

Charity Registration No. 1139537

Company Registration No. 04029394 (England and Wales)

THE BRAUNSTONE FOUNDATION
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

THE BRAUNSTONE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Gwen Abraham MBE Michael Cooke Imogen Gordon Pauline Hurd Henry Thompson Keith Beaumont Elaine Halford Rev Keith Magee	(Appointed 4 April 2016) (Appointed 5 December 2016)
Secretary	Angela Wright (Chief Officer)	
Charity number	1139537	
Company number	04029394	
Principal address	Business Box 3 Oswin Road Braunstone Leicester LE3 1HR	
Registered office	Business Box 3 Oswin Road Braunstone Leicester LE3 1HR	
Auditor	Mayfield & Co. 2 Merus Court Meridian Business Park Leicester LE19 1RJ	
Bankers	Unity Trust Bank Plc Nine Brindley Place Birmingham B1 2HB	
Solicitors	Weightmans LLP 71 Princess Road West Leicester LE1 6TR	

THE BRAUNSTONE FOUNDATION

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THE BRAUNSTONE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

The trustees presents it's report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

Principal Activities and Business Review

The Braunstone Foundation's charitable objects are to promote ,for the benefit of the public, urban regeneration in areas of social and economic deprivation (and in particular in Braunstone) by all or any of the following means:-

- a) the relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantages;
- b) the relief of unemployment;
- c) the advancement of education and training;
- d) the creation of employment and business opportunities through the provision of advice, workspace, buildings, and/or land for use on favourable terms;
- e) the provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;
- f) the preservation of buildings or sites of historic or architectural importance;
- g) the provision of recreational facilities for the public at large or those who by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, have need of such facilities;
- h) the protection or conservation of the environment;
- i) the provision of public health facilities and childcare;
- j) the promotion of public safety and prevention of crime; and
- k) the development of the capacity and skills of the members of the community in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society.

During the year to 31 March 2017, the Foundation successfully delivered its work programme and continued to develop as a charitable body for the benefit of Braunstone and the City of Leicester.

How our services deliver public benefit:

The trustees have paid due regard to the Charity Commission guidance on public benefit reporting in deciding what activities the charity has undertaken this year.

Our Vision

"To be the Community Anchor for Braunstone, now and in the future, able to support our neighbourhood and its citizens to reach full potential by harnessing its strengths and responding to its needs. By making a difference."

The Foundation has continued to manage its assets to provide benefits to the local area and has, through a range of services, focused on continuing the investment made from previous regeneration investment programmes.

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The Foundation has focussed on:

- ensuring that the assets held were managed and protected appropriately for the benefit of the people of Braunstone:
- maximising the income-generated from these assets and managing these funds for the benefit of Braunstone:
- attracting additional funding into the area:
- delivering services on behalf of and for the benefit of residents in Braunstone and the rest of Leicester;
- ensuring that the NDC legacy is secured and maintained; and
- continuing to ensure the urban renewal and neighbourhood regeneration process in Braunstone is sustained in the long-term.

In effect, the Foundation performed the role of a local Community Anchor Organisation.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Activities, achievements and performance

Buildings

During 2016/17 The Foundation owned and managed five key buildings, along with four houses, and also leased a sixth building from Leicester City Council on a 125 year lease arrangement. The buildings are listed below:

Business Box

The Business Box is located in the Braunstone Business Zone (Oswin Road), and is a “managed office-space” facility with meeting rooms, Virtual Tenancy packages and a range of customer support services. The facility is operated under the activities of b inspired Trading Company Ltd. In 2016/17, it had its best trading year to date with occupancy levels consistently over 90% and virtual tenancies remaining high following a very good previous year. The b inspired Trading Company Ltd Board and Foundation Trustees have been particularly pleased with the performance of the Business Box during this last year.

Business Box +

This is made up of Units 3 & 4 Forest Business Park based in the Braunstone Business Zone and are seen as “grow-on” office-spaces to the Business Box. This facility also operates under the activities of the b inspired Trading Company Limited. In 2016/17, both units were fully occupied.

Gallards Hill

The building at Gallards Hill continued to be used for our Matrix accredited Employment Support Centre up until February 2017, providing: job brokerage, training and Information, Advice and Guidance (IAG) support.

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Neighbourhood Support Base

The Neighbourhood Support Base is located in the heart of the Braunstone estate on Wellinger Way. It is a shop-front building, and following redevelopment and extension work in 2010, it provides a home to some of the services delivered by the Foundation. In particular, it hosts the Neighbourhood Support Team which supports local residents and community groups and acts as a hub for local volunteers.

14-20 Winforde Crescent

These properties are rented out as social housing through an agreement with PA Housing Group.

Braunstone Park Lodge

The Lodge was acquired in May 2009 through a 125 year lease agreement with Leicester City Council. Following major refurbishment, the Lodge was occupied by Foundation staff until April 2017, supporting a range of activities, especially around sport and physical activity.

Property valuation

A full property revaluation was undertaken in June 2017 by Innes England. Overall, the Valuer was impressed by the good order and maintenance of buildings since the last valuation in 2015.

The assets have gained a £197,941 overall uplift (9.4%) on the net book value per the accounts with residential properties the highest increase in values at 26.5%.

Services:

The Foundation continued to provide three core services in 2016/17:

Employment Support

A universal service offered to Braunstone Residents, provided a 5 days a week as a drop in/appointment service. The service was open to any Braunstone residents who required employment and training support. It ran from the Gallards Hill site.

In 2016/17 the service experienced a decrease in demand related to a number of factors, for example new major projects funded by ESF/DWP/SFA as part of the European Structural Investment Funds (ESIF). Targetted projects that have been launched across the city and county to tackle Worklessness in Young People, Families, Offenders, People experiencing mental health difficulties. In addition, general conditions within the jobs market and benefits system have resulted in higher levels of employment and claimants moving into learning.

These factors combined with the end of any core funding through grants or contracts for our employment support service, led the Board of Trustees to undertake an operational review of services; to understand the need and viability of continuing to use reserves to provide free local services.

This review took place at the latter end of 2016 and resulted in the closure of the 5 day a week service for employment support based at our Gallards Hill site. This was a very difficult decision for the Board as the service had been in operation for 16 years and has been valued by many thousands of local people over the years. But the decision to close the service was necessary in order not to risk continued viability of the charity. Staff involved in the review remained professional and committed throughout the process and worked individually with clients to ensure they had referral pathways to move on to. Staff working at the centre were highly skilled and all of them found new roles before the centre finally closed and therefore no actual redundancies were required.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

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The trustees would like to take this opportunity to express their gratitude and thanks to all the staff and partners that have provided the employment support service (originally known as Braunstone Working) over many years. We are proud to have provided a high quality accredited service to the people of Braunstone and across the city and county (via previous contracts). And proud of our reputation borne out of the results we have achieved in helping so many people into work, training and self-employment.

Whilst still in operation during 2016/17 the service assisted 75 people into employment and many more into training and volunteer opportunities.

Talent Match

During 2016/17 we were pleased to continue the work we deliver for Talent Match, through a contract with The Princes Trust as part of a citywide BIG Lottery funded project (2014-2019).

