

Charity Registration No. 1121739

Company Registration No. 06428200 (England and Wales)

**BALLINGER CHARITABLE TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**



# **BALLINGER CHARITABLE TRUST**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Mrs D Ballinger Mrs N Crowther Mr A Ballinger Mr J Flynn
<b>Secretary</b>	Ms J L Thomas
<b>Charity number</b>	1121739
<b>Company number</b>	06428200
<b>Registered office</b>	C/O Womble Bond Dickinson 112 Quayside Newcastle Upon Tyne Tyne and Wear United Kingdom NE1 3DX
<b>Auditors</b>	David Nairn (Senior Statutory Auditor) Azets Audit Services Bede House 3 Belmont Business Park Durham DH1 1TW United Kingdom
<b>Investment advisors</b>	UBS 2 St James Place Newcastle Upon Tyne Tyne & Wear NE4 7JH England

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# **BALLINGER CHARITABLE TRUST**

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# **BALLINGER CHARITABLE TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### **Objectives and activities**

We grant money to charitable causes according to the priorities we have chosen to support. The money comes from income generated by the investments held by the charitable company. In making decisions about which causes to support we are guided by the requirements of the Charity Commission to further public benefit.

Prior to the Covid pandemic, we would invite applications for grants either below or over £5,000 via our website [ballingercharitabletrust.org.uk](http://ballingercharitabletrust.org.uk). Since the outset of the Covid pandemic, we have experienced reduced income from our asset portfolio. We have prioritised our existing multi-year grantees using our cash reserves, and offered flexibility on use of funding and extending the period for expenditure. Most of our grantees with multi-year grants expiring in 2020 have received the offer of a continuation grant for an additional 12-month period. Many grantees have requested deferrals of grant payments, as they were able to access short-term Covid support grants, made available by the UK Government and distributed by other funders such as the National Lottery Communities Fund.

Our online application system has been paused since April 2020. Our average grant is currently £15,000, with the highest grant being awarded in a single year £600,000 and lowest £250.

Our working team of Trustees Andrew, John and Nikki, supported by our Trust Co-ordinator, Joanne, visit prospective and current grant holders as part of due diligence and monitoring. For grants over £5,000, we scrutinise applications and due diligence material in quarterly Trustee Meetings attended by all Trustees and our Trust Co-ordinator.

# **BALLINGER CHARITABLE TRUST**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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### **Achievements and performance**

In the last year, we continued to focus our larger grants on donating to children and young people in areas of deprivation and to older people experiencing dementia. We also continued our non-grant making work to:

- help charities collaborate successfully to access funding
- connect with other funders both to reduce multiple applications by charities to multiple funders and to bring new funders to the attention of local charities
- identify where governance and management changes can enable people to realise their ambitions for their charity

We further expanded the number of small grants we make to community group grantees who are delivering very localised support to their communities. Andrew and John regularly attend funding fairs across the region to help us direct our grants in this way. We also continue to work with local councillors, local councils and civil society infrastructure organisations to identify community groups to support.

In late March 2020, the Trustees decided to provide small grants to charitable organisations supporting beneficiaries with emergency food and essentials supplies through the early stages of the Covid pandemic. We provided 87 grants of £250 to £1,000, totalling £53,300. We ceased this small grants programme at the start of May 2020.

Our priorities remain the same across all of our work. Through the year we made grants totalling £1,637,462 (2019: £2,274,556) from income of £2,183,491 (2019: £3,568,928). Due to the reduced income from our assets, we utilised our available cash reserves. In the light of low interest rates and the decreased asset value of the charitable company, the Trustees have also arranged a loan facility with our investment managers UBS Wealth Management Ltd ("UBS") of £1,500,000, secured against the assets of the charitable company. The loan was not utilised in 2020.

Our grant-making and non-grant-making work has been well supported by our Trust Co-ordinator Joanne and our website.

