

The Barbara Ward Children's Foundation

Annual Report and Financial Statements

31 December 2022

Company Limited by Guarantee
Registration Number
04213963 (England and Wales)

Charity Registration Number
1089783

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Legal and administrative information

Trustees/Directors	Mrs B I Ward (Chairman) Mr D C Bailey Mr J C Banks Mr C G Brown Mr K R Parker Mr M M Waight Mr B M Walters
Company secretary	Dracliffe Company Services Limited
Registered office	100 Old Hall Street Liverpool L3 9QJ
Company registration number	04213963 (England and Wales)
Charity registration number	1089783
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Lloyds Bank 1 West Street Horsham West Sussex RH12 1PA
Investment managers	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
Solicitors	Weightmans LLP The Hallmark 105 Fenchurch Street London EC3M 5JG

The trustees (who are the directors of the company for the purpose of the Companies Act), present their statutory report together with the financial statements of The Barbara Ward Children's Foundation for the year ended 31 December 2022.

The report has been prepared in accordance with Part 8 of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 18 to 21 of the attached financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, 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 United Kingdom and Republic of Ireland (FRS 102).

Objectives and activities

The objects of the charity, as contained in its memorandum of association, are to carry out exclusively charitable purposes anywhere in the world primarily in relation to children and mentally handicapped adults and any person who has been assisted by the charity as a child, whether for the relief of poverty, the promotion of health, the provision of recreational facilities, or any such other charitable purposes for the benefit of the community.

When setting the objectives and planning the work of the charity for the year the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The trustees consider that all of the aims and objectives detailed in this report are there in order to benefit the public. The trustees believe that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

The charity is a grant making charity, utilising income from its investments, income from donations and other income to fund grants. These grants are made in accordance with the grant making policy detailed below. The grants made can range from one-off grants to project-related grants that run for two or more years. A full list of grants payable during the year is given in note 3 to the financial statements. More detail on the number and nature of grants made is included later in this report.

For 2023 the trustees anticipate following a similar approach to achieving the charity's aims.

Grant making policy

The charity welcomes applications for grants and the funding of projects from registered charities.

Applications should be made in writing to the charity's registered office and should include sufficient detail for the charity to assess whether the application meets the charity's objects outlined above. Applications should include a copy of the applicant's last set of audited financial statements.

Grant making policy (continued)

The charity has established a set of procedures to determine the level of trustee approval required, as well as the extent of visits to beneficiaries prior to grants being approved, monitoring grants after approval, follow up visits and staging of payments.

Achievements and performance

Total income for the year was £504,298 (2021 – £522,375).

In January 2022 the charity received a donation of £150,000 (2021 – £150,000) from The Barbara Ward Family Trust. During the year other donations and fundraising activities generated income of £3,126 (2021 – £12,569). Investment income was £351,172 (2021 – £359,806).

The investment portfolio, which is managed by Sarasin & Partners, comprises Income Units in the Sarasin Endowments Fund Class A Inc. managed by Sarasin & Partners and was valued at £11,893,822 at the end of 2022, a 12% decrease on the value of £13,548,572 a year earlier. The Sarasin Endowments Fund Class A Inc. will not invest in tobacco and will avoid investment in companies with significant exposure to alcohol, armaments, pornography and gambling.

Grants payable in 2022 totalled £464,450 (2021 – £508,912).

The impact of the Coronavirus pandemic on the charity's operations had been significant during 2020 and 2021, but this largely ceased in 2022. The charity received 348 grant applications in the year. The charity's normal approval procedures will often involve making a visit to the beneficiary, but such visits were severely restricted by the pandemic in 2020 and 2021. Many of these visits were however made in 2022, when the trustees visited 26 actual or potential beneficiaries.

During the year the trustees have reviewed 337 new grant making opportunities (2021 – 338), of which 19 have been approved (2021 – 40). The charity paid or accrued grants to 85 organisations (2021 – 95), as detailed in note 3 to the financial statements. These 85 are made up of 76 multi-year grants, plus 9 one-off grants.

The total value of grants approved during the year, including amounts not accrued as they are subject to conditions, totalled £474,500 (2021 – £477,562). The equivalent total from the charity's incorporation in 2001 to the end of 2022 is £9.9 million (2021 – £9.4 million).

