

Charity registration number 1121739

Company registration number 06428200 (England and Wales)

BALLINGER CHARITABLE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

BALLINGER CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs D Ballinger Mrs N Crowther Mr A Ballinger Mr J Flynn
Secretary	Ms J L Thomas
Charity number	1121739
Company number	06428200
Registered office	Bede House Belmont Business Park DURHAM United Kingdom DH1 1TW
Auditors	Azets Audit Services Bede House 3 Belmont Business Park Durham DH1 1TW United Kingdom
Investment advisors	Rathbones Earl Grey House 75-85 Grey Street Newcastle Upon Tyne NE1 6EF England

BALLINGER CHARITABLE TRUST

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BALLINGER CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

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 both income generated by the investments held by the charitable company, and from expending in part those investments from time to time. 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.

From the outset of the Covid pandemic, when we experienced reduced income from our asset portfolio, we prioritised our existing multi-year grantees using our cash reserves and utilising a loan facility arranged with our delegated investment managers UBS Wealth Management Ltd ("UBS"), whilst offering flexibility on use of funding and extending the period for expenditure to all grantees.

Our website application system was paused in April 2020 and remained so through 2021 and 2022.

In a meeting of the Trustees in October 2021, it was agreed that we would cease offering continuation grants to those grantees with expiring grants, but that we would provide our grantees with 12 months' notice of this, such that it was not put in to effect until October 2022. We took this decision to be able to stay within the limits of the UBS loan facility, in the face of economic uncertainty.

For that reason, 2022 grant giving, at least up until October 2022, was mostly limited to providing one more 12-month grant to all grantees with expiring grants.

Since October 2022, the majority of our long term, existing grantees have been advised that we will now be renewing their grants with a multi-year grant in 2023, and for an increased annual amount. This is due to changes in our finances (see Financial Review below for more details).

Our average grant in 2022 was £15,000, though our grant values have varied over time; our highest grant awarded in a single year was £600,000 and our lowest £250.

Our working team of Trustees, Andrew and John - supported by our Trust Co-ordinator, Joanne - visit prospective and current grant holders as part of due diligence and monitoring. We encourage grantees to set the parameters for use of grant; 95% of grantees now select either unrestricted funding or funding for core running costs. For grants over £5,000, we scrutinise due diligence material in quarterly Trustee Meetings attended by all Trustees and our Trust Co-ordinator, and for project specific grants we request a brief proposal and budget aligned to the intended project expenditure.

BALLINGER CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

In the last year, we continued to focus our grants on supporting children, young people and older people, particularly those with dementia and their carers. 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 continued with a number of small ("micro") grants we make to community group grantees who are delivering very localised support to their communities. We do so by continuing to work with local councils, councillors and civil society infrastructure organisations to identify community groups to support. Those grants are £1,000 or less.

Following a £400,000 commissioning programme with the National Lottery Community Fund ("NLCF") delivered to the youth sector across Northumberland in 2021, the Trust was successful in applying for a further £400,000 Reaching Communities grant from NLCF in Autumn 2022 for a project entitled 'County Durham Direct Delivery Youth Partnership'. The money is to be distributed by the Trust as a series of one-off, maximum 12-month long commissions with partner organisations who deliver to children and young people in County Durham, starting in November 2022. Distribution of funds is to be completed by end of October 2023 with all funds expended by our partners by end of October 2024. The grant was received from NLCF in 2 equal instalments, across 2 successive half years, commencing 1 November 2022.

Our priorities remain the same across all our work. Through the year we made grants totalling £1,818,769 (2021: £1,521,706) from income of £20,849,810 (2021: £699,745).

The dramatic increase in our income referred to in the preceding sentence is largely represented by the two cash contributions received in November 2022, as mentioned under Financial Review below. Accounting rules require this to be treated as income. In practice, the Trustees regard it as part of the capital of the Trust.

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

In the post-balance period, we have continued to renew multi-year grant relationships with most of our existing grantees. We also re-opened our online grant application system in May 2023 to identify potential new grantees. The target grant expenditure for 2023 is £3m.