The project started in April 2014 to support and enable young people who are furthest away from being work-ready to secure employment or take up enterprising opportunities. The contract is holistic in style and lead by a youth board. Outcomes include: Employment, Further Education, Placements, Personal development and Confidence Building.

The project intensively supports 18-24 year olds who have been out of education, employment and training for over 12 months, into employment and training. The project is city and countywide and we have two full time staff employed on the project to provide IAG and personal support to the Young people. We operated the project from both our Gallards Hill site and city centre venues. This contract is funded until Dec 2019.

Whilst the number of Young People has decreased due to the same reasons our employment support experienced i.e. ESIF funded projects to tackle youth unemployment and the rise in Apprenticeship take-up; the project continued to serve those needing holistic and often intense support. Of the 62 Young People engaged on the project last year, 19 were assisted into secure employment and the remainder either took-up Apprenticeships or gained qualifications.

Throughout 2016/17 we have continued our positive relationship with Checkpoint Advice and Support Charity. Checkpoint promote social inclusion and the relief of financial hardship for the public benefit among people who are socially excluded in deprived communities within Leicester City or Leicestershire. They specialise in particular but not exclusively in the provision of free legal advice, advocacy, education and other support.

Checkpoint deliver free, independent, quality assured advice and advocacy in welfare benefits, debt, housing, and community care law. It is a holistic service for our service users with complex needs, who may be at risk of homelessness and/or loss of essential services.

This service relates to the Foundations charitable objects a), b) and c).

Sports and Physical Activity

This service uses sport as a socio-economic regeneration tool, engaging and working with a wide range of people and groups, through a range of projects.

Following our successful tender to deliver Summer Youth Activities (Physical Activities), commissioned by Leicester City Council in 2014/15, we were asked to deliver the contract again in 2016/17. Sessions took place across priority areas in Leicester City and received good feedback from participants.

During 2016/17 the numbers of young people and sessions were:

Sessions: 60

Individual young people: 163

Throughput (repeat attendances): 337

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After a successful bid to Sport England in partnership with Leicester City Council we launched Active Leicester: Braunstone and Rowley Fields (in January 2016).

The Active Leicester: Braunstone and Rowley Fields (ALBRF) was launched in February 2016 with an aim to get local people who are currently doing little or no activity, into some sort of sport and/or physical activity at least once a week, with the intention that they will progress and continue to do more.

To date, the project has delivered just over 1,000 sessions within the community, as well as 10 community sport / physical activity events. This has seen us engage with just over 1,000 local residents, with just under 9,100 repeat attendances at our project sessions.

Sessions have been delivered throughout the week at a range of times and venues, to ensure that we can work with as many people as possible. Within these sessions, we have delivered a variety of activities, ranging from Zorb Football and Legs, Bums and Tums; to Zumba and Armchair Aerobics.

A key aspect of the projects work so far has been the partnerships that we have been able to create with local services and facilities, including the local Children's Centres, schools, weight management groups, Talk Time groups, council facilities (i.e. Braunstone Leisure Centre, Brite Centre), community facilities (i.e. the Oak Centre, Holy Apostles Church, West End Working Men's Club). These partnerships have allowed us to work with a number of sections of the community and promote the message of the project.

Apprenticeships

The apprenticeship programme is run through our subsidiary B-Inspired (Trading) Ltd.

During 2016/17 we continued our highly successful Apprenticeship programme and recruited 7 Apprentices to our 5th cohort, who studied for a NVQ Level 2 in Activity Leadership and the Level 2 Certificate in the Principles and Preparations for Coaching. The Apprentices also undertook NGB Level 1 and 2 Dodgeball courses, a Level 2 Employment Awareness Course and a whole range of minimum operating standards qualifications e.g. Safeguarding, Equity, First Aid.

As part of the apprenticeship, learners took up placements in schools across the city and county, both Primary and Secondary. The group made a very positive impact on school sport provision, working on curriculum physical education and providing further opportunities such as morning, lunchtime and after school activities.

We had a 100% success rate in retaining our Apprentices and all of them passed their qualifications – the follow on outcomes for the 7 Apprentices were as follows:

3 apprentices have continued onto advanced apprenticeships in schools (Level 3) with b-inspired

2 apprentices have gained employment at their placement schools, continuing to provide sports provision

1 apprentice has taken up an advanced apprenticeship in classroom based teaching (Level 3)

1 apprentice has gained employment teaching trampolining.

This service relates to the Foundations charitable objects a), b), c), g) and i).

Neighbourhood Support

This service is based at the Neighbourhood Support office at our 45 Wellinger Way site. It provides support to local residents through informal learning methods to engage actively in their community and to volunteer. It also takes the lead in communications with the community through a range of media and delivers high quality community events.

Through its structured methodology of Neighbourhood Management it works with main service providers and other stakeholders, to empower and builds additional knowledge and skills to enable local people to do more for themselves and be involved in directly influencing local service delivery.

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FOR THE YEAR ENDED 31 MARCH 2017

2016/17 was another busy year for the team. They continued to co-ordinate and support The Braunstone Neighbourhood Management Board (NMB) and maintained its balance of service providers and Residents Network members. The NMB met every six weeks and still has a membership of over 30.

Work and support has continued with the Braunstone Resident's Network, helping to train and sustain the committee, to apply for grants, fundraise and recruit new members. The commitment of Volunteers to provide weekly services has been inspirational again this last year. The weekly Garage Sale at 45 Wellinger Way has proved as popular as ever and offered local people the chance to buy quality used clothes and household items. All proceeds from the Garage Sale are used to subsidise trips out in the Summer for older people and low income families and to sponsor local small events.

The Braunstone Foodshare initiative continued to be supported by the Neighbourhood Support Team (NST) and during 2016/17 Foodshare continued to support local residents with a bi weekly collection and distribution of food for members. The Foodshare is a formally constituted group which we support to raise funds and donations. Foodshare is a member of FareShare (National charity set-up to stop food going to landfill and to tackle hunger) along with weekly supplies from FareShare, our Foodshare scheme has a whole variety of donors, including the "Wonky Veg" business owner who kindly donates 10% of stock to us regularly, many local Schools, Churches, Temples and businesses collect and donate for us, as do individuals.

In order to supplement supplies of fresh food we continued to grow vegetables through our Growing Communities Together project at the donated Yennards Farm site in Enderby until March 2017. The project was funded mainly via a grant from Leicestershire County Council Shire grants and included an innovative approach whereby volunteers were recruited from Braunstone and in the county. Individual volunteers were offered additional services with Debt management, IAG and Work Club support to enhance their opportunities for further volunteering, learning and paid work. The project was also supported again through the Leicester City Council Food Plan and the Leicester City Council Community Meeting Ward Funds.

