

THE BUTLER TRUST
(A charitable company limited by guarantee)

**DIRECTORS' AND TRUSTEES' REPORT
AND ACCOUNTS**

FOR THE YEAR ENDED 31 MARCH 2021

Company No: 07844810
Charity No: 1145182

THE BUTLER TRUST
(A company limited by guarantee)

REPORT AND ACCOUNTS

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THE BUTLER TRUST
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DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are pleased to present their annual Directors' report together with the financial statements of the charity for the year ended 31st March 2021, which are also prepared to meet the requirements for a Directors' report and Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statements 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 2015) – (Charity SORP (FRS 102) Revised).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Butler Trust is registered as a company limited by guarantee and not having share capital. Its operations are governed by its memorandum and articles of association (M&AA).

The Butler Trust was originally formed and registered as a charity (no. 291762) in 1985. It was incorporated as a company on 11 November 2011 and registered as a charity with the Charity Commission on 21 December 2011. It commenced activities on 01 April 2012, replacing the previous charitable trust of the same name, from which all staff and assets were transferred on that date. The company information set out on page 6 forms part of this report.

Organisational Structure

The Trust is a charitable company, organised so that Trustees and Officers meet regularly to manage its affairs. The Board comprises members from a variety of backgrounds, and also includes representatives of the Butler family.

To facilitate activities, the Board has delegated authority to the Director for operational matters including financial, employment and other related activities. Decisions relating to strategy and policy are made by the Board.

Recruitment and appointment of Trustees

The Chair of the Board is nominated by the Trustees. Trustees are appointed by resolution of the Board. A sub-group is tasked with identifying and interviewing potential candidates and making recommendations on new appointments to the full Board. In carrying out its role, the sub-group takes account of a range of criteria, including the need to maintain a diverse and complementary range of skills and experience on the Board.

Corporate Governance

The Governance Working Group is a sub-group of Trustees which meets regularly to review governance matters, as well as finance, policy and practices, and risk, and reports back to the full Board.

While Covid-19 restrictions meant the Trustees were unable to meet in person during the year, Quarterly Trustee meetings were held instead online. And the Chair continued to hold regular meetings with the Director in the same way.

Risk management

The Director maintains a risk register covering strategic, operational, financial, governance, compliance and external risks. The register identifies potentially significant risks and their likelihood and possible impact in each of these areas, together with existing control measures, any additional actions required to mitigate retained risks, and the people responsible for ensuring they are monitored and addressed.

The risk register is reviewed at the quarterly meeting of the Governance Working Group, which in turn reports on risk to the full Board at its regular meetings.

The Trustees have given consideration to the major risks to which the charity is exposed and have satisfied themselves that systems and procedures are in place in order to mitigate and manage these and other risks.

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DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 31 MARCH 2021

Diversity

The Butler Trust is committed to promoting equality, fairness and respect, and opposes all forms of unlawful and unfair discrimination, victimisation, harassment, bullying, and insulting or abusive behaviour.

The Trust aims to ensure that:

- diversity is encouraged within the Trust, creating an environment in which individual differences and the contributions of all are recognised and valued;
- the working environment within the Trust, and the way we carry out our work, promotes dignity, respect and fairness to all;
- no one is unlawfully or unfairly discriminated against on grounds of age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage or civil partnership, pregnancy or maternity, or any other irrelevant factor.

The Trust has a comprehensive Equality and Diversity Policy and Procedures. The Policy and Procedures, and the Trust's compliance with them, are reviewed annually.

Strategic review and Business Planning

In March 2018, Trustees agreed a three-year Strategic Plan, covering the period April 2018 to March 2021, and this forms the framework on which annual Business Plans for the period were drawn up.