BALLINGER CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

Financial review

Free reserves, which are funds available to the charitable company, stand at £56,615,587 (2021: £27,585,784) - equivalent to the total income funds less restricted funds, designated funds and tangible assets set out in the balance sheet.

Investments between balance sheet dates have increased in value this year from £28,251,302 to £53,334,756, reflecting that our holding of Go Ahead Group plc shares increased in value through 2022 in the lead up to a sale of the company by shareholders in October 2022. We also received two large donations of cash in November 2022.

Go Ahead Group plc shares were suspended from trading on 4 January 2022 and only returned to trading on 24 February 2022, following delayed completion of the audit by Deloitte and publication of the full results for year ending 31 July 2021.

In August 2022, shareholders of Go Ahead Group plc voted to sell its shares, accepting an offer from a consortium bidder of £14.50 per share, plus a special dividend of £1 per share. The sale was sanctioned at a court hearing on 6 October 2022, with proceeds of the sale received 24 October 2022 totalling £19,272,152.

Previously, in the light of low interest rates at the time and the decreased asset value of the charitable company, the Trustees utilised a loan facility with our investment managers UBS of £1,500,000, secured against the assets of the charitable company. The facility was arranged in 2020 but the loan was not utilised until July 2021 and resulted in a maximum drawdown of £910,476.62 on 5 October 2022. The Trustees repaid that loan in full on 25 October 2022.

In 2022, the charitable company received donations totalling £19,699,999 (2021: £269,997); including a single donation of £17,500,000, and a separate donation of £2,000,000 for which the donor instructed Gift Aid to be claimed. The Gift Aid was duly claimed from HMRC and received as a payment of £501,034 in February 2023. Those two donations conclude a transfer of assets into the Trust that has been regularly ongoing since 2007.

The Trustees also decided to tender the delegated investment management services role after 15 years of the role being fulfilled by UBS. After shortlisting and interview of 3 investment managers, including UBS, the Trustees decided to appoint Rathbones Group plc ("Rathbones") as the new delegated investment manager. A transfer of investments and cash from UBS to Rathbones commenced 29 November 2022 and was completed on 20 April 2023.

Rathbones is investing the cash received from the Go Ahead Group plc sale and the two donations in a phased methodology across 2023 and 2024, such that the total assets of the Trust will then be held in a diversified portfolio of investments, managed on a discretionary basis by Rathbones.

The Trustees have also decided to spend down the total assets over a 20-year timeline, commencing in 2023. Rathbones has assisted the Trustees by modelling possible profiles of this spend down. The Trustees have agreed to aim to expend £3,000,000 in 2023 and increase this expenditure in annual increments of £250,000 thereafter, until the annual expenditure reaches £6,000,000. For the time being, this decision to spend down will be kept under annual review by the Trustees.

At year end the portfolio had increased in value. We (the Trustees, together with Rathbones) have agreed an appropriate risk profile for the investments managed by Rathbones on our behalf. We will continue to keep investments under review, with regular discussion with Rathbones in relation to their benchmark investment portfolio performance.

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 and unexpectedly in value, which is mitigated by our relationship with Rathbones; 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, with subsequent monitoring through the donation period using written reports and in-person visits.

BALLINGER CHARITABLE TRUST

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

FOR THE YEAR ENDED 31 DECEMBER 2022

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 17 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 North East 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 £23,192,084 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.

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 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: 10-9-2023

BALLINGER CHARITABLE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

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

Opinion

We have audited the financial statements of Ballinger Charitable Trust (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 and 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 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 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.

