

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 2021

THE BRAUNSTONE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Henry Thompson	
	Elaine Halford	
	Edward Rogers	(Appointed 13 July 2020)
	Timothy Morton	(Appointed 13 July 2020)
	Bethan Lloyd	(Appointed 13 July 2020)
	Geoffrey Stagg	(Appointed 13 July 2020)
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	David Mayfield FCA 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	

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THE BRAUNSTONE FOUNDATION

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

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

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 2021, 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.

Activities, achievements and performance

Buildings:

During 2020/21 The Braunstone Foundation owned and managed six key buildings, along with four houses, and also leased two buildings from Leicester City Council (the Braunstone Park Lodge on a 125 year lease arrangement and the Community Asset Transfer of the Grove Community Hub on a 25 year lease).

Our full list of 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.

Original budgets for 2020/21 were planned in February 2020 for the forthcoming Financial Year. But as soon as the Covid-19 pandemic struck, we had to quickly revise the projected budget for the year within a backdrop of real uncertainty and concern that we may suffer significant losses. We estimated potential losses of around 25% on previous financial performance.

However, due to exceptional management of the Business Box and Business Box+ facilities, the team brought in a full year of rental income at Business Box achieving a staggering 19.5% increase on the revised projected budget and only a 5% decrease on 2019/20 figures. This was made possible by responding quickly to the needs of tenants, by implementing comprehensive Covid-19 Risk Assessments of the building and services within a couple of weeks of the start of government restrictions.

Through working to support tenants with financial pressures by offering reduced rent payments/holidays, through drawdown of existing deposits, by offering a 50% rent reduction in April 2020 to help on the first wave of lockdown. Also by supporting tenants to claim their Business Support grants from government, we minimised business closures and only lost 6 tenants throughout the 2020/21 period. We remained open on limited hours initially and then as the year progressed we opened further hours to allow more tenant access but working within restrictions. In this way we kept disruption to business activity to a minimum and maintained key service elements such as a full reception and postal/parcel services, although many of the small businesses based at the Business Box chose to have most staff work from home or furloughed for much of the year. Most businesses started to return to the workplace early in the New Year and most are now back to fully staffed offices. We have also seen new business return as the year progressed and by the end of March 2021 our occupancy was at 95%.

The Board takes this opportunity to thank the team at the Business Box for all their incredible hard work and commitment, during what has been the most challenging of circumstances.

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Business Box +

This is made up of Units 3 & 4 Forest Business Park based in the Braunstone Business Zone and the Braunstone Park Lodge (which was brought into the investment property portfolio during 2017 following the operational review of building usage), these are seen as "grow-on" office-spaces to the Business Box. These facilities also operate under the activities of the b inspired Trading Company Limited. In 2018 the Units 3 and 4 underwent refurbishment following previous long term tenants moving on. Both units have been fully occupied during 2020/21 despite the pandemic.

Rental income for Business Box Plus slightly underachieved on budget by 0.5% but significantly overachieved on 2019/20 by 23.5%, this is due to all sites being occupied compared to the previous year when the Lodge had a period vacant.

Braunstone Health and Social Care Centre (Hockley Farm Road, Braunstone)

A full transfer of ownership of the Braunstone Health and Social Care Centre to the Braunstone Foundation from PA Housing took place on 03/07/18.

The Braunstone Health and Social Care Centre 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 was owned and managed by a third party, PA Housing Group (formerly LHA and then Asra). The property underwent a full market valuation by our selected Surveyors, Innes England as part of the due diligence process for the transfer.

The building has two main anchor tenants who have 25 year leases, the NHS and Leicester City Council, along with a third small tenant - Apple a Day Café. The Foundation manages the building, which houses a large GP Practice, Pharmacy, Café, a wide range of NHS clinics and office accommodation for NHS and Leicester City Council teams, delivering health and social care services.

Throughout the last year the building has remained open to the public and operated within strict restrictions and NHS guidelines. Given the nature of the building, staff have remained at work and been called upon to implement strict Covid-19 Risk Assessments and working practices. The building was well used by the public to access urgent GP appointments, the pharmacy and at various time throughout the year clinics operated on site. The Apple-A-Day Café operated within social distancing guidelines to open whenever restrictions allowed and has in-between, offered take away services.

The Board takes this opportunity to thank the team at the Health Centre for all their hard work during the past year to maintain a safe site for staff, patients and visitors to the building.

Gallards Hill Offices

During 2020/21 the building at Gallards Hill was used by the charity to house the Braunstone FoodShare (Foodbank), Braunstone Be-friending Scheme, outreach facilities for welfare and debt advice and support organisations e.g. CALS, Severn Trent Water Trust, Reaching People Foodbank Plus scheme and Volunteer training. Further information on the services provided during 2020/21 appear later in this report.

Neighbourhood Support Base (45 Wellinger Way)

The Neighbourhood Support Team were based at the former Post Office site until February 2020, when they moved all operations to Gallards Hill (as described above). 45 Wellinger Way is currently closed to the public but has now undergone refurbishment and been converted into a Community Shop through funds provided by the Power to Change Empowering Places project (details follow in this report).

The Grove Community Hub (Cort Crescent, Braunstone)

As noted above, the Foundation acquired the Grove building and associated outdoor facilities (M.U.G.A and 4 grass Football pitches on the adjacent Braunstone Park) in June 2019. Following successful grant awards by the Garfield Weston Foundation and Power to Change Trust, the building and M.U.G.A. underwent major refurbishment to create a Community Hub with a Hall/Dance studio, training facilities, 3 x offices for let and created the space for community business development of a Social Bar and Community Café.

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The building opened to the public at a highly successful launch event on 21st February, 2020 only to unfortunately have to close on 23rd March, 2020 due to the Covid-19 pandemic national lockdown. The building subsequently re-opened following extended local Leicester lockdown restrictions on 8th September, 2020 and then closed again in the second national lockdown and re-opened for outdoor activities on 29th March, 2021 and for indoor restricted activities on 12th April.

The prolonged periods of closure and restricted operations has had a significant impact on the services at the building and subsequent ability to hire space, develop activities etc. This has had a significant impact on the financial performance during this, its first full year of operation. However, we thank our funders Garfield Weston Foundation and Power to Change Trust for providing us with revenue funds during the year, including a grant of £30k from Power to Change for Trading Income Loss. Along with the business disruption support grants from government via Leicester City Council and the Coronavirus Job Retention Scheme for staff that we needed to furlough for prolonged periods throughout the year, we managed to mitigate the overall losses to the income of the building to around 10%.

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, at which point it was brought into the investment property portfolio and is now let as part of the Business Box + offer. The property was let on leasehold throughout the 2020/21 period.