The charity has made grants in respect of charitable activities throughout the United Kingdom, but also around the world, helping children in Barbados, Belarus, Cameroon, Ethiopia, Ghana, Kenya, Kosovo, Malawi, Nepal, Peru, the Philippines, Romania, Russia, Tanzania, Thailand, Uganda, Ukraine and Zambia.

There have been no changes to the charity's aims, objectives or strategy during the year.

Reserves policy and financial position

Reserves policy

The trustees' policy is to manage the reserves of the charity and to provide for the long-term needs of the charity. The trustees have ring fenced the initial donation from Mrs. Ward as a designated fund, to be known as The Barbara Ward Fund. This donation has been passed to investment managers, and the trustees' aim, over the longer term, to grow this fund at least in line with inflation.

The trustees consider that, given the nature of the charity's work, the normal level of free reserves, i.e. those unrestricted funds not designated for specific purposes or otherwise committed, should be up to approximately £150,000, estimated to be equivalent to approximately four months' expenditure on unrestricted funds at any one time. The trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources due to timing differences in income flows, as well as adequate working capital to cover core costs. At the end of 2022 free reserves stood at £312,929 (2021 - £280,263).

Financial position

The balance sheet shows total funds of £12,206,751 (2021 – £13,828,835).

The original donation by Mrs Ward has been designated, or set aside, by the trustees for specific purposes. These purposes and an analysis of the movement on the fund are set out in note 12 to the financial statements. The current value of the fund is £11,893,822 (2021 – £13,548,572).

General funds of the charity at 31 December 2022 total £312,929 (2021 – £280,263). These funds represent the 'free reserves' of the charity.

The trustees recognise that current free reserves are higher than the £150,000 set out above. The current level is higher than the trustees would wish. The trustees hope that, in 2023, grants approved will reduce the level of free reserves to a more normal level. The trustees therefore consider free reserves in the current circumstances to be adequate but not excessive.

Investment policy

The charity has a portfolio of investments with a market value as at 31 December 2022 of £11,893,822 (2021 – £13,548,572).

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment managers' view of the market prospects in the medium term. The overall investment policy is to maximise total return through a diversified portfolio, aiming to provide the level of income advised by the trustees and, at the same time, with a view to ensuring that capital appreciation of the fund exceeds inflation over any five-year period.

Investment performance in 2022 has been negative, showing a loss of 12% (2021 – gain of 7%).

Over the last eight years the portfolio values at the end of the year have been:

2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000	2015 £'000
11,894	13,549	12,616	11,871	10,245	11,034	10,276	9,578

Over the five years from the end of 2017 the portfolio has shown a gain of some 8% compared to a decline of some 3% in the FTSE All-Share Index, while there has been a rise of ca. 21% in the Consumer Prices Index and ca. 30% in the Retail Prices Index.

The trustees recognise that the five-year investment objective above has not been achieved in the last year. Despite the portfolio performing better than the FTSE All Share Index in the last year inflation has surged. The trustees note however that this is the only year in the last ten that the objective has not been achieved. The trustees are hopeful that the performance objective of their investment policy will be achieved in the coming years, but recognise that achieving the objective may be challenging in any one year.

Governance, structure and management

The charity was incorporated as a private limited company (Company Number 04213963) on 10 May 2001 and registered at the Charity Commission (Charity Number 1089783) on 13 December 2001. It began effective activities in January 2002.

The trustees constitute directors of the charity for the purposes of the Companies Act 2006. The charity is governed by its Articles of Association. The trustees have power to appoint a new trustee.

The trustees who served during the year were:

Mrs B I Ward (Chairman)
Mr D C Bailey
Mr J C Banks
Mr C G Brown
Mr K R Parker
Mr M M Waight
Mr B M Walters

Key management personnel

The key management personnel of the Charity in charge of directing and controlling, running and operating the Foundation on a day to day basis comprise the Trustees. No Trustee received remuneration for their work as a Trustee in either the year ended 31 December 2022 or the year ended 31 December 2021.

