

THE PRIORY FOUNDATION

Charity No. 295919

ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER 2022

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 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (Charities SORP FRS 102) "Accounting and Reporting by Charities", issued in 2014, and updated in 2019, to be compliant with Financial Reporting Standard (FRS)

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 14 different beneficiaries in the areas of sport, mental and physical health, education and medical research.

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 £293,897 (2021: incoming resources of £762,142) of which total investment gains in the year amounted to £534,669 (2021: gains of £888,078). This was added to the general funds brought forward to give reserves at 31st December 2022 of £4,300,418 (2021: £4,006,521).

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 £4,452,162 (2021: £3,332,003).

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 2022 the unrestricted reserves were £4,300,481, of which £32,048 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 £266,000. The level of free reserves at the year end is therefore sufficient for the predicted expenditure in the following 12 months. The Trustees expect to receive similar levels of donations as previous years which will fund these grants. They regularly review the investment portfolio to identify suitable listed shareholdings that could be liquidated if necessary.

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.

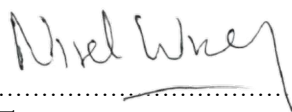
Trustees

The following trustees were in office since 1 January 2022:

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: 30/10/2023

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 2022.

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.



Luke Holt

(FCA)

For and on behalf of Moore Kingston Smith LLP

Chartered Accountants

9 Appold Street
London EC2A 2AP

Date: **31st October 2023**

The Priory Foundation
Statement of Financial Activities
For the year ended 31st December 2022

Income and Expenditure	Note	Unrestricted Funds	
		2022	2021
		£	£
Income From:			
Investment income	2	15,483	10,984
Donations		131,925	159,039
Total Income		147,408	170,023
Expenditure On:			
Charitable activities	3	(388,180)	(295,959)
Total Expenditure before gains and losses		(388,180)	(295,959)
Other recognised gains and losses:			
Realised Gains on investments		1,833	39,002
Unrealised Gains on investments		532,836	849,076
Net income for the year/Net Movement in Funds		293,897	762,142
Fund balances brought forward at 1st January 2022		4,006,521	3,244,379
Fund Balances Carried Forward at 31st December 2022		4,300,418	4,006,521

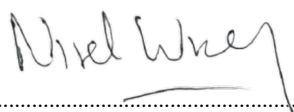
All gains and losses arising in the year have been included in the Statement of Financial Activities and arise from continuing operations.

The Priory Foundation

Balance Sheet at 31st December 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed Assets					
Investments	5		4,452,162		3,332,003
Current Assets					
Debtors	6	5,963		7,211	
Cash at bank		32,048		752,786	
		38,011		759,997	
Current Liabilities					
Creditors: Amounts falling due within one year	7	(189,755)		(85,479)	
Net Current (Liabilities)/Assets			(151,744)		674,518
Total Assets less Current Liabilities			4,300,418		4,006,521
Funds					
Unrestricted - General Fund			4,300,418		4,006,521

Approved by the trustees and authorised for issue on 30/10/2023 and signed on their behalf by:



.....
N.W. Wray
Trustee

The Priory Foundation

Cash Flow Statement for the year ended 31st December 2022

	2022 £	2022 £	2021 £	2021 £
Net cashflow outflow from Operating Activites (note 1)		(135,248)		(68,754)
Capital Expenditure and Financial Investment				
Cost of purchasing investments	(707,890)		(517,001)	
Sale of investments	122,400		102,411	
	<hr/>		<hr/>	
Net Cash Outflow from Capital Expenditure and Financing Investment		(585,490)		(414,590)
		<hr/>		<hr/>
(Decrease)/Increase in Cash (Note 2)		<u>(720,738)</u>		<u>(483,344)</u>

1. Net cash used in operating activities	2022	2021
	£	£
Operating (deficit)/surplus	293,897	762,142
Revaluation of investments	(534,669)	(888,078)
Decrease/(Increase) in Debtors	1,248	(3,520)
Increase/(Decrease) in Creditors	104,276	60,702
	<hr/>	<hr/>
Net cash outflow from operating activites	<u>(135,248)</u>	<u>(68,754)</u>

2. Reconciliation of Net Cash Flow to Movements in Net Cash	2022	2021
	£	£
(Decrease)/Increase in cash in the year	(720,738)	(483,344)
Net cash at beginning of the year	752,786	1,236,130
	<hr/>	<hr/>
Cash at the year end	<u>32,048</u>	<u>752,786</u>

The Priory Foundation

Notes to the Accounts

For the year ended 31st December 2022

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, and updated in 2019. 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. 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 2022

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.