Property valuation

The Trustees are conscious of the changes in Statement of Recommended Practice which came into effect on 1st January 2019. In readiness for this a full property re-valuation by Innes England in May 2019 at "Fair Market Value" was undertaken. This re-valuation resulted in a significant uplift in values across all buildings. The Board consider that the uplifted values recorded in the 2020 accounts still represent a fair value for the property portfolio and will undertake a fresh re-valuation ready for the next set of accounts in 2021/22.

Sport and Physical Activities

During much of 2020/21 this team has been coping with the significant impact of the pandemic and the resultant restrictions on opening sports/leisure/community buildings. Throughout the 2020/21 period the building could only open for short periods of time and then on much restricted terms. Therefore, many of the staff were furloughed for prolonged periods or part remote working. However, when the building could open there was definite signs that the space is of interest and value to the community and regular bookings on the 4G artificial pitch picked-up immediately, along with use of the Dance Studio and the group rooms. Despite ongoing restrictions, the team have welcomed many regular groups weekly and the Football teams re-started on the grass pitches as soon as restrictions allowed.

Throughout this time the team worked extensively with the emerging community businesses based at the Grove - notably: ER Dance and Fitness (now a registered CIC); the Social Bar group also working to register as a CIC in Summer 2021 and the Community Café also well advanced and ready to launch in the Summer too. This support has included an intense 8 weeks community business start-up course run online for the groups by our partners CASE.

In addition to this, we also delivered when restrictions allowed, sports and fitness activities to local Young People as part of our ongoing project with the Leicestershire Police and Crime Commissioner.

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Work Live Leicestershire (WiLL Project)

Work. Live. Leicestershire (WiLL) is a project that improves accessibility to services and develops opportunities in response to the needs and ideas of rural residents across the county. It is a project initially funded by the Building Opportunities Funding and matched by the NLCF.

Residents living in rural areas are more likely to face transport difficulties, loneliness and technology issues that can greatly impact upon personal development.

Launching in January 2019 with 9 Partners, b – inspired offers One to One Careers and Development support to 18-30 year olds across Hinckley and Bosworth, North West Leicestershire, Melton and Harborough.

During COVID19 pandemic support has mainly been delivered through telephone wellbeing checks and walking sessions, to reduce isolation and Loneliness. As restrictions have lifted, our worker has moved into other areas including Loughborough through good links with JCP there. Through meetings in local Parks and Coffee Shops, she is offering advice and guidance.

This BBO contract is now extended until June 2023. B inspired outcomes for the last year are as follows:

B- Inspired Targets and Outcomes March 20 – June 2021

B-Inspired	Target	Outcome
Number of Sign ups	50	74
Number of Men	33	44
Number of Women	17	30
Economically Inactive	10	10
Job Outcomes	24	24
Education Outcomes	7	11

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

Neighbourhood Support

This service was based at the Neighbourhood Support Office at our Gallards Hill site during 2020/21.

It also takes the lead in community engagement through a range of media and the delivery of high-quality community events. The service supports a wide range of volunteers who undertake a variety of roles across all services. A brief summary of activity areas of delivery are highlighted below:

Volunteer Training

Following the recruitment of a Part-Time Training Support Worker in 2018 our training activity has developed significantly. During 2020/21 training was still delivered despite significant restrictions and constraints caused by the pandemic.

During 2020/21, 56 local people were supported with training and other development activities e.g. CV creation and job search (compared to 99 in 2019).

We were able to deliver training online to cover topics such as Health and Safety and, Food Hygiene and give telephone and email support for CV creation and to provide general guidance in learning and follow-on activities for volunteers and other local residents.

We fully intend to ramp-up again on training opportunities in 2021/22, offering induction meetings for new Volunteers, First Aid, Food Hygiene, Health and Safety, GDPR Awareness, digital tasters, confidence building, CV creation and ASDAN accredited Volunteering in the Community Certificates. We will also offer ongoing advice and guidance sessions to help learners on their journey with the support of other local adult learning providers.

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Befriending

Our Be-friending scheme was relaunched in 2018 with the support of funds from the Masonic Foundation and subsequently the National Lottery Community Fund (NLCF). The new project was resourced to have a Full-Time Coordinator, along with part-time Support Workers and Administration support. This has enabled the scheme to expand and diversify during the past 2 years.

During normal operations the scheme has two elements: 1) Befriending arrangements - They can be meeting up and going to Talk Time sessions or other venues, playing games, or simply having a natter at home. The arrangements are not time limited but sometimes people's lives improve to such an extent, that they no longer need the service and have a greater ability to socialise and are experiencing better health and well-being.

Element 2) Talk Time Social Groups - an opportunity for residents to meet up and talk to others residents in the area. Two weekly sessions at 2 different venues with resources which make the sessions varied and interesting.

Identification and referral comes through many sources e.g. neighbours, family, social services, GP's and Occupational Therapists. Talk Time has 28 members

Along with a calendar of special events and trips.

Since March 13th 2020 and the Covid-19 lockdown we have not been able to deliver sessions in a group environment or have Befrienders go to people's homes. The Team have instead contacted all members of the scheme by phone on a regular basis – most have a weekly call for companionship and to check on health and welfare. This really has been a lifeline for some of the participants.

In addition to this, the team has worked very hard to keep the participants engaged and connected with their friends at Talk Time. They created and delivered Home Activity Packs to all scheme members every fortnight and arranged special activities, like distributing Birthday and Christmas cards from group members to each other. They also created Hobby Boxes with art and craft resources in for people to loan and take up or expand home hobbies e.g. knitting, painting.

During December all the scheme members received high quality Hampers donated by a range of local businesses and community members.

As restrictions started to lift in April 2021 some small-scale outdoor activities re-started and the plans are to re-instate 2 Talk Time groups at local venues and resume home visits.

In addition, part of our additional funding via NLCF and subsequent COVID-19 funding as allowed us to progress a long held desire we have had to launch a Men's Group for men that are experiencing isolation and loneliness. Whilst women and others are not excluded from the group or activities, we have started a range of activities traditionally attractive to men. This includes gardening and woodworking. As part of the refurbishment of the Wellinger Way Shop site, a section of the large Garage extension at the back of the building has been made into a small workshop for the storage of tools and equipment and workbenches. This also has direct access to the community garden at the rear of the Community Shop. The group has started with small numbers meeting outside and we intend to grow the group over the next 6 months.

The Board wishes to thank the Befriending Team for all its commitment during very difficult circumstances, to keep continuity of engagement with our older isolated and often lonely residents and their work in creative ways to keep up people's spirits.

Braunstone Foodshare.