Organisation

The charity does not have any employees and, for day to day activities, the trustees work from home. The trustees normally meet formally on a quarterly basis, but may appoint subgroups, which can meet more frequently to assess grant applications or grant making opportunities and to visit current or potential beneficiaries. During the year visits were made or meetings held by trustees with 26 (2021 – 3) actual or potential beneficiaries. The subgroups will report to the full Board of Trustees, which then approve or refuse grants.

Governance, structure and management

At each quarterly meeting the trustees review the performance of the investment portfolio and the investment manager attends meetings and presents to the trustees twice a year. The quarterly meetings review management accounts for the preceding quarter and cash flow projections for the next 12 to 18 months. New grant proposals are considered at these meetings and updated reports in respect of project-related grants are circulated and considered. The meetings will also consider any matters relevant to strategy, objectives and policies, although given the relatively stable nature of the charity, little change has taken place or is anticipated in these areas.

All seven current trustees are now retired, but all have extensive business and commercial experience gained over many years and Mr Banks qualified as a Chartered Accountant in 1973. The trustees therefore consider themselves as a body to be appropriately qualified to run and administer the charity. Trustees are encouraged to undertake training in any areas where they feel enhanced expertise is required.

Risk management

The charity's principal asset and therefore, given the grant-making nature of the charity, its principal risk, comprises listed investments, the value of which is dependent on movements in UK and international stock markets.

The trustees have considered this and other major risks to which the charity is exposed, in particular those related to the operational areas of the charity, its investments and its finances. The trustees believe that these risks will be mitigated by:

- ◆ A body of trustees with the necessary experience and competence to supervise all aspects of the charity's activities;
- ◆ An established set of procedures to determine the level of trustee approval required for grants, as well as the extent of monitoring, follow up visits and staging of payments;

Governance, structure and management (continued)

Risk management (continued)

- ◆ Regular trustee meetings at which all aspects of the charity's activities are reviewed; and
- ◆ Retention of experienced investment managers whose performance is monitored quarterly and who attend trustee meetings at least twice a year.

Fundraising

The charity's fundraising activities are limited to holding an annual quiz night, although this did not take place in 2021 or 2022, and accepting unsolicited donations. It communicates with its supporters by providing information on its activities on its website. The charity aims to achieve best practice in the way in which it communicates with supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. The charity adheres to the Code of Fundraising Practice. It applies best practice to protect supporters' data and never sells data, it never swaps data with other organisations, and ensures that its communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of Professional Fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2022, the Charity received no complaints about its fundraising activities.

Statement of trustees' responsibilities

The trustees (who are also directors of The Barbara Ward Children's Foundation for the purposes of company law) are responsible for preparing the trustees' report and 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 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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.

Statement of trustees' responsibilities (continued)

The trustees are responsible for keeping proper 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 Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

Plans for the future

In January 2023 the charity received a further donation of £150,000 from The Barbara Ward Family Trust. During 2023 the trustees anticipate continuing the funding to the 42 beneficiaries where grants have been accrued at the year-end or commitments made. The charity will continue to review new grant making opportunities.

It is anticipated that grants fully approved in 2022 or earlier years will result in cash payments of £333,000 during 2023 and subsequent years. Grants fully approved so far in 2023 will result in cash payments of £76,000 during 2023 and subsequent years. A further three grant totalling £26,000 that will be paid during the course of 2023, 2024 and 2025 have been approved but payments are subject to visits.

Since the end of 2022 the trustees have also approved a one-off grant of £4,000 that has been paid in 2023.

Trustees' report 31 December 2022

Approved by the trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to be 'C Banks', written in a cursive style.

Trustee C Banks

Approved by the trustees on: 5 April 2023

Independent Auditor's Report Year to 31 December 2022

Independent auditor's report to the members of The Barbara Ward Children's Foundation

Opinion

We have audited the financial statements of The Barbara Ward Children's Foundation (the 'charitable company') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Independent Auditor's Report Year to 31 December 2022

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

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 Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient and proper accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Independent Auditor's Report Year to 31 December 2022

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

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

- ◆ 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 obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following laws and regulations were most significant: The Companies Act 2016, The Statement of Recommended Practice (SORP (FRS102)).
- ◆ We understood how the Company is complying with these legal and regulatory Frameworks by making enquiries to Trustees and those responsible for legal and compliance procedures. Through our enquiries we corroborated these views by our review of Board minutes.

