

# Brathay Trust Trustees' Report and Accounts

for the year ended 31 March 2022



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26/09/2022

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COMPANIES HOUSE

*At Brathay we know everyone has the  
capacity to do extraordinary things...*



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# Welcome to Brathay



## Andy Watson, Chair of Trustees

As we find ourselves another year on in our challenge to overcome the negative impact of Covid, no-one at Brathay can ignore the fact that for the children and young people, the ongoing and potentially long-lasting damage caused by the pandemic remains.

The real strain on families has become apparent in many ways, not least in the much-reduced resilience of young people. It makes our interventions and collaborations with other partners as vital and as relevant as ever.

As such, we are strengthening our capability in both Yorkshire and West Cumbria, whilst exploring possible new community activity elsewhere in Cumbria.

Brathay's community work relies heavily on the combined success of its other enterprises and thankfully, there is good news to report. With travel restrictions lifted, demand for staycations surged and we were able to respond quickly to this, enabling guests to take advantage of our flexible self-catering accommodation.

At the same time, business clients did not forget about the benefits of the management development and culture and change programmes on offer at Brathay and many returned, motivated by the post-pandemic desire to improve wellbeing as part of their professional and organisational development and inspired to sample our enhanced blended learning with its engaging digital delivery.

Demand for residencies for young people was also strong, despite Wigan Council's decision to take back management of Low Bank Ground and

Hinning House, and our Challenge events are heading back on track, quite literally! I know from personal experience that the Christmas Pudding 10k fun run was well supported and May 2022's 10in10 event saw the highest number of entries to date.

Meanwhile, we continue to promote our new One Brathay message with an updated website and branding that brings a fresh, new feel to the charity and does a great job of communicating our story and various offerings.

Our use of social media has stepped up effectively too. I was delighted to see the helpful and positive profiles Brathay received both via Cumbria Life and Simon Reeve's BBC programme.

None of this would be possible without the considerable skill and commitment of the staff at Brathay. On behalf of the Trustees, I express gratitude for all that they do - it really is hugely appreciated. Similarly, I would like to warmly welcome our impressive new hires and give a big thank you to all our volunteers, supporters, patrons, and online followers.

Looking ahead, and at the risk of tempting fate, optimism is in the air, especially as things seem more within our own control now. Whatever next year may bring, I look forward to supporting the Brathay team as they continue to move forward with their plans whilst responding to unknown opportunities in exciting and impactful ways.

A handwritten signature in black ink, appearing to read 'Andy Watson', with a stylized flourish underneath.

# Structure, Governance and Management

## Legal structure

Brathay Trust (Brathay) was first constituted as a charity in 1946 and was incorporated as a company limited by guarantee in 1993. We are registered as a charity in England and Wales and governed by a Memorandum and Articles of Association and a Trust Deed.

Company Registration Number: 2814206.  
Charity registration number 1021586.

## Operations

Brathay's head office is at Brathay Hall, our residential centre in Cumbria set in the heart of the Lake District National Park. We also have a long-established centre in Bradford city centre out of which we deliver a variety of community-based programmes. Our strong community footing extends to Barrow and our outreach work spreads further still, often linked to schools and colleges and allowing us to operate at ground level in some very challenging urban areas.

Brathay has one wholly owned subsidiary, Brathay Services Ltd, which is operated and governed entirely within this structure.

## Registered Office

Brathay Hall  
Clappersgate  
Ambleside  
Cumbria  
LA22 0HP

## Company Secretary

Heather T Dixon

## Governance

The governing body is the Board of Trustees. At 31 March 2022 there were eleven trustees, which has now reduced to ten. There is no upper limit to this number. Trustees of Brathay are also directors under the Companies Act.

## Committees

The Board of Trustees has responsibility for setting and monitoring Brathay's performance against the strategic objectives set and meets a minimum of four times a year. The trustees have two committees, the Finance and Investment Committee and a Risk and Compliance Committee, with other matters being reported directly to the Board.

Committees meet at least four times a year and the Risk and Compliance Committee has operated since October 2021. Additionally, a number of trustees have responsibility for liaising with the leadership team in key areas.

## Trustees

Andrew S Watson (Appointed 4 May 2021)  
Ann M Crane (Appointed 4 May 2021, Resigned 13 May 2022)  
Charles Cowling (Resigned 15 May 2021)  
Christopher W Dickinson  
Christopher McDonald  
Diane Millward (Resigned 15 May 2021)  
Gillian Prior (Resigned 15 May 2021)  
Joanna H Coleman  
Julie A Frizzell (Appointed 15 May 2021)  
Marc Pate  
Mark R J Turner (Appointed 15 May 2021)  
Paul Johnson  
Paul Mayson (Appointed 4 May 2021)  
Sarah Hodgson Jones

Charles Cowling was Chair of Trustees until 15 May 2021 and was succeeded by Andrew Watson. Paul Johnson was Vice Chair of Trustees throughout the year.

All committee members served from the date of their appointment, or to the date of their resignation, as a Trustee, unless otherwise indicated.

## Contact details

Website: [brathay.org.uk](http://brathay.org.uk)  
Website: [brathaychallenges.com](http://brathaychallenges.com)  
Email: [hello@brathay.org.uk](mailto:hello@brathay.org.uk)  
Telephone: 015394 33041

# Structure, Governance and Management

## Finance and Investment Committee

Members:

Christopher McDonald (Chair)  
Ann M Crane (Vice Chair)  
Andrew S Watson  
Mark R J Turner  
Joanna H Coleman  
Diane Millward  
Gillian Prior  
Charles Cowling

The Finance and Investment Committee makes recommendations on issues to the Board it:

- receives reports on operational matters and ensures the implementation of strategic decisions;
- scrutinises the budget and business plans;
- undertakes the annual audit review and monitors the performance of the investment managers;
- reviews, recommends and reports to the Board on issues of financial reporting, major projects, reserves management, investment management, internal financial controls, financial risk management and the monitoring of compliance with relevant law, regulations and good practice;
- is responsible for Brathay's remuneration policy and strategy, ensuring that the process is professional and impartial, setting the remuneration of the leadership team and ensuring employees are kept informed. As far as possible, salary scales and benefits are benchmarked to national charities and other relevant/local information.

## Risk and Compliance Committee

Members:

Paul Johnson (Chair)  
Christopher W Dickinson (Vice Chair)  
Sarah Hodgson Jones  
Christopher McDonald  
Andrew S Watson

Trustees set up a Risk And Compliance committee during 2021-2022. The responsibilities of the committee are to

- maintain and review a sound system of non-financial internal controls and risk management,
- ensure statutory and other obligations are met.
- gain assurance that current and emerging risks are identified, monitored, managed and mitigated.
- confirm that Brathay is operating with an acceptable level of risk by way of regular review of the risk register
- monitor progress through the year and from year to year
- review and approve relevant Brathay policies

## Leadership Team

The day-to-day management of Brathay falls to its paid executive leadership team, led by the Chief Executive, who report quarterly to trustees. The team comprises:

- Godfrey C Owen, Chief Executive
- Heather T Dixon, Finance Director
- Rachel C Head, Head of Children and Young People's Services.
- Frank Clayton, Head of People Development (since February 2022).

# Structure, Governance and Management

## Professional advisors

### Bankers

Cumberland Building Society  
Cumberland House  
Cooper Way  
Parkhouse  
Carlisle  
CA3 0JF

### Independent auditor

Lamont Pridmore  
Chartered Accountants and Statutory Auditor  
136 Highgate  
Kendal  
Cumbria  
LA9 4HW

### Insurance broker

*(Up to 31 March 2022)*  
Marsh Commercial  
J36 Rural Auction Centre  
Crooklands  
Kendal  
Cumbria  
LA7 7FP

*(From 1 April 2022)*  
Arthur J Gallagher  
12 Museum Street  
Ipswich  
Suffolk  
IP1 1HT

### Investment advisors

Sanlam  
Monument Place  
24 Monument Street  
London  
EC3R 8AJ

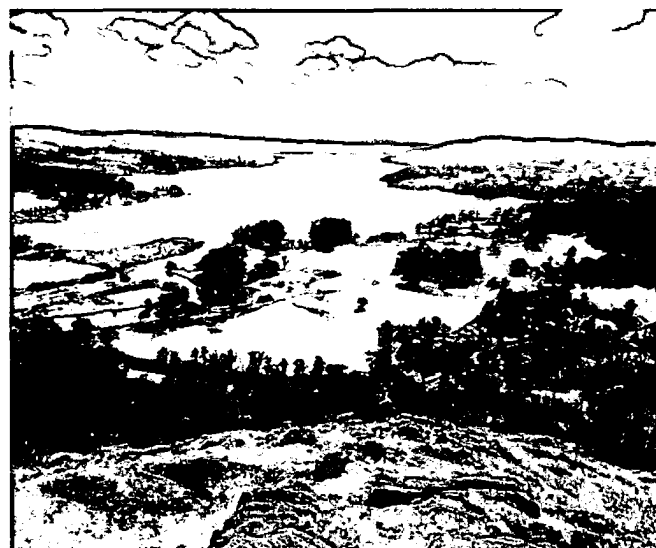
## Legal advisors

Temple Heelis  
1 Kent View  
Kendal  
Cumbria  
LA9 4DZ

Thomson Hayton Winkley  
114-116 Stricklandgate  
Kendal  
Cumbria  
LA9 4QA

## Pension administrator

Old Mutual Wealth  
Fifteen  
Rosehill Industrial Estate  
Montgomery Way  
Carlisle  
Cumbria  
CA1 2RW



# Structure, Governance and Management

## Trustees' Responsibilities

Trustees (who are also directors of Brathay Trust for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company law requires trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

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

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

# Structure, Governance and Management

## Trustee Appointments

When recruiting new trustees, the Board looks for members whose skills and backgrounds complement and enhance the existing team. Vacancies are advertised and trustees, staff and other interested parties may nominate a person for consideration.

