

THE JULIAN BREAM TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

THE JULIAN BREAM TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees Julian Alexander Bream
Susan Elizabeth de Candole
Michael David Percy Lewin
Fiona Walwyn Southey Rogers

Charity number 1130890

Registered office Cherryfield Cottage
Newtown
Tisbury
Salisbury
SP3 6SS

Accountant HW Fisher & Company
Acre House
11-15 William Road
London
NW1 3ER

Independent Examiner Julian S Challis
Acre House
11-15 William Road
London
NW1 3ER

Bankers Coutts & Co
440 Strand
London
WC2R 0QS

Investment advisors Coutts & Co
440 Strand
London
WC2R 0QS

THE JULIAN BREAM TRUST

CONTENTS

	Page
Trustees' report	1 - 2
Statement of trustees' responsibilities	3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the accounts	7 - 11

THE JULIAN BREAM TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The trustees present their report and financial statements for the year ended 31 March 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Deed of Trust, the Charities Act 2011 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 charity's objective, as set out in the Charitable Trust Deed, is for the trustees to apply capital and income to the advancement and promotion for the public benefit of education in and appreciation and understanding of the art and science of music and musical education in particular by providing scholarships for exceptionally gifted students of classical guitar or the lute for all or part of their studies of these instruments, either at the Royal College of Music, the Royal Academy of Music or the Royal Welsh College of Music and Drama and commissioning and promulgating new original musical compositions for the classical guitar.

With regard to providing scholarships, the trustees have been interviewing with a view to selecting recipients for scholarships. During the year four students received a donation from the Trust as contributions towards their studies.

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

Achievements and performance

During the year the Trust generated income resources of £85,308 (2017: £6,518).

During the year Edward Cowie continued to work on the music composition for the Wigmore Hall concert in 2019. The commissioned piece is expected to be completed by December 2018.

The trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

Financial review

The Trust received income from investments which amounted to £6,544 (2017: £6,518). In addition during the year the Trust received income from the concert held at Wigmore Hall of £3,764 and two gift aid payments which amounted to £75,000.

As shown in Note 12, the gain on revaluation of investments amounted to £1,468 (2017: gains of £31,780) and the gain on sale of investments was £758 (2017: gains of £7,220). The Statement of Financial Activities shows the net increase in funds for the year of £60,376 (2017: increase in funds of £21,387).

Reserves Policy

It is the policy of the charity to maintain unrestricted funds (free reserves) at a level which, on investment, generates sufficient income to meet annual expenditure and cover management and administration costs and to respond to emergency applications for grants which arise from time to time. In situations where the income is insufficient to meet annual expenditure, the reserves are required to make up any shortfall out of capital.

The unrestricted funds of the charity as at 31 March 2018 amounted to £338,056 (2017: £277,680).

Risk

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

THE JULIAN BREAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Investment Policy

In order for the trustees to maintain the value of the Trust fund, Coutts & Co advise them on their approach to their portfolio of investments, in particular on asset allocation so as to achieve a wide diversification of the Trust's investment portfolio in order to spread risk. The current investment policy is to adopt a balanced return from income and capital growth.

Structure, governance and management

The Julian Bream Trust is registered with the Charity Commissioners (No 1130890) and constituted by Deed of Trust dated 15 April 2009.

The trustees who served during the year were:

Julian Alexander Bream
Susan Elizabeth de Candole
Michael David Percy Lewin
Fiona Walwyn Southey Rogers

In accordance with the deed the power to appoint new trustees lies with the founder Julian Bream during his lifetime, and thereafter the power shall be vested in the trustees.

The trustees meet to assess grant applications and to review and accept individual grant applications during the year.

On behalf of the Board of Trustees

Michael Lewin

Trustee

Dated: 19 December 2018

THE JULIAN BREAM TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2018

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements 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 of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE JULIAN BREAM TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE JULIAN BREAM TRUST

I report to the trustees on my examination of the financial statements of The Julian Bream Trust (the charity) for the year ended 31 March 2018.

Responsibilities and basis of report

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

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

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Julian S Challis
Chartered Accountant

HW Fisher & Company

Acre House
11-15 William Road
London
NW1 3ER

Dated: 30 January 2019

THE JULIAN BREAM TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
<u>Income and endowments from:</u>			
Donations and legacies	3	75,000	-
Investments	4	6,544	6,518
Other income	5	3,764	-
		<hr/>	<hr/>
Total Income		85,308	6,518
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Raising funds	6	1,874	1,865
		<hr/>	<hr/>
Charitable activities	7	25,246	22,347
		<hr/>	<hr/>
Total expenditure		27,120	24,212
		<hr/>	<hr/>
Net gains/(losses) on investments	12	2,226	39,000
		<hr/>	<hr/>
Net income for the year		60,414	21,306
		<hr/>	<hr/>
Other recognised gains and losses			
Cost adjustment on investments		(38)	-
Gain on foreign exchange		-	81
		<hr/>	<hr/>
Net movement in funds		60,376	21,387
		<hr/>	<hr/>
Fund balances at 1 April 2017		277,680	256,293
		<hr/>	<hr/>
Fund balances at 31 March 2018		338,056	277,680
		<hr/> <hr/>	<hr/> <hr/>

All activities on the Statement of Financial Activities relate to unrestricted funds.