We assessed the susceptibility of the Company's Financial statements to material misstatement, including how fraud might occur by:

- ◆ Enquiries with the Trustees, whether they have any knowledge of any actual, suspected or alleged fraud;

Independent Auditor's Report Year to 31 December 2022

Auditor's responsibilities for the audit of the accounts (continued)

- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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.
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon.
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and

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.
- ◆ reviewing the minutes of Trustees' meetings.
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims; and
- ◆ reviewing any available correspondence with HMRC.

As a result of our procedures, we did not identify any key audit matters relating to irregularities.

There are inherent limitations in our audit procedures described above. The more removed those 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 accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report Year to 31 December 2022

Use of our report

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

A handwritten signature in dark ink that reads "Buzzacott LLP". The signature is written in a cursive, flowing style.

Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 5 April 2023

Statement of financial activities (including an income and expenditure account)
Year to 31 December 2022

	Notes	Unrestricted funds	
		2022 £	2021 £
Income and expenditure			
Income from:			
Donations	1	153,126	162,569
Investments	2	351,172	359,806
Total income		504,298	522,375
Expenditure on:			
Charitable activities			
. Grants payable	3	464,450	508,912
. Support costs	4	7,182	6,893
Total expenditure		471,632	515,805
Net income before investment gains		32,666	6,570
Net (losses)/gains on investments		(1,654,750)	932,492
Net movement in funds		(1,622,084)	939,062
Reconciliation of funds:			
Total funds brought forward		13,828,835	12,889,773
Total funds carried forward		12,206,751	13,828,835

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

All the charity's activities derived from continuing operations during the above two financial periods.

Balance sheet as at 31 December 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Investments	8		11,893,822		13,548,572
Current assets					
Investments	9	261,722		—	
Debtors	10	64		1,568	
Cash at bank and in hand		57,943		285,095	
		<u>319,729</u>		<u>286,663</u>	
Creditors: amounts falling due within one year	11	<u>(6,800)</u>		<u>(6,400)</u>	
Net current assets			<u>312,929</u>		<u>280,263</u>
Total net assets			<u>12,206,751</u>		<u>13,828,835</u>
The funds of the charity:					
Unrestricted funds					
. General fund			312,929		280,263
. The Barbara Ward Fund	12		11,893,822		13,548,572
Total funds	13		<u>12,206,751</u>		<u>13,828,835</u>

Approved by the trustees of The Barbara Ward Children's Foundation, Company Registration No. 04213963 (England and Wales) and signed on their behalf by:



Trustee C Banks

Approved on: 5 April 2023

Statement of cash flows Year ended 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	A	(316,602)	(353,061)
Cash flows from investing activities:			
Investment income and interest receivable		351,172	359,806
Investment management fee rebates		29,914	29,920
Purchase of investments		(29,914)	(29,920)
Purchase of current asset investments		(261,722)	—
Net cash provided by investing activities		89,450	359,806
Change in cash and cash equivalents		(227,152)	6,745
Cash and cash equivalents at 1 January 2022		285,095	278,350
Cash and cash equivalents at 31 December 2022	B	57,943	285,095

A Reconciliation of net income expenditure to net cash used in operating activities

	2022 £	2021 £
Net income for the year (as per the Statement of Financial Activities)	32,666	6,570
Adjustments for:		
Investment income receivable	(350,362)	(359,753)
Interest receivable	(810)	(53)
Decrease/(increase) in debtors	1,504	(225)
Increase in creditors	400	400
Net cash used in operating activities	(316,602)	(353,061)

B Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	57,973	285,095
Total cash and cash equivalents	57,973	285,095

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the Charity and the cash and cash equivalents.

Principal accounting policies Year ended 31 December 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of accounting

These financial statements have been prepared for the year to 31 December 2022.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities FRS 102 SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Companies Act 2006 and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

There are no significant areas of judgement or key assumptions that affect items in the financial statements. With respect to the next reporting period, the most significant areas of uncertainty are the carrying value of investment assets held by the charity, which will depend on the performance of investment markets and the investment income from these assets.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. This is because the value of assets held by the charity is very materially in excess of the liabilities of the charity and the level of commitments in respect of grants approved for projects payable in future years.

