

THE BUTLER TRUST
(A charitable company limited by guarantee)
**DIRECTORS' AND TRUSTEES' REPORT
AND ACCOUNTS**
FOR THE YEAR ENDED 31 MARCH 2022

Company No: 07844810
Charity No: 1145182

THE BUTLER TRUST
REPORT AND ACCOUNTS

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THE BUTLER TRUST
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees are pleased to present their annual Directors' report together with the financial statements of the charity for the year ended 31st March 2022, 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 2019) – (Charity SORP (FRS 102)).

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 7 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.

Michael Spurr CB was appointed Chair on the retirement of Malcolm Butler from the role, in September 2021. Malcolm also temporarily retired as a Trustee at the same time.

Corporate Governance

Corporate Governance and all governance related matters, as well as finance, policy and practices, and risk, are overseen and reviewed by Trustees at their regular meetings.

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 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.

THE BUTLER TRUST
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2022

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 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;
- producing a second Good Book of Prisons, based on a national tour of the estate, focusing on examples of notable practice in each establishment in England & Wales*

[*The plan for a second Good Book of Prisons was agreed with HMPPS after the strategy review was completed; and in consultation with HMPPS, the Board agreed to put on hold our initial plans to run a series of "thematic" notable practice workshops over the period.]

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 2021-22 Business Plan was developed in light of Covid-19 and following discussions with representatives of HMPPS (as our main funder and the largest employer in the sector). The plan for the year included:

- 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.

THE BUTLER TRUST
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2022

Our volunteers

We had 15 volunteers in 2021-22 providing a total of approximately 300 hours support (similar to 2020-21). 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 HiddenHeroes Programme, which aims to promote morale, and celebrate and promote the role of staff and volunteers across the sector;
- a Good Practice Programme, which aims to spread good practice, including that of Award Winners and Commendees, across UK correctional settings.

Achievements and Performance

Annual Awards

We received a total of 339 nominations this year, in line with the average for the last five years, and the nominations were again of a high standard.

Ahead of the launch of this year's Awards, our Director had meetings with the new Head of HR for SPS, the Chair of the YJB, and the new head of Comms for Community Justice Scotland, and to seek their support in encouraging greater engagement within their areas. While we did not see any improvement in engagement from community justice settings in Scotland, we did see an increase from youth justice services in England & Wales this year, and SPS maintained the higher level of engagement seen last year (broadly on par with England & Wales), following a marked drop off in previous years.

All the major sectors performed well, with respect to their respective workforce sizes, in terms of the number of Awards and Commendations each received. Scottish Youth and Community Justice did not receive any Awards or Commendations, but that reflects their low level of engagement.

THE BUTLER TRUST
DIRECTORS' AND TRUSTEES' REPORT (Cont'd)
FOR THE YEAR ENDED 31 MARCH 2022

After a three-year hiatus, we were finally able to hold an Award Ceremony, covering the last three cohorts of Award Winners and Commendees, at the Sheldonian Theatre in Oxford, with afternoon tea following the presentations at Keble College. And while we had to restrict the number of other guests this year, because of the number of winners and their guests, it was pleasing to note that those attending included the Minister for Prisons and Youth Justice, and senior leaders from all our key stakeholders, including (for the first time in many years) the Chief Executive of SPS.

Because we were able to hold a Ceremony for all of our winners over the last three years, we did not go ahead, as originally planned, with a separate event for the 2019-20 and 2020-21 cohorts.

Alumni Development Programme

Because of coronavirus we were unable to run the Alumni Programme in 2020-21. After re-working the course materials, we were able to deliver the programme online this year, to both our 2019-20 cohort and 2020-21 winners. Around 80% of our 2020-21 winners, and 60% of the 2019-20, took part, with excellent feedback across the Board. The "graduation event" was held in person, at Oriel College, Oxford, in September.

#HiddenHeroes

The second national #HiddenHeroes Day, on 29 September, was marked widely throughout the country, and our Patron, HRH The Princess Royal, visited HMPYOI Brinsford on the day, speaking afterwards to staff from Brinsford as well as HMPs Featherstone and Oakwood, which are on the same site.

The #HiddenHeroes Charity Challenge which we launched at the start of the summer, in aid of the charity Mental Health UK, was a great success, with staff across the UK taking part and raising just under £70,000 in total.

We completed work on *#HiddenHeroes in the Pandemic*, celebrating the response of staff and managers to the challenges of Covid-19, in September, and distributed a total of 80,000 copies to staff in prison, probation and youth justice settings across the UK.

We also completed work, earlier in the year, on a booklet showcasing the work of youth justice workers, called *#HiddenHeroes: The Youth Justice Worker*.

And we sent HMPPS additional copies of *#HiddenHeroes: The Prison Officer* to cover the next two years of new staff.

Good Practice Programme

We launched two pilot notable practice trophies during the year, to encourage greater sharing of notable practice across custodial and community settings.

We received over 80 initial expressions of interest for the two trophies – 50+ from custodial settings, and 30+ from probation and youth justice – which we followed up by phone, to write up a short, one page, submission on each.

Two separate panels, set up for the purpose, sifted the original nominations down to three finalists in each case. The Awards Sifting Panel then reviewed the finalists and identified a winner for each. The trophies were presented in October, and we sent copies of the finalists' submissions to all UK prisons and the Probation Directorates across England & Wales. We also added all the submissions to the Knowledge Exchange platform.