In the post balance period, our asset portfolio continues to receive reduced income levels compared with the period pre-Covid pandemic. We continue to offer continuation grants on a 12-month basis to those grantees with expiring multi-year grants, and new grants to charitable organisations we have identified through our funder network and relationships. In part due to some of our grantees requesting deferral in grant payments in 2020 and through the first half of 2021, our UBS loan was only utilised in June 2021. We expect to have circa £1,070,000 of the loan facility in use by the end of 2021.

# **BALLINGER CHARITABLE TRUST**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Financial review**

Free reserves, which are funds available to the charitable company, stand at £29,830,436 (2019: £40,356,777), equivalent to the total income funds less designated funds and tangible assets set out in the balance sheet.

Investments between balance sheet dates have decreased in value this year from £41,186,755 to £30,773,219, reflecting the impact of the Covid pandemic on stock market valuations in 2020.

During 2020, the holding of Go Ahead Group plc shares was increased, but the overall value decreased from 2019. The planned April 2020 dividend payment by Go Ahead Group was cancelled, and dividends were not reinstated through 2020. The remainder of portfolio under management by UBS Wealth Management Ltd ("UBS") also decreased in both value and yield. UBS and we, the Trustees, have agreed an appropriate risk profile for the investments managed by UBS on our behalf. We keep investments under review with regular discussion with UBS and UBS benchmark investment portfolio performance.

The majority of the income donations to the charitable company are in the form of stock and totalled £1,720,075 (2019 - £1,754,996). The stock is being donated over a finite period. The charitable company's reserve policy is to seek to establish a sound capital base to allow on-going investment income to grow. We intend that investment income alone will meet future expenditure requirements of the charitable company.

We assess major risks for the charitable company and are satisfied that systems are in place to mitigate exposure to the major risks. The two major risks are firstly that investments fall significantly in value, which is mitigated by our relationship with UBS, and secondly that grantees, charities who receive grants from us, misuse the funds provided. We minimise the latter risk by assessing charities prior to making larger donations and subsequent monitoring through the donation period using written reports and in-person visits.

We expect to meet all designated funding commitments in the coming year and to continue to support charities to complete projects, which fulfil our priorities. There are no uncertainties at the year-end regarding going concern.

We expect to continue the above work streams, which we manage through the working team, our website and the pattern of Trustee decision-making currently in operation.

At any one time, we have a number of multi-year grants for which we set aside funds - designated funds. Information on these grants can be found at note 16 to the accounts.

### **Structure, governance and management**

In 1994, Martin Ballinger set up a charitable foundation, The Ballinger Charitable Trust, using part of his shares and dividend income from Go-Ahead Group plc, which he had co-founded in 1987 as Go Ahead Northern Limited, following the privatisation of the Northern Bus Company. The principal aims of the new foundation were to benefit the young and the old in the North East of England, the home territory of both Martin Ballinger and Go Ahead Northern Limited. Martin Ballinger's bequest of Go Ahead Group plc shares in 2007 increased the capital of the foundation and has enabled us to make £19,833,609 of grants since that date. That same year the foundation changed constitution to become a company limited by guarantee and Trustees became Directors of the company, governed by Company Law.

The charity is a company limited by guarantee and is therefore governed by a memorandum and articles of association. The memorandum and articles of association govern eligibility for membership of the charity and membership of the Board of Trustees. There are no restrictions in the governing document on the operation of the charity or on its investment powers other than those imposed by general charity law. None of the Trustees has any beneficial interest in the company. All Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The organisation is governed by a Board of Directors, which consists of nominated members.

# **BALLINGER CHARITABLE TRUST**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors are responsible for the management and control of The Ballinger Charitable Trust and the overall direction of its work. Those who served during the year were:

Mrs D Ballinger

Mrs N Crowther

Mr A Ballinger

Mr J Flynn

The directors are still referred to in their day to day work as trustees. No trustee recruitment is currently taking place and we are not expecting to appoint new trustees.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Azets Audit Services (formerly Rowlands Accountants) be reappointed as auditor of the company will be put at a General Meeting. The report of the directors has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



**Mrs D Ballinger**

Trustee

Dated: 21-9-2021

# **BALLINGER CHARITABLE TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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

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

In preparing these accounts, the trustees are required to:

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

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

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.



