569	634,451
Index linked	-	-	-	-
Equities	1,384,288	879,878	2,264,166	2,397,289
Unlisted securities	-	-	-	-
Cash deposits	60,166	-	60,166	123,299
Alternative investments	181,154	-	181,154	164,990
	<u>£1,956,414</u>	<u>£980,641</u>	<u>£2,937,055</u>	<u>£3,320,029</u>
Historical cost	<u>£1,556,119</u>	<u>£731,475</u>	<u>£2,287,594</u>	<u>£2,291,579</u>

4 CREDITORS: Amounts falling due within one year	2022 £	2021 £
Accruals	<u>£7,700</u>	<u>£7,000</u>

5 INVESTMENT INCOME

	Unrestricted Fund £	Restricted Fund £	2022 Total Fund £	2021 Total Fund £
Dividends – equities (UK and Non-UK)	55,630	24,911	80,541	127,337
Interest on cash deposits	3,538	1,584	5,122	4,202
Total as at 31 December 2022	<u>£59,168</u>	<u>£26,495</u>	<u>£85,663</u>	<u>£131,539</u>

THE BROYST FOUNDATION
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

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	2022 Total	2021 Total
	£	£	£	£
Funded from unrestricted funds	91,500	7,365	98,865	89,067
Funded from restricted funds	14,300	3,234	17,534	24,271
	<u>£105,800</u>	<u>£10,599</u>	<u>£116,399</u>	<u>£113,338</u>

7 ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

	Unrestricted Fund	Restricted Fund	2022 Total Fund	2021 Total Fund
	£	£	£	£
Governance Costs				
Accountancy & bookkeeping fees	2,072	928	3,000	3,000
Independent examination fees	345	155	500	500
Provision of Trustees and administration	4,948	2,151	7,099	2,983
Total as at 31 December 2022	<u>£7,365</u>	<u>£3,234</u>	<u>£10,599</u>	<u>£6,483</u>

8 INVESTMENT MANAGEMENT COSTS

	Unrestricted Fund	Restricted Fund	2022 Total Fund	2021 Total Fund
	£	£	£	£
Investment management costs	12,218	5,467	17,685	17,708
Total as at 31 December 2022	<u>£12,218</u>	<u>£5,467</u>	<u>£17,685</u>	<u>£17,708</u>

9 TRUSTEES' REMUNERATION AND BENEFITS

None of the trustees have 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 £144 (2021: £55) directly in respect of trustee meeting expenses.

THE BROYST FOUNDATION
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

10 ANALYSIS OF FUND ASSETS AND LIABILITIES

	Note	2022	2022
		Unrestricted	Restricted
		Fund	Fund
		£	£
Fixed asset investments	3	2,118,348	818,707
Current assets		181,248	240,782
Current liabilities		<u>(3,306)</u>	<u>(4,394)</u>
		<u>£2,296,290</u>	<u>£1,055,095</u>

	Note	2021	2021
		Unrestricted	Restricted
		Fund	Fund
		£	£
Fixed asset investments	3	2,382,864	937,165
Current assets		232,630	236,107
Current liabilities		<u>(3,474)</u>	<u>(3,526)</u>
		<u>£2,612,020</u>	<u>£1,169,746</u>