

**BRACE**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2021**

**Charity Number 297965**

# BRACE

## FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2021

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# **BRACE**

## **REFERENCE & ADMINISTRATIVE INFORMATION**

### **YEAR ENDED 31 DECEMBER 2021**

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#### **Trustees**

Mrs H Bidwell-Ford (appointed 31 March 2021)  
Mrs S Blatchford  
Dr G Christopher (appointed 11 March 2021)  
Mrs K Clarke (resigned on 11 March 2021)  
Mrs J Dare  
Professor S Lisney (resigned 17 June 2021)  
Professor B Lumb  
Dr M Norman  
Mrs S Perry (resigned 7 December 2021)  
Dr J Pounsford  
Mrs M Whittington  
Ms H Wyn (resigned 9 September 2021)  
Mr Chris Wilkin (appointed 8 June 2021)  
Mr Jonathan Williams (appointed 8 June 2021)

#### **Patrons**

The Rt Hon Lord Mayor of Bristol

#### **Ambassadors**

Beth Britton  
Stephanie Cole OBE  
Jonathan Dimpleby  
Callum Gathercole  
Julia Hwang  
Sir Martyn Lewis CBE  
John Challis (deceased September 2021)

#### **Administration / Office**

M Poarch (Chief Executive)  
Professor S Lisney (Chairman - resigned 17 June 2021)  
Mrs J Dare (Chairman)  
Mrs K Clarke (Honorary Treasurer - resigned on 11 March 2021)  
Mr Jonathan Williams (Chair of the Finance Committee - appointed 8 June 2021)

# **BRACE**

## **REFERENCE & ADMINISTRATIVE INFORMATION**

**YEAR ENDED 31 DECEMBER 2021**

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### **Principal Office**

The BRACE Charity Office  
Elgar House  
Southmead Hospital  
Bristol  
BS10 5NB

### **Independent Auditor**

Joshua Kingston Bsc ACA  
Burton Sweet Limited  
The Clock Tower  
5 Farleigh Court  
Old Weston Road  
Flax Bourton  
Bristol BS48 1UR

### **Bankers**

National Westminster Bank Plc  
PO Box 221  
13 High Street  
Westbury-on-Trym  
Bristol BS99 4JY

### **Contacts**

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# **BRACE**

## **TRUSTEES' ANNUAL REPORT**

### **YEAR ENDED 31 DECEMBER 2021**

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#### **Introduction**

BRACE is a charity dedicated to defeating dementia through medical science. It has a global purpose but sets out to achieve its objective by raising funds and awarding grants for peer reviewed research at universities in South West England and South Wales.

The charity ended 2021 in far better shape than might have been anticipated had we known that the coronavirus pandemic would still be disrupting social and economic activity. Thanks to the hard work and dedication of all involved in running BRACE, we ended the year in a financially and operationally stable position, with free reserves of £155k and all staff retained, while also sustaining core research funding commitments and awarding some new research grants.

As this report will show, 2021 is a year we shall remember for a research announcement about EEG in early diagnosis that powerfully demonstrated the BRACE's impact. It was also a year of necessary organisational change and consolidation. We shall inevitably remember it, too, for continued disruption from the pandemic and the challenges of fundraising at a time when the cost of living was rising more steeply than it had for decades.

#### **Achievement and performance**

As in 2020, the negative effects of the pandemic were considerable. Like most fundraising charities, BRACE found it difficult to maintain traditional fundraising through successive lockdowns. The stop-start nature of restrictions, uncertainty about the rules applicable at different times and the nervousness many felt and continue to feel about gathering have made the planning of community fundraising extremely difficult.

The financial overview given in the next section needs to be read in this context, as it highlights both our reduced capacity to fund research and our reasons for applauding the work of those who raised funds despite everything.

Sustaining and developing communication with potential supporters and other organisations concerned with dementia is crucial to BRACE's development. During the pandemic, this has been largely confined to virtual meetings and regular emails. These ways of working have been refined over the past two years and, though audiences fell in the second half of 2021 because of "Zoom fatigue" as the pandemic wore on, we clearly now have an established way of working that will serve us well in the long term.

Although we achieved our record audience for a webinar in the spring (about 490 bookings, with 275 attending and others receiving the recording afterwards), the virtual events highlight was undoubtedly the conference in November. The content was of a very high standard, and we were able to use the recordings to reach a potentially larger audience afterwards. Speakers joined us from the Netherlands and USA as well as from different parts of the UK. We would like to thank our various speakers and the BBC's Ali Vowles for chairing the event, and the James Tudor Foundation for its generous sponsorship for the eighth successive year.

# BRACE

## TRUSTEES' ANNUAL REPORT

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The biggest achievement of the year, however, is found in the announcement of the results of a pilot project supported by BRACE. It is the nature of our work that the real impact is often realised long after we have played our part in the process. In November 2017, the Trustees awarded a grant of £52k to the University of Bath for a pilot study led by Dr George Stothart, working in collaboration with Dr Liz Coulthard of the University of Bristol. Dr Stothart's "Fastball" project completed its work and, after processing its findings, prepared for publication. The announcement fell on World Alzheimer's Day in September 2021, and the revelation that an inexpensive, portable and non-intrusive technique could advance the diagnosis of Alzheimer's disease by several years made news around the world. This is an advance in diagnosis that can genuinely be spoken of in terms of a breakthrough.

We believe this to be a clear example of how a small charity can have a big impact, and a geographically specific charity a global impact.

#### **Financial Review and Fundraising**

The total income for 2021 was £415k, which was well ahead of our cautious forecast but over 40% down on 2020.

This compares with average income of £776k in the previous five years and gives a stark indication of the effect of the pandemic.

The underlying figures are more complex, however. Staff and volunteers achieved a commendable £80k in fundraising by seizing such opportunities as were still available to run activities. Donations generally were down, though they increased modestly in some categories, such as donations from trusts. A big drop was seen in legacy income, which fell to its lowest figure since 2008. We do not believe that any significance can be read into a single year's figures, however, and the fall may be explainable in terms of delayed probate and the essential randomness of legacy income.

Fundraising has been hampered by difficulties experienced in trying to recruit a digital fundraiser. The move from physical events to online fundraising has put smaller charities in direct competition with larger charities, placing the smaller charities at a serious disadvantage in terms of both online resources and their capacity to employ talented fundraisers who can work remotely. This remains a concern and we continue to seek ways of adding the required skillset to our small team.

Operational costs as a proportion of income were at 42%. This is higher than we have seen in previous years but acceptable in conditions where the priority has been to preserve the charity for its long-term mission and invest in new growth. It is our intention to reduce this percentage by increasing income, but we also believe that a charity's performance should be measured by its impact and that investment to achieve growth is essential.

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#### **Fundraising disclosures**

Our fundraising philosophy is consciously respectful, the approach being to communicate when permitted but never to pursue. It is set out in the form of twelve promises, on our website ('Our fundraising promise'). We believe that this respects the feelings of people generally and protects vulnerable people against feeling under pressure to give. It is the right thing to do.

BRACE registered in 2017 with the Fundraising Regulator. We do not use third party fundraising businesses, preferring to rely on our own staff and volunteers.

We received no complaints in 2021 and are not aware of any failures to comply with fundraising regulations or our own standards.