# **BALLINGER CHARITABLE TRUST**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE TRUSTEES OF BALLINGER CHARITABLE TRUST**

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#### **Opinion**

We have audited the financial statements of Ballinger Charitable Trust (the 'charitable company') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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.

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 charitable company'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

# **BALLINGER CHARITABLE TRUST**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF BALLINGER CHARITABLE TRUST**

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#### **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 (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# BALLINGER CHARITABLE TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF BALLINGER CHARITABLE TRUST

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

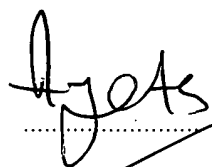
In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**David Nairn (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

**Chartered Accountants**  
**Statutory Auditor**



Bede House  
3 Belmont Business Park  
Durham  
United Kingdom  
DH1 1TW

Azets Audit Services is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

# BALLINGER CHARITABLE TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<b><u>Income and endowments from:</u></b>			
Donations and legacies	2	1,720,075	1,754,996
Investments	3	438,416	1,676,322
Other income	4	25,000	137,610
<b>Total income</b>		<b>2,183,491</b>	<b>3,568,928</b>
<b><u>Expenditure on:</u></b>			
Raising funds	5	23,910	41,482
Charitable activities	6	1,689,427	2,329,097
<b>Total resources expended</b>		<b>1,713,337</b>	<b>2,370,579</b>
Net gains/(losses) on investments	9	(12,008,550)	8,362,659
<b>Net movement in funds</b>		<b>(11,538,396)</b>	<b>9,561,008</b>
Fund balances at 1 January 2020		42,859,632	33,298,624
<b>Fund balances at 31 December 2020</b>		<b>31,321,236</b>	<b>42,859,632</b>

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

All income and expenditure derive from continuing activities.

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

# BALLINGER CHARITABLE TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	11		1,709		1,871
Investments	12		30,773,219		41,186,755
			<u>30,774,928</u>		<u>41,188,626</u>
<b>Current assets</b>					
Debtors	13	47,826		30,197	
Cash at bank and in hand		510,422		1,652,450	
		<u>558,248</u>		<u>1,682,647</u>	
<b>Creditors: amounts falling due within one year</b>	14	(11,940)		(11,641)	
Net current assets			<u>546,308</u>		<u>1,671,006</u>
<b>Total assets less current liabilities</b>			<u>31,321,236</u>		<u>42,859,632</u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated funds	15	1,489,091		2,500,984	
General unrestricted funds		<u>29,832,145</u>		<u>40,358,648</u>	
			<u>31,321,236</u>		<u>42,859,632</u>
			<u>31,321,236</u>		<u>42,859,632</u>

# **BALLINGER CHARITABLE TRUST**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2020**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

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

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on

23<sup>rd</sup> Sept 2021

  
Mr A Ballinger  
Trustee

**Company Registration No. 06428200**

# BALLINGER CHARITABLE TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	19		14,835		(435,672)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(265)		(1,368)	
Purchase of investments		(11,043,446)		(9,353,367)	
Proceeds on disposal of investments		9,448,432		8,189,242	
Investment income received		438,416		1,676,322	
<b>Net cash (used in)/generated from investing activities</b>			(1,156,863)		510,829
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(1,142,028)		75,157
Cash and cash equivalents at beginning of year			1,652,450		1,577,293
<b>Cash and cash equivalents at end of year</b>			510,422		1,652,450

# **BALLINGER CHARITABLE TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **1 Accounting policies**

#### **Company information**

Ballinger Charitable Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is C/O Womble Bond Dickinson, 112 Quayside, Newcastle Upon Tyne, Tyne and Wear, NE1 3DX, United Kingdom.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

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

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

#### **1.4 Income**

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

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

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



# BALLINGER CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### 1.5 Expenditure

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

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

A provision for 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 Trust that would permit the Trust to avoid making the future payment(s), settlement is probable, and the effect of discounting is material. The discount rate used is the rate offered on government bonds (gilts) for a commensurate or similar time period offered in the year in which the grant award is made.