Brathay promotes and values diversity within the trustee body, recognising the importance of having a wide range of views, knowledge and experiences leading the organisation. Potential new trustees meet with the chair, chief executive and trustees before being elected to the Board. They are provided with information about Brathay and visit the head office in Ambleside and/or one of our regional offices.

## Trustee effectiveness

Following their appointment, each trustee receives a briefing pack and comprehensive induction. This covers their role, duties and accountabilities as a trustee and includes information about Brathay, our policies, structure and work. Particular importance is placed on matters relating to safeguarding and child protection. As part of this process, trustees are encouraged to observe Brathay's work.

Each trustee completes a register of interests and related party transactions; this register is updated annually and whenever any changes occur. New trustees are also invited to attend a Finance and Investment Committee and a Risk and Compliance meeting. An effectiveness review is carried out annually, allowing each trustee to comment confidentially on Board effectiveness and the results are considered in the light of best practice in the charity sector.

## Risk management

Trustees have overall responsibility for ensuring that Brathay has an appropriate system of control and for taking suitable steps to safeguard Brathay's assets. Following the appointment of a new Chair of Trustees a Risk and Compliance Committee was set up in October 2021 to ensure focus on the management of key organisational risks.

A summary of the major risks to which Brathay is exposed, and the relevant mitigating factors, is maintained in a risk register.

Risks are reviewed quarterly by trustees. They work closely with the leadership team to ensure that Brathay has appropriate policies, systems and procedures to manage the risks facing Brathay.

## Key risks

Trustees recognise that Brathay faces significant risk in a wide range of areas including:

- financial risks
- health and safety
- information management
- people
- reputational risks
- safeguarding
- technological risks.

In all cases control measures are in place and regularly reviewed. These controls are designed to reduce the risk to an acceptable level. In considering the biggest risks Brathay faces, as a charity working with a wide range of people, including some of the most vulnerable, the correct management of safeguarding is key. Following on from this, both data and information management need to be robust. Additionally to ensure an on-going and sustainable impact, financial risks must be effectively managed, a major issue as the economy moves through the impact of the pandemic.



## Structure, Governance and Management

### Objectives, aims and public benefit

Brathay's objectives, as set out in the memorandum and articles of association, are:

- to establish and maintain a centre or centres in any part of Great Britain for the education, including the physical training and moral, intellectual and physical development, of young persons of both sexes from within the United Kingdom;
- to initiate and prosecute, whether at the said centres or elsewhere, investigation and research into questions affecting the education of such persons;
- to instruct the staff of such centres and other persons to qualify them to promote the aforesaid purposes; and
- to promote any other charitable purposes of an educational nature relating to any of the purposes aforesaid.

It should be noted that while the language of the objectives is now very dated, the spirit behind the words remains the same and Brathay seeks to deliver its work in an inclusive manner which recognises and values diversity.

These objectives underpin Brathay's organisational purpose and are encapsulated in Brathay's mission:

***'To improve the life chances of children and young people by inspiring them to engage positively in their communities.'***

This is achieved by placing wellbeing at the heart of everything we do; the link to public benefit is clear.

Brathay's key objective is to fulfill this mission by delivering its 2020-2025 strategic plan.

The strategy was reviewed in the summer of 2020, following the onset of the Covid19 pandemic, it has been regularly revisited since, and remains highly relevant. The key strands remain unchanged but progress was slowed by the pandemic.

Our work focuses on individual and community wellbeing and is upheld by our three key objectives:

1. To establish an organisation that reflects the brand identity of 'One Brathay'
2. To achieve financial sustainability
3. To develop our proposition to align with the modern world.



# Structure, Governance and Management

## Funding our work

Brathay supports the standards as set out in The Code of Fundraising Practice and has subscribed to the Fundraising Regulator. The code has a number of reporting requirements and we report as follows:

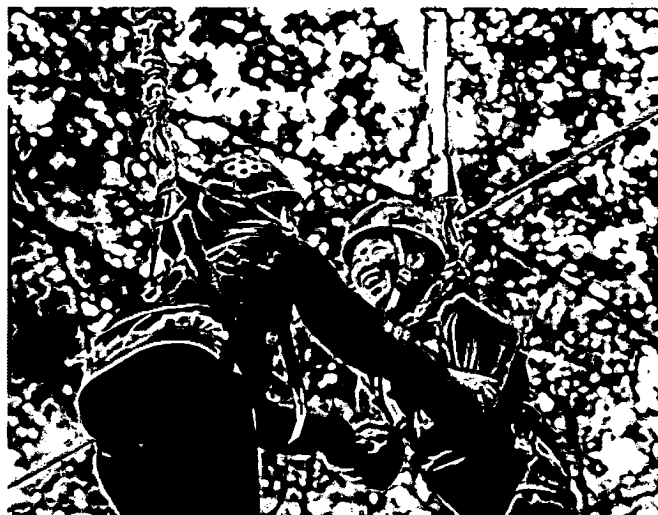
- We do not use third-party organisations to carry out fundraising activities on our behalf. Our processes and practices are designed to ensure compliance with the standards cited.
- There have been no complaints in relation to fundraising activity.
- We take appropriate steps to ensure the data security of personal information of individuals.
- The organisation has appropriate controls to ensure the protection of vulnerable people and others from unreasonable intrusion on a person's privacy and unreasonably persistent approaches or undue pressure to donate, in the course of or in connection with fundraising for Brathay.

Whilst our work with people and organisations is contracted and paid for by corporate organisations, the funding for our work with children and young people is from a much wider range of sources. Some work is directly commissioned, such as by local authorities, whilst other work is paid for by funding from trusts and foundations, corporate sponsorship, surpluses generated from challenge or other events, the trading activities of Brathay's subsidiary, appeals and individual giving.

As well as funding community and residential projects with young people these types of funding also support capital projects.

When funding is received it is not taken as income in the accounts until the programme or project it relates to is delivered. Any amounts received in this way are included as deferred income. This is the case irrespective of the source of the income – for example, any challenge event income linked to delivery of a programme would be deferred.

Income that comes from funders, tenders and events involves considerable upfront time and resource, often with a significant delay between this investment being made and the income showing in the accounts.



## Structure, Governance and Management

Brathay's work this year includes projects supported by grants from:

- The Francis C Scott Charitable Trust
- Cumbria County Council
- Bradford City Council
- National Lottery
- Ernest Cook Trust
- NHS Together Fund
- Friends of the Lake District
- DWP
- BBC Children in Need
- High Foundation
- Sir John Fisher Foundation
- South Lakeland District Council
- Hadfield Trust
- CAST Digital
- Young Persons Opportunity Fund
- Angling Trust
- The Igen Trust
- The Sovereign Health Care Charitable Trust
- Awards for All (Big Lottery)
- Pilkington Charities Fund
- Charles Hayward Foundation
- Skills House
- Youth in Mind
- Cumbria Community Foundation
- Arts Council
- The Hadley Trust
- The Lake District Foundation Low Carbon Grant

Capital projects have also been supported by:

The Cotton Industry War Memorial Trust, Lake District Foundation, Helen Davis Family Foundation and Screw Fix Foundation.

### Funding through public events

Ordinarily, the fundraising team also organises a range of annual challenge events open to the public and aimed at raising funds from entry fees and sponsorship from participants. These events also give profile to a wider audience of potential supporters than would otherwise be the case. Income relating to these events is deferred until the event takes place as are third party costs relating to them. The costs of the staff team for designing, developing, delivering and marketing these events are accounted for as they are incurred.

The contribution of fundraising activities is regularly reviewed. There is the obvious direct financial impact as well as the indirect benefit of raising Brathay's profile each year.

### Utilising volunteers to help us in our efforts

Our strategy continues to be to deliver good people management practice, with a thriving staff team and volunteer resource.

Volunteers are extremely important to our ability to deliver certain events and projects. We rely on, and are very grateful for, the support of volunteers to deliver key fundraising events such as our challenge events. We also benefit from the services of a wide range of volunteers in other parts of our work including within the community.