The NST continued to work closely with the innovative Braunstone Blues project. They continued to support the successful Befriending scheme for over 55's – re-launched in 2016. During the year we received 22 referrals, including: 18 women, 2 couples and 2 single men. Of these, three referrals have been signposted to specialist support and sadly two have passed away during the process. Throughout the year there were 10 people receiving the befriending service. The partnership between B-Inspired and Braunstone Blues, has meant that referrals for vulnerable older people are sent through following their routine healthy safe secure visits. Other agencies also refer, such as Age UK, social services, care navigators, housing officers, neighbours, friends and families.

In addition a new Talk time group was established in April 2016 at the Oak centre, which re-located in July to St Peters Church in July 2016 changing its meeting time, to allow its attendees to go about their business (e.g. GP appointments). The group meets weekly on Thursdays from 11am to 1pm and has a fluid range of activities which are decided upon by those attending.

Activities include: bingo, quizzes, board games, art activities, card making, jewellery making, word searches, crosswords and other things. The b inspired Sports and Physical Activities team attend weekly and bring 6 different games to suit older people, such as seated basketball and seated bowls. The group has grown increasingly popular with a membership of 15-20 people regularly attending. The existing Talktime groups at Sandyhurst, Bridges and Bowder house continue to meet offering similar activities, but in supported housing settings.

In February 2017 the team secured funding from Braunstone Blues, with match funding from the Near Neighbours Fund commissioned by the Resident Network, to start a 'Pride in Braunstone' campaign. The campaign intends to address low-level ASB as identified in the Neighbourhood Action Plan. This funding will enable the team to have a 12 month campaign to engage residents and recruit volunteers to tackle litter on the streets by direct action and raising awareness with local schools. In March we launched with a litter pick with residents/volunteers gifting 29 hours around one of the local shopping areas. This was followed up with an interactive assembly with 300+ pupils from BCPS who asked for an after school litter pick. A second element of the campaign is to undertake simple garden makeovers for residents who are vulnerable who cannot maintain their gardens due to ill-health. In doing this it benefits the street environment and increases social contact for the recipient. Reducing the number of untidy gardens that will help to maintain and improve the overall environment.

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FOR THE YEAR ENDED 31 MARCH 2017

The team also helped significantly to deliver the Braunstone Community Carnival in June 2016, by recruiting and co-ordinating volunteers to cover duties prior to and on the day of the event. This service is based at the Neighbourhood Support office at our 45 Wellenger Way site. It provides support to local residents through informal learning methods to engage actively in their community and to volunteer. It also takes the lead in communications with the community through a range of media and delivers high quality community events.

This service relates to the Foundations charitable objects a), b), c), d), e), f) g), h), i), j) and k).

Other activity

In December 2016 we were approached by The Power to Change Trust (a BIG Lottery endowed Trust) to bid to deliver a 3 month Learning Grant in Braunstone, to consult on the interest in Community Business in the area. They awarded us £10,000 to carry out the project until early April 2017. We undertook three workshops and interviewed a range of local people and stakeholders about: their interest in Community Business; ideas for new Community Businesses in the area; and what barriers there might be to progressing those ideas. A large amount of interest came out of the project and we were asked to progress on to the next stage to bid for a 5 years project.

Following joining the Leicestershire VCSE Consortium - Reaching People, which brings together frontline delivery partners from the Voluntary and Community Sector in Leicester, Leicestershire, and Rutland. Working together, it develops and provides high quality contract delivery, business and funding opportunities in fields that include health and wellbeing, homelessness, advice and guidance, education and training, and community services. The Chief Officer has continued to be a Trustee of the Board.

As a result of being a member of the consortium, we were invited to tender to become the delivery partner for quality and monitoring on the Reaching People ESIF funded project Moneywise Plus, which we were awarded late in 2016. Moneywise Plus is a 3 year project funded by the Big Lottery Fund and the European Social Fund. Moneywise Plus will improve the on-going digital and financial skills of individuals to support them in moving towards employment, education or training.

Moneywise Plus helps individuals across Leicestershire with:

Increasing financial skills and confidence – around personal money management, making the most of their money, opening a bank account, mobile/internet banking and maximising income where possible e.g. utility switching.

Increasing digital skills and confidence – boosting their skills in using computers, using the internet safely, staying in touch with family and friends, accessing online services and using pc's tablets and devices.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Achievements and performance

Members – During 2016/17

Braunstone Resident Network

Clockwise Credit Union

Friends of Highway Spinney

Leicester City Council

ASRA Housing Group

NHS Leicester City

St Peters Church

New Dawn New Day

Palmers of Leicester Ltd

Financial review

Overview

The Trustees have noted the financial position of the charity at the year-end 2016/17 and are pleased to present Accounts showing surpluses of income over expenditure in the SOFA. This is particularly pleasing when compared to the previous five years, where deficits have been recorded, as reserves were used to maintain core services. This surplus has been achieved through a variety of means including reductions in expenditure and an increase in income.

The statement of financial activities shows a total income of £1,123,367 and expenditure of £1,091,463. This provides a surplus for the year not including returns on investments of £31,904. Added to this we report net gains on investments of £15,000 which is reported in a slightly different manner under the new SORP than in the past.

Therefore, overall we report a surplus on our charitable activities of £46,904.

Revaluation of Assets

*We have made mention in our Trustee Report of the decision to engage Innes England to undertake a review of our properties and a full property revaluation. The conclusion of that work enabled us to compare these valuations to the figures being carried in our books and meant a revaluation of our figures which meant a revaluation figure of £197,941 was transferred to the Statement of Financial Activities under **Other Recognised Gains and Losses**.*

In addition to this the transition to FRS102 as saw other areas where there is an impact on our accounts.

One such area of impact is the pension provision necessary on the Multi-Employer Pension Scheme that the Braunstone Foundation makes payments into on behalf of its employees and retirees in order to meet certain short fall within that Defined Benefit Scheme.

Under the past prevailing legislation it was not necessary to account for the shortfall that the company had to make good because of the nature of the scheme.

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Pension Scheme Provision

However, because Multi-Employer Pension Scheme deficits now have to be accounted for under FRS102 – there is an impact on the accounts.

This means that the accounts have been adjusted to account for the liabilities and so there is an adjustment of £480,000 in the comparatives with a further £30,000 reduction in this year's accounts.

Note 18 provides substantial details of the defined benefit scheme.

The FRS102 transition arrangements are detailed in note 28 and show the impact of the adjustments necessary to comply with the SORP.

It is worth noting that the Charity has taken considerable advice in respect of the defined benefit scheme with SHPS and is going through the appropriate processes to close this scheme down.

The prior year amendments of £480,000 with £30,000 re-credited this year has a significant impact on the financial performance of the charity.

Conclusion

For this year after this further credit we report an overall rise in Net ***Movement in Funds of £274,845*** as opposed to the reduction in funds of £370,175 in the previous year.

This means the Charitable Company has £2,163,414 of total funds carried forward.

These funds are split between the unrestricted funds, the restricted funds - see statement of financial activities on page 15.

VAT liability

Trustees noted in the previous year Accounts and Trustees Report a significant issue in relation to a long-standing query with HMRC and its VAT methodology; and liabilities for previous Tax years dating back to 2010. Due to the complexities emanating from the previous New Deal for Communities grant, the capital schemes and charitable/trading activities; delays were experienced in order to agree a position on the treatment of VAT. The company had continued to pay estimated VAT requests throughout this period and an agreed position was reached in September 2015 but the culminating liability totalled £115,970. The Trustees are pleased to confirm that all previous liabilities have now been settled.