##### 1.6 Tangible fixed assets

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

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

Fixtures, fittings & equipment	20% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

##### 1.7 Fixed asset investments

Fixed asset investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. Disposals of investments are treated on a FIFO basis.

Dividends are included in the income and expenditure account when they are declared. Bank interest is included in the income and expenditure account on a receivable basis.

##### 1.8 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

##### 1.9 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

# BALLINGER CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 2 Donations and legacies

	2020	2019
	£	£
Donations and gifts	1,720,075	1,754,996

### 3 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Income from listed investments	436,401	1,669,044
Interest receivable	2,015	7,278
	438,416	1,676,322

### 4 Other income

	Unrestricted funds	Total
	2020	2019
	£	£
Gift Aid income	25,000	137,610

### 5 Raising funds

	2020	2019
	£	£
Investment management	23,910	41,482
	23,910	41,482

# BALLINGER CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 6 Charitable activities

	Total 2020 £	Total 2019 £
Staff costs	18,515	18,366
Depreciation and impairment	427	468
Website	970	971
Postage	771	746
Travel	338	788
Consultancy	24,000	24,000
Sundries	1,142	1,356
Bank charges	30	30
Phone	492	554
Audit fees	5,280	5,280
Professional fees	-	1,982
	<u>51,965</u>	<u>54,541</u>
Grants made to institutions	1,637,462	2,274,556
	<u>1,689,427</u>	<u>2,329,097</u>

### 7 Grants payable

Grants were made during the year to institutions, of which the following exceeded £20,000 per annum:

	2020 £	2019 £
Age UK North Tyneside	90,000	189,187
Cleveland Arc	-	52,438
Coatham House	20,000	-
Community Campus	20,000	20,000
Cramlington Voluntary Youth Project	-	32,000
D2 Youth Zone	-	28,006
Dementia UK	-	35,000
Dementia Matters	95,000	103,344
First Stop Darlington	20,000	20,000
Hartlepool NDC Trust	20,000	30,000
St Anthony's Youth & Education Support	-	20,714
Patchwork Project	-	24,047
Royal Voluntary Service	-	22,500
Save the Children (Wallsend Children's Community)	83,333	83,334
Save the Children (Wallsend Children's Community)	27,970	24,460
Silverline Memories CIO	20,000	20,000
Stanley Area Youth Consortium	-	40,000
Streetwise	25,000	25,000

# BALLINGER CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7	Grants payable	(Continued)	
	Sunderland All Together Consortium	80,000	150,000
	West End Woman & Girls	-	26,964
		<u>501,303</u>	<u>946,994</u>

## 8 Trustees

John Flynn received £24,000 (2019: £24,000) from the charity in lieu of lost income for his time spent on work for the charity during the year, and was also reimbursed £301.32 for travel expenses incurred (2019 - £410.40). The trustees believe this sum is a worthwhile cost due to the value of expertise Mr Flynn provides to the charity.

## 9 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Revaluation of investments	(11,523,411)	8,367,449
Gain/(loss) on sale of investments	(485,139)	(4,790)
	<u>(12,008,550)</u>	<u>8,362,659</u>

## 10 Employees

### Number of employees

No employees remuneration was over £60,000.