#### **Grants awarded**

Our charitable spending was £313k in 2021, which included £301k in research grants. While this was well below pre-pandemic levels, we were able to award the annual core funding grant to the South West Dementia Brain Bank, which BRACE has helped to sustain and develop since the 1980s. We were also able to award funding for the ReMemBr Group's dementia research nurse and project grants to scientists at the Universities of Bristol and the West of England.

We continue to regard studentships as one of our funding priorities. A three-year PhD project allows a specific line of research to be pursued under the supervision of a leading dementia scientist, but also develops the student as potentially one of the next generation of leading dementia researchers. It is thus an investment in the infrastructure of dementia research as well as in gathering knowledge during the period of the project.

BRACE continues to regard its support of the South West Dementia Brain Bank as a priority. BRACE has supported the SWDBB since the charity was founded and in doing so it has helped to make it an indispensable platform for laboratory research that involves the analysis of donated brain tissue. For this reason, the Trustees have set aside funds towards the periodic support grant application expected in 2022.

BRACE is a member of the Association of Medical Research Charities, whose requirements are the gold standard for medical research charities in the UK.

#### **Promotional activity**

Reference has already been made to the importance of developing our online communications in the form of Zoom webinars and conference, and our regular emails to supporters. This has built on work done in the early stages of the pandemic but also represents a permanent rebalancing of the charity's communications work.

A new website was launched in May 2021. While it replicates much of the appearance of the old website, it has some improved features and navigation, and is cheaper and more flexible to manage. We have plans for the improvement of its content during 2022.

# BRACE

## TRUSTEES' ANNUAL REPORT

### YEAR ENDED 31 DECEMBER 2021

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In all its work, BRACE's underlying philosophy is one of collaboration with other organisations concerned with dementia and related matters, including other charities. We believe strongly that charities engaged in the struggle against dementia should see one another as allies and not simply emulate the instinctive competitiveness of the commercial sector. As well as being a good basis for achieving our charitable purposes, collaboration in a public setting creates new opportunities for all charities involved to promote their work to a wider audience.

#### **Governance**

The main actions taken by the Trustees to protect the charity during the pandemic were described in last year's report.

This has continued since 2020 in the form of a strengthened committee structure and regular attention by the Finance Committee, in particular, to financial trends. In 2021, we also replaced our Risk Register with a new and more detailed version, and delegated responsibility for most risks to specific committees.

There were several changes to the Board in 2021. These included the planned retirement of the two longest serving Trustees, Professor Stephen Lisney (June) and Sylvia Perry (December), both of whom had joined the Board in 2009. Their retirements were triggered by the policy adopted by the Trustees in 2018, which limits terms of office to two consecutive four-year periods (and which included a transitional period for existing Trustees). The Trustees would like to thank Mrs Perry for her long service to the charity, not least through the HR Committee, which she chaired. We would also like to thank Professor Lisney for his immense contribution, first, as the Chair of the independent Scientific Advisory Committee and then as Chair of Trustees from 2017.

Two other retirements were those of Kate Clarke (March) and Heledd Wyn (September), both because of their workloads outside BRACE. Both had been Trustees for four years and we thank them for their significant contributions to the charity.

Jane Dare took over as Chair of Trustees in June and we also appointed four new Trustees. Helen Bidwell-Ford, Dr Gary Christopher (both March), Chris Wilkin and Jonathan Williams (June) all joined the Board. They bring, variously, expertise in HR, gerontology, clinical practice with dementia patients, and accountancy/financial management. In 2022, we anticipate one more scheduled retirement and three new appointments.

#### *Proposed Creation of a Corporate Trustee*

BRACE is an unincorporated association, which means that the Trustees are all exposed to direct potential personal liability for the actions, potential losses and liabilities of the charity. In an increasingly litigious world, many charities have moved away from this sort of structure and now make use of the one of the various forms of corporate structure permitted by current charity and company law. One of the perceived barriers to recruiting new Trustees to the charity is this exposure to potential personal liability.



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## TRUSTEES' ANNUAL REPORT

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At a meeting of the Trustees on 25th November 2021, and following the receipt of initial legal advice, the Trustees resolved to proceed with the transition to a new legal basis for the charity. The plan is to introduce a single Corporate Trustee Company – BRACE Trustee Limited - and that all the current Trustees of the charity become directors of the trustee company. The trustee company will then be appointed as the sole trustee of the charity. The benefit of this structure is that the trustee company will be exposed to the potential liabilities to third parties incurred in acting as a trustee of the charity, therefore allowing the current trustees (who will be the directors of the trustee company) to take advantage of the same degree of limited liability available to charities which are fully incorporated. The charity would remain as an unincorporated association, all employees would continue to be directly employed by the charity (although some changes to the contracting party may be required to reflect the change in trustee) and no other changes are planned for the structure of the charity itself.

It is expected that this transition will be concluded before the end of 2022, following approval from the Charity Commission.

#### Supporters

We were saddened to say farewell to one of our most high-profile supporters in September 2021. The actor John Challis, best known for playing 'Boycie' in *Only Fools and Horses*, died of cancer at the age of 79. John had given BRACE great support since being introduced to the charity in 2015 and we shall miss him.

BRACE has always depended heavily on voluntary support in all its forms. This includes those who donate money, those who volunteer to help with events or behind the scenes, those who take part in sponsored fundraising, those who persuade their employers or others to adopt BRACE as their charity, and – of course – our official Ambassadors.

While meeting in person and most forms of volunteering have been impossible for most of the past two years, we have been much encouraged by the continued contact with our supporters online, by email and by post. Many have donated, volunteered when possible and given a clear indication that they look forward to renewed engagement after Covid.

In 2021, we also took the first steps towards creating several Friends Groups, informal groups of supporters in a network around the region where we fund research and, potentially, further afield.

We would like to record our profound thanks to everyone who donated money, helped as a volunteer in any way, did their own fundraising through sponsorship, or gave us support through their social club or their place of work, worship or education. Together, you have made a huge contribution to the fight to defeat dementia.

#### Staff

The level of staffing started at 4.8 FTE, increasing to 5.1 with the employment of a Finance Assistant in April. At year end, there were seven staff, five of them part time.

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## **TRUSTEES' ANNUAL REPORT**

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The staff continued to work mainly from home during 2021, though they were able to sustain more of a presence in the office than was possible in the previous year. This created communication and logistical challenges, which staff and trustees worked hard to overcome.

BRACE has always worked with a small team of staff in order to keep overheads to a minimum. This inevitably creates a significant workload for those that we employ, and we thank all of them enormously for their commitment and hard work.

#### **OBJECTIVES, STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Objectives**

To relieve sickness and preserve health for the public benefit by financing research into the dementia range of diseases and conditions (including but not limited to Alzheimer's Disease) and publishing the useful results thereof and to advance the education of the public in all areas relating to those diseases and conditions.

##### **Governing document**

The Charity is an unincorporated trust, constituted under a Trust Deed dated 23 October 1987 as amended by the Charity Commission Scheme dated 3 April 2007. It was further amended by the Scheme of 25 February 2020, which replaced the original primary charitable object and removed the secondary object relating to endowments, these changes recognising the changed language and priorities of dementia community. The Trustees as a body became incorporated effective on 7 May 2004, a move which did not alter the unincorporated status of the charity itself. The Charity is a registered charity in England and Wales, number 297965. The Charity raises funds through donations, gifts and legacies from the public and other charitable trusts as well as through fundraising events.