Brathay works in partnership with volunteers to ensure they feel valued and have a high quality experience, where possible providing them with personal or organisational development opportunities. The support of volunteers and local communities is key to our success and is very much appreciated.

# Structure, Governance and Management

## Developing partnerships

Brathay recognises the fundamental importance of effective partnerships in ensuring we deliver our objectives. They do not meet the formal definitions of related parties but are important for an understanding of Brathay's activities.

Partners from all sectors are central to Brathay's work and include funders, customers, local authorities, businesses, schools, colleges, other charities, youth organisations, and community groups.

Partnerships are also central to working with corporate bodies keen to be recognised as caring employers committed to helping staff achieve their full potential, whatever their circumstances. Our partnerships share a joint commitment to achieving social change.

*Our key partnerships include:*

- Centre for Youth Impact
- F4H
- The Francis C Scott Charitable Trust
- Cumbria Community Foundation
- The Sir John Fisher Foundation
- Miles Moore Ceramics
- University of Cumbria
- Barrow Borough Council
- Bradford City Council
- Bradford Consortia of Barnardo's, YMCA and James
- Leeds City Council
- NCS and English Football League
- Bradford and Craven Clinical Commissioning Group
- Cumbria Office of the Police and Crime Commissioner
- Barra Culture and Women's Community Matters
- Theatre by the Lake
- The Cumberland Building Society
- The Brewery Arts Centre, Kendal
- ASICS UK
- The Climbers Shop, Ambleside
- Pete Bland Sports Ltd

- VOOM Sports Nutrition
- Langdale Hotel & Spa
- BAE Systems



# Achievements and Performance

*The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing objectives and activities described in this section.*

In essence, Brathay exists to support young people's wellbeing, to enable them to feel good and function well by becoming critically aware and empowered to take steps to develop and improve their lives. With increased awareness they can realise their own capabilities and begin to make more effective life choices. This puts them in a stronger position to shape their own future, take the right steps forward and even become a positive role model and a source of inspiration to others.

By helping individuals in this way, our work also, has a long-lasting impact on wider communities.

As we go about the design and delivery of our programmes, we strive always to keep the following elements embedded in all our activities:

1. **Practice:** To ensure that every participant has an inspiring, meaningful and evidence-based experience.
2. **Reputation:** To enhance our reputation for personal development and leadership in our chosen fields so that our expertise is sought after.
3. **People and Culture:** To create an environment that is vibrant, innovative, person centred and focused on results where participants feel valued and supported.
4. **Performance:** To develop our business model to achieve sustainability.

Additionally, each of our activities supports our focus on wellbeing:

- directly through our own programmes;
- through working with adults, either in their professional or family roles, to increase their chances of making a meaningful impact on children and young people's lives;
- by generating financial contribution and other resources for us to operate sustainably and achieve our long-term mission both now and in the future.

## Our annual delivery in headline numbers

The Covid pandemic continued to impact significantly on the volume of our annual delivery in 2021-22 with an ongoing requirement not to engage face to face, which we addressed through our increased online delivery. One significant exception to this was with our community programmes where we were able to continue supporting vulnerable young people and families adversely affected by the pandemic.

That said, Covid restrictions still severely limited the number of young people we were able to support. There was a further reduction in numbers as we no longer operate outdoor education centres on behalf of Wigan Council. Despite this, we were still able to reach out to and help over 5000 families and young people this year alone and with lockdown now hopefully behind us for good, we look forward to working with even greater numbers in the future.

# Achievements and Performance

## Charitable activities against objectives set

Placing wellbeing at the heart of all we do ensures our achievements align to our objectives, focusing on high quality practice and enhancing our reputation. This can be seen across Brathay as follows:

### Children & Young People Services

We work with young people in communities and during residential experiences at our Lake District centre, delivering programmes that increase their wellbeing and supporting them to feel good and function well. By focusing on awareness of the attitudes, behaviours and skills they need, we support them to become empowered to make active choices that will benefit them and the people around them. This helps to build their inner resilience and self-confidence and enhances their overall potential and future life chances.

### Informed Practice

Brathay has a long-established record for leading the way in practice development alongside the design and delivery of our programmes. We view every participant's experience of Brathay as a 'journey' during which they build awareness, evaluate their choices and take positive action.

This simple but powerful process has developed over many years into a highly effective approach to learning. Outcomes are monitored, recorded and evaluated by our own academic researchers and our findings continue to be used to help shape policy and good practice throughout the wider sector, as well as enhancing our professional reputation and impact.

## People Development

We work with employees from all business sectors and industry, from apprentices and graduates starting out in their careers through to those at key stages in their self-development as managers and leaders. Our programmes support wellbeing at work, enabling employees to engage with change and develop their talent and coaching and mentoring skills.

### Challenge Events

All our outdoor challenge events contribute to our mission. Not only do they improve the wellbeing of those taking part and the families supporting them, but they increase our profile nationwide and provide an opportunity for members of the public to support us financially by sponsoring individual participants. Funds raised by these events supports our work with young people and maintain our infrastructure.



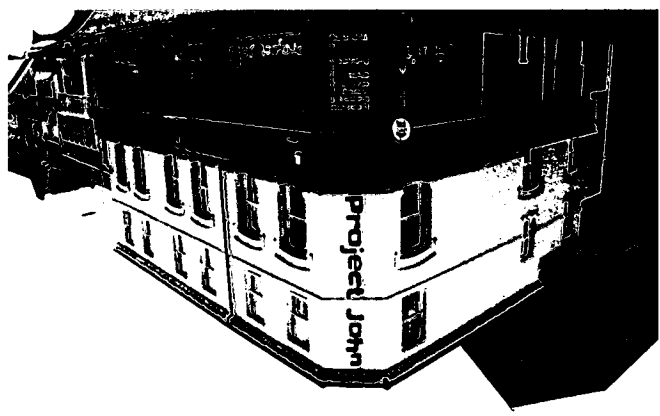
### Guest Services

We continue to boost revenue through our greatest physical asset, Brathay Hall, by offering venue hire and B&B at off-peak times. We promote Brathay Hall as an inspirational place to stay and, prior to the pandemic, to develop a variety of family-based dining and social events which all help to bring yet another dimension to our wellbeing agenda.

# Achievements and Performance

## Community – Cumbria

Key achievements and highlights during this past year have been the embedding of our community team and Barrow Hub at Project John. Our place as a local youth service provider within the community partnerships of Furness is now firmly established, which is a credit to the work of our community team. A particular highlight has been our membership and influence within the developing Furness Youth Work partnership in Barrow. This has been key to providing local joined up support for young people, such as the multi-agency delivery of a detached youth work and the provision of a mental health drop in for young people responding to their needs.



Additionally, an opportunity we have invested much time into developing is our partnership with the Department of Work and Pensions (DWP) to provide funded holistic support to young people seeking employment in Barrow. This coupled with our work with Tim Farron, MP on leading the Kendal Youth Matters project, has enabled us to position ourselves as a community partner of choice across South Cumbria. We have done this by demonstrating our commitment to proactive action to meet the needs of young people, consistently seeking to operate collaboratively and flexibly with our partners and striving always to deliver quality and excellence for young people and their families.

## Community – Yorkshire

During this past year, we have celebrated the 10<sup>th</sup> anniversary of our Bradford Youth and Families Centre. The longevity of our Bradford Centre is based on the success of Brathay's integration into the fabric of the community sector and the development of long term key strategic partnerships. Alongside this is the team's continuous growth and flexibility to meet need, underpinned by the core stability to our workforce which our commissioned services provide. With retraining opportunities for National Citizen Service (NCS) and Families First expected in the new financial year, the future is looking secure and stable.

We have begun to develop our mental health and counselling provision in Cumbria, building on the experience and expertise of colleagues in Bradford. This is a much-needed service, to support young people who currently do not reach the threshold for statutory mental health services but are experiencing poor mental health exacerbated by the pandemic. This was a strategic departmental wide priority and one which we are well on the way to realising for 2022 and beyond.

Beyond South Cumbria, we have also successfully delivered an intensive summer and winter Holiday, Activity and Food (HAF) programme with the Youth Offending Service in the districts of Cope land and Allerdale. Regionally, we have run a successful bespoke wellbeing programme for Wigan and Leigh Carers Centre and we've continued to deliver our PAYES scheme with Merseyside Police which came to an end in April 2022 after 25 years.

Key programme activity has included: "The Shield" with Impact Housing, the launch of "Elevate" (our early intervention programme for young people at risk of offending), the delivery of Be Savy across the County, Feel good, Function well in Barrow, South Cumbria Resilience Project in Kendal and taking the lead role within the multiagency Youth Matters project.

## Achievements and Performance



Our NCS programme has been a notable highlight with regional and national recognition for: our reach and achievement of key KPI's; the quality and effectiveness of working relationships with young people and the impact and engagement of young people in social action within their communities. For example, feedback from young people who attended our programme was rated the highest in England with particular praise for our NCS delivery staff. Our success resulted in us being offered significant numbers for the Skills Booster programme which has enabled us to deliver more activity and generate greater levels of income.

