

# **THE PRIORY FOUNDATION**

Charity No. 295919

**ACCOUNTS**  
**FOR THE YEAR ENDED**  
**31ST DECEMBER 2021**

# **The Priory Foundation**

## **Legal and Administrative Information**

### **Constitution**

The Priory Foundation is a registered charity, no 295919. The charity is constituted under a deed of settlement dated 5th June 1986, which was varied by a deed dated 10th November 1986. This was further varied by a deed dated 1st July 1995 and 15th November 2005.

### **Trustees**

N. W. Wray  
L. Mercey  
D. Poutney  
G. Banks

### **Principal Office**

3 Grace Court  
Totteridge Green  
London N20 8PY

### **Charity Registration Number**

295919

### **Independent Examiner**

Moore Kingston Smith LLP  
9 Appold Street  
London EC2A 2AP

### **Bankers**

Handelsbanken  
The Limes  
32 - 34 Upper Marlborough Road  
St Albans  
AL1 3UU

# The Priory Foundation

## Trustees' Report

The trustees present the statutory report with the accounts of The Priory Foundation for the year ended 31st December 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (Charities SORP FRS 102) "Accounting and Reporting by Charities", issued in 2014 to be compliant with Financial Reporting Standard (FRS) 102.

### **Structure Governance and Management**

#### **Trust Deed**

The charity was established under a Deed of Settlement dated 5th June 1986. This deed was varied on 10th November 1986, 1st July 1995 and 15th November 2005.

#### **Trustee Recruitment and Training**

The Foundation identifies individuals who bring the relevant skills and experience to the board. Induction of trustees includes being provided with the relevant information about the charity, briefings with other trustees and staff as appropriate. Training is made available to all trustees where new issues arise.

#### **Organisational Structure**

The trustees maintain responsibility for the charity's strategy, governance and risk management. The board meets whenever matters arise in order to deal with these matters.

### **Objectives and Activities**

The charity was established with the purpose of making grants to charities or for such other charitable purposes which are aimed at benefiting the public in general. All assets are held by the charity with a view to generating funds to achieve this objective.

The charity aims to help individuals and entities in need as outlined in the Trust Deed and reviews each individual application on the basis of its merits. The charity also aims to manage its investments to provide a reliable source of income from which to provide grants which benefit the public in general.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance "public benefit: running a charity (PB2)".

The charity met its objectives by making grants during the year to 19 different beneficiaries in the areas of sport, mental and physical health, education and crime prevention.

### **Achievements and Performance**

The improvement in the charity's financial position has allowed them to provide grants to several causes this year (see note 3). The Trustees have elected to continue their support of several of these causes during the current year by renewing their commitments to provide donations.

### **Financial Review**

Net incoming resources for the year amounted to £754,931 (2020: outgoing resources of £30,026) of which total investment gains in the year amounted to £888,078 (2020: gains of £174,929). This was added to the general funds brought forward to give reserves at 31st December 2021 of £3,999,310 (2020: £3,244,379).

#### **Investment Policy**

It is permissible for the foundation to invest monies not required for its purposes in such investments, securities or property as may be thought fit, subject to legislation.

The trustees' investment policy is to select investments that will yield exponential capital growth in the medium term. Investment income is to be derived from the liquidation of such investments as required.

At the end of the year the investment portfolio valuation was £3,332,003 (2020: £2,029,336).

Overall, the investment portfolio has increased in value in line with the charity's investment objectives.

# **The Priory Foundation**

## **Trustees' Report (continued)**

### **Reserves Policy**

The Trustees aim to maintain free reserves in unrestricted funds at a level that will enable them to meet their committed grants, respond to smaller ad hoc applications for grants, and to cover support and governance costs. They do this by reviewing the cash at bank and committed donations, and monitoring the voluntary donations received on a monthly basis.

As at 31 December 2021 the unrestricted reserves were £3,999,310, of which £752,786 is represented by cash deposits. The Trustees expect to make grants and incur costs in the year end 2022 in line with the previous year of approximately £275,000. The level of free reserves at the year end is therefore higher than is needed and the Trustees are currently seeking suitable investments for the surplus in line with their investment policy.

### **Related Party Relationships**

The Foundation entered into some related party transactions during the year with entities that are connected to members of the trustee board of the Foundation, the details of these transactions can be found in Note 8 to the Financial Statements.

### **Grants Policy**

The charity undertakes a number of grant making programmes. The eligibility criteria are specific to each programme and are developed in accordance with any terms and conditions imposed by The Priory Foundation as the funder. Details of the criteria are available from the Foundation's registered office.

### **Fundraising Policy**

The charity undertakes no external fundraising activities, and there is no involvement of third party fundraisers. Therefore no complaints were received in the year regarding fundraising practices.