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.
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BALLINGER CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BALLINGER CHARITABLE TRUST

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

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.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanne Regan FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

Chartered Accountants
Statutory Auditor

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Bede House
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 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 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	2	19,699,999	200,000	19,899,999	269,997	510,000	779,997
Investments	3	649,811	133	649,944	429,740	-	429,740
Other income	4	500,000	-	500,000	8	-	8
Total income		20,849,810	200,133	21,049,943	699,745	510,000	1,209,745
<u>Expenditure on:</u>							
Raising funds	5	137,142	-	137,142	105,180	-	105,180
Charitable activities	6	1,576,509	322,455	1,898,964	1,576,913	-	1,576,913
Total expenditure		1,713,651	322,455	2,036,106	1,682,093	-	1,682,093
Net gains/(losses) on investments	10	9,413,556	-	9,413,556	(2,051,174)	-	(2,051,174)
Net movement in funds		28,549,715	(122,322)	28,427,393	(3,033,522)	510,000	(2,523,522)
Fund balances at 1 January 2022		28,287,714	510,000	28,797,714	31,321,236	-	31,321,236
Fund balances at 31 December 2022		56,837,429	387,678	57,225,107	28,287,714	510,000	28,797,714

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		1,092		1,365
Investments	13		53,334,756		28,251,302
			<u>53,335,848</u>		<u>28,252,667</u>
Current assets					
Debtors	14	515,983		436,948	
Cash at bank and in hand		3,458,679		122,242	
		<u>3,974,662</u>		<u>559,190</u>	
Creditors: amounts falling due within one year	15	(85,403)		(14,143)	
Net current assets			<u>3,889,259</u>		<u>545,047</u>
Total assets less current liabilities			<u>57,225,107</u>		<u>28,797,714</u>
Income funds					
Restricted funds	16		387,678		510,000
<u>Unrestricted funds</u>					
Designated funds	17	220,750		700,565	
General unrestricted funds		<u>56,616,679</u>		<u>27,587,149</u>	
			<u>56,837,429</u>		<u>28,287,714</u>
			<u>57,225,107</u>		<u>28,797,714</u>

BALLINGER CHARITABLE TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2022

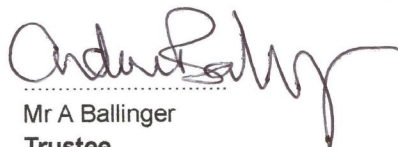
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

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 11/9/23


Mr A Ballinger
Trustee

Company registration number 06428200

BALLINGER CHARITABLE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		18,356,391		(1,288,663)
Investing activities					
Purchase of investments		(39,394,849)		(5,938,642)	
Proceeds from disposal of investments		23,724,951		6,409,385	
Investment income received		649,944		429,740	
Net cash (used in)/generated from investing activities			(15,019,954)		900,483
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			3,336,437		(388,180)
Cash and cash equivalents at beginning of year			122,242		510,422
Cash and cash equivalents at end of year			3,458,679		122,242

BALLINGER CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Ballinger Charitable Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Bede House, Belmont Business Park, DURHAM, DH1 1TW, 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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 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 2022

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.

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 the statement of financial activities.

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 2022

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	19,699,999	200,000	19,899,999	269,997	510,000	779,997

3 Investments

	Unrestricted funds	Restricted funds	Total Unrestricted funds	
	2022 £	2022 £	2022 £	2021 £
Income from listed investments	548,002	-	548,002	429,646
Interest receivable	101,809	133	101,942	94
	649,811	133	649,944	429,740

4 Other income

	Unrestricted funds	Total
	2022 £	2021 £
Gift Aid income	500,000	8

5 Raising funds

	2022 £	2021 £
Investment management	137,142	105,180
	137,142	105,180

BALLINGER CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Charitable activities

	Total 2022 £	Total 2021 £
Staff costs	18,593	18,683
Depreciation and impairment	273	342
Website	970	971
Postage	378	387
Event organisation	8,000	-
Travel	370	201
Consultancy	24,000	24,000
Sundries	1,954	1,677
Bank charges	13,062	747
Phone	595	519
Audit fees	12,000	7,680
	<u>80,195</u>	<u>55,207</u>
Grants made to institutions	1,818,769	1,521,706
	<u>1,898,964</u>	<u>1,576,913</u>
Analysis by fund		
Unrestricted funds	1,576,509	
Restricted funds	<u>322,455</u>	
	<u>1,898,964</u>	
For the year ended 31 December 2021		
Unrestricted funds		<u>1,576,913</u>
		<u>1,576,913</u>