Key new programmes have included the new Family Aide workers to the Families First team and progression for current staff into Employment Coach posts to deliver 'Skills House' a newly funded programme: part of this will see the creation of an employability hub in the Bradford centre.

Like Cumbria, our mental health provision continues to go from strength to strength with the peer mentoring programme being extended for a further year and confirmation of the extension of funding for the Medical Health Needs and Education Service. During the final quarter of the year, we also secured an additional two mental health contracts, including a further Youth in Mind contract, enabling our mental health provision to be well placed for the growth we have planned for 2022/23.

### Children and Young People Residentials

The pandemic had a significant impact on our achievements and performance in this area of our work. Issues such as continued restrictions for programmes involving young people, low parent and child confidence regarding the risks of becoming infected whilst away from home and difficulties for clients securing insurance, have all played their part in residentials only beginning to operate consistently from the Autumn. Despite the challenges, a highlight has been our ability to honour the Wigan Centre bookings at Low Bank Ground prior to September and then at Brathay Hall, following the closure of the Centre.

The pause in our operations meant a need to reconnect and secure our key residential client relationships. Developing and securing new business, re-establishing relationships with our associate staff, ensuring we have the diversity of staff skills and experience to deliver our breadth of targeted and school programmes and to re-establish quality provision which is outcome focused and distinctive have all been pivotal. We have delivered many quality and effective programmes since recommencing residentials, confirmed through client feedback and evaluation. However, there is work to do to ensure this is consistently provided and to make up ground in developing our practice so that a Brathay residential remains a distinctive offer in the marketplace and one we are proud of.





# Achievements and Performance

## Our work within the corporate sector

Wellbeing also features highly in the leadership and development programmes we offer to corporate clients. The impact of the pandemic and continued home working mean employee wellbeing is a key focus for organisations. As restrictions have relaxed, that focus has extended to include hybrid working, and what it takes to operate effectively in the “next normal”, particularly as a manager or leader. In light of the “great resignation” there is a renewed focus on emerging talent, such as apprentice and graduate programmes in preparation for the expected spike in resignations already being experienced by many organisations. The move to hybrid working has also prompted a greater desire for blended programmes, mixing our delivery options to suit remote team working, hybrid workplaces and flexible working hours.

Brathay has been well-placed to respond to this change with a range of blended programmes that develop emerging talent, using a combination of digital, face-to-face and 1:1 methods of delivery, such as our Apprenticeship Levy funded programme with Yorkshire Water’s apprentices or our graduate work with Energus. As hybrid teams become more common we are also seeing our work supporting culture change and organisational alignment continue such as our work with Barrow Council or BAE Systems.

Brathay’s approach to supporting culture change and leadership has enabled many organisations to engage positively with their people in new and authentic ways. At the same time, many of our clients are able to provide support to our community work through their corporate social responsibility programmes.

We enjoy long lasting relationships with our clients, many of them led by senior business leaders who came to Brathay as an employee, and recognise the impact the experience had on their outlook and capabilities.



## Other key achievements up to March 2021

Covid-19 continued to affect the confidence of organisations to engage face to face, reducing the volume of residential courses, yet at the same time, our community work has made a critical and effective contribution to supporting the young people and communities we serve by continuing to deliver our mission throughout the pandemic.

*Here are some examples of what has been able to happen this year:*

- 1) In December, we received an unexpected invitation to extend our 2-year peer mentoring programme focusing on delivering a school-based, person centred and integrated approach to improving the mental health and emotional wellbeing of children in Bradford based schools. This will be a recommissioned service for 2022/23 and is credit to the quality work of our counselling delivery team.
- 2) We have secured new funding to allow us to continue with our Feel Good, Function Well programme in Barrow, as well as establishing a counselling service in partnership with Project John and DWP. This has enabled the start of our community wide counselling service and the hire of a Counselling Manager.

## Achievements and Performance

- 3) In both localities we have continued to deliver Holiday, Activity and Food (HAF) sessions to the most vulnerable young people and families.
- 4) In Bradford, this involved our Bradford centre and staff team delivering a week of HAF funded activity, while in Cumbria, staff delivered a targeted HAF activity programme for young people with the Youth Offending Service in the districts of Copeland and Allerdale.
- 5) We sustained our Challenge Events programme, delivering events within the COVID restrictions, but still able to provide much needed outdoor activity for runners and cyclists. The Windermere Marathon & 10in10, Brathay 262, RowRunner, Langdale Marathon & Half and Christmas Pudding 10k all took place during the year, albeit with fewer entrants than prior to Covid. We have worked hard to maintain relationships with participants and sponsors to ensure the events are well positioned for the future.
- 6) Miles Moore Ceramics remain as our 'Artists in Residence' with a studio on site. They are committed to supporting our work but the opportunities to develop this partnership were limited this year. They have supported our Veterans group and vulnerable young people as well as sharing their skills with staff.
- 7) We are building on the success of our wellbeing offer, following positive feedback from those experiencing it, particularly the NHS employees we've been working with. Their feedback is also allowing us to gather longitudinal evaluation data to demonstrate the impact of the programme over the longer term.

### Still on track with our 5-year strategy

We began 2020 with the launch of a new 5-year strategy that would build on our past successes to increase our impact in the communities we serve.

Central to this was the notion of 'One Brathay' with the organisation working more collaboratively and holistically, both externally, extending our reach within the wider community by seeking to develop more effective partnerships with other agencies and also internally, across our different teams and departments.

During the year we focused on two core goals; to prioritise working in community partnerships that surround young people and provide opportunities for them to thrive in life, and; to build financial sustainability to enable long term investment in young people. The outputs and outcomes described within the report are evidence of sustained achievement against our strategy.



# Achievements and Performance

The strategy enhances our mission by introducing new ways of working to maximise impact and includes the commitments to:

- Collective thinking; collaborative working
- Seeking partners, developing support systems
- Creating the foundations
- Making it happen
- The wellbeing of our people
- Ensuring financial sustainability.

It also embodies our vision and purpose:

*Feel good, function well:* Everything we do and say comes from a shared culture of support to promote well-being.

*Use what we learn:* We continually develop our practice responding to change and new knowledge.

*Be connected:* We are committed to embracing the digital world within Brathay and beyond.

*Think creatively:* We allow our creativity to enhance our working practices and relationships with partners.

*Be streamlined:* We look at what we do and how we do it to help boost performance and efficiency.

*Work collectively:* We are evolving as 'One Brathay' providing a seamless and integrated offer to individuals and organisations.

## Covid-19 recovery plans

During March 2020 we introduced a Covid-19 recovery plan which incorporated the key elements of the new strategy. We quickly acknowledged that the world was becoming increasingly uncertain and that, as an organisation, we faced some difficult practical and financial challenges around the furloughing of many of our staff, the temporary closure of our Lake District centres and the postponement of our biggest annual fundraising events.

We had no sense how long this crisis would last but, throughout, we sought to be flexible and innovative. The hugely volatile external climate created an environment where we were continually reacting, reorganising and reprioritising, as we worked to minimise the impact of a pandemic on our organisation and those we strive to support.

Whilst much of what we do day to day depends on us being with people, the importance of our work with children, young people and families was more evident than ever and we were able to expand our community engagement, working closely with many in need in the communities we work in throughout lockdown.

## Achievements and Performance

### Moving on from Covid-19

Brathay continues to make difficult but prudent changes to operate within the 'new normal'. The uncertainty surrounding what this looks like continues. The key elements of our recovery plan continue to be:

**Achieve financial sustainability** – ensuring core costs are in line with income and re-structuring to make us more competitive.

**Develop our proposition to align with the modern world** – by embracing the digital world more widely and finding new ways of engaging with both our youth and corporate markets to inspire people to choose Brathay.

**Establish an organisation that lives and breathes as 'One Brathay'** – to be achieved by bringing our teams and resources closer together in a common approach to wellbeing; thinking and operating more collaboratively; setting the intent to be adaptable and agile, and benefitting from more efficient systems and procedures.



# Financial review

The accounts, which form part of this report, comply with the requirements of FRS102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland. The trustees consider that in preparing these accounts, they have consistently applied appropriate accounting policies supported by reasonable and prudent judgements and estimates where required.

A resolution to re-appoint Lamont Pridmore as auditors was passed by Trustees on 9 July 2022, the Articles of Association having recently been reviewed to remove the requirement for an Annual General Meeting.

## Summary

The results for the year were again dominated by the impact on our operations of the Covid 19 pandemic. As the country and the world inched out of Covid restrictions, different parts of our market revived in different ways and at different paces. This means the shape of our activity continued to be quite different to a "normal" year. Parts of our organisation were able to begin operations as the world opened up from May 2021 onwards, whilst the school residential sector returned much more hesitantly. Summer saw a healthy contribution from the Staycation sector of our activities and we continued to build on our remote delivery and community work throughout. We have continued to operate in an incredibly challenging environment but by the end of the financial year key income streams had all returned.