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
	<u>1</u>	<u>1</u>
<b>Employment costs</b>	<b>2020</b>	<b>2019</b>
	£	£
Wages and salaries	18,144	18,000
Other pension costs	366	366
	<u>18,515</u>	<u>18,366</u>

# BALLINGER CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 11 Tangible fixed assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 January 2020	2,622
Additions	265
At 31 December 2020	2,887
<b>Depreciation and impairment</b>	
At 1 January 2020	751
Depreciation charged in the year	427
At 31 December 2020	1,178
<b>Carrying amount</b>	
At 31 December 2020	1,709
At 31 December 2019	1,871

### 12 Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 January 2020	41,186,755
Additions	11,043,446
Valuation changes	(11,523,411)
Disposals	(9,933,571)
At 31 December 2020	30,773,219
<b>Carrying amount</b>	
At 31 December 2020	30,773,219
At 31 December 2019	41,186,755

#### Fixed asset investments revalued

Listed investments are included at their market value as at the balance sheet date using the closing quoted market price. The historic cost of the investments at the balance sheet date was £38,044,949 (2019 £35,814,645).

# BALLINGER CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

<b>13 Debtors</b>		
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Other debtors	47,826	30,197
	<u>          </u>	<u>          </u>
<b>14 Creditors: amounts falling due within one year</b>		
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	11,940	11,641
	<u>          </u>	<u>          </u>

### 15 Designated funds

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

	<b>Balance at 1 January 2020</b>	<b>Movement in funds</b>		<b>Balance at 31 December 2020</b>
	<b>£</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>£</b>
		<b>£</b>	<b>£</b>	
700 Club	30,000	-	15,000	15,000
A Way Out	30,000	-	15,000	15,000
Action on Dementia	-	15,000	15,000	-
Active Tees Valley CIC	-	5,000	5,000	-
Age UK North Tyneside	90,000	-	90,000	-
Age UK Sunderland	-	2,500	2,500	-
AIM North-East	10,000	-	10,000	-
Albert Kennedy Trust	10,000	-	10,000	-
Amble Youth Projects	-	8,750	8,750	-
Apnar Ghar	4,000	-	4,000	-
BCT Aspire	37,000	-	18,500	18,500
Bell View	-	45,000	15,000	30,000
Bensham & Saltwell Alive	-	8,500	8,000	500
Berwick Youth Project	10,000	-	10,000	-
Billingham Enviromental Link	36,828	-	18,414	18,414
Bilton Hall Community Centre	15,000	-	-	15,000
Birtley Community Association	20,000	-	10,000	10,000
Blyth Tall Ships	30,000	-	15,000	15,000
Brandon & Carrside Youth & Community	20,000	-	10,000	10,000
Breckon Hill Community Enterprise	15,000	-	-	15,000
Bright Futures	14,934	-	14,934	-
Children's Society	38,904	(38,904)	-	-
Churches Together South Tyneside	8,723	-	-	8,723
City of Dreams	13,000	(13,000)	-	-
Coatham House	-	20,000	20,000	-
Comfrey Project	-	10,500	3,500	7,000
Community Campus 87 Ltd	-	20,000	20,000	-