The strategic priorities, set out in the 2018-21 plan included:

- to maintain the pre-eminent position of the Awards within the UK correctional services – and if possible, to increase engagement, and the success of nominations, from the public sector.
- to seek to maintain the current (higher) levels of engagement with the Alumni Development Programme.
- to consolidate the Trust's work in supporting the sharing of good practice, including visiting all prisons in England & Wales to identify and publicise local examples of good practice.
- to ensure that the Trust's communications, both within the sector and more broadly, effectively promote and complement its core work.
- to maintain the core cost base at its current level, allowing for inflation, and to ensure that the Trust is able to secure sufficient income to meet its needs.

Each year over the period, an annual Business Plan is agreed detailing a plan of actions intended to further each of these strategic aims.

The 2020-21 Business Plan was developed in light of Covid-19 and following discussions with the Chief Executive of HMPPS (as our main funder and the largest employer in the sector).

As a result of the pandemic, we were unable to hold an Award Ceremony in March 2020. Restrictions on travel also meant postponing some of our other plans for the current financial year (including the Alumni Programme, and continued work on Phase Two of the Good Book of Prisons). It was also clear that the pandemic would place significant extra pressure on staff working in the sector. Taking this into account, Trustees agreed, with HMPPS' approval, to expand the Trust's focus during the year on supporting staff wellbeing and morale, through the #HiddenHeroes programme, and to fund this in part from the underspend on the 2019-20 Award Ceremony.

The plan for the year included:

Awards and Alumni Programme

- running the Annual Awards as normally as possible;
- postponing the Alumni Programme for 2019-20 Award Winners and Commendees;

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DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 31 MARCH 2021

Promoting and disseminating good practice

- subject to the constraints of coronavirus, continuing work on phase 2 of the Good Book of Prisons project (focusing on Open Prisons and HMYOIs);
- producing a series of thematic reviews on key findings and recommendations from phase 1 of the Good Book of Prisons;
- completing a redesign of the online practice-focused resource library and knowledge exchange;
- piloting a competition to identify examples of practice from across the sector with potential for wider roll-out.

#HiddenHeroes (staff morale)

- spearheading a national campaign to support staff morale during Covid, under the #HiddenHeroes umbrella.

Administration and communications

- redeveloping the Butler Trust website;
- completing work on the new database and admin IT systems.

Our volunteers

We had 13 volunteers in 2020-21 providing a total of approximately 300 hours support (similar to 2019-20). Volunteers assist at our Awards Ceremony and on our Awarding Panel.

CHARITABLE ACTIVITIES

Public Benefit

The Trustees confirm that, when reviewing the charitable company's activities and devising its future programme, they have referred to the Charity Commission's general guidance on public benefit and complied with their duties under Section 17 of the Charities Act 2011.

The Trust's principal charitable purposes for the public benefit are to further and promote practice among those working in the penal system in the United Kingdom which contributes to:

- the promotion of the rehabilitation of offenders and the prevention of crime;
- the promotion of the social inclusion of offenders by facilitating their integration and constructive engagement in society; and
- the advancement of the health, safety and psychological well-being of offenders and those who work with them.

Our purpose and activities

The Trust's principal objectives are to recognise, develop and disseminate good practice on the part of those working in correctional settings across the United Kingdom which promotes or otherwise contributes to: the rehabilitation of offenders; the social integration of offenders; the effective management and care of offenders; the health and well-being of staff; crime prevention; and wider benefits to the public at large.

The main areas of charitable activity are:

- an Annual Award Scheme, which aims to identify, celebrate and promote practice which contributes to the public benefits outlined above;
- an Alumni Development Programme, which aims to help Award Winners and Commendees to learn from and build upon their achievements;
- a Good Practice Programme, which aims to spread good practice, including that of Award Winners and Commendees, across UK correctional settings;
- a Staff Morale and Wellbeing Programme ("HiddenHeroes"), which aims to support the morale and wellbeing of staff across the sector.

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DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and Performance

Annual Awards

While there was some anxiety about the likely level of engagement this year, we went ahead with this year's Awards as planned.

To help minimise any impact of the covid situation, we simplified the paperwork again, to reduce the workload for Local Champions, and ran publicity campaigns through the National Prison Radio and via targeted ads on Facebook, in addition to our normal promotions.