Now in its 10th year, Braunstone Foodshare (Foodbank) has been supporting on average 70 families on low incomes through its twice weekly sessions over the past few years. The scheme was previously housed at the Neighbourhood Support base on Wellinger Way until February, 2020 when it moved to the Gallards Hill site. 2020/21 has been an unprecedented year for the scheme due to the pandemic and the need to respond quickly to local need and emergency arrangements.

Foodshare continues to be a huge undertaking requiring lots of volunteer and staff time. However, we are committed to continuing this essential work and happy to report that the service has again received a food hygiene rating of 5 from environmental health for every inspection, which shows the professionalism and determination of all those involved in its

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TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

delivery. The scheme is supported by kind donations from local Schools, Churches, Community Groups, the Wonky Veg Man, many Supermarkets and individual donors. We also maintain an annual affiliation to FareShare (Leicestershire).

The service is supported by a range of partners including: CALS providing a Welfare Advisor one day per week, along with the Food Bank Plus project (now housed at CAL's) and Energywise, both providing an Advice/Support Worker one day per week. Severn Trent Trust also provide outreach services to assist with water bill debt. We are very grateful to these outreach providers, as they are able to offer a quick response and expertise to support our FoodShare members who may be experiencing a range of issues e.g. benefit claim queries, debt, unemployment, homelessness. They help us to offer a more holistic service to our FoodShare members that allows us to respond not just by providing food but by trying to tackle and resolve the root causes of their difficulties leading to food poverty. The FoodShare scheme served as a lifeline for many local people from the start of the Covid-19 pandemic and subsequent lockdown. Following a pause for 2 weeks to re-organise the service, we launched a weekly doorstep delivery service at the beginning of April 2020 with 10 Volunteer Drivers. During 2020/21 the number of members rose to a record high of 139 households (an increase of 38% on the previous year).

Through incredible support from a wide range of emergency funds and corporate and public donors, over the past year (as noted further in the statement of accounts), we were able to employ a Full-Time Co-ordinator which has made a massive positive impact on our ability to manage the scheme, which is a huge undertaking every week. Through the tireless work of staff and volunteers we have continued to serve those most in need in our community, particularly through the difficulties of the last year with many people experiencing redundancy, reduced working hours and pay cuts. Our team worked hard to access emergency funds for individuals through the Council run C19 support grant, which helped those in crisis with food, energy costs and essential warm clothing and appliances. We wish to thank the City Council for its ongoing support to local people.

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

Other activity

Power to Change

We continue to deliver our 5 year vision as a Catalyst on the Power to Change Trust (a BIG Lottery endowed Trust) – Empowering Places programme. We have completed 4 years of the programme at the time of writing this report.

The project is set to realise a vision to grow and create new community businesses in Braunstone. Power to Change have committed to a grant of up to £1 million between 2017 and 2022 (£650,000 grant and £350,000 in capacity support). Our 5 Year Plan articulates a vision that recognises that local people are the best people to shape services which will benefit the local area. By harnessing the combined forces of all the players in the area, Power to Change are sure that community businesses can start up, thrive and achieve positive change for their neighbourhoods, helping to reduce inequalities.

The Braunstone Foundation (t/a b inspired) as the catalyst and Community Anchor for Braunstone is well placed to work with local people and with support from Power to Change, to achieve some key outcomes:

- To have grown existing community businesses in Braunstone and created up to 5 new ones.
- Providing a self-supporting cluster of Community Businesses, offering a range of goods and services that local people can afford.
- To have brought into community hands at least one local asset (The Grove) that has been invested in, to provide the space for community businesses to form and grow.
- Community businesses that offer improved pathways to learning and work and increased local job opportunities.
- To have created community business solutions to help tackle the enduring health inequalities in Braunstone, promoting healthier lifestyles and access to better food.

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Year 4 of the Braunstone Empowering Places project has performed well considering the major interruption caused by the pandemic and its impact on the ability of volunteers to meet up regularly and progress ideas and practical actions needed to set-up the businesses.

Following the capacity training provided to 2 of the new community businesses in Year3 (2019/20) the Essential Rejuvenation Dance Group has successfully converted into a registered Community Interest Company (CIC), known as ER Dance and Fitness. They also launched a new website and branding.

During the early part of 2021, 3 of the other new groups undertook intense business start-up training with CASE (online). These were the Community Café and Social Bar at the Grove and the Community Shop at Wellinger Way. The volunteers committed a lot of time and energy to completing the course and have subsequently been able to produce Business Plans, decide upon a name for their businesses and start publicity to launch.

A major achievement during 2020/21 was the complete refurbishment of our old Neighbourhood Support Base at 45 Wellinger Way (itself a former Post Office), into a smart retail shop, with the added bonus of a large extension on the side (formerly a Garage), which now provides for 2 large sales floors. Once launched in August 2021 it will sell donated adult and children's clothing, accessories, bric-a-brac and local products; along with furniture, household goods and electrical appliances. This will provide affordable goods locally and respond to needs raised by residents over many years who often struggle to afford essential furniture and appliances.

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Financial review

Overview

The Trustees have noted the financial position of the charity at the 31 March 2021 year-end.

The Statement of Financial Activities shows a total income of £1,849,410 and expenditure of £1,579,151. Thus showing a surplus of £270,259 before revaluations and actuarial adjustments.

During the previous year we made the decision to revalue all our properties which gave rise to gains that went through the Statement of Financial Activities. During the year the Trustees considered the valuation of the properties again as is necessary and came to the conclusion that the properties were not likely to be materially mis-stated.

As already articulated in the Trustee Report, the Trustees will again have a full independent valuation from an appropriate external organisation in 2021/22.

On the basis of the above there was no revaluation gains reported in the year as opposed to the previous year when there was a gain of £315,000 gain on our investment properties and a £139,988 gain on our core properties used for charitable purposes.

During the year there was a reversal of the actuarial gain on the valuation of the Multi-Employer Pension Scheme we reported in 2020. Whilst the previous year we reported an actuarial gain of £573,000, this year we report an actuarial loss of £419,000. This actuarial loss is again reported in the Statement of Financial Activities.

This actuarial loss of £419,000 is added to the surplus of £270,259 and means we report a revised deficit of £148,741 for the year.

Pension Scheme Provision

The Braunstone Foundation makes payments into a Multi-Employer Pension Scheme (SHPS) 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.

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 any actuarial adjustments as articulated above and there is a £419,000 increase in the deficit. This means the provision for this deficit now stands at £826,000 as at the 31 March 2021.

The pension scheme deficit appears to fluctuate substantially year on year.