2 Investment Income	2022	2021
	£	£
UK Equities	15,184	10,957
Bank interest received	293	-
Other interest	6	27
	<hr/>	<hr/>
	15,483	10,984
	<hr/>	<hr/>
3 Charitable Activities	2022	2021
	£	£
<u>Grants payable to Institutions:</u>		
Saracens Herts Cricket League	20,000	20,000
Saracens Sport Foundation	121,500	158,500
Saracens Multi Academy Trust	20,300	29,700
Cancer Council Western Australia	-	9,990
Tennis Swansea	7,500	7,500
The Kidney Fund	2,500	1,200
Woodlarks Camp Site Trust	-	21,000
The Jinja Educational Trust	-	2,000
Harrogate Grammar School	6,999	4,500
Motor Neurone Disease Association	-	10,000
UCL Prostrate Cancer Research	153,500	-
Debra	2,000	-
Power 2	250	-
The Lewis Marsh Fund	1,000	-
The Totteridge Mill Hill Cricket Club	20,000	-
<u>Direct Charitable spending:</u>		
Festival of Sport	2,764	-
<u>Grants payable to Individuals:</u>		
Storm Trentham (Kenya Lacrosse)	17,060	11,195
Sam Noar	2,500	-
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	377,873	275,585
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The Priory Foundation
Notes to the Accounts (continued)
For the year ended 31st December 2022

3 Charitable Activities (continued)	2022	2021
	£	£
Support Costs:		
Governance costs (see note 4)	6,372	4,920
Professional fees - educational consulting & charity support services	2,500	14,078
Bank interest and charges	1,435	1,376
	<u>10,307</u>	<u>20,374</u>
	<u>388,180</u>	<u>295,959</u>
4 Governance costs	2022	2021
	£	£
Independent examiner fees - current year	5,616	4,920
Independent examiner fees - prior year under accrual	756	-
	<u>6,372</u>	<u>4,920</u>

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

5 Investments	Listed	Unlisted	Total	Total
	£	£	2022	2021
			£	£
Market value/cost at 1st January 2022	2,149,842	1,182,161	3,332,003	2,029,336
Additions	258,362	449,528	707,890	598,285
Disposals in the year	(122,400)	-	(122,400)	(102,411)
Realised gains/(Loss) on disposal	1,833	-	1,833	(42,283)
Unrealised (losses)/gains on revaluation	(463,830)	996,666	532,836	849,076
Market value at 31st December 2022	<u>1,823,807</u>	<u>2,628,355</u>	<u>4,452,162</u>	<u>3,332,003</u>
Historical cost at 31st December 2022	<u>1,542,935</u>	<u>1,823,762</u>	<u>3,366,697</u>	<u>2,740,092</u>

At 31 December 2022 the following investment holdings represented 5% or more of the market value of the total portfolio:

	Market	Market
	Value	Value
	2022	2021
	£	£
Sigmaroc plc - Ordinary Shares	487,612	732,295
Simba Sleep Limited - Ordinary Shares	497,965	344,134
GRC International Group plc	289,704	383,323
Franchise Brands plc- Ordinary Shares	442,163	346,656
Cambridge Cognition Holdings plc	357,960	397,210
Venterra Group plc	1,034,001	517,001
Miromar Holdings Limited	447,208	-
Stubben Edge Group Limited (Further investment in the year)	395,497	-
Combat Medical Holdings Limited	249,999	-

The Priory Foundation
Notes to the Accounts (Continued)
For the year ended 31st December 2022

6 Debtors	£	£
Tax recoverable	5,963	7,211
	<u>5,963</u>	<u>7,211</u>
7 Creditors: Amounts falling due within one year	£	£
Accruals	5,922	6,679
Other creditors	183,833	78,800
	<u>189,755</u>	<u>85,479</u>

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 2022		At 31 December 2021		Transactions in the year
		Number Held	Market Value	Number Held	Market Value	
Asimilar Group plc	Ord 0.01p	242,500	4,365	242,500	83,056	
Belluscura plc	Ord. 1p	174,000	113,970	-	-	New Investment in year
Cambridge Cognition Holdings plc	Ord. 1p	314,000	357,960	314,000	397,210	
Combat Medical Holdings Ltd	Ord. 0.001p	22,163	249,999	-	-	New Investment in year
Franchise Brands plc	Ord. 0.5p	223,880	442,163	223,880	343,656	Dividends received during the year
Gfinity plc	Ord. 0.1p	1,111,111	5,611	1,111,111	36,667	
GRC International Group Limited	Ord. 0.001p	1,207,100	289,704	1,050,200	383,323	Further investment in year
MXC Capital Limited	Ord. 1p	4,494	3,685	4,494	3,685	
PIHL Equity LLP	partnership share	1.02%	-	1.02%	-	
Miromar Holdings Limited	Ord. £1	22,216	447,208	39,405,298	153,681	Share sub-division
Rotala plc	Ord. 25p	183,000	64,050	183,000	53,070	
Sigmaroc Plc	Ord. 1p	877,000	487,612	877,000	732,295	
Simba Sleep Limited	Ord. 1p	8,476	497,965	4,931	344,134	Exercised warrants
Stubben Edge Group Limited	Ord. 0.00001p	61,700	395,497	49,000	163,660	Further investment in year
The Property Franchise Group plc	Ord. 1p	-	0	38,892	120,565	Shares sold in year
Venterra Group plc	Ord. 1p	344,667	1,034,001	344,667	517,001	

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

D Poutney, a trustee, also has a beneficial interest in the following investments held by the charity: Belluscura plc, 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.

During the year, Gordon Banks, a Trustee was paid £2,500 for Charity Consultancy and Support Services provided. This is permitted by the governing document of the Charity.

The Priory Foundation
Notes to the Accounts (Continued)
For the year ended 31st December 2022

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.