Given the relatively low level of engagement from SPS and some parts of NPS last year, we contacted the Head of Reward and Recognition in SPS, and relevant NPS Divisional Directors, to seek their support in encouraging more nominations this year.

We received 346 nominations in all – the second highest number ever (vs 335 in 2019-20 and 380 in 2018-19) – and a record number from prisons in England and Wales. We also saw some recovery in the number of nominations from both NPS and SPS. Northern Ireland nominations were back to more normal levels after an especially high-level last year. And while we received relatively few nominations from CRCs and only two from YOTs, that may not be surprising given that both workforces were largely working from home throughout the nominations period.

Both the Sifting Panel meeting in September, and November's final Judging Panel meeting, were held remotely this year.

Both Panels felt that the quality of nominations was at least as high as usual this year, and that seems to have been born out in the ratings given by the Judging Panel to this year's Award Winners.

The private prisons and NPS both performed better this year than last (when they had comparatively disappointing outcomes), and there was a good number of front-line prison officers among the Award Winners in particular. However, neither Scotland nor Northern Ireland were represented among this year's Awards and Commendations this year, and this is something we will need to look at ahead of next year's nominations.

Because of Covid restrictions, we were unable to hold a Ceremony again this year. Instead, we aim to hold one in 2022 covering three years of presentations. As this will need to be a largely private affair – with room for Winners and their personal guests only – we also plan to hold a more public event in late 2021.

Alumni Development Programme

Because of coronavirus we were unable to run the Alumni Programme as planned. We are planning to run the programme again in 2021-22, remotely if required, for both our 2019-20 and 2020-21 cohorts.

Promoting and disseminating good practice

Although slightly later than planned, we completed the update and relaunch of the Knowledge Exchange web platform (www.TheKnowledgeExchange.uk) in February. The site has been well received and currently includes links to almost 250 pieces of examples of research, guidance and notable practice relevant to the sector – and we have engaged Russell Webster (RussellWebster.com) to help build the site's profile and content over the coming months.

Travel restrictions and the shift in focus towards supporting staff morale in the face of Covid (as detailed below) meant that our other dissemination plans were put on hold for this year.

#HiddenHeroes (staff morale)

The #HiddenHeroes campaign, aimed at supporting staff morale during Covid, was a major focus of our work throughout the year.

In April, we set up a #HiddenHeroes website - www.HiddenHeroes.uk - and launched an online message board. The site received hundreds of messages for frontline staff, from public figures, prisoners and their families, colleagues, and the general public, and a number of our Patrons, including HRH The Princess Royal, the Archbishop of Canterbury, Terry Waite and Sir Trevor Brooking, contributed video messages.

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FOR THE YEAR ENDED 31 MARCH 2021

We ran campaigns on BBC regional radio and National Prison Radio in April and May to publicise the role of staff during the pandemic and encourage contributions to the message board. We also rebranded our "Offender Management" Twitter account as "#HiddenHeroes" and used it throughout the period to support the wider #HiddenHeroes campaign. We worked with a large Facebook "page", run by a former Prison Officer, to help increase the campaign's reach to frontline staff in particular.

In June, we secured a donation of 30,000 KitKats from Nestle, which (with HMPPS's help) we had individually rebranded as #HiddenHeroes bars. The bars were distributed across the prison estate in July by Bidfood (HMPPS' catering supplier).

At the end of July, we announced plans for a national #HiddenHeroesDay in the autumn, with a billboard campaign and a bus tour around London. We also wrote to every Prison Governor and Probation Director to encourage them to take part, and secured the support of all our key stakeholders in both the public and private sectors.

Also in July, we commissioned one of our 2019-20 Award Winners, Nikki Dennington, to produce a #HiddenHeroes painting, showcasing some of the many messages on the HiddenHeroes.uk message board. We had the artwork made in to framed prints, which we distributed to prisons, IRCs, probation offices and Approved Premises across England & Wales. We also had flags made from her work for prisons to fly on #HiddenHeroesDay.