BALLINGER CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Grants payable

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

	2022	2021
	£	£
BCT Aspire CIC	37,000	-
Berwick Youth Project	25,000	-
Blyth Tall Ship	25,000	-
Changing Futures North East	30,000	-
Coatham House	-	20,000
Community Campus	20,000	20,000
Cowpen Quay Community Association	24,122	20,000
Cramlington Voluntary Youth Programme 2	30,000	20,000
First Stop Darlington	20,000	-
Kinship	-	20,000
Neighbourhood Youth Projects	-	166,300
Save the Children (Wallsend Children's Community)	100,000	83,333
STAMP Revisited	20,000	-
Silverline Memories CIO	-	20,000
Streetwise Young People's Project	50,000	-
Sunderland All Together Consortium	95,000	80,000
Wansbeck CVS	27,167	-
YMCA Northumberland	25,000	-
	<u>528,289</u>	<u>449,633</u>

8 Trustees

John Flynn received £24,000 (2021: £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 £370 for travel expenses incurred (2021 - £201). The trustees believe this sum is a worthwhile cost due to the value of expertise Mr Flynn provides to the charity.

9 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
	<u>1</u>	<u>1</u>
Employment costs	2022	2021
	£	£
Wages and salaries	18,225	18,215
Other pension costs	368	468
	<u>18,593</u>	<u>18,683</u>

BALLINGER CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

9 Employees

(Continued)

There were no employees whose annual remuneration was more than £60,000.

10 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Revaluation of investments	(1,351,265)	(2,327,495)
Gain/(loss) on sale of investments	10,764,821	276,321
	<u>9,413,556</u>	<u>(2,051,174)</u>

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Fixtures, fittings & equipment
	£
Cost	
At 1 January 2022	2,886
At 31 December 2022	<u>2,886</u>
Depreciation and impairment	
At 1 January 2022	1,521
Depreciation charged in the year	273
At 31 December 2022	<u>1,794</u>
Carrying amount	
At 31 December 2022	<u>1,092</u>
At 31 December 2021	<u>1,365</u>

BALLINGER CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	28,251,302
Additions	39,394,849
Valuation changes	(1,351,265)
Disposals	(12,960,130)
At 31 December 2022	53,334,756
Carrying amount	
At 31 December 2022	53,334,756
At 31 December 2021	28,251,302

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 £52,361,739 (2021 £38,348,964).

14 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	515,983	436,948

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	67,000	-
Accruals and deferred income	18,403	14,143
	85,403	14,143

BALLINGER CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds prior year		Movement in funds		
	Income	Balance at	Income	Expenses	Balance at
	£	1 January 2022 £	£	£	31 December 2022 £
Participatory Grant making with Lankelly Chase	110,000	110,000	51	(9,628)	100,423
The National Lottery Community Fund – RC North East and Cumbria Region	400,000	400,000	200,082	(312,827)	287,255
	<u>510,000</u>	<u>510,000</u>	<u>200,133</u>	<u>(322,455)</u>	<u>387,678</u>

BALLINGER CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17 Designated funds