Reserves Strategy

The Board has a strategy towards the holding of reserves. We endeavour to hold in free unrestricted reserves up to six months operating costs to cover payments to staff (i.e. notice periods of 3 months and redundancy costs), premises costs, contract/lease liability costs and legal costs.

This approach is based on an understanding of the income streams and their risk profile and excludes expenditure related to operations wholly funded by restricted funds.

The trustees estimate normal ongoing annual costs to be between £600,000 and £800,000 per year.

The trustees estimate that reserves at a level of approximately £400,000 would ensure that, in the event of a significant drop in funding, they would be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

The charity had closing unrestricted reserves of £1,978,472 as at the 31 March 2017. So without further review this looks very healthy.

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However we need to consider this in relation to the type of assets held which makes up the unrestricted funds.

Of the assets held in Unrestricted Funds £2,344,408 is in Property, Plant and Equipment and Properties held as Fixed Asset Investments. So these are not readily convertible into cash in a quick space of time – although available should the need arise.

In Free unrestricted funds we have net current assets of £269,006 whilst the pension liability of £450,000 is directly matched against these funds.

For the Charity we have had the challenge of settling the HMRC Vat assessments and are now in a clear position as that has all been settled. This will now enable us to develop strategies to see us build up cash reserves to enable us to build up assets within unrestricted funds that are more liquid.

Post year end we have started to see this strategy come into fruition with surplus funds being generated in our trading subsidiary and being donated into the charity.

These cash sums have been paid over and it is lifting our unrestricted liquid assets to cover unexpected contingencies which helps us to achieve our stated aims.

Risk Review

The Board conducts its own review of the major risks each year through its Business Planning process. As with most charities, this exposes risks and systems have been established to mitigate those risks. External risks have been managed through a robust business plan that was flexible and adaptable, yet still ambitious. Internal risks were minimised by adherence to its Financial Regulations, Policies and Procedures, along with updates to its HR Policies.

The main risks are deemed to be:

- Should The Braunstone Foundation exhaust its operating reserves -then it might be unable to meet its commitments.
- The loss of staff/Board Directors members in key operational and strategic roles could potentially have an adverse impact on the organisation.
- Should additional income not be secured then insufficient resources would be available to maintain the current level of staff and resources.
- Competition for grant funding will become fiercer as levels of public spending decline.
- Failure to deliver these contracts would result in both a financial loss and damage to the reputation of the company.

Senior management report performance against the Business Plan for all services at every Board meeting and a quarterly review of financial performance and progress against targets is reported through to the Board of Trustees, via the Finance and General Purposes Committee.

The Board of Trustees considers it prudent to grow trading income in the following year and beyond; in order to provide increased donations to the charity and thus reduce the pressure on reserves to meet the shortfalls. In addition, the 2016 to 2019 Business Plan shows growth in grant and contract funding leading to surpluses year on year.

We have also focussed in on areas where we can see the potential for market development and to this end we bid to the BIG Potential programme early in 2017, to explore growth areas with the support of specialist providers and investment in senior management time. This bid was successful and a project commenced in July 2017. The project has already provided the Board of Trustees with insight into social investment options and a specialist consultancy on our impact measuring, via a newly created Theory of Change.

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In addition, we hope to be able to complete the transfer of a large local asset into the Braunstone Foundation. This is a building that was funded and built with New Deal for Communities grant and has provided rental income since 2010 under an agreement, as a legacy of the *New Deal for Braunstone*. The building is currently owned and facilities managed by a third party, however negotiations have been underway over the past couple of years to transfer the building to the Braunstone Foundation for the ongoing benefit of Braunstone. This transfer to our ownership will provide a number of opportunities in relation to developing more services from the facility and increasing the income stream.

Structure, governance and management

The charity is a company limited by guarantee. The Charity Commission awarded the Braunstone Foundation with charitable status on 29 December 2010. As a condition, it was agreed to develop a "group structure", with the establishment of a 100% owned trading subsidiary of the Foundation, to undertake the non-charitable activities. This was undertaken and put in place, so that from 1 April 2011, the Foundation can concentrate solely on its charitable activities and the trading company B-Inspired (Trading) Ltd, can manage the commercial activities and undertakings.

The members of the trustees, who are also the directors for the purpose of company law, and who served during the year are shown below. Prior to the formation of the Braunstone Foundation charity in 2010, a number of the following Trustees were previously long-standing Directors of Braunstone Community Association (BCA) and were transferred to Trusteeship of the Braunstone Foundation in 2010 (Gwendolen Abraham, Pauline Hurd and Anthony Russell). The appointment dates shown below are the dates at which those Trustees were re-appointed under the new charitable body at the four years re-election point:

Gwen Abraham MBE

Michael Cooke

Imogen Gordon

Pauline Hurd

Henry Thompson

Keith Beaumont

Elaine Halford

(Appointed 4 April 2016)

Rev Keith Magee

(Appointed 5 December 2016)

Trustee Recruitment, Induction and Training

During the last year two new Trustees have joined the Board: Elaine Halford (LCC Representative) -appointed 4/4/16 and Rev Keith Magee (St Peters Church representative)-appointed 5/12/16. Both are local residents.

The Chief Officer takes responsibility for induction to the charity for new Trustees and organises any training as required. The Board commissioned an independent Governance Review by Locality in September 2016, which has resulted in an action plan to identify further skills required of current Board members, training and a focus on recruitment of new Trustees.

The Trustees are also Directors of the Company for the purposes of Company Law. Trustees have a tenureship of 4 years.

None of the members of the trustees has any beneficial interest in the company. All of the members of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Setting pay and remuneration

Trustees do not receive remuneration only reimbursement reasonable of out of pocket expenses necessary in the carrying out of their duties.

Staff pay and remuneration is set by the Board of Trustees through the work of its Remuneration sub-committee, which reports to the Finance & General Purpose (F&GP) Committee and up to the Board of trustees.

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FOR THE YEAR ENDED 31 MARCH 2017

Structure and Decision-making

The charity is organised so that the trustees (together forming a board of trustees) meet regularly (8 times during 2016/17) to manage the charity's affairs. In addition, a standing Committee is in place to provide governance in Finance and General Purposes (Chaired by the Chair of Trustees). A Remuneration sub-committee is formed from the F&GP Committee and a Human Resources Committee is formed as and when required.

No preference dividends were paid. The directors do not recommend payment of a final dividend.

Statement of trustees responsibilities

The trustees, who are also the directors of The Braunstone Foundation for the purpose of company law, is responsible for preparing the Trustees Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the accounts comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that Mayfield & Co. be reappointed as auditor of the company will be put at a General Meeting.

The trustees report was approved by the Board of Trustees.

.....