#HiddenHeroesDay itself took place on 29 September. We understand that every prison and IRC across the UK held a local event to thank staff for their service during this time, and HRH attended the event at HMP Bullingdon. NPS held online events, as did many of the CRCs, and the YJB publicised the day across youth offending services. [A full write up of the day can be found on the www.HiddenHeroes.uk website].

In the week of #HiddenHeroesDay: our own social media posts were seen over 250,000 times; more than 800 tweets were posted across Twitter using the #HiddenHeroes and #HiddenHeroesDay hashtags, including over 500 on the day itself, and tweets with those hashtags were seen on more than 800,000 occasions; while a video produced by Newbold Revel for our "#HiddenHeroesDay Video Challenge Cup" was viewed almost 100,000 times.

As well as letting us have a video message for staff, HRH made five prison visits in September and October, to thank staff for their service during Covid-19, including attending and speaking at the #HiddenHeroesDay event at Bullingdon.

At Christmas, we put together an online advent calendar, (www.HiddenHeroes.uk/advent), including (among much else) video messages from: Terry Waite and Trevor Brooking; boxers Nicola Adams and Frank Bruno; darts player Bobby George; swimmer Becky Adlington; Strictly Head Judge, Shirley Ballas; and (on Christmas Day itself) Slade's Noddy Holder.

In early 2021, we commissioned 64,000 "Covid-19 #HiddenHeroes" commemorative pin badges, which, with the help of HMPPS, were distributed to prison and IRC staff across the UK in March.

Administration and communications

We completely redeveloped the Butler Trust website over the year, and launched the new site in December. We also completed work on the update to our database and admin IT systems to improve the Trust's operational effectiveness and resilience.

FINANCIAL REVIEW

Overview

The net operating surplus for the year is £44,606 (2020 – deficit £30,593). The charity generated a surplus of £19,700 (2020 – deficit £12,072) prior to gain on investment arising on the charity's investment portfolio totalling £24,906 (2020 – loss of £18,521).

The total funds carried forward as at 31st March 2021 are £363,130 (2020 – £318,524).

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DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 31 MARCH 2021

Investment and reserves policy

It is the intention of the Trust to budget and operate on a surplus basis. However, reserves can be used to cover any shortfall in revenues and operating expenses and also to support strategic initiatives. The Trust follows a set of guidelines to ensure its fund can meet all deficit and expenditure obligations in relation to its annually approved budget. The guidelines include liquidity measures to ensure:

- minimum asset/liquidity thresholds in reserve to ensure the Trust can operate as a going concern;
- minimum reserve levels before the Trust considers any significant strategic change;
- minimum cash equivalent reserves before the Trust considers acquiring investment assets, and specifically having an exposure to equities;
- the Trust manages with a minimum level of working capital for current and forecast operating purposes.

Principal funding sources

The principal funding sources for the Trust are Her Majesty's Prison and Probation Service (HMPPS), private contractors working in the prison and probation sectors, charitable trusts and foundations, and, to a limited extent, individual donors.

FUTURE PLANS AND DEVELOPMENTS

In March 2021 the Board approved a new three-year strategy review, for the period 2021-24.

The Awards, and Alumni Programme remain at the heart of the Trust's work, and we will continue to champion the wider workforce under the #HiddenHeroes campaign.

Our development priorities over the period focus on enhancing our programme for promoting and disseminating good practice, including:

- building engagement with the Knowledge Exchange platform;
- increasing the range of resources on the Knowledge Exchange;
- developing a competition to highlight and share local good practice more widely;
- introducing a range of thematic, "improving practice" workshops;
- subject to funding, completing Phase 2 of the Good Book of Prisons project [focusing on Open Prisons and YOIs]

Our plans in 2021-22 include:

- restarting the Alumni Programme, after its postponement in 2020-21, for both our 2019-20 & 2020-21 cohorts of Award Winners & Commendees;
- co-ordinating a second national #HiddenHeroesDay on 29 September 2021;
- organising a national #HiddenHeroes Charity Challenge in the run up to #HiddenHeroesDay;
- piloting a competition to highlight and share local good practice more widely;
- holding a one-off event in tribute to the #HiddenHeroes in prisons, probation and youth justice during Covid-19 – including our 2019-20 & 2020-21 Award Winners & Commendees;
- producing a publication on the role of staff across the sector during the pandemic.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity number: 1145182

Company number: 07844810

Registered office: Unit 302 China Works, Black Prince Road, London SE1 7SJ

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DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 31 MARCH 2021

Directors and Trustees:

The Directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end were as follows:

Malcolm Butler	Chair
Claudia Sturt	Treasurer
Geoffrey Dobson OBE	
Sir Michael Harrison	
Professor Alison Liebling	
Peter McParlin	
Robert Perry	
Michael Spurr CB	(App't 17/09/20)
Jeanette Whitford	
Barbara Wilding CBE QPM	
Zoe Williams	

Senior Management Team: Simon Shepherd - Executive Director
Andrew Skilton - Operations Manager

Independent Examiner: Samir Shah FCA,
Ramon Lee Ltd, 93 Tabernacle Street, London EC2A 4BA

Bankers: CAF Bank Limited
Triodos Bank

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also Directors of The Butler Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity's 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the 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.

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DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2021

APPROVAL

This report was approved by the Trustees and Directors on 16th September 2021 and signed on their behalf.

Malcolm Butler

Malcolm Butler
Chair of the Board of Trustees and Directors

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

THE BUTLER TRUST

(A company limited by guarantee)

I report on the accounts of the company for the year ended 31st March 2021.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my Independent Examination, for this report, or for the opinions I have formed.

Respective responsibilities and basis of report

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

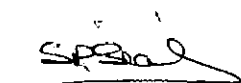
Independent examiner's statement

The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Institute of Chartered Accountants of England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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



SAMIR SHAH FCA
RAMON LEE LTD
CHARTERED ACCOUNTANT

93 TABERNACLE STREET
LONDON EC2A 4BA

16th SEPTEMBER 2021

THE BUTLER TRUST
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STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2021 £	2020 £
Income						
Donations	2	3,383	-	-	3,383	6,128
Income from charitable activities	3	240,500	-	10,000	250,500	264,700
Investment income	4	354	-	-	354	839
Total Income		<u>244,237</u>	<u>-</u>	<u>10,000</u>	<u>254,237</u>	<u>271,667</u>
Expenditure						
Expenditure on charitable activities	5	224,537	-	10,000	234,537	283,739
Total expenditure		<u>224,537</u>	<u>-</u>	<u>10,000</u>	<u>234,537</u>	<u>283,739</u>
Net gain/(loss) on investments	11	24,906	-	-	24,906	(18,521)
Net income/(expenditure)		<u>44,606</u>	<u>-</u>	<u>-</u>	<u>44,606</u>	<u>(30,593)</u>
Transfer between funds		(44,606)	44,606	-	-	-
Net movement in funds		<u>-</u>	<u>44,606</u>	<u>-</u>	<u>44,606</u>	<u>(30,593)</u>
Reconciliation of funds						
Total funds, brought forward		250,000	68,524	-	318,524	349,117
Total funds carried forward		<u>250,000</u>	<u>113,130</u>	<u>-</u>	<u>363,130</u>	<u>318,524</u>

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial periods.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the above movement in funds for the above two financial years.