##### **Recruitment and appointment of new Trustees**

New Trustees are appointed by the existing Trustees as they deem necessary. There were 10 Trustees on the Board at the end 2019, following the retirement of Peter McIlwraith on 13 May 2019. During 2018, the Trustees introduced term limits; a Trustee may serve four years, with the option of a further four. A ninth year is possible where the other Trustees consider it to be in the best interests of the charity. As a transitional arrangement, Trustees who had already served more than four years would be considered to be at the start of their second term. The first of the remaining two Trustees covered by this arrangement will retire in 2022 and the second – with a further extension for essential operational reasons – 2024.

With one of the current Trustees due to retire in 2022, the Board is working to appoint a replacement. It is also looking at filling identified skills gaps with additional Trustees.

The skill-base of the Board is reviewed regularly to ensure appropriateness for the work of the Charity. The duties of the Trustees are in accordance with the Charities Act 2011. The Trustees are responsible for the work and the finances of the Charity and therefore determine policy (including reserves and risk management), expenditure, budgets and grants for

# **BRACE**

## **TRUSTEES' ANNUAL REPORT**

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research purposes with particular reference to Alzheimer's disease and other dementias. No grants are made without a specific resolution of the Trustees.

#### **Induction and training of new Trustees**

The induction process for newly appointed Trustees comprises initial meetings with the Chairman, the Chief Executive and other Trustees, followed by visits to some of the research facilities supported by the Charity. Each Trustee is provided with copies of the Trust Deed, minutes from the Trustees meetings, copies of the accounts and annual reports for the past three years.

#### **Organisational structure**

The Trustees meet formally on a quarterly basis, in March, June, September and December. Between meetings, responsibility for the management of BRACE lies with the Chief Executive, aided by his small staff team. The key management personnel of the charity are the Board of Trustees, the Chief Executive Officer and the Head of Engagement (as deputy to the Chief Executive). The annual salary and employment benefits of key management personnel are set by the Board of Trustees. The Trustees have delegated the day-to-day running of the Charity to the Chief Executive who also acts as the Clerk and Correspondent of the Trustees. The Trustees raise funds to finance the charitable objects of the Charity as stated in the Trust Deed through the activities of supporters and volunteers who are supported and guided through the BRACE Charity Office.

Volunteers may be organised into informal committees to manage specific events, and the development of Friends Groups should facilitate this further.

The Board of Trustees has appointed a Finance Committee to oversee the financial policies of the Charity. The work of the Finance Committee was supported during this period by the Finance Officer who was also appointed by the Board of Trustees.

The established sub-committees of the Board are the Scientific Advisory Committee, Finance Committee, HR Committee and Fundraising & Marketing Committee.

#### **Risk Management**

The Trustees review the major risks to the charity annually or more often if major changes occur in our environment. The major risks are competition from larger charities, the impact of staff turnover within a small team, and the uncertain economic environment.

BRACE takes a collaborative approach to its relationship with other charities, especially those working with dementia, but recognises that it must compete effectively in order to make its unique contribution. This is done by building relationships respectfully and patiently and explaining our mission within our regional network and online.

The risk of high turnover within the small staff team is offset by valuing and supporting the charity's employees. To this end, the Trustees have created an HR committee and seek constantly to improve employment practice.

# **BRACE**

## **TRUSTEES' ANNUAL REPORT**

### **YEAR ENDED 31 DECEMBER 2021**

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#### **Grant making**

The approval of research grants by the Trustees is the final part of a rigorous process, complying with the terms of BRACE's membership of the Association of Medical Research Charities.

Applications are received by the Charity's own Scientific Advisory Committee (SAC), chaired by Professor Bridget Lumb. If the SAC considers the proposal to have merit and to fall within the Charity's objects, it seeks peer reviews from scientists who are experts in the relevant field and able to offer an impartial opinion on the value of the proposed research. It is only after the SAC is satisfied that the proposal has been fully tested in this way that it will recommend to the Trustees the award of funding.

The research is carried out within universities which generally bill BRACE quarterly for costs incurred on approved projects. The university is at risk for cost overruns if they arise. Progress reports are requested on multi-year projects. It is a requirement of any BRACE funding that the results are published for use of other researchers.

The Trustees confirm they have complied with their duty to have regard to the public benefit guidance published by the Charity Commission (in accordance with the Charities Act 2011) and referred to it when reviewing the Charity's aims and objectives, setting the grant making policy for the year and making decisions on the grant applications.

#### **Investment of funds**

Cash and investments are managed in accordance with an investment policy which seeks to ensure that cash is always available in a timely manner to meet the commitments of the charity. No awards are made unless there are adequate funds to meet the full commitment of the award, and all commitments expected to fall due within 12 months are matched by cash assets. Longer dated commitments may be matched by cash assets or by assets held in a managed low risk investment portfolio (BRACE does not currently have such a portfolio but the Finance Committee periodically reviews whether to create one). Cash deposits are spread over several institutions to further mitigate risk and take advantage of the protection provided by the FSCS (Financial Services Compensation Scheme) where practicable. Day to day implementation of the investment policy is conducted by the Chief Executive, Finance Officer in accordance with guidance set by the Finance Committee, who report thereon to the Board of Trustees quarterly.

#### **Reserves policy**

The charity's free reserves at the end of 2021 were £155k. The Trustees periodically approve grant applications after review by the SAC. In many cases there is limited advance visibility of the number of grants that might be applied for. Individual applications are normally in the range £20k to £90k but have been as high as £600k or as low as a few hundred pounds for a minor equipment grant. It is not deemed appropriate to award grants unless the applications have passed both the investigations of the SAC and specific review by the Trustees. Furthermore, the Trustees will not award a grant unless fully covered by uncommitted reserves. As it is not possible to accurately predict the timing and number of

# **BRACE**

## **TRUSTEES' ANNUAL REPORT**

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potential future awards, the Trustees give priority to funding received applications that are fully supported by reviewers and the SAC, rather than holding an amount in reserve against the possibility of future and unknown applications. The Trustees review the level of free reserves at each meeting and consider the current level to be appropriate. A fixed reserve of £75k is retained at all times in case the charity has to be wound up and a six-month operational reserve, currently £150k, is maintained to ensure the stability of the charity through periods of crisis.

#### **Data Protection Act**

The Charity maintains a computer database recording funds raised by its supporters. The Charity has registered this database under the Data Protection Act 1998 and maintains the database in accordance with the requirements of the Act and subsequent legislation.

#### **Going concern**

The Trustees are satisfied that the Charity has sufficient funds to allow the accounts to be drawn up on a going concern basis.

# BRACE

## TRUSTEES' ANNUAL REPORT

### YEAR ENDED 31 DECEMBER 2021

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#### Statement of Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in [England & Wales/Scotland/Northern Ireland] 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 income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

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

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/constitution. 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.

Principal Office  
The BRACE Charity Office  
Elgar House  
Southmead Hospital  
Bristol  
BS10 5NB

Approved by the Trustees on .....

Signed by order of the Trustees

Mrs J Dare, Chair of Trustee

# **BRACE**

## **INDEPENDENT AUDITOR'S REPORT**

### **YEAR ENDED 31 DECEMBER 2021**

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#### **Independent auditor's report to the Trustees of BRACE**

##### **Opinion**

We have audited the financial statements of BRACE (the "Charity") for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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).

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

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs at 31 December 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

##### **Basis of 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 financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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## **INDEPENDENT AUDITOR'S REPORT**

### **YEAR ENDED 31 DECEMBER 2021**

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

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

#### **Other information**

The 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement 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.