Pauline Hurd
Trustee

Dated: 20 November 2017

THE BRAUNSTONE FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE BRAUNSTONE FOUNDATION

We have audited the accounts of The Braunstone Foundation for the year ended 31 March 2017 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Group and Parent Charitable Company Cash Flow Statement and the related notes, set out on pages 15 to 37. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees responsibilities set out on page 12, the trustees, who are also the directors of The Braunstone Foundation for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

The trustees have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts.

In our opinion the accounts:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2017 and of the group's income and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Charities Act 2011.

THE BRAUNSTONE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE BRAUNSTONE FOUNDATION

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

20 November 2017

MR DAVID MAYFIELD FCA (Senior Statutory Auditor)

for and on behalf of Mayfield & Co.

Chartered Accountants

Statutory Auditor

2 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Mayfield & Co. is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE BRAUNSTONE FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Income from:					
Donations and legacies	3	76,757	169,979	246,736	307,042
Charitable activities	4	876,319	-	876,319	775,772
Investments	5	312	-	312	1,059
Total income		953,388	169,979	1,123,367	1,083,873
Expenditure on:					
Charitable activities	7	561,703	201,763	763,466	997,748
Cost of generating funds	7	327,997	-	327,997	311,300
Total expenditure		889,700	201,763	1,091,463	1,309,048
Net gains on investments	10	15,000	-	15,000	-
Net incoming/(outgoing) resources		78,688	(31,784)	46,904	(225,175)
Other recognised gains and losses					
Revaluation of tangible fixed assets		197,941	-	197,941	-
Actuarial gain/(loss) on defined benefit pension schemes		30,000	-	30,000	(145,000)
Net movement in funds		306,629	(31,784)	274,845	(370,175)
Fund balances at 1 April 2016		1,671,843	216,726	1,888,569	2,258,744
Fund balances at 31 March 2017		1,978,472	184,942	2,163,414	1,888,569

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE BRAUNSTONE FOUNDATION

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2017

		2017		2016	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		1,064,408		880,372
Investment properties	12		1,280,000		1,265,000
			<u>2,344,408</u>		<u>2,145,372</u>
Current assets					
Debtors	15	100,596		220,610	
Cash at bank and in hand		367,893		401,234	
		<u>468,489</u>		<u>621,844</u>	
Creditors: amounts falling due within one year	16	<u>(199,483)</u>		<u>(398,647)</u>	
Net current assets			269,006		223,197
Total assets less current liabilities			2,613,414		2,368,569
Provisions for liabilities			<u>(450,000)</u>		<u>(480,000)</u>
Net assets			<u>2,163,414</u>		<u>1,888,569</u>
Income funds					
Restricted funds	20		184,942		216,726
<u>Unrestricted funds</u>					
General unrestricted funds		2,428,472		2,059,425	
Revaluation reserve		-		92,418	
Pension reserve		<u>(450,000)</u>		<u>(480,000)</u>	
			<u>1,978,472</u>		<u>1,671,843</u>
			<u>2,163,414</u>		<u>1,888,569</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2017, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The trustees responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Trustees on 20 November 2017

.....
Michael Cooke - Trustee
Company Registration No. 04029394

THE BRAUNSTONE FOUNDATION

CHARITY BALANCE SHEET

AS AT 31 MARCH 2017

		2017		2016	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		1,064,408		880,372
Investment properties	12		1,280,000		1,265,000
Investments	13		1		1
			<u>2,344,409</u>		<u>2,145,373</u>
Current assets					
Debtors	15	75,814		141,826	
Cash at bank and in hand		303,974		329,684	
		<u>379,788</u>		<u>471,510</u>	
Creditors: amounts falling due within one year	16	(110,783)		(248,314)	
Net current assets			<u>269,005</u>		<u>223,196</u>
Total assets less current liabilities			<u>2,613,414</u>		<u>2,368,569</u>
Provisions for liabilities			<u>(450,000)</u>		<u>(480,000)</u>
Net assets			<u>2,163,414</u>		<u>1,888,569</u>
Income funds					
Restricted funds	20		184,942		216,726
<u>Unrestricted funds</u>					
General unrestricted funds		2,428,472		2,059,425	
Revaluation reserve		-		92,418	
Pension reserve		(450,000)		(480,000)	
		<u>1,978,472</u>		<u>1,671,843</u>	
			<u>2,163,414</u>		<u>1,888,569</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2017, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The trustees responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small company regime.

The accounts were approved by the Trustees on 20 November 2017

.....
Michael Cooke - **Trustee**
Company Registration No. 04029394

THE BRAUNSTONE FOUNDATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash absorbed by operations	27	(33,653)		(177,275)	
Income taxes paid		-		(27)	
		<u> </u>		<u> </u>	
Net cash outflow from operating activities		(33,653)		(177,302)	
Investing activities					
Interest received		312		1,059	
		<u> </u>		<u> </u>	
Net cash generated from investing activities		312		1,059	
Net cash used in financing activities		-		-	
		<u> </u>		<u> </u>	
Net decrease in cash and cash equivalents		(33,341)		(176,243)	
Cash and cash equivalents at beginning of year		401,234		577,477	
		<u> </u>		<u> </u>	
Cash and cash equivalents at end of year		367,893		401,234	
		<u> </u>		<u> </u>	

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Charity information

The Braunstone Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is Business Box, 3 Oswin Road, Braunstone, Leicester, LE3 1HR.

1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the charity and its wholly owned subsidiary B-Inspired (Trading) Limited. The results of the subsidiary are consolidated on a line by line basis.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 March 2017 are the first accounts of The Braunstone Foundation prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 28.

1.2 Going concern

At the time of approving the accounts, the trustees has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Support costs are those costs incurred directly in support of expenditure and the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance, with constitutional and statutory requirements.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	1% per annum of cost for buildings; land is not depreciated
Fixtures, fittings & equipment	15% per annum reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

The charity has been admitted to the Social Housing Pension Scheme, a defined benefit scheme, which is externally funded and contracted out of the State Earnings Related Pension Scheme. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years, the actuary reviews the progress of the scheme. The scheme operates on a pooled arrangement, with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the charity. Under the terms of FRS17, in these circumstances contributions are accounted for as if the scheme were a defined contribution scheme based on actual contributions paid throughout the year.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The defined net benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.15 Company Status

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event the charity being to wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.16 Capital Items

Items below a value of £1,000 are considered revenue cost and are charged against income at time of purchase.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

3 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Donations and legacies	3,441	-	3,441	27,999
Grants receivable	73,316	169,979	243,295	279,043
	<u>76,757</u>	<u>169,979</u>	<u>246,736</u>	<u>307,042</u>
For the year ended 31 March 2016	<u>175,959</u>	<u>131,083</u>		<u>307,042</u>

Donations and legacies

Achievement Training Agency	-	-	-	25,924
Other donations received	780	-	780	2,075
Donations from Braunstone Resident Network Committee	1,750	-	1,750	-
Donations from Braunstone Foodshare Committee	911	-	911	-
	<u>3,441</u>	<u>-</u>	<u>3,441</u>	<u>27,999</u>