The notes on pages 13 to 20 form part of these accounts

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BALANCE SHEET AS AT 31 MARCH 2021

	Notes	2021	2020
		£	£
Fixed assets			
Tangible fixed assets	10	1,686	2,417
Investments	11	<u>108,625</u>	<u>83,719</u>
		110,311	86,136
Current assets			
Debtors	12	59,775	75,637
Cash at bank and in hand		208,582	172,506
		<u>268,357</u>	<u>248,143</u>
Liabilities			
Creditors falling due with in one year	13	<u>(15,538)</u>	<u>(15,755)</u>
Net current assets		252,819	232,388
Net assets		<u>363,130</u>	<u>318,524</u>
The funds of the charity			
Unrestricted funds:	15		
-General Funds		250,000	250,000
-Designated Funds		113,130	68,524
Restricted funds	15	-	-
Total charity funds		<u>363,130</u>	<u>318,524</u>

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The Directors acknowledged their responsibilities for ensuring that the company keeps accounting records which comply with Section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as is applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These accounts were approved by the Board of Trustees on 16th September 2021 and were signed on its behalf by:

Malcolm Butler

..... **Malcolm Butler (CHAIR)**

Claudia Sturt Moesel

..... **Claudia Sturt (TREASURER)**

Company Registration No: 07844810

The notes on pages 13 to 20 form part of these accounts

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NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charity SORP (FRS 102) Revised, The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Butler Trust meets the definition of a public benefit entity under FRS 102.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

1.2 Reconciliation with previous Generally Accepted Accounting Practices

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

The opening reserves and the previous year's Net Income and Expenditure are unchanged.

1.3 Preparation of accounts on a going concern basis

The Charity's Financial Statements show net surplus of £44,606 for the year and free reserves of £252,818. The Trustees are of the view that these results have secured the immediate future of the Charity for the next 12 months and on this basis the Charity is a going concern.

1.4 Income recognition

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and amount can be measured reliably.

(a) Income received by way of grants, donations and legacies are included in full in the Statement of Financial Activities when received, unless they relate to a specified future period, in which case they are deferred.

(b) Income from charitable activities received by way of revenue grants and donations are credited to restricted incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

(c) Grants and donations of general nature which are not conditional on delivering certain levels of service are included as part of Grants and Donations as shown under note 2. Performance related grants and donations which have conditions for a specific outcome are included as Income from Charitable Activities as shown in Note 3.

(d) Investment Income is included when receivable.

1.5 Volunteers and donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Charity is not recognised in the main body of the financial accounts but detail is contained in the Trustees' Report.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. No such services were received during the year.

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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31 MARCH 2021

1.6 Expenditure recognition and Irrecoverable VAT

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

Expenditure is classified under the following activity headings:

(a) Expenditure on charitable comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

(b) Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Following a review of the classification of expenditure during the independent examination of the financial statements for the year ended 31st March 2020, it was decided that some items would be more accurately presented under different headings. Note 5 have been amended to this effect and the prior year information has been re-classified for comparability.

1.7 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, management, finance and administration personnel, payroll and governance costs which support the Trust's programmes and activities. These costs have been allocated to expenditure on charitable activities.

1.8 Funds structure

The general fund comprises those monies, which may be used toward meeting the charitable objectives of the company at the discretion of the Trustees.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Management Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor imposed conditions.

1.9 Cash flow statement

The charitable company qualifies as a small company and advantage has been taken of the exemption provided by SORP (FRS 102) as amended by Bulletin 1, not to prepare a cash flow statement.

1.10 Tangible Fixed Assets And Depreciation

Tangible fixed assets are stated at cost less depreciation. Individual fixed assets costing £500 or more are capitalised at cost.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases.

Office equipment - 20% straight line on cost

1.11 Debtors

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

1.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short term cash deposits.

THE BUTLER TRUST
(A company limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2021

1.13 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.

1.14 Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.15 Judgement and key sources of estimation uncertainty

In the application of the company's accounting policies, the charity is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

1.16 Operating leases

All leases are operating leases, and rentals are charged to the Statement of Financial Activities on a straight-line basis over the lease duration. No assets are held under hire purchase agreements.

2. DONATIONS

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
General private donations	3,383	-	3,383	6,128
	<u>3,383</u>	<u>-</u>	<u>3,383</u>	<u>6,128</u>

The donations in 2020, totalling £6,128, were attributed to £6,128 to unrestricted funds and £Nil to restricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Charitable foundations	12,500	10,000	22,500	21,700
Corporate, statutory and other donors	228,000	-	228,000	243,000
	<u>240,500</u>	<u>10,000</u>	<u>250,500</u>	<u>264,700</u>

Income in 2020 totalling £264,700 was attributed to £254,700 to unrestricted funds and £10,000 to restricted funds.