Income

Income is recognised in the period in which the charity is entitled to receipt, the amount can be measured reliably and it is probable that the funds will be received.

Principal accounting policies Year ended 31 December 2022

Income (continued)

Income is deferred only when the charity has to fulfil performance related conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations, income from fundraising events, interest receivable and dividends from listed investments.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred as noted above.

Other trading income, consisting of income from fundraising events, is recognised in the period during which the event takes place.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure and the basis of apportioning costs

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure is comprised of direct costs and support costs. All expenses, including support costs, are allocated or apportioned to their applicable expenditure headings. The classification between activities is as follows:

- a. Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes of support costs directly incurred in raising funds.
- b. Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include grants payable, other direct costs and support costs including governance costs.

Support costs, other than those incurred directly in raising funds, have been allocated to expenditure on charitable activities as any apportionment between the two activities of the charity would be immaterial.

All expenditure is inclusive of irrecoverable VAT.

Principal accounting policies Year ended 31 December 2022

Expenditure and the basis of apportioning costs (continued)

Investment management costs and rebates are included as part of gains (losses) on investments.

The provision of a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable and the effect of the discounting is material. No discounting has been applied to multi-year grants in these financial statements.

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Current asset investments

Current asset investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date. They are held for investment purposes rather than to meet short-term cash commitments as they fall due.

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Principal accounting policies Year ended 31 December 2022

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects. The trustees have ring fenced the original donation from Mrs. Ward as a designated fund, known as The Barbara Ward Fund. The trustees aim, over the longer term, to grow this fund at least in line with inflation and to generate income to fund the grant making activities of the charity.

Notes to the financial statements 31 December 2022

1 Income from: Donations

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Donations		
. The Barbara Ward Family Trust	150,000	150,000
. Other donations	3,126	12,569
	153,126	162,569

2 Income from: Investments

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Income from listed investments		
. Unit trusts and common investment funds	350,362	359,753
Interest receivable		
. Bank interest	242	47
. Cash held by investment manager	568	6
	810	53
Total	351,172	359,806

3 Grants payable

The charity makes grants in accordance with its grant making policy as set out in the Trustees' report.

Grants payable to institutions during the year comprised the following:

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Daisy Garland Trust	13,800	13,800
REACT	13,000	—
Hopscotch	10,450	10,450
Dandelion Time	10,000	5,000
PACSO	10,000	10,000
Strongbones	10,000	—
The Pepper Foundation	10,000	5,000
Tracks Autism	10,000	10,000
Young Lewisham Project	10,000	5,000
Amy and Friends	7,500	15,000
Autism Bedfordshire	7,500	7,500
Let Us Play	7,500	7,500
Skipton Extended Learning for All	7,500	7,500
Stick n' Step	7,500	7,500
Whoopsadaisy	7,500	7,500
Arts for All	7,000	7,000
Asian Students Christian Trust	7,000	7,000
Extratime	7,000	7,000
Families First St. Andrews	7,000	7,000
James Hopkins Trust	7,000	7,000
Special Needs Advisory and Activities Project	6,500	6,500
3H Fund	6,000	6,000
Action Through Enterprise	6,000	6,000
Cheshire Autism Practical Support	6,000	6,000
Chris Westwood Charity	6,000	—
Children's Respite Trust	6,000	—
Derby Toc H	6,000	6,000
Everyone Can	6,000	—
M.A.C.S	6,000	—
Our Sansar	6,000	6,000
Peter Pan Centre	6,000	6,000
Project Harar Ethiopia	6,000	—
SASBAH	6,000	6,000
Save The Family	6,000	—
The Movement Centre	6,000	—
The Open Theatre Company	6,000	—
Mondo Foundation	5,800	5,800
Action Cerebral Palsy	5,000	5,000
Anaphylaxis Campaign	5,000	5,000
Bath & N.E. Somerset Carers Centre	5,000	—
Carried forward	294,550	211,050