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

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

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;  
or
- we have not obtained all the information and explanations necessary for the purposes or our audit.

#### **Responsibilities to the trustees**

As explained more fully in the trustees' responsibilities statement, the trustees 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



# BRACE

## INDEPENDENT AUDITOR'S REPORT

### YEAR ENDED 31 DECEMBER 2021

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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 Charity 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 with 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations of the charity, including the Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance through the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

# BRACE

## INDEPENDENT AUDITOR'S REPORT

### YEAR ENDED 31 DECEMBER 2021

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To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm) This description forms part of our auditor's report.

Burton Sweet Limited  
Statutory Auditor  
The Clock Tower  
5 Farleigh Court  
Old Weston Road  
Flax Bourton  
Bristol BS48 1UR

Date:.....

**BRACE****STATEMENT OF FINANCIAL ACTIVITIES****YEAR ENDED 31 DECEMBER 2021**

|  | Note | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2021<br>£ | Total Funds<br>2020<br>£ |
|--|------|----------------------------|--------------------------|--------------------------|--------------------------|
| <b>Income from:</b>                          |      |                            |                          |                          |                          |
| Gifts and donations                          | 2    | 106,661                    | 92,500                   | 199,161                  | 219,123                  |
| Legacies                                     | 3    | 140,760                    | -                        | 140,760                  | 430,720                  |
| Community fundraising                        | 4    | 67,370                     | -                        | 67,370                   | 55,100                   |
| Investments                                  | 5    | 7,294                      | -                        | 7,294                    | 9,172                    |
| <b>Total income</b>                          |      | <u>322,085</u>             | <u>92,500</u>            | <u>414,585</u>           | <u>714,115</u>           |
| <b>Expenditure on:</b>                       |      |                            |                          |                          |                          |
| Raising funds                                | 6    | 176,559                    | -                        | 176,559                  | 185,395                  |
| Charitable activities                        | 7    | 273,301                    | 39,580                   | 312,881                  | 391,320                  |
| <b>Total expenditure</b>                     |      | <u>449,860</u>             | <u>39,580</u>            | <u>489,440</u>           | <u>576,715</u>           |
| <b>Net income/(expenditure) for the year</b> | 11   | (127,775)                  | 52,920                   | (74,855)                 | 137,400                  |
| Transfers between funds                      | 21   | 99,378                     | (99,378)                 | -                        | -                        |
| <b>Net movement in funds</b>                 | 21   | <u>(28,397)</u>            | <u>(46,458)</u>          | <u>(74,855)</u>          | <u>137,400</u>           |
| <b>Total funds at start of year</b>          | 21   | 589,353                    | 27,238                   | 616,591                  | 479,191                  |
| <b>Total funds at end of year</b>            | 21   | <u>560,956</u>             | <u>(19,220)</u>          | <u>541,736</u>           | <u>616,591</u>           |

The Charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the Charity are classed as continuing.

The notes on pages 20 to 32 form part of these financial statements  
See note 14 for fund-accounting comparative figures

**BRACE****BALANCE SHEET****AS AT 31 DECEMBER 2021**

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|   |             | <b>2021</b>           | <b>2020</b>           |
|---|-------------|-----------------------|-----------------------|
|   | <b>Note</b> | <b>£</b>              | <b>£</b>              |
| <b>Current assets</b>   |             |                       |                       |
| Stock   |             | 2,246                 | 1,226                 |
| Debtors   | <b>16</b>   | 123,296               | 160,973               |
| <i>(Debtors includes £91,875 (2020: £99,375) due in more than one year)</i> |             |                       |                       |
| Short term deposits   |             | 860,943               | 869,303               |
| Cash at bank and in hand  |             | 490,104               | 680,526               |
|   |             | <u>1,476,589</u>      | <u>1,712,028</u>      |
| <b>Creditors : amounts falling due within one year</b>                      |             |                       |                       |
|   | <b>17</b>   | <u>(806,716)</u>      | <u>(1,016,251)</u>    |
| Net current assets  |             | 669,873               | 695,777               |
| <b>Total asset less current liabilities</b>                                 |             | 669,873               | 695,777               |
| <b>Creditors : amounts falling due after one year</b>                       |             |                       |                       |
|   | <b>18</b>   | (128,137)             | (79,186)              |
| <b>Net assets</b>   |             | <u><u>541,736</u></u> | <u><u>616,591</u></u> |
| <b>FUNDS</b>  |             |                       |                       |
| <b>Unrestricted funds</b>   |             |                       |                       |
| General funds   | <b>22</b>   | 154,652               | 53,478                |
| Designated funds  | <b>22</b>   | 406,304               | 535,875               |
| <b>Restricted funds</b>   | <b>22</b>   | (19,220)              | 27,238                |
| <b>Total funds</b>  |             | <u><u>541,736</u></u> | <u><u>616,591</u></u> |

These financial statements were approved by the Trustees on ..... and are signed on their behalf by:

Mrs J Dare  
Chairman

The notes on pages 20 to 32 form part of these financial statements

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**BRACE****CASH FLOW STATEMENT****YEAR ENDED 31 DECEMBER 2021**

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|   | Note      | 2021<br>£               | 2020<br>£               |
|---|-----------|-------------------------|-------------------------|
| <b>Net cash inflow/ (outflow) from operating activities</b> | <b>19</b> | (207,630)               | (193,090)               |
| <b>Non-operational cash flows:</b>                          |           |                         |                         |
| <b>Investing activities</b>                                 |           |                         |                         |
| Investment income   |           | 7,294                   | 9,172                   |
| Net movement in short term deposits                         |           | 9,914                   | (49,343)                |
|   |           | <u>17,208</u>           | <u>(40,171)</u>         |
| <b>Net cash inflow/(outflow) for the year</b>               | <b>20</b> | <u><u>(190,422)</u></u> | <u><u>(233,261)</u></u> |

**Cashflow Restrictions**

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cash flows for the year.

The notes on pages 20 to 32 form part of these financial statements

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# BRACE

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Accounting convention

The financial statements have been prepared in accordance with the Statement of Recommended Practice: 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) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The accounts (financial statements) have been prepared to give a 'true and fair' view and 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 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity is a public benefit entity as defined under FRS102. The Charity produces annual budgets and forecasts which take into account expected changes in the funding streams and operational costs and which demonstrate that the charity will be able to continue to operate. As described in the Trustees' Report, the charity does not make any awards unless they are matched by cash assets and it maintains an operational reserve to ensure the stability of the charity through periods of crisis. Therefore the trustees have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. On this basis, the trustees consider it appropriate to prepare the financial statements on the going concern basis.

#### Income

Income from donations is included in income when these are receivable, except as follows:

- I. When donors specify that donations given to the Charity must be used in future accounting periods, the income is deferred until those periods;
- II. When donors impose conditions which have to be fulfilled before the Charity becomes entitled to use such income, the income is deferred until the pre-conditions have been met.

Legacies are included on a receivable basis where the Charity is entitled to the income, it can be measured reliably and receipt is probable. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is not included in income but is treated as a contingent asset and disclosed if material.

Investment income is included on a receivable basis.

Donations in kind comprise donated services where the costs are measurable and the services would otherwise have to be paid for to maintain operational effectiveness.

#### Expenditure

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered.

#### Raising funds

Raising funds expenditure include those costs incurred in seeking voluntary contributions, costs of goods sold and other costs which include the costs of running and participating in fundraising events and collections and cost of goods purchased for resale.