The period since the pandemic began has been one of the most challenging in Brathay's history. We have reviewed and restructured throughout this time, developing new products and ways of working. Flexible and agile decision making leaves us looking to the new financial year ready to deliver our Mission to many more children, young people and families.

On 30 September 2021, Brathay handed back the management of our centres in Coniston and the Duddon Valley to Wigan Council. We had been looking after the centres and delivering Brathay residentials to young people of the district for almost nine years and are now pleased to be welcoming many of them at Brathay Hall.

## Income losses and gains

Income for the year was £5,065k compared to £3,731k in 2021. Of that income, only £55k was from the Job Retention Scheme (2021: £932k), and the remainder of our income was from our ordinary activities. Due to the small scale of JRS income it has been treated as from ordinary activities in 2022.

Charitable work, fundraising activities and social enterprise activities all continued to be affected by Government restrictions and associated income streams remained lower than normal however by the end of the year levels of activity were extremely encouraging.

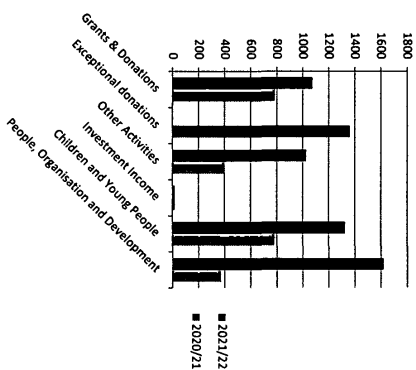
As the restrictions unwound and we had better visibility of our markets, we have begun to recruit to what will be key roles in the future, investing in new staff eg the appointment of a Head of People Development to lead and develop our work with corporate bodies.

We have continued to be focused on developing our digital offering both to adults and children and young people and maximised income from our on-site accommodation. We were also able to continue and develop work in communities where support to children, young people and adults has been crucial. We continue to work closely with funders and donors and are very grateful to all those who partner with, and support, us.

# Financial review

We have worked hard to take a flexible approach to our activities, allowing us to provide the best possible support for children and young people, whilst remaining financially stable. We are pleased to report a surplus of £35k against a budgeted deficit of £250k. We would not have been able to do this without the support of our hardworking and committed team of staff and associates..

An analysis of Brathay's income is shown below:



Even now, Brathay's principal funding sources continue to be:

- grants and donations received from grant-making trusts and statutory bodies, this includes amounts towards our work with children and young people, unrestricted donations and capital grants
- amounts invoiced to clients for training, education and development activities.

We also receive fees towards our charitable activities for all aspects of work for children and young people and with adults, both at our residential site and within the communities we work in.

Our residential work was directly impacted on by regulations and sector guidance, and the caution of individuals and businesses as these restrictions were lifted. This affected both the amount of work we could undertake and the size of the groups we could work with, particularly in the first part of the year. Our work with adults has also been directly affected in this way. These factors changed gradually throughout the year. Whilst still there, they are now no longer significant.

During the summer period we focused on the opportunities presented by the staycation market. Rather than have our site sitting empty we worked to generate income and contribution to support our Mission by using our accommodation to provide great holiday experiences.

Our programme of Challenge Events kicked off in May with the Asics Windermere Marathon. Regulations were still in place when the date came but we were able to deliver a restricted event that was well received by the running community and our other events followed later in the year. Over £170k was raised from the suite of events during the year and the 2022/23 events are already building from this base.

Income for the year was £5,065k all of which was from ordinary activities. (2021: £3,700k, including £1,400k of exceptional income).

The profile of the income is much closer to that seen in pre pandemic times, but with an increased emphasis on other activities.

The main element of donated goods and services comes from Brathay's use of the Brathay Hall site at a peppercorn rent. This and the support of other donors is invaluable to us.

## Financial review

As a delivery charity, rather than a grant giving one, our primary costs are people.

Over the course of the pandemic, FTE staff numbers reduced significantly. As the year progressed and our financial position became more stable, we once again began to invest in key roles that Brathay needs to establish itself in the future.

We now have a FTE staff of 94.2 compared to 87.9 at the end of last year

Total staff costs for the year were £2,801k including redundancy payments £24k (2021: £42k).

Brathay also works with a large number of associate trainers and consultants who are not employees. Working with the right balance of associates and staff is key to maintaining a stable operating base. These roles, and the supply of associates, was also affected by the pandemic and we are working hard to rebuild our associate base.

Other key expenditure includes the running and operating costs of our residential sites and office bases which split between direct costs related to delivery of our work and costs of providing standard head office functions including business support services and the executive function. These support costs represent 10% of total costs.



### Investments and liquidity

The management of investments and liquidity is of key importance to Brathay.

Sanlam Private Investments continue to provide investment management services to Brathay. They report to the trustees on a quarterly basis and investments are reviewed to ensure that the objectives of the portfolio are being met. Investment performance is measured against an appropriate benchmark.

Trustees review the risk profile periodically with the investment managers. The aim of the portfolio is to achieve medium term capital growth by way of investment performance and the reinvestment of dividends to ensure Brathay has sufficient reserves, in line with the reserves policy, and to meet future costs. The policy is relatively risk averse, with a significant proportion of funds held in fixed interest stocks.

The trustees have recently instructed Sanlam to invest in line with the Sanlam Collective Ethical Investments Strategy in order to closely align to Brathay's Mission and ethical values. This strategy takes a broad approach to investing, combining a range of ethical methodologies to create a more diversified portfolio and encourage greater corporate responsibility.

## Financial review

At 31 March the value of the investment portfolios was £1,273k the majority of which is held within a portfolio currently managed by Sanlam. The investment portfolio was steady across the year but in common with world markets is currently feeling the impact of the war in Ukraine. Brathay has no direct investments either in Russia or the Ukraine.

Cash is held in savings accounts with the Cumberland Building Society because the return is significantly better for cash than within the portfolio. At the year end cash balances stood at £326k, though they vary significantly month to month. The level of cash held assists in a positive cashflow management strategy and helps to manage the risk inherent in drawing on investments in an otherwise unplanned manner.

During the year, Brathay had expected to need to draw on investments but results for the year were better than anticipated and this was not needed. The operational budget for 2023 year has a neutral cashflow. We expect significant capital expenditure and believe that we will need to access our investments in the current year. £200k of investments have been reclassified as current assets to reflect the current position.

The cash position is regularly reviewed by Trustees and remains particularly important as we manage out of the pandemic and make the investments in people and activities needed to secure our future.

There are risks associated with investing in equities but the fact that the capital gains can offset the funds utilised by the Trust shows one of the major benefits. Withdrawals from funds are carefully managed to ensure cash withdrawals are made in a controlled way and holding cash outside the portfolio forms part of this strategy.

Trustees are satisfied that investments have performed steadily in what has been a very turbulent year for the market and investment objectives have been met.

The consolidated balance sheet shows a decrease in net current liabilities of £35k. Deferred income remains significant and the nature of Brathay's activities means this will always be so.

### Reserves

The majority of income Brathay generates is used immediately to deliver services and meet running costs. The markets in which we operate are volatile and this volatility is one of the key operational risks we face. As a result, trustees review Brathay's reserve requirements each year.



# Financial review

Brathay recognises the need to have an appropriate level of reserves to allow it to operate effectively and to be able to carry on its work in periods of significant challenge, with adequate time to adjust its strategy to new circumstances. The need for reserves arises for the following reasons:

- Unpredictable income streams
- Inflexible cost base which takes time to change
- Pressures on cash flow
- The need to continue to provide services to vulnerable young people during times of operational realignment.
- The need to invest in the necessary infrastructure to support and develop Brathay's charitable work.

In formulating its policy, Brathay has considered the impact of these factors in detail. It has then considered the planned approach to a financial crisis and what this means for reserves. The impact of Covid-19 is such that it is likely to be some time before we meet this level of reserves however we believe it is important to be clear about our ideal position.

## Aims

Considering all factors, the aim of trustees is to work to move Brathay over time to a position where free reserves are equal to three times monthly recurring costs (currently estimated as £825k). The objective is that this would give Brathay time to continue its work and adjust its strategy if faced with challenging market conditions. Further details of Brathay's reserves are in note 13 to the accounts.

Reserves at the end of the year totalled £1,982k, all of which are unrestricted. There are no designated reserves with £947k in the trustee reserve. Free reserves, defined as total reserves less tangible fixed assets totalled £563k.

## Financial impact of Covid-19

As an organisation working primarily face to face with children, young people and adults – but not exclusively – in a residential setting, the impact of the pandemic on Brathay was both immediate and extremely significant. In the same way the pandemic hit early, our markets recovered differently.

Demand for our community work has been strong throughout the pandemic creating even more need for the services of an organisation like Brathay.

Our move to work in a blended way, combining remote digital delivery and residential has been well received and there has also been more pure on-line work and an increased amount of offsite work.

Staycations presented early opportunities, corporate work revived more cautiously and school residentials were last to return.

We continue to be flexible with regular reviews of the impact of our actions and further development of our plans and activities.