Grants receivable for core activities

Sport England	-	100,359	100,359	58,951
Leicester City Council - Sustainable Transport	-	-	-	22,500
Big Lottery - Talent Match	-	69,620	69,620	49,632
Leicester City Council and European Regional Development Fund	674	-	674	110,294
Leicester City Council - Mac Contract and NLDC Vat	-	-	-	37,666
Leicestershire County Council – Community Grant	30,000	-	30,000	-
Leicester City Council – NLDC	12,450	-	12,450	-
Braunstone Blues – Pride in Braunstone and Befriending Scheme	15,500	-	15,500	-
Power to Change Grant	9,922	-	9,922	-
Near Neighbours Grant	4,770	-	4,770	-
	<u>73,316</u>	<u>169,979</u>	<u>243,295</u>	<u>279,043</u>

4 Charitable activities

	2017 £	2016 £
ASRA Housing Group Health Centre Income	282,089	260,520
Other income	136,306	164,456
Advertising income	4,287	3,923
Rent and room hire	453,637	346,873
	<u>876,319</u>	<u>775,772</u>

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

5 Investments

	2017	2016
	£	£
Interest receivable	312	1,059

6 Net income/(expenditure)

	2017	2016
	£	£
This is stated after charging:		
Directors' expenses	686	795
Auditors' remuneration	8,000	10,000
Accountancy	8,000	10,763
Depreciation – Owned assets	13,905	14,818

7 Expenditure

Charitable activities

	Charitable Activities Unrestricted	Charitable Activities Restricted	Total 2017	Total 2016
	£	£	£	£
Staff costs	367,606	181,805	549,411	593,102
Depreciation and impairment	13,905	-	13,905	14,818
Premises costs	52,420	7,454	59,874	73,009
Motor and travel	5,921	903	6,824	3,041
Legal and professional fees	19,994	6,500	26,494	67,676
Project activity and equipment costs	22,219	1,837	24,056	94,119
Supplies and services	22,740	3,264	26,004	26,299
Irrecoverable input vat	9,800	-	9,800	65,113
Bad debts	(7,123)	-	(7,123)	-
	507,482	201,763	709,245	937,177
Share of governance costs (see note 7)	54,221	-	54,221	60,571
	561,703	201,763	763,466	997,748

Cost of generating funds

	Unrestricted	Restricted	Total 2017	Total 2016
	£	£	£	£
Staff costs	176,804	-	176,804	163,241
Premises costs	70,199	-	70,199	77,170
Motor and travel	1,048	-	1,048	517
Legal and professional fees	5,450	-	5,450	4,250
Supplies and services	74,496	-	74,496	66,122
	327,997	-	327,997	311,300

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

7 Expenditure

Support Costs

	Support costs	Governance costs	2017	2016	Basis of allocation
	£	£	£	£	
Staff costs	-	38,221	38,221	39,808	
Audit and accountancy fees	-	16,000	16,000	20,763	Governance
	<u>-</u>	<u>54,221</u>	<u>54,221</u>	<u>60,571</u>	
Analysed between Charitable activities	-	54,221	54,221	60,571	
	<u>-</u>	<u>54,221</u>	<u>54,221</u>	<u>60,571</u>	

Governance costs includes payments to the auditors of £8,000 (2016- £8,000) for audit fees.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but three of the trustees were reimbursed a total of £686 (2016- £795 for two trustees) for expenses incurred in respect of carrying out the business of the charity.

9 Employees

Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
	37	37
	<u>37</u>	<u>37</u>
Employment costs	2017	2016
	£	£
Wages and salaries	645,428	698,621
Social security costs	44,098	44,539
Other pension costs	74,910	52,991
	<u>764,436</u>	<u>796,151</u>

There were no employees whose annual remuneration was £60,000 or more.

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

10 Net gains/(losses) on investments

	2017	2016
	£	£
Revaluation of investment properties	15,000	-

11 Tangible fixed assets (Group and Charity)

	Land and buildings £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 April 2016	1,189,536	399,809	1,589,345
Revaluation	(154,536)	-	(154,536)
At 31 March 2017	1,035,000	399,809	1,434,809
Depreciation and impairment			
At 1 April 2016	343,761	365,212	708,973
Depreciation charged in the year	8,716	5,189	13,905
Revaluation	(352,477)	-	(352,477)
At 31 March 2017	-	370,401	370,401
Carrying amount			
At 31 March 2017	1,035,000	29,408	1,064,408
At 31 March 2016	845,775	34,597	880,372

12 Investment property (Group and Charity)

	2017 £
Fair value	
At 1 April 2016	1,265,000
Net gains or losses through fair value adjustments	15,000
At 31 March 2017	1,280,000

Investment property comprises the Business Box and the Business Box +. The fair value of the investment property has been arrived at on the basis of a valuation carried out on 3rd July 2017 by Innes England Chartered Surveyors, who are not connected with the charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

13 Fixed asset investments (Charity)

	Other investments
Cost or valuation	
At 1 April 2015 & 31 March 2016	1
Carrying amount	
At 31 March 2017	1
At 31 March 2016	1

	Notes	2017 £	2016 £
Other investments comprise:			
Investments in subsidiaries	26	1	1

14 Financial instruments	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	126,222	288,638
Carrying amount of financial liabilities		
Measured at amortised cost	241,648	374,944

15 Debtors

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Amounts falling due within one year:				
Trade debtors	74,827	116,944	24,419	38,160
Amounts due from subsidiary undertakings	-	-	42,202	-
Other debtors	25,769	103,666	9,193	103,666
	<u>100,596</u>	<u>220,610</u>	<u>75,814</u>	<u>141,826</u>

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

16 Creditors: amounts falling due within one year

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade creditors	15,224	39,798	2,809	26,779
Amounts owed to subsidiary undertakings	-	-	-	105,694
Other taxation and social security	37	129,397	-	2,138
Other creditors	156,089	162,229	93,484	99,563
Accruals and deferred income	28,133	67,223	14,490	14,140
	<u>199,483</u>	<u>398,647</u>	<u>110,783</u>	<u>248,314</u>

17 Provisions for liabilities

	Notes	2017 £	2016 £
Retirement benefit obligations		450,000	480,000
		<u>450,000</u>	<u>480,000</u>

18 Defined Benefit Pension Scheme

The Braunstone Foundation participates in the Social Housing Pension Scheme (SHPS)

It has not been possible to identify the share of underlying assets and liabilities belonging to individual participating employers. The statement of financial activities charge represents the contribution payable to the scheme for the accounting period. Contributions payable from the association to the SHPS under the terms of its funding agreement for past deficits are recognised as a liability within other provisions in the association's financial statements.