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NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2021

4. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Bank interest	346	-	346	839
Interest on Gift aid	8	-	8	-
	<u>354</u>	<u>-</u>	<u>354</u>	<u>839</u>

All the investment income totalling £839 in 2020 were attributed to unrestricted funds.

5. CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff salaries and costs	127,791	132,621
Annual awards and Alumni programme	13,039	41,911
Good Practice Programme	11,133	42,880
HiddenHeroes Programme	41,103	3,680
<u>Support costs</u>		
Premises	18,870	20,957
Other office costs	19,350	36,764
Depreciation	731	934
Governance (see Note 6)	2,520	3,992
	<u>234,537</u>	<u>283,739</u>

Of the £234,537 expenditure in 2021 (2020 - £283,739), £224,537 was charged to unrestricted funds - (2020 - £273,739) and £10,000 to restricted funds (2020 - £10,000).

6. GOVERNANCE

	2021 £	2020 £
Trustees' meeting costs	-	1,472
Independent examination	2,520	2,520
	<u>2,520</u>	<u>3,992</u>

7. NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	731	934
Operating leases – rent	18,870	20,925
Independent examination	2,520	2,520

THE BUTLER TRUST
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NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2021

8. ANALYSIS OF STAFF COSTS AND TRUSTEES REMUNERATION AND EXPENSES

	2021 £	2020 £
Wages and salaries	110,901	114,378
Social security costs	8,218	9,782
Pension contributions	8,672	8,461
	<u>127,791</u>	<u>132,621</u>

One employee received remuneration in excess of £60,000 during the year. Pension costs are wholly charged to unrestricted funds.

The charity Trustees were not paid or received any other benefits from employment with the Trust in the year (2020 - £nil). No charity Trustees received payment for professional or other services supplied to the charity (2020 - £nil).

The average monthly number of full time staff employed by the charity including part time and temporary staff employed during the period was:

Direct charitable work	2	2
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The key management personnel of the charity comprise of the Executive Director. The total employee benefits of the key management personnel of the charity were £74,732 (2020 - £81,530).

9. TAXATION

The Butler Trust is a registered charity and therefore is not liable to Income Tax or Corporation Tax on income derived from its charitable activities.

10. TANGIBLE FIXED ASSETS

	Office Equipment £
Cost or valuation	
At 01 April 2020	5,682
Additions	-
Disposals	(809)
At 31 March 2021	<u>4,873</u>
Depreciation	
At 01 April 2020	3,265
Charge for year	731
Disposals	(809)
At 31 March 2021	<u>3,187</u>
Net Book Value	
At 31 March 2021	<u>1,686</u>
At 31 March 2020	<u>2,417</u>

THE BUTLER TRUST
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NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2021

11. INVESTMENTS

	2021	2020
	£	£
Market value:		
Balance, brought forward	83,719	102,240
Additions	-	-
Disposal	-	-
Gain/(loss) on valuation at year end	24,906	(18,521)
	<u>108,625</u>	<u>83,719</u>
 Historic cost	 75,000	 75,000
412.202 units - M & G Equities Investment Fund for Charities	<u>108,625</u>	<u>83,719</u>

12. DEBTORS

	2021	2020
	£	£
Grants and sponsorship receivable	48,250	66,250
Other debtors	5,800	6,637
Prepayments	5,725	2,750
	<u>59,775</u>	<u>75,637</u>

13. CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Creditors	7,800	8,526
Tax and social security	3,658	3,210
Other accruals	4,080	4,020
	<u>15,538</u>	<u>15,755</u>

14. SHARE CAPITAL

The company is limited by guarantee and does not have a share capital divided by shares.