Conclusion

After taking into consideration all these items the charity carries forward reserves as follows:

Unrestricted Funds of £2,462,912 after pension adjustments and revaluations

Designated Funds of £433,493

Restricted Funds of £65,964

Permanent Endowment of £5,000,000

This means the Charitable Company has £7,962,369 of total funds carried forward.

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These funds are split between the unrestricted funds, designated funds, the restricted funds and the permanent endowment fund - see statement of financial activities on page 18.

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 £450,000 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 £2,462,912 as at the 31 March 2021. So without further review this looks very healthy.

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 £1,025,355 is in Property, Plant and Equipment. A further £1,745,000 is held in Investment Properties which provide the income the charity needs to undertake its activities.

In Free unrestricted funds we have net current assets of £518,556 whilst the pension liability of £826,000 is directly matched against these funds.

The charity has a strategy to see us build up cash reserves to enable us to build up assets within unrestricted funds that are more liquid.

A key element of this is 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.

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Risk Review

The Board conducts its own review of the major risks each year through its Business Planning process. A 3 year Business Plan was produced to cover the period 2019 to 2022 and risks reviewed at this time. 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 is 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.
- Impact of Brexit.
- Impact of Covid-19 pandemic on our ability to trade at normal levels and increased demand on our charitable services.

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.

Plans for Future Periods

In 2019 the Board of Trustees set a 3 year Business Plan to cover the period to March 2022. The plan showed a prudent approach to grow trading activities, decreasing reliance on grant funds and growing more profit-related donations from the Trading Company to the charity.

The 2019/2020 produced a good start to this plan and our ambitious targets of reaching over 70% of our own earned income was on target. Clearly the COVID-19 pandemic and its effect have placed us in a slightly different position, as we had to call upon emergency grant funds to help us through the crisis, after suffering trade losses and experiencing an increased demand on our Neighbourhood Support services.

However, as noted above, our trading company actually survived the year extremely well, considering the unprecedented circumstances and in the end only showed losses of approximately 5% on previous years.

In February 2021 the Board agreed an interim set of delivery and financial targets to take us through to 2021/22, in light of continuing uncertainties due to the pandemic, particularly in relation to our ability to trade at the Grove Community Hub, which has been most seriously impacted. Therefore, we plan to invest energy and resources as necessary to re-launch the Grove and increase bookings, activities and hires/rents as quickly as possible, to mitigate ongoing losses caused by closures.

A major element of this re-launch of the Grove is the creation and launch of the Community Businesses that will be based there. This will help us achieve our vision that by 2022, Braunstone will be home to a thriving and integrated community business sector; with the Braunstone Grove facility at its heart.

THE BRAUNSTONE FOUNDATION

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Alongside this we will see the launch of the Community Shop at our Wellinger way site, run by local people for local people. Offering a larger dedicated shop space with a bigger offer, including white goods, local craft and products and increased sales on recycled clothes and household goods.

The community businesses will offer a diverse range of employment and volunteering opportunities and new products and services not previously available to local residents.

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.

Trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year are shown below.

Pauline Hurd	(Resigned 30 September 2020)
Henry Thompson	
Keith Beaumont	(Resigned 2 February 2021)
Elaine Halford	
Rev Keith Magee	(Resigned 20 October 2020)
Edward Rogers	(Appointed 13 July 2020)
Mr T Morton	(Appointed 13 July 2020)
Bethan Lloyd	(Appointed 13 July 2020)
Geoffrey Stagg	(Appointed 13 July 2020)

The charity is organised so that the trustees (together forming a board of trustees) meet regularly (4 times during 2020/21 - online 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 Vice 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.

Trustee recruitment and induction

The Chief Officer takes responsibility for induction to the charity for new Trustees and organises any training as required.

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

As noted above, the Board wishes to remember and thank our longest serving trustee, Pauline Hurd, who sadly passed away on 30/09/20. Pauline made a massive contribution to the work of the organisation for 20 years and always advocated the resident's voice.

"We were also very saddened to hear of the passing of another very long-serving Trustee, Gwen Abraham MBE, who passed away on 11/08/21. Gwen devoted many years to the development of the organisation from when she joined the Braunstone Community Association (BCA) as a Director in 2001 and went on to become the Chair of BCA and Chair of the Education and Lifelong Learning Theme Group, through the New Deal for Braunstone programme. Gwen then helped the BCA transition into the Braunstone Foundation charity as a Trustee. Gwen had lived in Braunstone for most of her life and was always involved in charity and community volunteering. The board wishes to pay respect and thanks to Gwen for all she did for Braunstone."

THE BRAUNSTONE FOUNDATION

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

In addition, the Board wishes to thank other Trustees who stood down during this last year – Keith Beaumont, who retired from the role of Trustee after 4 years but who actually had a very long-standing involvement with the organisation; originally the Chief Executive of the Foundation's predecessor (Braunstone Community Association) and then subsequently the Chairperson of the Board of Directors for BCA. Keith has always been passionate and committed to the organisation and the people of Braunstone and inputted an immense amount over the past 20 years. The Board wish to express its sincere thanks and gratitude to Keith for all his support over many years.

Reverend Keith Magee also resigned during the year as the representative of St Peters Church, Braunstone. Keith had been a very active member of the Foundation since 2016 when he came to be the local Vicar. Keith resigned due to moving on to a new position as Team Rector of Dorchester and the Winterbournes in the Diocese of Salisbury. The Board wishes to express its thanks and gratitude for the support and commitment he gave to the Foundation and Braunstone community and wish him every success in his new position.

Conflicts of Interest and Related Party Transactions

Trustees declare all personal and professional connections on a register of interests. At the start of each meeting, declarations are made of any potential conflicts of interests and the relevant trustee excuses themselves from any decisions that the charity must make regarding a conflict of interest. Related party transactions in the year have been disclosed within the notes of the accounts.

Senior Management Team

Angie Wright – Chief Officer and Company Secretary
Linda Grubb – Head of Operations

Day-to-day Management

The Board of Trustees have delegated day-to-day management of the organisation to Angie Wright, Chief Officer.

Setting pay and remuneration

Trustees do not receive remuneration, only reimbursement of reasonable 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 its Finance and General Purposes Committee and up to the Board of trustees.

In 2017 The Board of Trustees agreed to the adoption of a comprehensive Behavioural Competencies Framework and accompanying new appraisal methodology. This is linked to a Reward and Recognition Scheme for all staff (excluding the Senior Management Team, whose remuneration is dealt with directly by the Remuneration Sub- Committee). The scheme provides for a fair and equitable system, rewarding staff on their performance in core competencies required for their individual role.

The Braunstone Foundation is proud to be a Real Living Wage Employer.