The SHPS is a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2014. This actuarial valuation was certified on 23 November 2015 and showed assets of £3,123m, liabilities of £4,446m and a deficit of £1,323m. To eliminate this funding shortfall, the trustees and participating employers have agreed that additional contributions will be paid, in combination from all employers to the scheme as follows:

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

18 Defined Benefit Pension Scheme

Defined Contributions

Tier 1		£40.6m per annum
From 1 April 2016 to 30 September 2020:	(payable monthly and increasing by 4.7% each year on 1st April)	
Tier 2		£28.6m per annum
From 1 April 2016 to 30 September 2023:	(payable monthly and increasing by 4.7% each year on 1st April)	
Tier 3		£32.7m per annum
From 1 April 2016 to 30 September 2026:	(payable monthly and increasing by 3.0% each year on 1st April)	
Tier 4		£31.7m per annum
From 1 April 2016 to 30 September 2026:	(payable monthly and increasing by 3.0% each year on 1st April)	

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2011; this valuation was certified on 17 December 2012 and showed assets of £2,062m, liabilities of £3,097m and a deficit of £1,035m. To eliminate this funding shortfall, payments consisted of the Tier 1, 2 & 3 deficit contributions.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement, the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the arrangement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present Values of Provision

	31 March 2017	31 March 2016	31 March 2015
	(£000s)	(£000s)	(£000s)
Present Value of Provision	450	480	335

Reconciliation of Opening and Closing Provisions

	Period Ending 31 March 2017 (£000s)	Period Ending 31 March 2016 (£000s)
Provision at start of period	480	335
Unwinding of the discount factor (interest expense)	9	6
Deficit contribution paid	(53)	(35)
Remeasurements - impact of any change in assumptions	14	(3)
Remeasurements - amendments to the contributions schedule	-	177
Provision at end of period	450	480

Income and Expenditure Impact

	Period Ending 31 March 2017 (£000s)	Period Ending 31 March 2016 (£000s)
Interest expense	9	6
Remeasurements - impact of any change in assumptions	14	(3)
Remeasurements - amendments to the contributions schedule	-	177
Contributions paid in respect of future service *	*	*
Costs recognised in income and expenditure account	*	*

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

18 Defined Benefit Pension Scheme

* Includes defined contribution schemes and future service combinations (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

Assumptions	31 March 2017	31 March 2016	31 March 2015
	% per annum	% per annum	% per annum
Rate of discount	1.33	2.06	1.92

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

Deficit Contributions Schedule	31 March 2017	31 March 2016	31 March 2015
Year ending	(£000s)	(£000s)	(£000s)
Year 1	54	53	35
Year 2	56	54	36
Year 3	58	56	38
Year 4	54	58	39
Year 5	49	54	41
Year 6	50	49	36
Year 7	46	50	30
Year 8	42	46	31
Year 9	44	42	27
Year 10	22	44	22
Year 11	-	22	22
Year 12	-	-	12

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

19 Unrestricted funds

	Movement in funds				Balance at 31 March 2017
	Balance at 1 April 2016	Incoming resources	Outgoing resources	Other recognised gains and losses	
	£	£	£	£	£
Unrestricted funds	1,671,843	953,388	(889,700)	242,941	1,978,472
	<u>1,671,843</u>	<u>953,388</u>	<u>(889,700)</u>	<u>242,941</u>	<u>1,978,472</u>

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 April 2016	Incoming resources	Outgoing resources	Balance at 31 March 2017
	£	£	£	£
Sport England	196,929	100,359	(147,325)	149,963
Big Lottery - Talent Match	15,441	69,620	(54,438)	30,623
Other Grants	4,356	-	-	4,356
	<u>216,726</u>	<u>169,979</u>	<u>(201,763)</u>	<u>184,942</u>

Sport England

The organisation received substantial Sport England grants for the delivery of community based projects pertaining to sport and physical activity. Following the successful delivery of those projects a Sports Development Plan was written and subsequently approved by Sport England, which enabled "surplus" funds to be "ring-fenced" in order to deliver future activities in the field of sport and physical activity.

Big Lottery - Talent Match

New project started on 20th November 2014 to delivery certain services for the benefit of certain Young People 2016/17 £69,620 (2015/16: 49,632).

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

21 Analysis of net assets between funds - Group

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Fund balances at 31 March 2017 are represented by:			
Tangible assets	1,064,408	-	1,064,408
Investment properties	1,280,000	-	1,280,000
Current assets/(liabilities)	84,064	184,942	269,006
Provisions and pensions	(450,000)	-	(450,000)
	<u>1,978,472</u>	<u>184,942</u>	<u>2,163,414</u>

Analysis of net assets between funds - Charity

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Fund balances at 31 March 2017 are represented by:			
Tangible assets	1,064,408	-	1,064,408
Investment properties	1,280,000	-	1,280,000
Investments	1	-	1
Current assets/(liabilities)	84,063	184,942	269,005
Provisions and pensions	(450,000)	-	(450,000)
	<u>1,978,472</u>	<u>184,942</u>	<u>2,163,414</u>

22 Financial commitments, guarantees and contingent liabilities

PENSION

The charity currently participates in the Social Housing Pension Scheme (SHPS), which as indicated in note 18 has a shortfall of assets compared to liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement, the company recognises a liability for this obligation. The amount recognised of £450,000 is the net present value of the deficit reduction contributions payable under the arrangement that relates to the deficit. The present value is calculated using the discount rate detailed in note 18. The unwinding of the discount rate is recognised as a finance cost.

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017	2016
	£	£
Between two and five years	<u>4,034</u>	<u>4,034</u>

The operating leases represent leases totalling £4,034 to third parties. The leases are negotiated over terms of 5 years and rentals are fixed for 5 years. All leases include a provision for five-yearly upward rent reviews according to prevailing market conditions. There are no options in place for either party to extend the lease terms.

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017	2016
	£	£
Aggregate compensation	114,839	112,891
	<u> </u>	<u> </u>

During the year various transactions took place between The Braunstone Foundation and B-Inspired (Trading) Limited, a wholly owned subsidiary. The subsidiary is a trading arm of the charity and runs the Business Box, receiving income from tenants. At the balance sheet date £42,202 was owed to the charity by B-Inspired (Trading) Limited (2016: £105,694 owed by the charity to B-Inspired (Trading) Limited).

The charity has a very good working relationship with Leicester City Council and ASRA Housing Group, both of which are also Members of the Foundation.

In respect of Leicester City Council, the organisation has been commissioned to deliver a range of contracts on their behalf, and in addition, received various grants to deliver a number of specific projects. During the year, the charity received grants totalling £12,450 from the Leicester City Council (2016: £34,643).

In relation to ASRA Housing Group, various contractual arrangements have been agreed which ensures that they provide services directly for the Foundation, for example, managing properties and providing payroll services. The cost of this was £2,500 (2016: £2,500).

In addition, a number of legal agreements have been signed between both parties that ensures that the Foundation is provided with the "net surplus income" generated by the Health & Social Care Centre and the aforementioned properties. This was £282,089 (2016: £260,520).

25 Transfers

Restatement of fixed assets - The trustees consider upon reviewing a document received from the Department for Communities and Local Government (DCLG) it is now clear that the asset clawback provisions of the New Deal for Communities Programme (NDC) do not apply to the Foundation and the restriction on land and buildings assets no longer applies. Accordingly a transfer of those assets from restricted funds was made during the year ended 31st March 2015 amounting to £2,152,725.