## **BRACE**

### **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

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#### **1 Accounting policies (*continued*)**

##### ***Charitable Activities***

Grants awarded for research are allocated to charitable activities.

Grants awarded are treated as expenditure and a liability in the accounts as soon as they become legal or constructive obligations. In the case of multi-year grant awards, the funding for all years is immediately recognised unless there are conditions which need to be met by the recipient to enable the release of subsequent years' funding.

##### ***Governance costs***

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the Charity. Governance costs are included within support costs.

##### ***Allocation and apportionment costs***

Certain expenditure is directly attributable to specific activities and this has been included in those cost categories. Other costs, which are attributable to more than one category, are apportioned across cost categories on the basis of an assessment of workload carried out from time to time.

Overhead support costs have been allocated between fundraising and publicity costs, fundraising trading and charitable activities. The apportionment has been allocated on the basis of usage and is analysed in note 9.

##### ***Pension costs and other post-retirement benefits***

The Charity contributes to defined contribution pension schemes. Contributions payable to the charity's pension schemes are charged to the Statement of Financial Activities in the period to which they relate.

##### ***Tangible fixed assets***

Fixed assets are held at cost less accumulated depreciation. Assets costing less than £500 are not capitalised. Depreciation is calculated so as to write off the cost of an asset, less its estimated ultimate residual value, over the useful life of that asset as follows:

Website - over 3 years; straight line

##### ***Stock***

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Donated items are not valued in stock and recognised in income only when sold.

##### ***Debtors***

Debtors are measured at their recoverable amounts at the balance sheet date.

##### ***Cash***

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

##### ***Creditors***

A creditor and provision are recognised when there is a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

# BRACE

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies (*continued*)

##### Fund accounting

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Charity.

Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds form part of unrestricted funds and have been identified as being for particular purposes by the Trustees. They are not restricted and can be transferred to general funds at any time at the discretion of the Trustees.

Further explanation of the nature and purpose of each fund is included in note 21 of the financial statements.

#### 2 Income from: Gifts and donations

| For the year ended 31 December 2021     | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2021<br>£ |
|---|----------------------------|--------------------------|--------------------------|
| Donations                               | 83,825                     | 92,500                   | 176,325                  |
| Refunded tax                            | 11,406                     | -                        | 11,406                   |
| Donations received through fundraising: |                            |                          |                          |
| Collections                             | 1,517                      | -                        | 1,517                    |
| Charity of the year                     | 9,913                      | -                        | 9,913                    |
|   | <u>106,661</u>             | <u>92,500</u>            | <u>199,161</u>           |

  

| For the year ended 31 December 2020     | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2020<br>£ |
|---|----------------------------|--------------------------|--------------------------|
| Donations                               | 130,837                    | 59,297                   | 190,134                  |
| Refunded tax                            | 11,746                     | -                        | 11,746                   |
| Donations received through fundraising: |                            |                          |                          |
| Collections                             | 2,840                      | -                        | 2,840                    |
| Charity of the year                     | 14,403                     | -                        | 14,403                   |
|   | <u>159,826</u>             | <u>59,297</u>            | <u>219,123</u>           |

#### 3 Income from: Legacies

Legacies have traditionally represented about half of the charity's income. In the prior year, the charity received £337k from a single legator, this being the largest ever single legacy.

#### 4 Income from: Community fundraising

|                     | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2021<br>£ | Total Funds<br>2020<br>£ |
|---------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| General fundraising | 55,583                     | -                        | 55,583                   | 39,018                   |
| Sales               | 11,787                     | -                        | 11,787                   | 16,082                   |
|                     | <u>67,370</u>              | <u>-</u>                 | <u>67,370</u>            | <u>55,100</u>            |

All income from community fundraising in the year to 31 December 2020 was unrestricted.



**BRACE****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021****5 Income from: Investments**

|               | <b>Unrestricted<br/>Funds</b> | <b>Restricted<br/>Funds</b> | <b>Total Funds<br/>2021</b> | <b>Total Funds<br/>2020</b> |
|---------------|-------------------------------|-----------------------------|-----------------------------|-----------------------------|
|               | <b>£</b>                      | <b>£</b>                    | <b>£</b>                    | <b>£</b>                    |
| Bank interest | 7,294                         | -                           | 7,294                       | 9,172                       |
|               | <u>7,294</u>                  | <u>-</u>                    | <u>7,294</u>                | <u>9,172</u>                |

All income from investments in the year to 31 December 2020 was unrestricted.

**6 Expenditure on: Raising funds**

|                                  | <b>Unrestricted<br/>Funds</b> | <b>Restricted<br/>Funds</b> | <b>Total Funds<br/>2021</b> | <b>Total Funds<br/>2020</b> |
|----------------------------------|-------------------------------|-----------------------------|-----------------------------|-----------------------------|
|                                  | <b>£</b>                      | <b>£</b>                    | <b>£</b>                    | <b>£</b>                    |
| Advertising & promotions         | 34,341                        | -                           | 34,341                      | 33,993                      |
| Event costs and collection costs | 11,664                        | -                           | 11,664                      | 11,020                      |
| Support costs (Note 9)           | 130,554                       | -                           | 130,554                     | 140,382                     |
|                                  | <u>176,559</u>                | <u>-</u>                    | <u>176,559</u>              | <u>185,395</u>              |

All expenditure on raising funds in the year to 31 December 2020 was out of unrestricted funds.

**7 Expenditure on: Charitable activities****For the year ended 31 December 2021**

|   | <b>Direct<br/>Costs</b> | <b>Grant funding<br/>of activities<br/>(Note 8)</b> | <b>Support<br/>Costs<br/>(Note 9)</b> | <b>Total Funds<br/>2021</b> |
|---|-------------------------|---|---------------------------------------|-----------------------------|
|   | <b>£</b>                | <b>£</b>  | <b>£</b>                              | <b>£</b>                    |
| <b>Research grants and research costs</b> |                         |   |                                       |                             |
| Grants for research                       | -                       | 232,039   | 69,170                                | 301,209                     |
| BRACE conference                          | 11,672                  | -   | -                                     | 11,672                      |
|   | <u>11,672</u>           | <u>232,039</u>                                      | <u>69,170</u>                         | <u>312,881</u>              |

**For the year ended 31 December 2020**

|   | <b>Direct<br/>Costs</b> | <b>Grant funding<br/>of activities<br/>(Note 8)</b> | <b>Support<br/>Costs<br/>(Note 9)</b> | <b>Total Funds<br/>2020</b> |
|---|-------------------------|---|---------------------------------------|-----------------------------|
|   | <b>£</b>                | <b>£</b>  | <b>£</b>                              | <b>£</b>                    |
| <b>Research grants and research costs</b> |                         |   |                                       |                             |
| Grants for research                       | -                       | 323,685   | 58,314                                | 381,999                     |
| BRACE conference                          | 9,321                   | -   | -                                     | 9,321                       |
|   | <u>9,321</u>            | <u>323,685</u>                                      | <u>58,314</u>                         | <u>391,320</u>              |