MEMBERS – During 2020/21

Braunstone Resident Network
Clockwise Credit Union
Friends of Highway Spinney
Leicester City Council
NHS Leicester City
St Peters Church
New Dawn New Day
Palmers of Leicester Ltd.
The Braunstone Adventure Playground (joined as member 14/07/20)

THE BRAUNSTONE FOUNDATION

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Employee involvement

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

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.



Timothy Morton
Chair

Dated: 11th November 2021

THE BRAUNSTONE FOUNDATION

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors of The Braunstone Foundation for the purpose of company law, are 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 are 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 are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE BRAUNSTONE FOUNDATION

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of The Braunstone Foundation (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the statement of cash flows and the notes to the financial statements, 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 Financial Reporting Standard 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; and
- 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 charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

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

In the light of the knowledge and understanding of the charity 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 Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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 charitable 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Group and the parent Charity and the sector in which they operate. We determined that the following laws and regulations were most significant: the Companies Act 2006, the UK Corporate Governance Code and UK corporate taxation laws, and all applicable charity laws and regulations.
- We obtained an understanding of how the Group and the parent Charity are complying with those legal and regulatory frameworks by making inquiries to the management and the trustees. We corroborated our inquiries through our review of board minutes and papers provided by the management.

THE BRAUNSTONE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE BRAUNSTONE FOUNDATION

- We assessed the susceptibility of the Group and the parent Charity financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the Group and the parent Charity engagement team included:
 - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - challenging assumptions and judgments made by management in its significant accounting estimates;
 - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
 - assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.



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

11th November 2021

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 2021

	Notes	<u>Unrestricted Funds 2021 £</u>	<u>Designated Funds 2021 £</u>	<u>Restricted Funds 2021 £</u>	<u>Endowment Funds 2021 £</u>	<u>Total 2021 £</u>	<u>Total 2020 £</u>
Income From							
Donations & Legacies	4	374,508	-	193,088	-	567,596	575,904
Charitable Activities	5	1,280,366	-	1,036	-	1,281,402	1,425,292
Investments	6	220	192	-	-	412	3,105
Total Income		1,655,094	192	194,124	-	1,849,410	2,004,301
Expenditure							
Charitable activities	7	1,077,462	11,798	224,481	-	1,313,741	1,923,140
Cost of generating funds	8	265,410	-	-	-	265,410	280,115
		1,342,872	11,798	224,481	-	1,579,151	2,203,255
Net Gains on Investments	12	-	-	-	-	-	315,000
Net Income/(expenditure)		312,222	(11,606)	(30,357)	-	270,259	116,046
Revaluation of tangible Fixed assets		-	-	-	-	-	139,988
Actuarial (loss)/gain on defined benefit pension schemes		(419,000)	-	-	-	(419,000)	573,000
Net Movement In Funds		(106,778)	(11,606)	(30,357)	-	(148,741)	829,034
Balance Brought forward		2,569,690	445,099	96,321	5,000,000	8,111,110	7,282,076
Balance carried forward as at 31 March 2021		2,462,912	433,493	65,964	5,000,000	7,962,369	8,111,110

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

All income and expenditure derive from continuing activities

THE BRAUNSTONE FOUNDATION

CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	All income funds	
	2021	2020
	£	£
Gross income	1,849,410	2,004,301
Gains on investments	-	315,000
Total income in the reporting period	1,849,410	2,319,301
Total expenditure from income funds	1,579,151	2,203,255
Net income/(expenditure) for the year	270,259	116,046

THE BRAUNSTONE FOUNDATION

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	13		1,025,355		1,028,064
Investment properties	14		6,745,000		6,745,000
			<hr/>		<hr/>
			7,770,355		7,773,064
Current assets					
Debtors	16	62,812		252,921	
Cash at bank and in hand		1,231,255		810,526	
		<hr/>		<hr/>	
			1,294,067		1,063,447
Creditors: amounts falling due within one year	17	(276,053)		(318,401)	
		<hr/>		<hr/>	
Net current assets			1,018,014		745,046
			<hr/>		<hr/>
Total assets less current liabilities			8,788,369		8,518,110
Provisions for liabilities	18		(826,000)		(407,000)
			<hr/>		<hr/>
Net assets			7,962,369		8,111,110
			<hr/>		<hr/>
Capital funds					
Endowment funds	20		5,000,000		5,000,000
Income funds					
Restricted funds	21		65,964		96,321
<u>Unrestricted funds</u>					
Designated funds	23	433,493		445,099	
General unrestricted funds	22	3,148,924		2,836,702	
Revaluation reserve		139,988		139,988	
Pension reserve		(826,000)		(407,000)	
		<hr/>		<hr/>	
			2,896,405		3,014,789
			<hr/>		<hr/>
			7,962,369		8,111,110
			<hr/>		<hr/>

THE BRAUNSTONE FOUNDATION

CONSOLIDATED BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

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 2021, 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 financial statements were approved by the Trustees on 11 November 2021.

.....
Geoffrey Stagg - Trustee

Company Registration No. 04029394



THE BRAUNSTONE FOUNDATION

CHARITY BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13		1,025,355		1,028,064
Investment properties	14		6,745,000		6,745,000
Investments	15		1		1
			<hr/>		<hr/>
			7,770,356		7,773,065
Current assets					
Debtors	16	81,235		239,428	
Cash at bank and in hand		1,114,820		734,671	
		<hr/>		<hr/>	
			1,196,055		974,099
Creditors: amounts falling due within one year	17	(178,042)		(229,054)	
		<hr/>		<hr/>	
Net current assets			1,018,013		745,045
			<hr/>		<hr/>
Total assets less current liabilities			8,788,369		8,518,110
Provisions for liabilities	18	(826,000)		(407,000)	
		<hr/>		<hr/>	
Net assets			7,962,369		8,111,110
			<hr/>		<hr/>
Capital funds					
Endowment funds	20		5,000,000		5,000,000
Income funds					
Restricted funds	21		65,964		96,321
<u>Unrestricted funds</u>					
Designated funds	23	433,493		445,099	
General unrestricted funds	22	3,148,924		2,836,702	
Revaluation reserve		139,988		139,988	
Pension reserve		(826,000)		(407,000)	
		<hr/>		<hr/>	
			2,896,405		3,014,789
			<hr/>		<hr/>
			7,962,369		8,111,110
			<hr/>		<hr/>

THE BRAUNSTONE FOUNDATION

CHARITY BALANCE SHEET (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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 2021, 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 financial statements were approved by the Trustees on 11 November 2021.