THE JULIAN BREAM TRUST

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Investments	13		259,827		262,515
Current assets					
Debtors	14	15,117		224	
Cash at bank and in hand		72,255		23,932	
		<u>87,372</u>		<u>24,156</u>	
Creditors: amounts falling due within one year	15	<u>(9,143)</u>		<u>(8,991)</u>	
Net current assets			78,229		15,165
Total assets less current liabilities			<u>338,056</u>		<u>277,680</u>
Income funds					
Unrestricted funds - general			338,056		277,680
			<u>338,056</u>		<u>277,680</u>

The accounts were approved by the Trustees and signed on their behalf by:

Michael Lewin

Trustee

Dated: 19 December 2018

THE JULIAN BREAM TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity information

The Julian Bream Trust is a registered charity. The charity meets the definition of a public benefit entity under FRS102.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Deed of Trust, the Charities Act 2011 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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements 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 on the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

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.

1.4 Incoming resources

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.

Income received under gift aid is stated gross with the relevant tax included in debtors.

Investment income received net is stated gross with the relevant tax deducted included under 'cost of raising funds'.

1.5 Resources expended

Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated to the charitable activity in the statement of financial activities.

Costs of raising funds are those costs incurred in managing the charity's investment portfolio.

Governance costs relate to expenditure incurred in dealing with donations and administration and compliance with constitutional and statutory requirements.

THE JULIAN BREAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Grants payable comprise donations directly related to the objects of the charity.

Grants payable are charged in the year when the offer is conveyed to the recipient. Grants offered subject to conditions are recognised in the period those conditions are met, prior to this they are noted as a commitment but not accrued as expenditure.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.6 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.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are 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.

3 Donations and legacies

	2018	2017
	£	£
Gift aid received	75,000	-

4 Investments

	2018	2017
	£	£
Interest and dividends	6,521	6,502
Interest receivable	23	16
	6,544	6,518

5 Other income

	2018	2017
	£	£
Proceeds from Wigmore Hall Concert	3,764	-

THE JULIAN BREAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

6 Raising funds

2018	2017
£	£

Investment management fees	1,874	1,865
----------------------------	-------	-------

7 Charitable activities

2018	2017
£	£

Concert expenses	3,611	-
Music compositions	6,000	12,000
Grant funding of activities (see note 8)	9,754	5,712
Share of governance costs (see note 9)	5,881	4,635
	<u>25,246</u>	<u>22,347</u>

8 Grants payable

2018	2017
£	£

Grants to individuals	9,754	5,712
-----------------------	-------	-------

During the year four exceptional music students received awards from the Trust as a contribution towards their studies.

9 Support costs

Governance costs	2018	2017
£	£	£

Accountancy fees	2,760	2,760	2,640
Administration fees	1,562	1,562	1,395
Sundry expenses	1,127	1,127	168
Website support costs	432	432	432
	<u>5,881</u>	<u>5,881</u>	<u>4,635</u>

Analysed to Charitable activities	5,881	5,881	4,635
-----------------------------------	-------	-------	-------

Accountancy fees comprise Independent Examiner's Fee of £750 (2017: £0) and fee for accountancy services of £2,010 (2017: £2,640).

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

THE JULIAN BREAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

11 Employees

There were no employees during the year.

12 Net gains/(losses) on investments

	2018 £	2017 £
Revaluation of investments	1,468	31,780
Gain/(loss) on sale of investments	758	7,220
	<u>2,226</u>	<u>39,000</u>

13 Fixed asset investments

	Shares £
Cost or valuation	
At 1 April 2017	262,515
Additions	29,215
Valuation changes	1,468
Disposals	(33,371)
	<u>259,827</u>
At 31 March 2018	<u>259,827</u>
Carrying amount	
At 31 March 2018	<u>259,827</u>
At 31 March 2017	<u>262,515</u>

14 Debtors

	2018 £	2017 £
Dividends receivable	113	220
Income tax recoverable	15,004	4
	<u>15,117</u>	<u>224</u>

THE JULIAN BREAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

15 Creditors: amounts falling due within one year

	2018	2017
	£	£
Administration fees	383	351
Amount due to composers	6,000	6,000
Accruals and deferred income	2,760	2,640
	<u>9,143</u>	<u>8,991</u>

16 Related party transactions

There were no related party transactions to disclose during the year (2017 - none).