Key elements of our approach remain:

- Delivery of Brathay's strategy for 2020-2025. We believe our strategy is more relevant than ever and this has set the framework for our recovery plan.
- Minimise costs in the short term whilst planning for the future and investing strategically as finances allow.
- Be realistic not overoptimistic about the future and plan accordingly.
- Recognise the long term impact of Covid-19 on the scale and nature of residential delivery and drive forward our plans for other forms of delivery.

# Financial review

Our budget for the year showed a very substantial deficit and we are delighted to have achieved a surplus of £95k, well ahead of the budget.

We have a robust plan and budget for the 2023 financial year, but again we are only budgeting for a very small surplus, recognising the need to invest in both people and our infrastructure to secure on-going delivery of our Mission.

Management accounts to date show that we are ahead of the budgeted financial position and we will continue to carefully negotiate the need to increase our reserves with business critical expenditure on people and our assets.

Our shared focus is on:

- Bringing teams and departments together to concentrate on a common approach to wellbeing.
- Having a single united aim of developing our practice and development.
- Reviewing how we do what we do to ensure efficiency.
- Having an 'agile' organisation.

## The longer-term view

Moving on from Covid-19, we recognise there are significantly more issues in society related to the wellbeing of children, young people, and families. These are in addition to long term social challenges already within society.

There is a greater gap between the haves and have-nots, accelerated by the current high rates of inflation, which will have long term impact on opportunity for young people as they grow up. We will always work our hardest to ensure we are there to support them.

## Going Concern

The accounts have been prepared on a going concern basis. Trustees have carefully considered the steps that Brathay has taken and the actions necessary to ensure a stable future. Brathay has sufficient reserves to manage the liquidity of the organisation on an on-going basis.

A rigorous and detailed planning process has been completed. The delivery of plans is regularly reviewed and closely monitored in order to ensure effective business management. Trustees recognise there may continue to be an occasional need to utilise investments as a result of historical losses already sustained and investment in the future.

## Post balance sheet events

There are no significant post balance sheet events to report.

**By order of the Board of Trustees**

**A.S. Watson**

**Director and Chair of the Board of Trustees**

**Approved by the Board of Trustees on 29 July 2022**



# **Independent Auditor's Report to the Trustees and Members of Brathay Trust**

## **Year ended 31 March 2022**

### **Opinion**

We have audited the financial statements of Brathay Trust (the 'charitable company') for the year ended 31 March 2022 which comprise the consolidated Statement of Financial Activities, consolidated Balance Sheet, consolidated Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

## **Responsibilities of directors**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The objectives of our audit in respect of fraud are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with the trustees.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are: 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) (Charities SORP (FRS 102)), FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the Companies Act 2006.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We examined supporting documents for all material balances, transactions and disclosures.
- We applied analytical procedures to identify any unusual or unexpected relationships.
- We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the

financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Christopher Lamont BSc FCA (Senior Statutory Auditor)**



**For and on behalf of  
Lamont Pridmore  
Chartered Accountants & Statutory Auditor  
136 Highgate  
Kendal  
Cumbria  
LA9 4HW  
29 July 2022**

# Consolidated Statement of Financial Activities

(incorporating the Income and Expenditure account)  
for the year ended 31 March 2022



	Note	Unrestricted Funds £'000	Other Reserves £'000	Total 2022 £'000	Total 2021 £'000
<b>Income from:</b>	<b>3</b>				
Grants & donations		1,075	0	1,075	787
Exceptional grants and donations		0	0	0	1,364
Charitable activities		2,947	0	2,947	1,158
Other activities		1,027	0	1,027	403
Investment income		16	0	16	19
<b>Total</b>		<b>5,065</b>	<b>0</b>	<b>5,065</b>	<b>3,731</b>
<b>Expenditure on:</b>	<b>4</b>				
Raising funds		409	0	409	131
Charitable activities		4,550	0	4,550	3,746
Other		11	0	11	4
<b>Total</b>		<b>4,970</b>	<b>0</b>	<b>4,970</b>	<b>3,881</b>
<b>Net income/(expenditure) before other recognised gains and losses</b>		<b>95</b>	<b>0</b>	<b>95</b>	<b>(150)</b>
<b>Transfer between funds</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net gains/(losses) on investments</b>		<b>22</b>	<b>0</b>	<b>22</b>	<b>191</b>
<b>Net movement in funds</b>		<b>117</b>	<b>0</b>	<b>117</b>	<b>41</b>
<b>Reconciliation of funds</b>					
Fund balances brought forward		918	947	1,865	1,824
Fund balances carried forward at		<b>1,035</b>	<b>947</b>	<b>1,982</b>	<b>1,865</b>

All activities are continuing and there are no recognised gains or losses other than those recorded in the Statement of Financial Activities.

In accordance with the provisions of the Companies Act 2006, a Statement of Financial Activities dealing with the results of the charity only has not been presented. Gross income of the charity of £3,715,000 and net expenditure of £3,620,000 has been dealt with in the accounts of the charity.

The notes on pages 35 to 47 form part of these financial statements.



# Consolidated Balance Sheet

as at 31 March 2022



	Notes	Group		Charity	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
<b>Fixed assets</b>					
Tangible assets	8	1,419	1,477	1,419	1,477
Investments	9	1,073	941	1,073	941
		<u>2,492</u>	<u>2,418</u>	<u>2,492</u>	<u>2,418</u>
<b>Current assets</b>					
Debtors	10	493	502	265	358
Investments	11	200	300	200	300
Cash at bank and in hand		326	279	182	99
		<u>1,019</u>	<u>1,081</u>	<u>647</u>	<u>757</u>
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	12	(1,316)	(1,413)	(944)	(1,088)
		<u>(297)</u>	<u>(332)</u>	<u>(297)</u>	<u>(331)</u>
<b>Net Current liabilities</b>					
		<u>2,195</u>	<u>2,086</u>	<u>2,195</u>	<u>2,087</u>
<b>Total assets less current liabilities</b>					
Creditors: amounts falling due after more than one year	12	(213)	(222)	(213)	(222)
		<u>1,982</u>	<u>1,864</u>	<u>1,982</u>	<u>1,865</u>
<b>Net assets</b>					
<b>Charitable funds</b>					
Trustee reserve		947	947	947	947
Other reserves		1,035	918	1,035	918
		<u>1,982</u>	<u>1,865</u>	<u>1,982</u>	<u>1,865</u>
<b>Total charitable funds</b>	13				

These financial statements were approved by the Board of Trustees on 29 July 2022, and were signed on its behalf by:

Andrew Watson  
Director & Chair of the Board of Trustees  
Christopher McDonald  
Director & Treasurer of the Board of Trustees

The notes on pages 35 to 47 form part of these financial statements.

# Consolidated Cash Flow Statement

for the year ended 31 March 2022



	Notes	2022 £'000	2021 £'000
			Cash flow
Net cash inflow from operating activities	14	257	(135)
Returns on investment and servicing of finance		9	7
Capital expenditure and financial investment		(215)	(82)
Financing		(4)	202
Increase/(decrease) in cash in the year		<u>47</u>	<u>(8)</u>

The notes on pages 35 to 47 form part of these financial statements.

# Notes to the Financial Statements

For the year ended 31 March 2022

## 1 Company Status

Brathay Trust (Brathay) is a charitable company limited by guarantee (incorporated in the UK). The liability in respect of the guarantee, as set out in the Memorandum of Association, is limited to £1 per member of the company. The members of the company, who are also directors, are the trustees.

Company Registration Number: 2814206. Charity registration number 1021586

The registered office is:

Brathay Hall  
Clappersgate  
Ambleside  
Cumbria  
LA22 0HP

## 2 Accounting Policies

### Basis of Preparation

The financial statements are prepared in accordance with the following and on a going concern basis

- applicable UK accounting standards
- the historical cost convention, as modified by the inclusion of investments at market value,
- the Statement of Recommended Practice Accounting and Reporting by Charities FRS 102, ('the SORP'), the Companies Act 2006 and the Charities Act 2011

Brathay Trust meets the definition of a public benefit entity under FRS102.

### Going Concern

The trustees and officers have considered their obligation to prepare financial statements on an appropriate basis, having specific regard to Brathay's net liability position. This results from income being received in advance of projects being delivered, as has been the position for many years, and is part of normal operations.

The trustees have also assessed the impact of budgets, working capital needs, cash and investments. As a result, they are of the opinion that Brathay has sufficient reserves to be able to meet its obligations as they fall due and accordingly the accounts have been prepared on a going concern basis.

### Basis of Consolidation

The consolidated accounts of the group incorporate the accounts of the charity and its subsidiary undertaking both of which are prepared to 31 March 2022. The trading results of the subsidiary undertaking as shown in note 15 are consolidated on a line-by-line basis within the consolidated Statement of Financial Activities. A separate Statement of Financial Activities for the charity is not presented as permitted by the SORP and the Companies Act 2006.