THE BUTLER TRUST
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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31 MARCH 2021

15. ANALYSIS OF CHARITABLE FUNDS

Analysis of movements in unrestricted funds

	Balance at 01.04.20 £	Income £	Expenditure £	Gains/(Losses) £	Transfers £	Balance at 31.03.21 £
General funds	250,000	244,237	(224,537)	24,906	(44,606)	250,000
Designated funds	68,524	-	-	-	44,606	113,130
Total funds	<u>318,524</u>	<u>244,237</u>	<u>(224,537)</u>	<u>24,906</u>	<u>-</u>	<u>363,130</u>

General funds are the 'free reserves' after allowing for all designated funds.

Designated funds represents the Trust's 'Development Fund'. The Fund is made up of the balance of reserves above £250k. It is intended to be used to support activities in furtherance of the Trust's charitable objects which are not covered by in-year income.

Analysis of movements in restricted funds

	Balance at 01.04.20 £	Income £	Expenditure £	Gains/(Losses) £	Transfers £	Balance at 31.03.21 £
Bromley Trust	-	10,000	(10,000)	-	-	-
Total funds	<u>-</u>	<u>10,000</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>

A grant was received from the Bromley Trust - the Keith Bromley Award and promoting good practice in education & skills training.

Analysis of charitable funds – previous year

Analysis of movements in unrestricted funds

	Balance at 01.04.19 £	Income £	Expenditure £	Gains/(Losses) £	Transfers £	Balance at 31.03.20 £
General funds	250,000	261,667	(273,739)	(18,521)	30,593	250,000
Designated funds	99,117	-	-	-	(30,593)	68,524
Total funds	<u>349,117</u>	<u>261,667</u>	<u>(273,739)</u>	<u>(18,521)</u>	<u>-</u>	<u>318,524</u>

General funds are the 'free reserves' after allowing for all designated funds.

Designated funds represents the Trust's 'Development Fund'. The Fund is made up of the balance of reserves above £250k. It is intended to be used to support activities in furtherance of the Trust's charitable objects which are not covered by in-year income.

Analysis of movements in restricted funds

	Balance at 01.04.19 £	Income £	Expenditure £	Gains/(Losses) £	Transfers £	Balance at 31.03.20 £
Bromley Trust	-	10,000	(10,000)	-	-	-
Total funds	<u>-</u>	<u>10,000</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>

A grant was received from the Bromley Trust - the Keith Bromley Award and promoting good practice in education and skills training.

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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31 MARCH 2021

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Designated Funds £	Restricted funds £	Total 2021 £	Total 2020 £
Tangible assets	1,686	-	-	1,686	2,417
Investments	108,625	-	-	108,625	83,719
Net current assets	139,689	113,130	-	252,819	232,388
	<u>250,000</u>	<u>113,130</u>	<u>-</u>	<u>363,130</u>	<u>318,524</u>

Analysis of net assets between funds – previous year

	Unrestricted funds £	Designated Funds £	Restricted funds £	Total 2020 £	Total 2019 £
Tangible assets	2,417	-	-	2,417	1,723
Investments	83,719	-	-	83,719	102,240
Net current assets	163,864	68,524	-	232,388	245,154
	<u>250,000</u>	<u>68,524</u>	<u>-</u>	<u>318,524</u>	<u>349,117</u>

17. CONTROL

For the whole of the year, the charity was under the control of the Directors and Trustees as shown on page 7. The Trustees consider that there is no one overall controlling party.

18. RELATED PARTY TRANSACTIONS

During the year, the Charity paid no travel and subsistence expense to any Trustee (2020 - £76 to one Trustee).

No remuneration was paid to any Trustee during the year (2020 – Nil).

19. OPERATING LEASE COMMITMENTS

The charity has operating lease commitments relating to its office premises over the forthcoming 12 months below, analysed according to the expiry date of the lease.

	2021 £	2020 £
One year	17,551	20,885
Between two and five years	16,822	1,853
	<u>34,373</u>	<u>22,738</u>

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