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

	Movement in funds			
	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers Balance at 31 December 2022
	£	£	£	£
Action on Dementia	15,000	-	15,000	-
Age UK Tyneside	10,000	-	10,000	-
Bell View	30,000	-	15,000	15,000
Billingham Enviromental Link	18,414	-	-	(18,414)
Blyth Tall Ships	15,000	-	15,000	-
Blyth Valley CVS	8,500	-	7,500	(1,000)
Bright Futures	15,000	-	15,000	-
Chopwell Regeneration Group	11,398	30,000	11,398	30,000
Comfrey Project	3,500	-	3,500	-
Community Counselling Co-operative	7,240	-	7,240	-
Cramlington Voluntary Youth Project	20,000	-	20,000	-
Dementia Matters 3	40,000	-	-	(40,000)
Derwentside Detached Youth Project (Consett Churches)	10,000	-	10,000	-
Durham City Youth Projects	-	6,750	-	6,750
Easington Lane Community Access Point	15,000	-	15,000	-
Employability Trust (East Durham)	15,000	15,000	15,000	15,000
Friends of Eastwoods Park	15,000	-	15,000	-
Hexham Community Partnership	10,000	-	10,000	-
Kinship (previously called Grandparents Plus)	20,000	-	-	20,000
MIND Middlesbrough & Stockton	15,000	-	15,000	-
Neighbourhood Youth Projects	34,325	-	34,325	-
Pennywell Neighbourhood Centre	10,090	-	10,090	-
Save the Children (Wallsend Children's Community)	100,000	-	100,000	-
Search	15,000	-	15,000	-
STAMP Revisited	40,000	-	20,000	20,000
Streetwise	25,000	75,000	25,000	75,000
Sunderland All Together Consortium	80,000	-	80,000	-
Teams Life Centre	5,300	24,000	5,300	24,000
Teesdale Community Resources		6,000	6,000	-
Teesside Dementia Link Services	9,798	-	9,798	-
Together Middlesbrough & Cleveland	30,000	10,000	10,000	(30,000)
Wearside Women in Need	30,000	-	15,000	15,000
West View Project Children & Young People's Activity Centre	12,000	-	12,000	-
Woodshed Workshop CIC	15,000	-	15,000	-
	700,565	166,750	557,151	(89,414)
				220,750

BALLINGER CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17 Designated funds

(Continued)

General

Our Designated funds further reduced through 2022, as (up until December 2022) no multi-year grants had been awarded by the Trustees since March 2020, and the final year of most of those last multi-year grants was distributed in 2022. This included the final distributions of the two largest remaining multi-year grants, as set out below.

However, in December 2022, and following a positive change to our finances (see Financial Review) the Trustees confirmed new multi-year grant awards with Year 1 distributions set to commence in early 2023.

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 7 current member organisations are Bluewatch Youth Centre, Lambton Street Youth Centre, Oxclose & District Young Peoples Project, Sunderland North Community Business Centre, Southwick Neighbour-hood 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.

Save The Children

The Ballinger Charitable Trust has been supporting the Wallsend Children's Community since Save The Children commenced it's Children's Community programme in early 2016.

This Children's Community has an ambitious vision to build, over a generation, a Wallsend where children and young people have access to the same high-quality chances as those in more advantaged areas. It is comprised of an interconnected network of services for children that spans their homes, schools and community in order to address multiple, inter-relating challenges and maximise positive connections in these contexts. A group of 13 primary and two secondary schools server as the core of this network.

The Ballinger Charitable Trust's grant supports Save The Children's local team, based in Wallsend, in overseeing, maintaining and supporting the network.

18 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021
	£	£	£	£	£
Fund balances at 31 December 2022 are represented by:					
Tangible assets	1,092	-	1,092	1,365	1,365
Investments	53,334,756	-	53,334,756	28,251,302	28,251,302
Current assets	3,501,581	387,678	3,889,259	35,047	545,047
	<u>56,837,429</u>	<u>387,678</u>	<u>57,225,107</u>	<u>28,287,714</u>	<u>28,797,714</u>

BALLINGER CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Related party transactions

During the year Mrs D Ballinger a trustee of The Ballinger Charitable Trust donated £19,700,000 (2021 £269,997) to the trust.

Fees in the sum of £24,000 (2021 £24,000) were paid to Mr J Flynn a trustee of The Ballinger Charitable Trust.

20 Cash generated from operations	2022 £	2021 £
Surplus/(deficit) for the year	28,427,393	(2,523,522)
Adjustments for:		
Investment income recognised in statement of financial activities	(649,944)	(429,740)
Gain on disposal of investments	(10,764,821)	(276,321)
Fair value gains and losses on investments	1,351,265	2,327,495
Depreciation and impairment of tangible fixed assets	273	342
Movements in working capital:		
(Increase) in debtors	(79,035)	(389,120)
Increase in creditors	71,260	2,203
Cash generated from/(absorbed by) operations	18,356,391	(1,288,663)

21 Analysis of changes in net funds

The charitable company repaid all the incurred debt during the year.