### Income

Donations, other than for specific projects and fundraising appeals, are accounted for at the time of receipt. Donations for specific projects or appeals are deferred until the projects to which they relate are delivered. All deferred income is accounted for in note 12.

Donations in kind are included within voluntary income and are included at their estimated market value.

Income from capital grants is accounted for when entitlement to the grant becomes unconditional. Until that point it is deferred. Capital grants are accounted for within the restricted reserve.

Income from fees and grants for delivering charitable activities is accounted for on the basis of the amount receivable for services delivered in the year. Income received in advance of the delivery of the activity to which it relates is deferred. Income of this sort is accounted for within the restricted reserve.

Income from other activities, including entry fees for events, rents, accommodation and bar sales is accounted for as the service, supply or event to which they relate is delivered.

Investment income is accounted for as receivable.

# Notes to the Financial Statements

## For the year ended 31 March 2022

### Expenditure

All expenditure is accounted for on the accruals basis as it is incurred and irrecoverable VAT is allocated to the category to which it relates. Some central support costs are allocated to expenditure categories on a basis that is consistent with the use of those resources.

The costs of generating funds and cost of charitable activities include an element of indirect support costs. Support costs represent the staff costs incurred in providing direct support to Brathay's programmes. These include costs relating to central finance, human resources, IT, health and safety and corporate communications. They have been apportioned between the costs of generating funds and cost of charitable activities on a basis consistent with the use of those resources.

### Defined contribution pension schemes

Pension contributions are charged to the Statement of Financial Activities as incurred.

### Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

### Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation charged to date. Brathay capitalises assets or groups of assets with an initial cost in excess of £1,000 and depreciation is calculated to write off the cost of each asset on a straight-line basis over its expected economic life. The lives used are as follows:

Improvements to leasehold property: the lesser of 25 years, the life of the lease or the useful economic life of the asset.

Equipment, fixtures and fittings and motor vehicles: 2-10 years

No impairment review is required and finance costs are not capitalised within the cost of the asset.

### Financial Instruments

Brathay only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at amortised cost.

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors.

Financial liabilities held at amortised cost comprise trade and other creditors.

### Investments

Investments are stated at market value. Movements in unrealised gains and losses on revaluation of fixed asset investments are included under 'gains on investments' in the Statement of Financial Activities.

### Reserves: Unrestricted funds

General funds are available for use at the discretion of the Trustees in furtherance of the objectives of the Charity and which have not been designated for other purposes.

The trustee reserve is an expendable endowment which trustees have the power to convert into 'income'. Distinguishable from 'income' by the absence of a positive duty on the part of the trustees to apply it for the purposes of the charity, unless and until this power to convert into 'income' is actually exercised. Trustees apply the income from the Trustee Reserve at their discretion.

## Notes to the Financial Statements



### 3 Income

	Year ended 31 March 2022 £'000	Year Ended 31 March 2021 £'000
<b>Grants and donations</b>		
Grants for charitable programmes	712	410
Grants for capital projects	52	26
Donations	168	231
Donated goods and services	143	120
	<b>1,075</b>	<b>787</b>
Exceptional grants and donations	0	1,364
	<b>1,075</b>	<b>2,151</b>
 <b>Charitable activities</b>		
Fees for training, education and development:		
Children and young people	1,327	786
People and organisation development	1,620	372
	<b>2,947</b>	<b>1,158</b>
 <b>Other activities</b>		
Trading income	772	190
Rents receivable	97	108
Fees from events	77	78
Other	81	27
	<b>1,027</b>	<b>403</b>
 <b>Investment income</b>		
Dividends receivable	14	17
Interest receivable		
short term bank deposits	2	2
	<b>16</b>	<b>19</b>

During the financial year 2021-2022 Brathay received no exceptional grants and donations (2020-21 £1,364,000)

## Notes to the Financial Statements



### 4 Analysis of expenditure

	Direct Costs £'000	Support Costs £'000	Year ended 31 March 2022 £'000	Year Ended 31 March 2021 £'000
<b>Raising funds</b>				
Voluntary income	170	31	201	40
Activities	148	19	167	72
Investment management	8	0	8	(1)
Governance costs	21	12	33	20
	<b>347</b>	<b>62</b>	<b>409</b>	<b>131</b>
<b>Charitable activities</b>				
Training, education and development				
Children and young people	1,861	188	2,049	2,543
Adults	2,272	229	2,501	1,203
	<b>4,133</b>	<b>417</b>	<b>4,550</b>	<b>3,746</b>
<b>Other</b>	<b>0</b>	<b>11</b>	<b>11</b>	<b>4</b>
<b>Total expenditure</b>	<b>4,480</b>	<b>490</b>	<b>4,970</b>	<b>3,881</b>

### 5 Net income for the year

The net income for the year is stated after charging:

	Year ended 31 March 2022 £'000	Year Ended 31 March 2021 £'000
Auditor's remuneration - audit	11	10
Auditor's remuneration - other services	5	5
Depreciation - owned assets	203	180
Depreciation - leased assets	26	26

Operating lease commitments

	Payment due on leases expiring		
	within one year £'000	within 2 to 5 years £'000	Total £'000
Land & buildings	11	11	22
Other	32	52	84
	<b>43</b>	<b>63</b>	<b>106</b>

## Notes to the Financial Statements



### 6 Trustee and staff information

#### Trustees remuneration and expenses

No remuneration was paid to trustees or any persons connected with a Trustee (2020-21: nil). Expenses reimbursed to trustees amounted to £371 (2020-21: nil). In addition, on occasion, Brathay provides accommodation at the head office to trustees attending board meetings.

#### Professional indemnity insurance

Brathay has a professional indemnity policy for £2m, including trustees' liability cover, for which the premium was £3,876 (2020-21: £3,593).

#### Staff costs

	Year ended 31 March 2022 £'000	Year Ended 31 March 2021 £'000
Wages and salaries	2,484	2,344
National Insurance costs	204	180
Pension costs	113	108
	<b>2,801</b>	<b>2,632</b>

The above staff costs include termination payments for 3 staff £24,000 (2020-21: 11 staff £42,000)

Brathay has two defined contribution pension schemes both of which comply with the requirements of auto enrolment. Brathay contributes 5% (2020-21: 5%), of employees basic salary to these schemes, after the first three months of employment. At 31 March 2022 outstanding pension contributions totalled £16,507 (2020-21: £15,761).

#### Staff numbers

The average monthly number of employees, analysed by function, was:

	Year ended 31 March 2022 No	Year Ended 31 March 2021 No
Fundraising, business development & marketing	15	14
Charitable activities	84	83
Management and support	11	8
	<b>110</b>	<b>105</b>

This is based on the number of staff employed by Brathay and excludes any associates who are paid via the payroll.

The staff numbers above are head count. The movement in full time equivalent has increased from 88 In March 2021 to 94 In March 2022

## Notes to the Financial Statements



### 6 Trustee and staff information continued

#### Employees earning over £60,000

	Year ended 31 March 2022	Year Ended 31 March 2021
	No	No
£80,000 - £ 89,999	1	0
£70,000 - £ 79,999	0	1

Brathay contributed a total of £3,906 (2020-21: £3,339) to defined contribution pension schemes for the employees shown above.

#### Key management personnel

The key management personnel are the trustees and the leadership team (listed on page 5). The total employee benefits of the Leadership team, including employer pension contributions was £200,489 (2020-21: £179,743)

### 7 Related party transactions

There were no material transactions with related parties (2020-2021: £nil).

### 8 Tangible fixed assets

#### Analysis of movement in tangible fixed assets

	Improvements to short leasehold property £'000	Group and charity Equipment, fixtures and motor vehicles £'000	Total £'000
<b>Cost</b>			
at 1 April 2021	2,871	1,180	4,051
Additions	75	130	205
Disposals	(47)	(42)	(89)
<b>At 31 March 2022</b>	<b>2,899</b>	<b>1,268</b>	<b>4,167</b>
<b>Depreciation</b>			
at 1 April 2021	1,624	950	2,574
Charge for year	131	98	229
Disposals	(15)	(40)	(55)
<b>At 31 March 2022</b>	<b>1,740</b>	<b>1,008</b>	<b>2,748</b>
<b>Net Book Value</b>			
at 31 March 2022	1,159	260	1,419
at 31 March 2021	1,247	230	1,477
<b>Net book value of assets held under finance leases</b>			
at 31 March 2022	0	33	33
at 31 March 2021	0	67	67



## Notes to the Financial Statements



### 9 Fixed asset investments

Investments are held to ensure Brathay has sufficient reserves and to meet future costs through capital growth and return on the investments.