# BALLINGER CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Designated funds	(Continued)			
Community Counselling Co-operative	-	21,720	7,240	14,480
COVID-19 Response	-	52,800	52,800	-
Cramlington Voluntary Youth Project	40,000	-	-	40,000
Dementia Matters 2	59,726	(4,726)	55,000	-
Dementia Matters 3	80,000	-	40,000	40,000
Denton Youth & Community Centre	30,000	-	15,000	15,000
Dry Water Arts CIC	-	16,000	16,000	-
Durham Area Youth	18,160	-	9,080	9,080
Easington Social Welfare	-	7,500	7,500	-
Eastern Ravens Trust	32,000	-	16,000	16,000
Edbert's House	15,000	-	15,000	-
Employability Trust	15,000	-	15,000	-
Epic Teeside CIC	30,000	-	15,000	15,000
First Stop Darlington	20,000	-	20,000	-
Free the Way	11,288	-	5,644	5,644
Friends of Eastwoods Park	30,000	-	-	30,000
Friends of Fawdon Community Library	5,000	-	5,000	-
Gateshead Older People's Assembly	30,000	-	15,000	15,000
Grandparent Plus	40,000	-	-	40,000
Hartlepool Carers	30,000	-	15,000	15,000
Hartlepool NDC Trust	30,000	-	20,000	10,000
Hartlepower CIO	-	15,000	-	15,000
Heartbeat	7,000	-	-	7,000
Hedworthfield Community Association	-	7,942	7,942	-
Hetton New Dawn	10,000	-	-	10,000
Hopespring	30,000	-	15,000	15,000
Hospitality & Hope	5,000	-	5,000	-
Integrating Children	15,824	-	7,912	7,912
Involve Community Partnership	-	8,500	8,500	-
Kenton Park Community Association	-	12,000	12,000	-
Kids' Kabin	-	6,250	6,250	-
Kidz Konnekt	30,000	-	15,000	15,000
Kilmarnock Road Children & Young People Family Resource Centre	15,000	-	15,000	-
King's Church	15,000	-	7,500	7,500
Meadow Well Connected	-	15,000	-	15,000
Mind Active	30,000	-	15,000	15,000
MIND Redcar & Cleveland	34,600	-	17,300	17,300
Monkchester Community Association	10,000	(10,000)	-	-
Natural Ability	24,000	-	12,000	12,000
Neighbourhood Youth Projects	256,133	9,042	-	265,175
NEPACS	20,000	-	10,000	10,000
Newcastle Carers	30,000	-	15,000	15,000
North East Young Dads & Lads Project	30,000	-	15,000	15,000
North Tyne Youth	-	15,780	15,780	-
North Tyneside Disability Forum	15,000	-	15,000	-
Northern Stage	12,000	-	12,000	-
Northumberland CVA	-	8,500	-	8,500
Northumbria Coalition against Crime	-	12,000	12,000	-
Old Co-operative Community Hub	30,000	(30,000)	-	-

# BALLINGER CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 15 Designated funds

(Continued)

Park View School	-	10,000	10,000	-
Pennywell Neighbourhood Centre	19,887	-	-	19,887
Perth Green Community Association	-	22,500	7,500	15,000
Projects4Change	-	15,000	15,000	-
Recovery Connections	-	15,000	15,000	-
Redcar & Cleveland Voluntary Development Agency	8,000	-	-	8,000
Redcar Development Trust	15,000	-	15,000	-
Royal Voluntary Service	26,500	-	16,500	10,000
Save the Children (Wallsend Children's Community)	-	27,970	27,970	-
Save the Children (Wallsend Children's Community)	166,666	-	83,333	83,333
Seahouses Development Trust	10,000	-	10,000	-
Search	30,000	-	-	30,000
Silverline Memories	20,000	-	20,000	-
Single Homeless Action Initiative	30,000	-	15,000	15,000
Skill Mill	9,000	-	5,000	4,000
Smile for Life Children's Charity	17,500	-	17,500	-
South Stanley Partnership	20,100	-	9,900	10,200
South Tyneside Churches	15,000	-	15,000	-
South West Tyneside Methodist Church	6,000	-	6,000	-
St Chad's Community Project	-	15,000	15,000	-
St Hild's Church of England School	-	5,500	5,500	-
St Paul's Community Partnership	-	2,000	2,000	-
STAMP Revisited	20,000	20,000	-	40,000
Starz Kids Club	5,000	(5,000)	-	-
Streetwise	50,000	-	25,000	25,000
Sunderland & North Durham RBS	-	10,000	10,000	-
Sunderland All Together Consortium	240,000	-	80,000	160,000
Sunderland Bangladesh International Centre	-	15,000	15,000	-
Teams Life Centre	10,450	-	-	10,450
Teesside Dementia Link Services	19,596	-	9,798	9,798
Tin Arts Limited	-	17,500	17,500	-
Together Middlesbrough & Cleveland	10,000	-	10,000	-
Trinity Centre	3,275	(1,000)	2,275	-
Upper Coquetdale Community Transport	18,000	-	9,000	9,000
Upper Teesdale Agricultural Support Service	15,000	-	15,000	-
Useful Vision	10,400	-	-	10,400
Wearside Women in Need	-	45,000	15,000	30,000
West View Project Children & Young People's Activity Centre	24,000	-	-	24,000
Wharton Trust	-	5,000	5,000	-
Whippet Up CIC	18,750	-	9,375	9,375
Women's Health in South Tyneside	30,000	-	15,000	15,000
Woodshed Workshop CIC	-	45,000	15,000	30,000
YMCA Newcastle	-	18,000	18,000	-
YMCA North Tyneside	30,000	-	15,000	15,000
Young Asian Voices	23,740	-	11,820	11,920
Young Women's Outreach Project	10,000	-	10,000	-