### **Risk Management and Assessment**

The Trustees have fully reviewed the areas of risk to the charity, being business, commercial and financial risk. The main risk is the recent fall in global equity markets and the potentially reduced income generated from investments that might limit future grant making activity. The Trustees are continuing to consider further developments in this area but do not consider this an immediate risk.

### **Plans For the Future**

The entity wishes to safeguard the assets it has in place and to ensure that appropriate grants can be made from the income received.

# **The Priory Foundation**

## **Trustees' Report (continued)**

### **Statement of Trustees' Responsibilities**

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity 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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (including FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

### **Trustees**

The following trustees were in office since 1 January 2021:

N.W. Wray

D. Poutney

L. Mercey

G. Banks

All transactions in which trustees have an interest in are disclosed within note 8 to the accounts.

Signed on behalf of the trustees:



Trustee

Date: 18/10/2022

# Independent Examiner's Report to the Trustees of The Priory Foundation

I report to the trustees on my examination of the accounts of The Priory Foundation for year ended 31 December 2021.

## Responsibilities and basis of report

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

## Independent examiner's statement

Since the Charity's gross income exceeded £25,000 you have requested an Independent Examination of the Trust's accounts. I confirm that I am qualified to undertake the examination as I am member of the ICAEW, which is one of the bodies listed in section 145 of the 2011 Act.

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

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

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

*Moore Kingston Smith LLP*

**Luke Holt**

(FCA)

**For and on behalf of Moore Kingston Smith LLP**

Chartered Accountants

9 Appold Street  
London EC2A 2AP

Date: 21 October 2022

**The Priory Foundation**  
**Statement of Financial Activities**  
**For the year ended 31st December 2021**

Income and Expenditure	Note	Unrestricted Funds	
		2021	2020
		£	£
<b>Income From:</b>			
Investment income	2	10,984	5,316
Donations		159,039	133,473
<b>Total Income</b>		170,023	138,789
<b>Expenditure On:</b>			
Charitable activities	3	(295,959)	(343,744)
<b>Total Expenditure</b>		(295,959)	(343,744)
Other recognised gains and losses:			
Realised Gains on investments		39,002	10,843
Unrealised Gains on investments		849,076	164,086
<b>Net (expenditure)/income for the year/Net Movement in Funds</b>		762,142	(30,026)
Fund balances brought forward at 1st January 2021		3,244,379	3,274,405
<b>Fund Balances Carried Forward at 31st December 2021</b>		4,006,521	3,244,379

All gains and losses arising in the year have been included in the Statement of Financial Activities and arise from continuing operations.

# The Priory Foundation

## Balance Sheet at 31st December 2021

	Note	2021 £	2021 £	2020 £	2020 £
<b>Fixed Assets</b>					
Investments	5		3,332,003		2,029,336
<b>Current Assets</b>					
Debtors	6	7,211		3,691	
Cash at bank		752,786		1,236,129	
		759,997		1,239,820	
<b>Current Liabilities</b>					
Creditors: Amounts falling due within one year	7	(85,479)		(24,777)	
<b>Net Current Assets</b>			674,518		1,215,043
<b>Total Assets less Current Liabilities</b>			4,006,521		3,244,379
<b>Funds</b>					
Unrestricted - General Fund			4,006,521		3,244,379

Approved by the trustees and authorised for issue on 18/0/2022 and signed on their behalf by:

.....  
N.W.Wray  
Trustee



# The Priory Foundation

## Cash Flow Statement for the year ended 31st December 2021

	2021 £	2021 £	2020 £	2020 £
<b>Net cashflow outflow from Operating Activites (note 1)</b>		(68,754)		(181,063)
<b>Capital Expenditure and Financial Investment</b>				
Cost of purchasing investments	(517,001)		(390,979)	
Sale of investments	102,411		458,828	
	<hr/>		<hr/>	
<b>Net Cash Outflow from Capital Expenditure and Financing Investment</b>		(414,590)		67,849
		<hr/>		<hr/>
<b>(Decrease)/Increase in Cash (Note 2)</b>		<u>(483,344)</u>		<u>(113,214)</u>
		<hr/>		<hr/>
<b>1. Net cash used in operating activities</b>		<b>2021</b>		<b>2020</b>
		<b>£</b>		<b>£</b>
Operating (deficit)/surplus		762,142		(30,026)
Revaluation of investments		(888,078)		(174,929)
Decrease/(Increase) in Debtors		(3,520)		18,873
Increase/(Decrease) in Creditors		60,702		5,019
		<hr/>		<hr/>
<b>Net cash outflow from operating activites</b>		<u>(68,754)</u>		<u>(181,063)</u>
		<hr/>		<hr/>
<b>2. Reconciliation of Net Cash Flow to Movements in Net Cash</b>		<b>2021</b>		<b>2020</b>
		<b>£</b>		<b>£</b>
(Decrease)/Increase in cash in the year		(483,344)		(113,214)
Net cash at beginning of the year		1,236,129		1,349,343
		<hr/>		<hr/>
Cash at the year end		<u>752,786</u>		<u>1,236,129</u>
		<hr/>		<hr/>

# **The Priory Foundation**

## **Notes to the Accounts**

### **For the year ended 31st December 2021**

#### **1 Accounting Policies**

##### **Accounting Convention**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), published on 16 July 2014. The charity is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements 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 (The FRS 102 Charities SORP) and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The principle accounting policies adopted in the preparation of the financial statements are set out below.