.....
Geoffrey Stagg - Trustee
Company Registration No. 04029394



THE BRAUNSTONE FOUNDATION

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from	29		420,317		(251,510)
Income taxes paid			-		(35)
Net cash inflow from operating activities			420,317		(251,545)
Investing activities					
Interest received		412		3,105	
Net cash generated from/(used in) investing activities			412		3,105
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			420,729		(248,440)
Cash and cash equivalents at beginning of year			810,526		1,058,966
Cash and cash equivalents at end of year			1,231,255		810,526

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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 2019 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.

1.2 Going concern

At the time of approving the accounts, the trustees have 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 2021

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:

Fixtures, fittings & equipment	15% per annum reducing balance basis
--------------------------------	--------------------------------------

For Land and Buildings a review of the market value of the charity's properties are undertaken annually, with an external valuation undertaken every 2 years. On this basis no depreciation is charged on an annual basis but an impairment review undertaken instead with any impaired amounts written off to the Statement of Financial Activities. 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 2021

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 2021

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. Change in accounting policy

During the year, the accounting policy for Tangible Fixed Assets has changed from providing 1% depreciation per annum of cost for buildings to accounting for no depreciation on buildings within the year. This change of accounting policy has taken place due to the specifics of the property portfolio contained within Property, Plant and Equipment. The charity has considered the appropriateness of these policies in line with the ongoing rise in market value of properties across the county. In respect of the review the charity has decided against depreciating the property portfolio this year as it considers the valuation of properties to be in line with the May 2019 external valuations.

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The charity has chosen to revalue its entire property portfolio whether it is an investment property or property for charitable use and thus classified as Property, Plant and Equipment. The properties are valued by an appropriately qualified external professional on a biennial basis. Where there is a change in market values within the financial statements the properties are revalued. In the intervening year where the external valuers do not undertake a valuation then the trustees consider the value of the properties to ensure there is not a significant impairment to the value of the properties shown in the accounts. On this basis the Trustees believe that there is no need for properties to be depreciated.

Depreciation of £7,494 has historically been charged to the Statement of Financial Activities. A similar amount would have been charged in 2021 had the charity continued to depreciate properties at 1% of cost excluding land.

Accumulated depreciation of £14,988 was released to the revaluation reserve when the properties were first revalued in May 2019.

3. 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 2021

4. Donations and legacies

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds general	Total 2021	Total 2020
	£	£	£	£	£	£
Donations and legacies	9,103	-	-	-	9,103	3,639
Grants receivable	365,405	-	193,088	-	558,493	572,265
	<u>374,508</u>	<u>-</u>	<u>193,088</u>	<u>-</u>	<u>567,596</u>	<u>575,904</u>
For the year ended 31 March 2020						
	<u>90,039</u>	<u>-</u>	<u>485,865</u>	<u>-</u>		<u>575,904</u>
Donations and legacies						
Sundry donations received	9,103	-	-	-	9,103	3,639
	<u>9,103</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,103</u>	<u>3,639</u>
Grants receivable for core activities						
Garfield Weston Fund	40,000	-	-	-	40,000	-
Job Retention Scheme	97,266	-	13,751	-	111,017	-
Community Business Fund	-	-	-	-	-	232,996
Food Share	41,134	-	-	-	41,134	-
Masonic Foundation	-	-	19,321	-	19,321	19,703
Power to Change Grant	30,000	-	123,014	-	153,014	190,296
Big Lottery Community Fund Work Live	53,236	-	-	-	53,236	86,400
Leicester City Covid Response Grants	63,241	-	-	-	63,241	-
Big Lottery Reducing Isolation Fund	-	-	37,002	-	37,002	41,378
Impact Growth	-	-	-	-	-	1,492
Other sundry grants	40,528	-	-	-	40,528	-
	<u>365,405</u>	<u>-</u>	<u>193,088</u>	<u>-</u>	<u>558,493</u>	<u>572,265</u>

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5. Charitable activities

	2021	2020
	£	£
Local Authority Rates Rebate	-	153,017
Services provided under contract	362,365	370,485
Other income	78,587	98,201
Advertising income and sundry income	2,969	3,295
Rent and room hire	840,481	800,294
	<u>1,281,402</u>	<u>1,425,292</u>

6. Investments

	Unrestricted funds	Designated funds	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Interest receivable	220	192	412	3,105
	<u>220</u>	<u>192</u>	<u>412</u>	<u>3,105</u>
For the year ended 31 March 2020	1,559	1,546		3,105

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

7. Charitable activities

	Charitable Activities Unrestricted	Charitable Activities Restricted	Total 2021	Total 2020
	£	£	£	£
Staff costs	559,623	206,258	765,881	726,578
Depreciation and impairment	2,709	-	2,709	3,185
Premises costs	293,229	5,318	298,547	422,205
Motor and travel	968	42	1,010	5,148
Legal and professional fees	10,870	2,250	13,120	30,618
Project activity and equipment costs	105,036	9,496	114,532	461,231
Supplies and services	-	-	-	17,560
Irrecoverable input vat	46,104	1,117	47,221	43,049
Rates Rebate Due To Tenants	-	-	-	153,017
Bank charges	447	-	447	400
Bad debts	-	-	-	2,966
	<u>1,018,986</u>	<u>224,481</u>	<u>1,243,467</u>	<u>1,865,957</u>
Share of governance costs (see note 9)	70,274	-	70,274	57,183
	<u>1,089,260</u>	<u>224,481</u>	<u>1,313,741</u>	<u>1,923,140</u>
Analysis by fund				
Unrestricted funds	1,077,462	-	1,077,462	
Designated funds	11,798	-	11,798	
Restricted funds	-	224,481	224,481	
	<u>1,089,260</u>	<u>224,481</u>	<u>1,313,741</u>	
For the year ended 31 March 2020				
Unrestricted funds	1,209,583	-		1,209,583
Designated funds	63,263	-		63,263
Restricted funds	-	650,294		650,294
	<u>1,272,846</u>	<u>650,294</u>		<u>1,923,140</u>

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8. Cost of generating funds

	Unrestricted	Restricted	Total 2021	Total 2020
	£	£	£	£
Staff costs	141,825	-	141,825	136,478
Premises costs	71,402	-	71,402	92,370
Motor and travel	-	-	-	65
Legal and professional fees	2,160	-	2,160	2,580
Supplies and services	50,023	-	50,023	48,622
	<u>265,410</u>	<u>-</u>	<u>265,410</u>	<u>280,115</u>

9. Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Staff costs	-	47,774	47,774	38,183
Audit and accountancy fees	-	22,500	22,500	19,000
	<u>-</u>	<u>70,274</u>	<u>70,274</u>	<u>57,183</u>
Analysed between				
Charitable activities	-	70,274	70,274	57,183
	<u>-</u>	<u>70,274</u>	<u>70,274</u>	<u>57,183</u>

Governance costs includes payments to the auditors of £9,000 (2020 - £9,000) for audit fees.

10. Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but trustees were reimbursed a total of £737 (2020 - £699) for expenses incurred in respect of carrying out the operations of the charity.

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11. Employees

Number of employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
43	38

Employment costs

	2021 £	2020 £
Wages and salaries	769,799	715,605
Social security costs	58,244	55,097
Other pension costs	127,437	130,537
	955,480	901,239

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
Band £60,000 to £70,000	1	1
Band £80,000 to £90,000	1	1
	2	2

12. Net gains/(losses) on investments

	Unrestricted funds 2021 £	Total 2020 £
Revaluation of investment properties	-	315,000

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13. Tangible fixed assets (Group and Charity)

	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2020	1,010,000	399,809	1,409,809
At 31 March 2021	1,010,000	399,809	1,409,809
Depreciation and impairment			
At 1 April 2020	-	381,745	381,745
Depreciation charged in the year	-	2,709	2,709
At 31 March 2021	-	384,454	384,454
Carrying amount			
At 31 March 2021	1,010,000	15,355	1,025,355
At 31 March 2020	1,010,000	18,064	1,028,064

Land and buildings with a carrying amount of £870,012 were revalued on 24 May 2019 by Innes England, independent valuers on the basis of market value. Innes England valued these properties at £1,010,000 and the revaluation amount of £139,988 was appropriately disclosed in the 2020 accounts. During this financial year the trustees have valued the properties and believe that the market value to be not materially different from the valuation undertaken in 2019. The next independent external valuation will be undertaken in 2022. The Trustees have taken the decision not to depreciate the properties during the year as they believe the properties to be in line with expected values.

14. Investment property (Group and Charity)

	2021 £
Fair value	
At 1 April 2020	6,745,000
At 31 March 2021	6,745,000

All Investment properties, with an historic carrying amount of £6,430,000 were independently valued on 24 May 2019 by Innes England and gave rise to revaluation to £6,745,000 an uplift of £315,000 in the 2020 accounts. The trustees believe the value of the properties to be consistent with the previous year's valuation and will next request an independent external valuation in 2022.

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15. Fixed asset investments (Charity)

		Other investments	
Cost or valuation			
At 1 April 2020 & 31 March 2021			1
Carrying amount			
At 31 March 2021			1
At 31 March 2020			1
Other investments comprise:	Notes	2021	2020
		£	£
Investments in subsidiaries	27	1	1

16. Debtors

	Group	Group	Charity	Charity
	2021	2020	2021	2020
Amounts falling due within one year:	£	£	£	£
Trade debtors	52,162	196,593	18,002	169,404
Amounts due from subsidiary undertakings	-	-	55,609	4,403
Other debtors	10,650	48,352	7,624	57,645
Prepayments and accrued income	-	7,976	-	7,976
	62,812	252,921	81,235	239,428

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17. Creditors: amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	7,276	3,051	3,564	661
Corporation tax	107	95	-	-
Other taxation and social security	43,251	-	41,390	-
Other creditors	127,495	231,048	53,070	153,017
Accruals and deferred income	97,924	84,207	80,018	75,376
	<u>276,053</u>	<u>318,401</u>	<u>178,042</u>	<u>229,054</u>

18. Provisions for liabilities

	Notes	2021 £	2020 £
Retirement benefit obligations	18	826,000	407,000
		<u>826,000</u>	<u>407,000</u>

19. Defined Benefit Pension Scheme

The company participates in the Social Housing Pension Scheme (the Scheme), a multi-employer scheme which provides benefits to some 500 non-associated employers. The Scheme is a defined benefit scheme in the UK.

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 last triennial valuation of the scheme for funding purposes was carried out as at 30 September 2017. This valuation revealed a deficit of £1.522m. A Recovery Plan has been put in place with the aim of removing this deficit by 30 September 2026.

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.

For financial years ending on or before 28 February 2019, it has not been possible for the company to obtain sufficient information to enable it to account for the Scheme as a defined benefit scheme, therefore the company has accounted for the Scheme as a defined contribution scheme.

For financial years ending on or after 31 March 2019, it is possible to obtain sufficient information to enable the company to account for the Scheme as a defined benefit scheme.

For accounting purposes, two actuarial valuations for the scheme were carried out with effective dates of 31 March 2018 and 30 September 2018. The liability figures from each valuation are rolled forward to the relevant accounting dates, if applicable, and are used in conjunction with the company's fair share of the Scheme's total assets to calculate the company's net deficit or surplus at the accounting period start and end dates

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

19. Defined Benefit Pension Scheme Continued

PRESENT VALUES OF DEFINED BENEFIT OBLIGATION, FAIR VALUE OF ASSETS AND DEFINED BENEFIT ASSET (LIABILITY)

	31/03/2021 (£000s)	31/03/2020 (£000s)
Fair value of plan assets	3,328	2,943
Present value of defined benefit obligation	4,154	3,350
Surplus (deficit) in plan	(826)	(407)
Unrecognised surplus	-	-
Defined benefit asset (liability) to be recognised	(826)	(407)
Deferred tax	-	-
Net defined benefit asset (liability) to be recognised	-	-

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE DEFINED BENEFIT OBLIGATION

	31/03/2021 (£000s)
Defined benefit obligation at start of period	3,350
Current service cost	-
Expenses	4
Interest expense	79
Member Contributions	-
Actuarial losses (gains) due to scheme experience	(97)
Actuarial losses (gains) due to changes in demographic assumptions	15
Actuarial losses (gains) due to changes in financial assumptions	859
Benefits paid and expenses	(56)
Liabilities acquired in a business combination	-
Liabilities extinguished on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Exchange rate changes	-
Defined benefit obligation at end of period	4,154

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE PLAN ASSETS

	Period from 31 March 2020 to 31 March 2021 (£000s)
Fair value of plan assets at start of period	2,943
Interest income	70
Experience on plan assets (excluding amounts included in interest income) - gain (loss)	284
Employer Contributions	87
Member Contributions	-
Liabilities acquired in a business combination	(56)
Assets acquired in a business combination	-
Assets distributed on settlements	-
Exchange rate changes	-
Fair Value of plan assets at end of period	3,328

The actual return on plan assets (including any changes in share assets) over the period from 31 March 2020 to 31 March 2021 was £354,000