**BRACE****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021**

| <b>8 Analysis of grants</b>   | <b>2021</b>    | <b>2020</b>      |
|---|----------------|------------------|
|   | <b>£</b>       | <b>£</b>         |
| The total grants awarded to institutions during the year was as follows:  |                |                  |
| <b>University of Bristol</b>  |                |                  |
| "SW Dementia Brain Bank support grant"  | 156,973        | 140,000          |
| "Can non-invasive ultrasound change the course of Alzheimer's disease"  | 24,633         | -                |
| "Investigating Synaptic Dysfunction caused by AMPA Receptor"  | 65             | 89,498           |
| <b>University of the West of England</b>  |                |                  |
| "Targeting the autophagy pathway in Alzheimer's disease"  | -              | 6,369            |
| "Understanding the metabolic link between Type II Diabetes and Alzheimer's disease"   | 2,514          | -                |
| "Targeting the BCATc/ULK1/Vps34 axis in Alzheimer's disease"  | 92,155         | -                |
| <b>University of Exeter</b>   |                |                  |
| "Wnt Signalling in Alzheimers disease – striking the right balance"   | -              | 69,572           |
| <b>Swansea University</b>   |                |                  |
| "Translation of G Wilcock's patient database"   | 2,236          | -                |
| "Equipment Grant"   | 191            | -                |
| <b>North Bristol Trust</b>  |                |                  |
| Funding for Cognitive disorders clinic co-ordinator (Brain Centre)  | -              | 9,639            |
| Funding for clinical research nurse   | 15,000         | 15,485           |
| <b>Other grants made in the year</b>  | <b>7,000</b>   | <b>500</b>       |
| <b>Total grants commitments made in the year</b>  | <b>300,767</b> | <b>331,063</b>   |
| Underspend from commitments made in prior years   | (68,728)       | (7,378)          |
| <b>Total grants payable after amendments</b>  | <b>232,039</b> | <b>323,685</b>   |
| Grants are often made for periods spanning more than one year, typically up to 3 years and the full commitment is shown above in the year of grant. |                |                  |
| <b>Reconciliation of grants payable</b>   |                |                  |
|   | <b>2021</b>    | <b>2020</b>      |
|   | <b>£</b>       | <b>£</b>         |
| Commitments brought forward   | 1,085,458      | 1,439,801        |
| Net commitments made in the year  | 232,039        | 323,685          |
| Payments during the year  | (397,653)      | (678,028)        |
| Commitments carried forward   | 919,844        | 1,085,458        |
| <b>Commitments at the year end are payable as follows:-</b>   |                |                  |
| Within one year (Note 17)   | 791,707        | 1,006,272        |
| After more than one year (Note 18)  | 128,137        | 79,186           |
|   | <b>919,844</b> | <b>1,085,458</b> |

# BRACE

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2021

#### 9 Support costs

Support costs and overheads were allocated between charitable activities, fundraising and publicity expenditure and fundraising trading expenditure as follows:

| Cost type        | Basis of apportionment |
|------------------|------------------------|
| Salaries         | Staff Time             |
| Pension costs    | Staff Time             |
| Newsletter       | Usage                  |
| Office costs     | Usage                  |
| Governance costs | Usage                  |

Support costs, included in notes 6 & 7, are as follows:

| For the year ended 31 December 2021              | Fundraising and publicity | Charitable Activities | Total 2021     |
|--|---------------------------|-----------------------|----------------|
|  | £                         | £                     | £              |
| Wages and salaries (incl. social security costs) | 94,103                    | 58,011                | 152,114        |
| Pension costs                                    | 2,256                     | 2,075                 | 4,331          |
| Newsletter                                       | 6,206                     | -                     | 6,206          |
| Office costs                                     | 26,778                    | 2,975                 | 29,753         |
| Governance costs (Note 10)                       | 1,211                     | 6,109                 | 7,320          |
|  | <u>130,554</u>            | <u>69,170</u>         | <u>199,724</u> |

| For the year ended 31 December 2020              | Fundraising and publicity | Charitable Activities | Total 2020     |
|--|---------------------------|-----------------------|----------------|
|  | £                         | £                     | £              |
| Wages and salaries (incl. social security costs) | 101,734                   | 50,691                | 152,425        |
| Pension costs                                    | 1,796                     | 1,049                 | 2,845          |
| Newsletter                                       | 8,637                     | -                     | 8,637          |
| Office costs                                     | 27,729                    | 3,081                 | 30,810         |
| Governance costs (Note 10)                       | 486                       | 3,493                 | 3,979          |
|  | <u>140,382</u>            | <u>58,314</u>         | <u>198,696</u> |

#### 10 Governance costs

|                                    |                               | Total Funds 2021 | Total Funds 2020 |
|------------------------------------|-------------------------------|------------------|------------------|
|                                    |                               | £                | £                |
| Auditor's remuneration             | - for audit services          | 4,600            | -                |
|                                    | - for other services          | 2,720            | -                |
|                                    | - prior year under accrual    | -                | 180              |
| Independent examiner's fee         | - for independent examination | -                | 850              |
|                                    | - for other services          | -                | 1,790            |
| Trustee meeting costs and training |                               | -                | 1,159            |
|                                    |                               | <u>7,320</u>     | <u>3,979</u>     |

## BRACE

### NOTES TO THE FINANCIAL STATEMENTS

#### YEAR ENDED 31 DECEMBER 2021

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#### 11 Net income/(expenditure) for the year

| This is stated after charging: |                               | 2021  | 2020  |
|--------------------------------|-------------------------------|-------|-------|
|                                |                               | £     | £     |
| Auditor's remuneration         | - for audit services          | 4,600 | -     |
|                                | - for other services          | 2,720 | -     |
|                                | - prior year under accrual    | -     | 180   |
| Independent examiner's fee     | - for independent examination | -     | 850   |
|                                | - for other services          | -     | 1,790 |
| Trustees' expenses             |                               | -     | -     |
| Depreciation                   |                               | -     | -     |

No Trustees have been reimbursed for their out of pocket expenses for travel and meetings (2020: Nil). No Trustee received any remuneration during the current and prior year.

Aggregate donations from Trustees, key management personnel, and other related parties was £1,948 (2020: £1,749).

#### 12 Staff costs and numbers

The aggregate payroll costs were:

|                       |  | 2021    | 2020    |
|-----------------------|--|---------|---------|
|                       |  | £       | £       |
| Wages & salaries      |  | 145,092 | 144,090 |
| Social security costs |  | 8,612   | 8,335   |
| Pension contributions |  | 2,741   | 2,845   |

No employee received emoluments of more than £60,000.

The average weekly number of employees during the year was 6.7 (2020: 6.3), calculated on the basis of average headcount. When calculated using the basis of full time equivalents, the average weekly number of employees was 5.1 (2020: 4.8).

The total employment benefits received by key management personnel were £78,344 (2020: £72,559). The key management personnel in year were the Chief Executive, Head of Engagement and the board of Trustees.

There were three employees (2020: three) with pension accruing under defined contribution schemes.

#### 13 Taxation

The Charity is exempt from corporation tax on its charitable activities.