##### **Going Concern Basis**

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the impact of the global Covid-19 pandemic has been considered. We have revised our annual forecasts for the next twelve months for a scenario where no dividend income is received. We consider that The Priory Foundation has sufficient cash reserves and recurring donations to continue as a going concern in such a situation.

##### **Income**

Investment income and interest receivable is credited to the Statement of Financial Activities on a receivable basis.

Donations are recognised on a receivable basis, when the charity is legally entitled to the income, the receipt of income is probable, and the amount can be quantified reliably.

##### **Expenditure**

Resources expended are accounted for on an accruals basis comprising direct expenses incurred in the defined charitable purposes of the charity.

Grants made are recognised in full once approved by the trustees and notification has been given to the donee.

Support costs are costs incurred in supporting the charity to fulfil its charitable objects.

Governance costs, which are included within support costs, are those incurred in the governance of the charity and are primarily associated with constitution, compliance and statutory requirements.

##### **Cash and Cash Equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

##### **Financial Instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. Basic financial assets, other than investments, and financial liabilities are accounted for initially at transaction price and subsequently adjusted for any impairment in value or adjustments to settlement value.

With the exception of tax recoverable, all other debtor and creditor balances are considered to be basic financial instruments under FRS 102.

**The Priory Foundation**  
**Notes to the Accounts (continued)**  
**For the year ended 31st December 2021**

**1 Accounting Policies (continued)**

**Investments**

In accordance with the Statement of Recommended Practice, listed investments (which are dealt with on a recognised stock exchange) are included in the accounts at their fair value (the quoted market price).

**Critical accounting estimates and areas of judgement**

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

<b>2 Investment Income</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
UK Equities	10,957	2,127
Bank interest received	-	3,093
Other interest	27	96
	<hr/>	<hr/>
	10,984	5,316
	<hr/>	<hr/>
<b>3 Charitable Activities</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<u>Grants payable to Institutions:</u>		
Saracens Herts Cricket League	20,000	6,750
Saracens Sport Foundation	158,500	109,260
Saracens Multi Academy Trust	29,700	20,000
Big Yellow Think Project	0	(5,000)
Action for Rehabilitation after Neurological Injury	-	4,250
Caring Matters Now	-	5,000
Duchenne UK	-	10,000
Gun Control Network	-	5,000
London's Air Ambulance	-	23,020
Middlesex University	-	10,000
Monrovia Football Academy Inc	-	9,928
Orchard (OCD Research)	-	30,000
Special Effect	-	7,500
Kenya Lacrosse	11,195	10,860
Wellbeing of Women	-	12,500
Matt Hampson Trust	-	10,000
Wooden Spoon	-	3,000
Foundation for Leadership through Sport	-	25,000
Cancer Council Western Australia	9,990	-
Tennis Swansea	7,500	-
The Kidney Fund	1,200	-
Woodlarks Camp Site Trust	21,000	-
The Jinja Educational Trust	2,000	-
Harrogate Grammar School	4,500	-
Motor Neurone Disease Association	10,000	-
<u>Direct Charitable spending:</u>		
Dumpton School	-	14,990
Sarcens Multi Academy Trust	-	11,179
<u>Grants payable to Individuals:</u>		
Alex Gliksten	-	(1,181)
	<hr/>	<hr/>
	275,585	322,056

**The Priory Foundation**  
**Notes to the Accounts (continued)**  
**For the year ended 31st December 2021**

<b>3 Charitable Activities (continued)</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Support Costs:		
Governance costs (see note 4)	4,920	4,800
Professional fees - educational consulting	14,078	14,172
Bank interest and charges	1,376	1,141
Costs of charity networking event	-	1,575
	<u>20,374</u>	<u>21,688</u>
	<u>295,959</u>	<u>343,744</u>
<b>4 Governance costs</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Independent examiner fees - current year	4,920	4,800
Independent examiner fees - prior year adjustment	-	-
	<u>4,920</u>	<u>4,800</u>

The charity employed no staff and incurred no staff costs in the current or previous years. No trustees were remunerated in this or the prior year. No trustees' expenses were reimbursed in this or the prior year. The trustees are considered to be the key management personnel of the charity.