Notes to the financial statements 31 December 2022

3 Grants payable (continued)

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Brought forward	294,550	211,050
Communigrow	5,000	5,000
Dame Vera Lynn Children's Charity	5,000	—
Dingley's Promise	5,000	5,000
Hayle Youth Project	5,000	5,000
Kids in Action	5,000	5,000
Me2 Club	5,000	—
Norfolk Carers Support	5,000	—
Northwich Multisports	5,000	5,000
Springboard Opportunity Group	5,000	5,000
Step & Learn	5,000	5,000
Street-Teams	5,000	5,000
Team Up	5,000	5,000
The Parasol Project	5,000	5,000
The Principle Trust	5,000	5,000
Yellow Submarine Holidays	5,000	5,000
Henry Dancer Days	4,500	4,500
MYTIME	4,500	4,500
Brighton Pebbles	4,000	4,000
Capital Kids Cricket	4,000	8,000
Downright Special	4,000	8,000
Gloucestershire Bundles	4,000	—
Kangaroos	4,000	—
Life Cycle UK	4,000	4,000
Lincoln College Vacation Project	4,000	—
Sensory Soft Play	4,000	—
Tastelife	4,000	4,000
Thomley	4,000	8,000
Crackerjacks Children's Trust	3,500	—
Sal's Shoes	3,500	3,500
Camp Jojo	3,000	—
CHUMS Charity	3,000	3,000
Friends of Manor Mead School	3,000	—
Haworth Riding for the Disabled	3,000	—
North Wales Superkids	3,000	—
Support Line	3,000	3,000
The Therapy Garden	3,000	3,000
Worcestershire Parents & Carers' Community	3,000	3,000
The Family Haven	2,500	2,500
Building for the Future	2,400	2,400
Latin American Fund for the Future	2,000	2,000
Sunrise Partnership	2,000	2,000
Tylers Trust	2,000	2,000
Pontllanfraith Children's Contact Centre	1,500	1,500
Special Educational Needs Families Support Group	1,500	1,500
Carried forward	463,450	345,450

Notes to the financial statements 31 December 2022

3 Grants payable (continued)

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Brought forward	463,450	345,450
Children of Songea	1,000	1,000
Friends of Paternoster School	—	14,000
The Wave Project	—	10,000
Bristol Children's Help Society	—	8,462
Sebastian's Action Trust	—	7,500
Transitions UK	—	7,500
Autism Early Support	—	7,000
Little Hearts Matter	—	7,000
Rainbow Hub	—	6,000
Tiny Tickers	—	6,000
40 Degreez	—	5,000
Allsorts	—	5,000
Family Counselling Trust	—	5,000
Jigsaw (SouthEast)	—	5,000
Living Paintings Trust	—	5,000
Norton Hall Children & Family Centre	—	5,000
Ruby's Fund	—	5,000
SPACE	—	5,000
Space4Autism	—	5,000
Steps Conductive Education Centre	—	5,000
Walsall Bereavement Support Services	—	5,000
Young Carers Development Trust	—	5,000
Toby Henderson Trust	—	4,000
Holly Lodge Centre	—	3,000
Mahadevi Yoga Centre	—	3,000
Real Action	—	3,000
Sunny Days Children's Fund	—	3,000
Unite - Carers in Mid Devon	—	3,000
Intercare	—	2,500
Kingswood Trust	—	2,500
Summers Trust	—	2,000
Made a Mark	—	1,500
Park Villa Football Development	—	1,000
Leeds Community Trust	—	500
	464,450	508,912

Notes to the financial statements 31 December 2022

3 Grants payable (continued)

The grants were all for the benefit of children who were seriously or terminally ill, disadvantaged, underprivileged or had special needs.

A reconciliation of the grants payable and grant commitment figures shown in these financial statements is as follows:

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Commitments accrued at 31 December 2021	—	—
Commitments made in the year	464,450	508,912
Grants paid during the year	(464,450)	(508,912)
Commitments accrued at 31 December 2022	—	—

In addition to the amounts committed and accrued noted above, the trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions. The total amount authorised but not accrued for in these financial statements at 31 December 2022 was £333,000 (2021 – £317,950) (note 14).

4 Support costs

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Governance costs		
. Audit fees	6,700	6,640
Other support costs	482	253
	7,182	6,893

5 Net incoming resources

This is stated after charging:

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Auditor's remuneration (including VAT)		
. Statutory audit services	6,700	6,640

The charity has no employees.

6 Trustees' remuneration

None of the trustees received any remuneration in respect of their services, nor reimbursement of expenses during the period. The aggregate remuneration to key management personnel for the year ended 31 December 2022 was therefore £nil (2021 – £nil).