RECONCILIATION OF OPENING AND CLOSING BALANCES OF THE FAIR VALUE OF PLAN ASSETS

	Period from 31 March 2020 to 31 March 2021 (£000s)
Current service cost	-
Expenses	4
Net interest expense	9
Losses (gains) on business combinations	-
Losses (gains) on settlements	-
Losses (gains) on curtailments	-
Losses (gains) due to benefit changes	-
Defined benefit costs recognised in statement of comprehensive income (SOCI)	13

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

19. Defined Benefit Pension Scheme Continued

DEFINED BENEFIT COSTS RECOGNISED IN OTHER COMPREHENSIVE INCOME

	Period from 31 March 2020 to 31 March 2021 (£000s)
Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)	284
Experience gains and losses arising on the plan liabilities - gain (loss)	97
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	(15)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	(859)
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	(493)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) - gain (loss)	-
Total amount recognised in other comprehensive income - gain (loss)	(493)

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

ASSETS

	31/03/2021	31/03/2020
	(£000s)	(£000s)
Global Equity	531	430
Absolute Return	184	153
Distressed Opportunities	96	57
Credit Relative Value	105	81
Alternative Risk Premia	125	206
Fund of Hedge Funds	-	2
Emerging Markets Debt	134	89
Risk Sharing	121	99
Insurance-Linked Securities	80	90
Property	69	65
Infrastructure	222	219
Private Debt	79	59
Opportunistic Illiquid Credit	85	71
High Yield	100	-
Opportunistic Credit	91	-
Cash	-	-
Corporate Bond Fund	197	168
Liquid Credit	40	1
Long Lease Property	65	51
Secured Income	138	112
Over 15 Year Gilts	-	-
Index Linked All Stock Gilts	-	-
Liability Driven Investment	846	977
Net Current Assets	20	13
Total Assets	3,328	2,943

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

KEY ASSUMPTIONS

	31 March 2021	31 March 2020
	% per annum	% per annum
Discount Rate	2.17%	2.38%
Inflation (RPI)	3.28%	2.62%
Inflation (CPI)	2.86%	1.62%
Salary Growth	3.86%	2.62%
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

19. Defined Benefit Pension Scheme Continued

The mortality assumptions adopted at 31 March 2021 imply the following life expectancies:

	Life expectancy at age 65 (Years)
Male retiring in 2019	21.6
Female retiring in 2019	23.5
Male retiring in 2039	22.9
Female retiring in 2039	25.1

20. Endowment fund

The endowment fund is a new reserve created in 2019 and resulted from the transfer of the Braunstone Health Centre from PA Housing and was independently valued at £5,000,000 by Innes England.

	Movement in funds		
	Balance at 1 April 2020 £	Movements £	Balance at 31 March 2021 £
Capital Endowment	5,000,000	-	5,000,000
	5,000,000	-	5,000,000

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

21. 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 2020	Income	Expenditure	Balance at 31 March 2021
	£	£	£	£
Sport England	223	-	-	223
Power to Change	61,111	123,014	(150,403)	33,722
Impact to Growth	5,263	-	-	5,263
PCC	14,582	-	(2,325)	12,257
Community Business Fund	(11,895)	13,751	(1,270)	586
Masonic Foundation	8,640	19,321	(23,925)	4,036
Reducing Isolation	18,397	38,038	(46,558)	9,877
	<u>96,321</u>	<u>194,124</u>	<u>(224,481)</u>	<u>65,964</u>

22. Unrestricted funds

	Movement in funds				
	Balance at 1 April 2020	Income	Expenditure	Gains/Losses	Balance at 31 March 2021
	£	£	£	£	£
Unrestricted funds	2,836,702	1,655,094	(1,342,872)	-	3,148,924
Revaluation Reserve	139,988	-	-	-	139,988
Pension Scheme Provision	(407,000)	-	-	(419,000)	(826,000)
	<u>2,569,690</u>	<u>1,655,094</u>	<u>(1,342,872)</u>	<u>(419,000)</u>	<u>2,462,912</u>

23. Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			
	Balance at 1 April 2020	Income	Expenditure	Balance at 31 March 2021
	£	£	£	£
Braunstone Health Centre Dilapidation Fund	445,099	192	(11,798)	433,493
	<u>445,099</u>	<u>192</u>	<u>(11,798)</u>	<u>433,493</u>

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

24. Analysis of net assets between funds

	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment	Total
	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:					
Tangible assets	1,025,355	-	-	-	1,025,355
Investment properties	1,745,000	-	-	5,000,000	6,745,000
Current assets/(liabilities)	518,557	433,493	65,964	-	1,018,014
Provisions and pensions	(826,000)	-	-	-	(826,000)
	<u>2,462,912</u>	<u>433,493</u>	<u>65,964</u>	<u>5,000,000</u>	<u>7,962,369</u>

Analysis of net assets between funds – Charity

	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment	Total
	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:					
Tangible assets	1,025,355	-	-	-	1,025,355
Investment properties	1,745,000	-	-	5,000,000	6,745,000
Investments	1	-	-	-	1
Current assets/(liabilities)	518,556	433,493	65,964	-	1,018,013
Provisions and pensions	(826,000)	-	-	-	(826,000)
	<u>2,462,912</u>	<u>433,493</u>	<u>65,964</u>	<u>5,000,000</u>	<u>7,962,369</u>

25. Financial commitments, guarantees and contingent liabilities

The charity currently participates in the Social Housing Pension Scheme (SHPS), which as indicated in note 17 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 £826,000 is the net present value of the deficit reduction contributions payable under the arrangement that relates to the deficit.

26. 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:

	2021	2020
	£	£
Within one year	17,563	4,034
Between two and five years	70,251	-
In over five years	17,563	-
	<u>105,377</u>	<u>4,034</u>

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

27. Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	156,285	155,128

28. Subsidiaries

Details of the charity's subsidiaries at 31 March 2021 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

	2021	2020
	£	£
Income	442,535	424,634
Administrative expenses	(442,535)	(424,634)
Net profit/(loss)	-	-

The aggregate of the assets, liabilities and funds was:

Assets	153,621	110,314
Liabilities	(153,620)	(110,313)
Funds (representing 1 ordinary share of £1)	1	1

THE BRAUNSTONE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

29. Cash generated from operations	2021 £	2020 £
Surplus for the year	270,259	116,046
Adjustments for:		
Taxation	12	49
Investment income recognised in statement of financial activities	(412)	(3,105)
Fair value gains and losses on investment properties	-	(315,000)
Depreciation and impairment of tangible fixed assets	2,709	3,185
Movements in working capital:		
(Increase)/decrease in debtors	155,466	(133,337)
Increase/(decrease) in creditors	(7,717)	80,652
Cash generated from/(absorbed by) operations	420,317	(251,510)
30. Analysis of changes in net funds		
The charity had no debt during the year.		