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

26 Subsidiaries

Details of the charity's subsidiaries at 31 March 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
B-Inspired (Trading) Ltd	England	Rental of office space	Ordinary	100.00	

The charity owns the whole of the issued ordinary share capital of B-Inspired (Trading) Ltd, a company registered in England. All activities have been consolidated on a line by line basis in the SOFA. Any total net profits will be gifted to the charity. A Summary of the results of the subsidiary is shown below:

B-Inspired (Trading) Limited

	2017	2016
	£	£
Income	530,673	409,443
Administrative expenses	(530,673)	(409,443)
Net profit/(loss)	<u>-</u>	<u>-</u>
The aggregate of the assets, liabilities and funds was:		
Assets	130,903	256,028
Liabilities	(130,902)	(256,027)
Funds (representing 1 ordinary share of £1)	<u>1</u>	<u>1</u>

27 Cash generated from operations

	2017	2016
	£	£
Surplus/(deficit) for the year	46,904	(225,175)
Adjustments for:		
Investment income	(312)	(1,059)
Fair value gains and losses on investment properties	(15,000)	-
Depreciation and impairment of tangible fixed assets	13,905	14,818
Taxation charged	9	28
Movements in working capital:		
Decrease in debtors	183,506	41,106
(Decrease) in creditors	(262,665)	(6,993)
Cash (absorbed by)/generated from operations	<u>(33,653)</u>	<u>(177,275)</u>

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

28 Reconciliations on adoption of FRS 102

Reconciliation of fund balances - Group

	Notes	At 1 April 2015			At 31 March 2016		
		Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
		£	£	£	£	£	£
Fixed assets							
Tangible assets		795,190	100,000	895,190	780,372	100,000	880,372
Investment properties		-	-	-	1,365,000	(100,000)	1,265,000
Investments		1,365,000	(100,000)	1,265,000	-	-	-
		<u>2,160,190</u>	<u>-</u>	<u>2,160,190</u>	<u>2,145,372</u>	<u>-</u>	<u>2,145,372</u>
Current assets							
Debtors		295,239	-	295,239	220,610	-	220,610
Bank and cash		577,477	-	577,477	401,234	-	401,234
		<u>872,716</u>	<u>-</u>	<u>872,716</u>	<u>621,844</u>	<u>-</u>	<u>621,844</u>
Creditors due within one year							
Taxation		-	-	-	129,397	-	129,397
Other creditors		439,163	-	439,163	269,250	-	269,250
		<u>439,163</u>	<u>-</u>	<u>439,163</u>	<u>398,647</u>	<u>-</u>	<u>398,647</u>
Net current assets		<u>433,553</u>	<u>-</u>	<u>433,553</u>	<u>223,197</u>	<u>-</u>	<u>223,197</u>
Total assets less current liabilities		<u>2,593,743</u>	<u>-</u>	<u>2,593,743</u>	<u>2,368,569</u>	<u>-</u>	<u>2,368,569</u>
Provisions for liabilities							
Pension obligations	1	-	335,000	335,000	-	480,000	480,000
Net assets		<u>2,593,743</u>	<u>(335,000)</u>	<u>2,258,743</u>	<u>2,368,569</u>	<u>(480,000)</u>	<u>1,888,569</u>
Income funds							
Restricted funds		270,543	-	270,543	216,726	-	216,726
Unrestricted funds	1	2,323,200	(335,000)	1,988,200	2,151,843	(480,000)	1,671,843
Total funds		<u>2,593,743</u>	<u>(335,000)</u>	<u>2,258,743</u>	<u>2,368,569</u>	<u>(480,000)</u>	<u>1,888,569</u>

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

28 Reconciliations on adoption of FRS 102

Reconciliation of fund balances - Charity

	Notes	At 1 April 2015			At 31 March 2016		
		Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
		£	£	£	£	£	£
Fixed assets							
Tangible assets		795,190	100,000	895,190	780,372	100,000	880,372
Investment properties		-	-	-	1,365,000	(100,000)	1,265,000
Investments		1,365,001	(100,000)	1,265,001	1	-	1
		<u>2,160,191</u>	<u>-</u>	<u>2,160,191</u>	<u>2,145,373</u>	<u>-</u>	<u>2,145,373</u>
Current assets							
Debtors		247,923	-	247,923	141,826	-	141,826
Bank and cash		470,509	-	470,509	329,684	-	329,684
		<u>718,432</u>	<u>-</u>	<u>718,432</u>	<u>471,510</u>	<u>-</u>	<u>471,510</u>
Creditors due within one year							
Taxation		-	-	-	2,138	-	2,138
Other creditors		284,879	-	284,879	246,176	-	246,176
		<u>284,879</u>	<u>-</u>	<u>284,879</u>	<u>248,314</u>	<u>-</u>	<u>248,314</u>
Net current assets		<u>433,553</u>	<u>-</u>	<u>433,553</u>	<u>223,196</u>	<u>-</u>	<u>223,196</u>
Total assets less current liabilities		<u>2,593,744</u>	<u>-</u>	<u>2,593,744</u>	<u>2,368,569</u>	<u>-</u>	<u>2,368,569</u>
Provisions for liabilities							
Pension obligations	1	-	335,000	335,000	-	480,000	480,000
Net assets		<u>2,593,744</u>	<u>(335,000)</u>	<u>2,258,744</u>	<u>2,368,569</u>	<u>(480,000)</u>	<u>1,888,569</u>
Income funds							
Restricted funds		270,543	-	270,543	216,726	-	216,726
Unrestricted funds	1	2,323,201	(335,000)	1,988,201	2,151,843	(480,000)	1,671,843
Total funds		<u>2,593,744</u>	<u>(335,000)</u>	<u>2,258,744</u>	<u>2,368,569</u>	<u>(480,000)</u>	<u>1,888,569</u>

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

	At 1 April 2015		FRS 102	At 31 March 2016		FRS 102
	Previous UK GAAP	Effect of transition		Previous UK GAAP	Effect of transition	
Notes	£	£	£	£	£	£
Reconciliation of net movements in funds						
				Period ended 31 March 2016		
				Previous UK GAAP	Effect of transition	FRS 102
			Notes	£	£	£
Income from:						
Donations and legacies				354,200	-	354,200
Charitable activities				404,863	-	404,863
Investments				918	-	918
				<u> </u>	<u> </u>	<u> </u>
Operating profit				759,981	-	759,981
				<u> </u>	<u> </u>	<u> </u>
Expenditure on:						
Charitable activities				(985,156)	-	(985,156)
				<u> </u>	<u> </u>	<u> </u>
				(985,156)	-	(985,156)
				<u> </u>	<u> </u>	<u> </u>
Income/expenditure for the year				(225,175)	-	(225,175)
				<u> </u>	<u> </u>	<u> </u>
Actuarial gain/(loss) on defined benefit pension scheme			1	-	(145,000)	(145,000)
				<u> </u>	<u> </u>	<u> </u>
Net movement in funds				(225,175)	(145,000)	(370,175)
				<u> </u>	<u> </u>	<u> </u>

Notes to reconciliations on adoption of FRS 102

1 Defined Benefit Pension Scheme

Defined Benefit Pension Scheme – see note 18 for further details

Provision as at 31 March 2017 = £450,000