<b>5 Investments</b>	<b>Listed</b>	<b>Unlisted</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2021</b>	<b>2020</b>
			<b>£</b>	<b>£</b>
Market value/cost at 1st January 2021	1,558,833	470,503	2,029,336	1,922,256
Additions	81,284	517,001	598,285	390,979
Disposal proceeds	(102,411)	-	(102,411)	(458,828)
Realised gains/(Loss) on disposal	(42,283)	-	(42,283)	10,843
Unrealised (losses)/gains on revaluation	698,039	151,037	849,076	164,086
	<u>2,193,462</u>	<u>1,138,541</u>	<u>3,332,003</u>	<u>2,029,336</u>
Market value at 31st December 2021	<u>2,193,462</u>	<u>1,138,541</u>	<u>3,332,003</u>	<u>2,029,336</u>
Historical cost at 31st December 2021	<u>1,646,685</u>	<u>1,093,407</u>	<u>2,740,092</u>	<u>2,286,502</u>

At 31 December 2021 the following investment holdings represented 5% or more of the market value of the total portfolio:

	<b>Market</b>	<b>Market</b>
	<b>Value</b>	<b>Value</b>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Sigmaroc plc - Ordinary Shares	732,295	552,510
Simba Sleep Limited - Ordinary Shares	344,134	289,696
GRC International Group plc (purchased in the year)	383,323	257,299
Franchise Brands plc- Ordinary Shares	346,656	220,522
Cambridge Cognition Holdings plc (purchased in the year)	397,210	210,380
Venterra Group plc	517,001	-
Hunters Property plc - Ordinary Shares	-	152,750
Reach4entertainment Enterprises plc - Ordinary Shares	-	125,269
Rotala plc - Ordinary Shares	-	49,410

**The Priory Foundation**  
**Notes to the Accounts (Continued)**  
**For the year ended 31st December 2021**

<b>6 Debtors</b>	<b>£</b>	<b>£</b>
Tax recoverable	7,211	3,691
	<hr/> 7,211 <hr/>	<hr/> 3,691 <hr/>
<b>7 Creditors: Amounts falling due within one year</b>	<b>£</b>	<b>£</b>
Accruals	6,679	6,027
Other creditors	78,800	18,750
	<hr/> 85,479 <hr/>	<hr/> 24,777 <hr/>

**8 Related Party Transactions**

The Charity held the following investments in which N.W. Wray, a trustee, has a beneficial interest:

Investment Detail	Type of Investment	At 31 December 2021		At 31 December 2020		Transactions in the year
		Number Held	Market Value	Number Held	Market Value	
Asimilar Group plc	Ord. 0.01p	242,500	83,056	242,500	73,963	
Cambridge Cognition Holdings plc	Ord. 1p	314,000	397,210	314,000	210,380	Holding increased in the year
Franchise Brands plc	Ord. 0.5p	223,880	343,656	223,880	220,522	Dividends received during the year
Gfinity plc	Ord. 0.1p	1,111,111	36,667	1,111,111	42,000	
GRC International Group Limited	Ord. 0.001p	1,050,200	383,323	1,050,200	257,299	
Hunters Property plc	Ord. 4p	-	-	235,000	152,750	Takeover for cash
MXC Capital Limited	Ord. 1p	4,494	3,685	5,581	4,186	Takeover for cash
PIHL Equity LLP	partnership share	1.02%	-	1.02%	-	
Miromar Holdings Limited	Ord. 0.1p	39,405,298	153,681	39,405,298	125,269	(was Reach4entertainment Enterprises plc)
Rotala plc	Ord. 25p	183,000	53,070	183,000	49,410	
Sigmaroc Plc	Ord. 1p	877,000	732,295	877,000	552,510	
Simba Sleep Limited	Ord. 1p	4,931	344,134	4,931	289,696	
Stubben Edge Group Limited	Ord. 0.00001p	49,000	163,660	49	51,352	Share sub-division
The Property Franchise Group plc	Ord. 1p	38,892	120,565	-	-	Received on takeover of Hunters Property plc

L.Mercey, a trustee, also has a beneficial interest in the following investments held by the charity: Asimilar Group plc, Cambridge Cognition Holdings Plc, Franchise Brands plc, GRC International Group Plc, Hunters Property plc, MXC Capital Limited, Miromar Holdings Limited, Rotala plc, Stubben Edge Group Limited, The Property Franchise Group plc, Venterra Group plc.

D Poutney, a trustee, also has a beneficial interest in the following investments held by the charity: Cambridge Cognition Holdings Plc, Franchise Brands Plc, GRC International Group Plc, Hunters Property Plc, Miromar Holdings Limited, Rotala plc, Stubben Edge Group Limited, The Property Franchise Group plc, Venterra Group plc.

**9 Taxation**

The Priory Foundation is a registered Charity and therefore is not liable to Income Tax or Capital Gains Tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.