#### Analysis of movement in investments

	UK unit trusts, listed stocks and shares £'000	Group and charity	
		Cash £'000	Total £'000
Market value			
at 1 April 2021	920	21	941
Additions	260	86	346
Revaluation	23	0	23
Reclassification from current assets	100	0	100
Disposals	(337)	0	(337)
<b>At 31 March 2022</b>	<b>966</b>	<b>107</b>	<b>1,073</b>
<b>Historical cost at 31 March 2022</b>	<b>818</b>	<b>107</b>	<b>925</b>

#### Analysis of movement by category

	Total	
	31 March 2022 £'000	31 March 2021 £'000
Listed investments		
Fixed interest	337	356
Equities	436	403
Property	54	56
Alternatives	139	103
	<b>966</b>	<b>918</b>
Cash on deposit	107	22
	<b>1,073</b>	<b>940</b>

#### Analysis of movement by location

	Total	
	31 March 2022 £'000	31 March 2021 £'000
Investments in the UK	463	486
Investments outside the UK	610	455
	<b>1,073</b>	<b>941</b>

## Notes to the Financial Statements



### 9 Fixed asset investments continued

#### Material investments

The value of the following investments exceeded 5% of the total market value.

	31 March 2022		31 March 2021	
	Proportion %	Value £'000	Proportion %	Value £'000
Fixed interest	31	337	38	356
Equities	41	436	43	403
Property	5	54	6	56
Alternatives	13	139	11	103
Cash	10	107	2	22

### 10 Debtors

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade debtors	399	257	114	79
Other taxes and social security	0	0	57	34
Other debtors	0	0	0	0
Amounts owed by subsidiary undertaking	0	0	0	0
Prepayments	45	114	45	114
Accrued income	49	131	49	131
	<b>493</b>	<b>502</b>	<b>265</b>	<b>358</b>

## Notes to the Financial Statements



### 11 Current asset investments

Investments are held to ensure Brathay has sufficient reserves and to meet future costs through capital growth and return on the investments.

#### Analysis of movement in investments

	UK unit trusts, listed stocks and shares £'000	Group and charity	
		Cash £'000	Total £'000
Market value at 1 April 2021	300	0	300
Additions	0	0	0
Reclassification to fixed assets	(100)	0	(100)
Revaluation	0	0	0
Disposals	0	0	0
<b>At 31 March 2022</b>	<b>200</b>	<b>0</b>	<b>200</b>
<b>Historical cost at 31 March 2022</b>	<b>267</b>	<b>0</b>	<b>267</b>

#### Analysis of movement by category

	Total	
	31 March 2022 £'000	31 March 2021 £'000
Listed investments		
Fixed interest	70	116
Equities	90	132
Property	11	18
Alternatives	29	34
	<b>200</b>	<b>300</b>

#### Analysis of movement by location

	Total	
	31 March 2022 £'000	31 March 2021 £'000
Investments in the UK	86	155
Investments outside the UK	114	145
	<b>200</b>	<b>300</b>

#### Material investments

The value of the following investments exceeded 5% of the total market value.

	31 March 2022		31 March 2021	
	Proportion %	Value £'000	Proportion %	Value £'000
Fixed interest	35	70	39	116
Equities	45	90	44	132
Property	6	11	6	18
Alternatives	15	29	11	34

## Notes to the Financial Statements



### 12 Creditors

#### Amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Loans and finance leases	9	45	9	45
Trade creditors	172	113	168	52
Taxes and social security	104	129	57	38
Amounts owed to subsidiary undertaking	0	0	195	314
Other creditors	6	16	6	16
Accruals	106	81	106	81
Deferred income	919	1,029	403	542
	<b>1,316</b>	<b>1,413</b>	<b>944</b>	<b>1,088</b>

#### Amounts falling due in more than one year

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Loans and finance leases	213	222	213	222
	<b>213</b>	<b>222</b>	<b>213</b>	<b>222</b>

#### Analysis of loans & finance leases

	Loans	Finance leases	Totals
	£'000	£'000	£'000
Due within 1 year	0	9	9
Due in 2 - 5 years	200	13	213
Over 5 years	0	0	0
	<b>200</b>	<b>22</b>	<b>222</b>
Interest payable over the term of the agreements	27	3	30
Total commitment	<b>227</b>	<b>25</b>	<b>252</b>
Interest rate	<b>2% above base rate</b>	<b>7%</b>	

## Notes to the Financial Statements



### 12 Creditors continued

#### Analysis of deferred income Group

Voluntary income £'000	Charitable £'000	Total £'000
Deferred income at 1 April 2021	32	997
Income released during the year	(80)	(2,158)
Income deferred during the year	137	1,991
<b>Deferred income at 31 March 2022</b>	<b>89</b>	<b>830</b>

#### Charity

Voluntary income £'000	Charitable £'000	Total £'000
Deferred income at 1 April 2021	35	507
Income released during the year	(80)	(1,389)
Income deferred during the year	137	1,192
<b>Deferred Income at 31 March 2022</b>	<b>92</b>	<b>310</b>

### 13 Total charitable funds

#### Unrestricted reserves

Group and charity		
Trustee reserve £'000	Other reserves £'000	Total £'000
At 1 April 2021	947	918
Income	0	5,065
Expenditure, gains and losses	0	(4,719)
Transfer between funds	0	0
Depreciation	0	(229)
<b>At 31 March 2022</b>	<b>947</b>	<b>1,035</b>

The transfer between funds represents the readjustment of trustee reserve back to the level previously agreed upon by trustees

#### Other reserves

	2022 £'000	2021 £'000
General reserve	1,035	959
	<b>1,035</b>	<b>959</b>

## Notes to the Financial Statements



### 13 Total charitable funds continued

#### Analysis of net assets between reserves

Fund balances at 31 March  
2022 are represented by

	Trustee reserve £'000	Other reserves £'000	Total reserves £'000
Tangible fixed assets	0	1,419	1,419
Fixed asset investments	947	126	1,073
Net current (liabilities)	0	(297)	(297)
Creditors due after more than one year	0	(213)	(213)
<b>Total reserves</b>	<b>947</b>	<b>1,035</b>	<b>1,982</b>

### 14 Notes to the consolidated cash flow statement

	Year ended 31 March 2022 £'000	Year Ended 31 March 2021 £'000
<b>Reconciliation of net incoming resources to net cash flow from operating activities</b>		
<b>Net outgoing resources</b>	<b>95</b>	<b>(150)</b>
Investment income	(16)	(19)
Investment fund charges	8	(1)
Interest payable	7	11
Depreciation	229	206
Loss on disposal of fixed assets	31	0
(Increase)/ decrease in stocks	0	4
(Increase)/decrease in debtors	9	(1)
Increase/(decrease) in creditors	(106)	(185)
	<b>257</b>	<b>(135)</b>
<b>Analysis of cash flows</b>		
	<b>Year ended 31 March 2022 £'000</b>	<b>Year Ended 31 March 2021 £'000</b>
<b>Returns on investment and servicing of finance</b>		
Dividends received	14	17
Interest received	2	1
Interest paid	(7)	(11)
	<b>9</b>	<b>7</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(205)	(65)
Net monies (invested in)/drawn from fixed/current asset investments	(10)	(17)
	<b>(215)</b>	<b>(82)</b>

## Notes to the Financial Statements



### 14 Notes to the consolidated cash flow statement continued

	Year ended 31 March 2022 £'000	Year Ended 31 March 2021 £'000
<b>Financing</b>		
Management fee on payment of endowment fund	(4)	2
Cash inflow from loans	0	200
	<u>(4)</u>	<u>202</u>
<b>Analysis of movement in net cash and liquid resources</b>		
	Cash flows £'000	Closing balance £'000
Opening balance £'000		
	<u>279</u>	<u>326</u>

### 15 Trading subsidiary

Brathay has one trading subsidiary, Brathay Services Limited, a company incorporated in England and Wales. Brathay holds 100% of the issued share capital of Brathay Services Limited, being four £1 ordinary shares. The investment is shown at cost of £4.

Brathay Services Limited delivers Brathay's professional development work. In addition to this it provides accommodation for participants and a wide range of other guests. Turnover in the year was £2,570,325 (2020-2021: £678,341) from which Brathay Services Limited made a profit of £1,219,928 (2020-2021: £302,404) which was donated to Brathay. The company's aggregate capital and reserves at 31 March 2022 in full was £4 (2020-2021: £4).

### 16 Post balance sheet events

None

**Brathay Trust**  
**Income and Expenditure Account**

for the year ended 31 March 2022



	2022	2021
	£'000	£'000
<b>Income from:</b>		
Grants & donations	1,075	787
Exceptional grants and donations	0	1,364
Charitable activities	1,180	674
Other activities	224	209
Investment income	16	19
Brathay Services Ltd donations	1,220	302
<b>Total</b>	<b>3,715</b>	<b>3,355</b>
<b>Expenditure on:</b>		
Raising funds	409	131
Charitable activities	3,212	3,375
Other	(1)	(1)
<b>Total</b>	<b>3,620</b>	<b>3,505</b>
<b>Net income/ (expenditure) for the year before other recognised gains and losses</b>	<b>95</b>	<b>(150)</b>
<b>Nets gains/(losses) on investments</b>	<b>22</b>	<b>191</b>
<b>Net income/(expenditure) for the year after other recognised gains and losses</b>	<b>117</b>	<b>41</b>