# BALLINGER CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 15 Designated funds

(Continued)

2,500,984	529,124	1,541,017	1,489,091
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#### Neighbourhood Youth Projects (NYP)

Together with Sir James Knott Trust and LGA Foundation, the Ballinger Charitable Trust has been supporting the Newcastle Neighbourhood Projects (NYP) with a mix of core cost grants and grants for collaborative working since November 2019.

The Newcastle Neighbourhood Youth Projects consist of seven charities in the west end and east end of Newcastle:

D2 Youth Zone

Kids Kabin

North Benwell Youth Project

Northbourne Youth Initiative

Patchwork Project

St Anthony's Youth & Education Support ("The Bostey")

Wed End Women and Girls

#### Sunderland All Together Consortium CIO (SATC)

In 2015, local youth work organisations in Sunderland came together to develop a collective approach on how to overcome various challenges and best support the children and young people of Sunderland. The member organisations developed their consortium into a charitable incorporated organisation that's now equipped and prepared to build a sustainable future for youth work services. The Sunderland All Together Consortium (SATC) formally registered as a charitable incorporated organisation in February 2019.

The 8 current member organisations are Bluewatch Youth Centre, Lambton Street Youth Centre, Oxclose & District Young Peoples Project, Pennywell Youth Project, Sunderland North Community Business Centre, Southwick Neighbourhood Youth Project, The Box Youth Project and Youth Almighty Youth Project.

The Ballinger Charitable Trust currently supports this consortium's Good Vibes project alongside the National Lottery.

	Unrestricted funds 2020 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:		
Intangible fixed assets	-	-
Tangible assets	1,709	1,871
Investments	30,773,219	41,186,755
Current assets/(liabilities)	546,308	1,671,006
	31,321,236	42,859,632

# BALLINGER CHARITABLE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 17 Events after the reporting date

In September 2021, it became apparent that the UK was still in the grip of the global pandemic of the Covid-19 virus. This has affected the fixed asset investment values of the Trust which on 14 September totalled £10,751,038 down from a value of £11,799,774 at the year end. The pandemic has also affected the income generation from the fixed asset investment as many investments have ceased paying a dividend. As noted in the Trustees' Report and on the Trust website, grant-making plans have changed to reflect the change in financial resources available to Trustees.

#### 18 Related party transactions

During the year Mrs D Ballinger a trustee of The Ballinger Charitable Trust donated £1,720,075 (2019 £1,754,996) to the trust.

Fees in the sum of £24,000 (2019 £24,000) were paid to Mr J Flynn a trustee of The Ballinger Charitable Trust.

19 Cash generated from operations	2020 £	2019 £
(Deficit)/surplus for the year	(11,538,396)	9,561,008
Adjustments for:		
Investment income recognised in statement of financial activities	(438,416)	(1,676,322)
Loss on disposal of investments	485,139	4,790
Fair value gains and losses on investments	11,523,411	(8,367,449)
Depreciation and impairment of tangible fixed assets	427	468
Movements in working capital:		
(Increase)/decrease in debtors	(17,629)	41,588
Increase in creditors	299	245
<b>Cash generated from/(absorbed by) operations</b>	<b>14,835</b>	<b>(435,672)</b>

#### 20 Analysis of changes in net funds

The charitable company had no debt during the year.