**BRACE****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021****14 Statement of Financial Activities comparative figures**

|  | <b>Unrestricted<br/>Funds<br/>£</b> | <b>Restricted<br/>Funds<br/>£</b> | <b>Total Funds<br/>2020<br/>£</b> |
|--|-------------------------------------|-----------------------------------|-----------------------------------|
| <b>For the year ended 31 December 2020</b>                                 |                                     |                                   |                                   |
| <b>Income from:</b>  |                                     |                                   |                                   |
| Gifts and donations  | 159,826                             | 59,297                            | 219,123                           |
| Legacies   | 430,720                             | -                                 | 430,720                           |
| Community fundraising  | 55,100                              | -                                 | 55,100                            |
| Investments  | 9,172                               | -                                 | 9,172                             |
| <b>Total income</b>  | <b>654,818</b>                      | <b>59,297</b>                     | <b>714,115</b>                    |
| <b>Expenditure on:</b>   |                                     |                                   |                                   |
| Raising funds  | 185,395                             | -                                 | 185,395                           |
| Charitable activities  | 325,174                             | 66,146                            | 391,320                           |
| <b>Total expenditure</b>   | <b>510,569</b>                      | <b>66,146</b>                     | <b>576,715</b>                    |
| <b>Net income/(expenditure) for the year<br/>and net movement in funds</b> | <b>144,249</b>                      | <b>(6,849)</b>                    | <b>137,400</b>                    |
| <b>Total funds at start of year</b>  | <b>445,104</b>                      | <b>34,087</b>                     | <b>479,191</b>                    |
| <b>Total funds at end of year</b>  | <b>589,353</b>                      | <b>27,238</b>                     | <b>616,591</b>                    |

**15 Tangible fixed assets**

|                                   | <b>Website<br/>£</b> | <b>Total<br/>£</b> |
|-----------------------------------|----------------------|--------------------|
| <b>Cost</b>                       |                      |                    |
| At 1 January and 31 December 2021 | 18,000               | 18,000             |
| <b>Depreciation</b>               |                      |                    |
| At 1 January and 31 December 2021 | 18,000               | 18,000             |
| <b>Net book value</b>             |                      |                    |
| At 1 January and 31 December 2021 | -                    | -                  |

**BRACE****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021****16 Debtors**

|                                   | <b>2021</b>    | <b>2020</b>    |
|-----------------------------------|----------------|----------------|
|                                   | <b>£</b>       | <b>£</b>       |
| <b>Due in less than one year:</b> |                |                |
| Trade debtors                     | 2,590          | 3,898          |
| Prepayments and accrued income    | 25,097         | 54,884         |
| Tax reclaimable under Gift Aid    | 2,990          | 1,952          |
| Other debtors                     | 744            | 864            |
|                                   | <u>31,421</u>  | <u>61,598</u>  |
| <b>Due in more than one year:</b> |                |                |
| Prepayments and accrued income    | 91,875         | 99,375         |
|                                   | <u>123,296</u> | <u>160,973</u> |

**17 Creditors: amounts falling due within one year**

|                              | <b>2021</b>    | <b>2020</b>      |
|------------------------------|----------------|------------------|
|                              | <b>£</b>       | <b>£</b>         |
| Grants payable (Note 8)      | 791,707        | 1,006,272        |
| Accruals and deferred income | 13,595         | 8,727            |
| Other creditors              | 1,414          | 1,252            |
|                              | <u>806,716</u> | <u>1,016,251</u> |

**18 Creditors: amounts falling due after one year**

|                         | <b>2021</b>    | <b>2020</b>   |
|-------------------------|----------------|---------------|
|                         | <b>£</b>       | <b>£</b>      |
| Grants payable (Note 8) | 128,137        | 79,186        |
|                         | <u>128,137</u> | <u>79,186</u> |

**19 Reconciliation of net movement in funds to net cash inflow from operating activities**

|  | <b>2021</b>      | <b>2020</b>      |
|--|------------------|------------------|
|  | <b>£</b>         | <b>£</b>         |
| Statement of Financial Activities: Net movement in funds   | (74,855)         | 137,400          |
| Investment income  | (7,294)          | (9,172)          |
| Depreciation   | -                | -                |
| (Decrease) / increase in creditors: current liabilities    | (209,535)        | (140,465)        |
| Decrease in creditors: non-current liabilities             | 48,951           | (218,220)        |
| Decrease in debtors  | 36,123           | 37,709           |
| (Increase) / decrease in stock                             | (1,020)          | (342)            |
| <b>Net cash (outflow)/inflow from operating activities</b> | <u>(207,630)</u> | <u>(193,090)</u> |

# BRACE

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2021

#### 20 Analysis of changes in cash during the year

|                          | 2021<br>£ | 2020<br>£ | Change<br>£ |
|--------------------------|-----------|-----------|-------------|
| Cash at bank and in hand | 490,104   | 680,526   | (190,422)   |
|                          | 2020<br>£ | 2019<br>£ | Change<br>£ |
| Cash at bank and in hand | 680,526   | 913,787   | (233,261)   |

#### 21 Movement in funds

##### For the year ended 31 December 2021

|   | At 1 Jan<br>2021<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>£  | At 31 Dec<br>2021<br>£ |
|---|-----------------------|----------------|------------------|-----------------|------------------------|
| <b>Restricted funds</b>                       |                       |                |                  |                 |                        |
| SW Dementia Brain Bank                        | 4,868                 | 47,687         | (17,000)         | (30,000)        | 5,555                  |
| Bristol Brain Centre clinical research        | 3,141                 | -              | -                | -               | 3,141                  |
| Bristol Brain Centre: clinical research nurse | 14,372                | 5,893          | (14,515)         | -               | 5,750                  |
| BRACE conference                              | -                     | 3,000          | (3,000)          | -               | -                      |
| UWE Myra Conway equipment                     | 65                    | -              | (65)             | -               | -                      |
| Vascular Dementia Research                    | 152                   | -              | -                | -               | 152                    |
| Research Purposes                             | -                     | 5,000          | -                | -               | 5,000                  |
| Early Detection and Lifestyle Research        | -                     | 2,500          | -                | -               | 2,500                  |
| Exeter University Professor Scholarship       | -                     | 23,000         | -                | (23,000)        | -                      |
| Bristol University-Disbursement               | -                     | 5,000          | (5,000)          | -               | -                      |
| MRC funding                                   | -                     | -              | -                | (44,142)        | (44,142)               |
| Other   | 4,640                 | 420            | -                | (2,236)         | 2,824                  |
|   | <u>27,238</u>         | <u>92,500</u>  | <u>(39,580)</u>  | <u>(99,378)</u> | <u>(19,220)</u>        |
| <b>Unrestricted funds</b>                     |                       |                |                  |                 |                        |
| Contingency reserve                           | 75,000                | -              | -                | -               | 75,000                 |
| Continuity reserve                            | 150,000               | -              | -                | -               | 150,000                |
| Elgar House prepaid lease                     | 106,875               | -              | (7,500)          | -               | 99,375                 |
| Brace Conference                              | -                     | -              | -                | 12,000          | 12,000                 |
| SW Dementia Brain Bank                        | 188,000               | -              | (141,973)        | -               | 46,027                 |
| Research projects                             | 15,000                | -              | -                | 7,902           | 22,902                 |
| Dr Margaret Lush annual prize                 | 1,000                 | -              | -                | -               | 1,000                  |
| General funds                                 | 53,478                | 322,085        | (300,387)        | 79,476          | 154,652                |
|   | <u>589,353</u>        | <u>322,085</u> | <u>(449,860)</u> | <u>99,378</u>   | <u>560,956</u>         |
| <b>Total funds</b>                            | <u>616,591</u>        | <u>414,585</u> | <u>(489,440)</u> | <u>-</u>        | <u>541,736</u>         |

The transfers out of restricted funds relate to grants expended out of general funds, reimbursed.