Notes to the financial statements 31 December 2022

7 Taxation

The Barbara Ward Children's Foundation is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Fixed asset investments

	2022 £	2021 £
Listed investments and cash held for re-investment		
Listed investments		
Market value at 1 January 2022	13,548,572	12,616,080
Additions at cost	29,914	29,920
Unrealised (losses)gains	(1,684,664)	902,572
Market value at 31 December 2022	11,893,822	13,548,572
Cost of listed investments at 31 December 2022	8,168,326	8,138,412

Listed investments, which were all in the United Kingdom, held at 31 December 2022 comprised the following:

	2022 £	2021 £
Unit trusts and investment trusts	11,893,822	13,548,572

At 31 December 2022 the following investment holding had a market value in excess of 5% of the market value of the entire listed portfolio as at that date:

Holding	Market value of holding £	% of total portfolio %
Sarasin Endowments (A) Fund (Income Units)	11,893,822	100

At 31 December 2021 the following investment holding had a market value in excess of 5% of the market value of the entire listed portfolio as at that date:

Holding	Market value of holding £	% of total portfolio %
Sarasin Endowments (A) Fund (Income Units)	13,548,572	100

9 Current asset investments

	2022 £	2021 £
ICS Liquidity Fund	261,722	—
	261,722	—

10 Debtors: due within one year

	2022 £	2021 £
Taxation recoverable	64	1,568
	64	1,568

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals	6,800	6,400
	6,800	6,400

12 Designated fund

	At 1 January 2022 £	Utilised during the year £	Designated during the year £	At 31 December 2022 £
The Barbara Ward Fund	13,548,572	(1,654,750)	—	11,893,822

	At 1 January 2021 £	Utilised during the year £	Designated during the year £	At 31 December 2021 £
<i>The Barbara Ward Fund</i>	<i>12,616,080</i>	<i>—</i>	<i>932,492</i>	<i>13,548,572</i>

The trustees have ring fenced the original donation from Mrs. Ward as a designated fund, known as The Barbara Ward Fund. The trustees aim, over the longer term, to grow this fund at least in line with inflation and to generate income to fund the grant making activities of the charity.

13 Analysis of net assets between funds

	General fund £	Designated funds £	Total 2022 £
Fund balances at 31 December 2022 are represented by:			
Investments	—	11,893,822	11,893,822
Current assets	319,729	—	319,729
Creditors: amounts falling due within one year	(6,800)	—	(6,800)
Total net assets	312,929	11,893,822	12,206,751
	General fund £	Designated funds £	Total 2021 £
<i>Fund balances at 31 December 2021 are represented by:</i>			
<i>Investments</i>	<i>—</i>	<i>13,548,572</i>	<i>13,548,572</i>
<i>Current assets</i>	<i>286,663</i>	<i>—</i>	<i>286,663</i>
<i>Creditors: amounts falling due within one year</i>	<i>(6,400)</i>	<i>—</i>	<i>(6,400)</i>
<i>Total net assets</i>	<i>280,263</i>	<i>13,548,572</i>	<i>13,828,835</i>

The total unrealised gains as at 31 December 2022 constituted movements on the revaluation of listed investments.

	Total 2022 £	Total 2021 £
Unrealised gains included above:		
Total unrealised gains at 31 December 2022	3,725,496	5,410,160
Reconciliation of movements in unrealised gains		
Total unrealised gains at 1 January 2022	5,410,160	4,507,588
Net (losses) gains arising on revaluations in the year	(1,684,664)	902,572
Total unrealised gains at 31 December 2022	3,725,496	5,410,160

13 Grant commitments

At 31 December 2022, the charity had the following commitments in respect of grants approved for projects, which have not been accrued for in these financial statements because they were subject to the recipient fulfilling certain conditions:

	2022 £	2021 £
Payable within one year	226,000	226,450
Payable between two and five years	107,000	96,500
	333,000	322,950

14 Related party transactions

In 2022 the charity received a donation of £150,000 (2021 – £150,000) from The Barbara Ward Family Trust. In 2022 the charity received aggregate donations of £522 from the trustees (2021 – £388).

Notes to the financial statements 31 December 2022

15 Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £10.