## BRACE

### NOTES TO THE FINANCIAL STATEMENTS

#### YEAR ENDED 31 DECEMBER 2021

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#### 21 Movement in funds (continued)

##### Restricted funds

SW Dementia Brain Bank: Funds to support the work of the SWDBB – general purposes. As at 31 December 2021 this reserve amounted to £5,555 (2020: £4,868).

Bristol Brain Centre clinical research: Funds to support clinical research by the ReMemBr Group – general purposes. As at 31 December 2021 this reserve amounted to £3,141 (2020: £3,141).

Bristol Brain Centre: clinical research nurse: Funds for the employment of a research nurse for the ReMemBr Group. As at 31 December 2021 this reserve amounted to £5,750 (2020: £14,372).

BRACE Conference: Support for the annual conference (#Together4Dementia). As at 31 December 2021 this reserve amounted to £Nil (2020 : £Nil).

UWE Myra Conway equipment grant to Professor Myra Conway (UWE) for the purchase of laboratory equipment. As at 31 December 2021 this reserve amounted to £Nil (2020: £65).

Dr Margaret Lush annual prize awarded to a BRACE-funded PhD student in memory of the late Dr Margaret Lush. As at 31 December 2020 this reserve amounted to £Nil (2020: £Nil).

Vascular Dementia research : Fund for donations restricted to research into Vascular dementia (VaD). As at 31 December 2021 this reserve amounted to £152 (2020: £152).

Research Purposes - Funds to support grants given for general dementia research.

Early Detection and Lifestyle Research - Funds to support grants given for research including early detection of dementia and/or lifestyle and dementia.

Exeter University Professor Scholpp - Funds to support research project, 'Wnt Signalling in Alzheimers Disease - Striking the Right Balance'.

Bristol University- Disbursement - Funds to support Professor Yoav Ben-Shlomo, research project, ContinUous behavioUral Biomarkers Of cognitive Impairment (CUBOld) behavioural analysis through multisensory data fusion at home.

MRC funding - Funds received from Medical Research Council to support PhD students. There is future income anticipated to take this fund from a deficit into a surplus.

Restricted funds - Other

All other restricted funds have been included within 'Other' as they have been deemed to not be material and therefore are unnecessary to disclose separately. The Charity accounts fully for all restricted funds.

##### Designated funds

Contingency Reserve - the Trustees have adopted a policy that a reserve be set aside as a contingency to provide for the costs of administering the Charity in the unexpected event of its being wound up. As at 31 December 2021 this reserve amounted to £75,000 (2020: £75,000).

Continuity Reserve - the Trustees have adopted a policy that a reserve be set aside to ensure that the charity can continue to function fully for at least six months in the event of a significant fall in income.

Elgar House prepaid lease costs - these funds represent the prepayment of lease costs for the remaining lease term and are included in a separate designated fund to indicate that these funds are not available as free reserves. As at 31 December 2021 this reserve amounted to £99,375 (2020: £106,875).

SW Dementia Brain Bank: Designated fund to facilitate further support grants. As at 31 December 2021 this reserve amounted to £46,027 (2020: £188,000).

Research projects fund represents funds created for the continued future support of Brain Centre posts.

Dr Margaret Lush annual prize awarded to a BRACE-funded PhD student in memory of the late Dr Margaret Lush. As at 31 December 2021 this reserve amounted to £1,000 (2020: £1,000).

BRACE Conference: Support for the annual conference (#Together4Dementia). As at 31 December 2021 this reserve amounted to £Nil (2020 : £12,000).

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**BRACE****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021****21 Movement in funds (continued)**

For the year ended 31 December 2020

|  | At 1 Jan<br>2020<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>£ | 31 Dec 2020<br>£ |
|--|-----------------------|----------------|------------------|----------------|------------------|
| <b>Restricted funds</b>                          |                       |                |                  |                |                  |
| SW Dementia Brain Bank                           | 1,569                 | 43,299         | (40,000)         | -              | 4,868            |
| Bristol Brain Centre clinical<br>research        | 3,141                 | -              | -                | -              | 3,141            |
| Bristol Brain Centre: clinical<br>research nurse | 18,491                | 11,366         | (15,485)         | -              | 14,372           |
| BRACE conference                                 | -                     | 3,792          | (3,792)          | -              | -                |
| UWE Myra Conway equipment                        | 6,434                 | -              | (6,369)          | -              | 65               |
| Dr Margaret Lush annual prize                    | 500                   | -              | (500)            | -              | -                |
| Vascular Dementia Research                       | 152                   | -              | -                | -              | 152              |
| Other  | 3,800                 | 840            | -                | -              | 4,640            |
|  | <u>34,087</u>         | <u>59,297</u>  | <u>(66,146)</u>  | <u>-</u>       | <u>27,238</u>    |
| <b>Unrestricted funds</b>                        |                       |                |                  |                |                  |
| Contingency reserve                              | 100,000               | -              | -                | (25,000)       | 75,000           |
| Continuity reserve                               | -                     | -              | -                | 150,000        | 150,000          |
| Elgar House prepaid lease<br>costs               | 114,375               | -              | (7,500)          | -              | 106,875          |
| SW Dementia Brain Bank                           | 140,000               | -              | (100,000)        | 148,000        | 188,000          |
| Research projects                                | -                     | -              | -                | 15,000         | 15,000           |
| Dr Margaret Lush annual prize                    | 1,000                 | -              | -                | -              | 1,000            |
| General funds                                    | 89,729                | 654,818        | (403,069)        | (288,000)      | 53,478           |
|  | <u>445,104</u>        | <u>654,818</u> | <u>(510,569)</u> | <u>-</u>       | <u>589,353</u>   |
| <b>Total funds</b>                               | <u>479,191</u>        | <u>714,115</u> | <u>(576,715)</u> | <u>-</u>       | <u>616,591</u>   |

**BRACE****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2021**

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**22 Analysis of net assets between funds**

|  | <b>Restricted<br/>Funds</b> | <b>Unrestricted<br/>Designated<br/>Funds</b> | <b>Unrestricted<br/>General<br/>Funds</b> | <b>Total</b>   |
|--|-----------------------------|--|---|----------------|
|  | <b>£</b>                    | <b>£</b>                                     | <b>£</b>                                  | <b>£</b>       |
| <b>As at 31 December 2021</b>                                |                             |  |   |                |
| Elgar House prepaid lease                                    | -                           | 99,375                                       | -   | 99,375         |
| Other prepayments  | -                           | -  | 7,386                                     | 7,386          |
| Cash and short-term deposits in excess of grants commitments | (19,220)                    | 306,929                                      | 143,494                                   | 431,203        |
| Other net assets   | -                           | -  | 3,772                                     | 3,772          |
|  | <u>(19,220)</u>             | <u>406,304</u>                               | <u>154,652</u>                            | <u>541,736</u> |
| <b>As at 31 December 2020</b>                                |                             |  |   |                |
| Elgar House prepaid lease                                    | -                           | 106,875                                      | -   | 106,875        |
| Other prepayments  | -                           | -  | 10,964                                    | 10,964         |
| Cash and short-term deposits in excess of grants commitments | 27,238                      | 429,000                                      | 8,133                                     | 464,371        |
| Other net assets   | -                           | -  | 34,381                                    | 34,381         |
|  | <u>27,238</u>               | <u>535,875</u>                               | <u>53,478</u>                             | <u>616,591</u> |

**23 Related party transactions**

No related party transactions occurred in the year, other than transactions disclosed in note 11 & 12.