In light of the success of the pilots, we intend to make the trophies an annual fixture in future, and will design a judging process taking account of what we learnt this year.

After launching the Knowledge Exchange site at the end of the previous financial year, we kept it up to date during the year as planned, adding a number of new resources each month, including all of the submissions to the new Ruth Mann and Kathy Biggar trophies, and the total number of entries on the site now stands at just under 400.

The site currently receives a steady stream of visitors (around 1000 a month at present). We have now scheduled regular email updates from the site to our email subscribers, to help build its profile. In addition, the Director of Performance at HMPPS has agreed to include a link to the site from the new intranet (to be launched in 2022).

THE BUTLER TRUST
DIRECTORS' AND TRUSTEES' REPORT (Cont'd)
FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

Overview

The net operating deficit for the year is £24,607 (2021 – surplus £44,606). The charity generated a deficit of £38,310 (2021 – surplus £19,700) prior to gain on investment arising on the charity's investment portfolio totalling £13,703 (2021 – of £24,906).

The total funds carried forward as at 31st March 2022 are £338,523 (2021 – £363,130).

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

Our plans in 2022-23 draw on the outcome of the 2021-24 strategy review approved by the Board in March 2021 (outlined earlier in this report), and include:

- simplifying the Awards nominations for youth justice, and community settings in Scotland, as part of ongoing efforts to encourage greater engagement from those parts of the sector;
- organising a third national #HiddenHeroes Day, and a second #HiddenHeroes Charity Challenge in the lead up to the day;
- following the success of last year's pilots, running the Ruth Mann and Kathy Biggar Trophies for notable practice for a second year, drawing on the lessons from the pilot;
- starting work on the second Good Book of Prisons, based on a national tour of the estate, focusing on examples of notable practice in each establishment in England & Wales.

THE BUTLER TRUST
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Charity number: 1145182

Company number: 07844810

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

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:

Trustees

Malcolm Butler	Chair, Resigned September 2021
Michael Spurr CB	Chair, Appointed September 2021
Claudia Sturt	Treasurer
Geoffrey Dobson OBE	
Elizabeth Green	Appointed September 2021
Sir Michael Harrison	
Professor Alison Liebling	
Peter McParlin	
Robert Perry	
Beverley Thompson-Brown OBE	Appointed September 2021
Jeanette Whitford	
Barbara Wilding CBE QPM	
Zoe Williams	

Senior Management Team: Simon Shepherd OBE - 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

THE BUTLER TRUST
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2022

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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

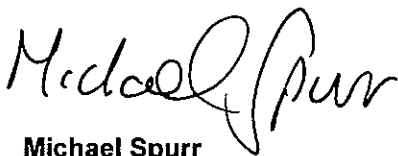
In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

APPROVAL

This report was approved by the Trustees and Directors on 15th September 2022 and signed on their behalf.



Michael Spurr
Chair of the Board of Trustees and Directors

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE BUTLER TRUST**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2022 which are set out on pages 10 to 19.

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**

15th SEPTEMBER 2022

THE BUTLER TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

	Note s	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 £	2021 £
Income						
Donations	2	2,858	-	-	2,858	3,383
Income from charitable activities	3	219,700	-	10,000	229,700	250,500
Investment income	4	147	-	-	147	354
Total income		<u>222,705</u>	<u>-</u>	<u>10,000</u>	<u>232,705</u>	<u>254,237</u>
Expenditure						
Expenditure on charitable activities	5	261,015	-	10,000	271,015	234,537
Total expenditure		<u>261,015</u>	<u>-</u>	<u>10,000</u>	<u>271,015</u>	<u>234,537</u>
Net Income / (expenditure) before gains & losses on Investments		(38,310)	-	-	(38,310)	19,700
Net gain/(loss) on investments	11	13,703	-	-	13,703	24,906
Net movement in funds		<u>(24,607)</u>	<u>-</u>	<u>-</u>	<u>(24,607)</u>	<u>44,606</u>
Transfer between funds		24,607	(24,607)	-	-	-
Reconciliation of funds						
Total funds, brought forward		250,000	113,130	-	363,130	318,524
Total funds carried forward		<u>250,000</u>	<u>88,523</u>	<u>-</u>	<u>338,523</u>	<u>363,130</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 12 to 19 form part of these accounts

THE BUTLER TRUST
BALANCE SHEET AS AT 31 MARCH 2022

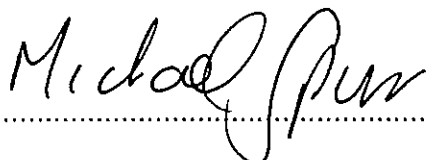
	Notes	2022	2021
		£	£
Fixed assets			
Tangible fixed assets	10	955	1,686
Investments	11	<u>122,328</u>	<u>108,625</u>
		123,283	110,311
Current assets			
Debtors	12	67,543	59,775
Cash at bank and in hand		160,249	208,582
		<u>227,792</u>	<u>268,357</u>
Liabilities			
Creditors falling due with in one year	13	<u>(12,552)</u>	<u>(15,538)</u>
Net current assets		215,240	252,819
Net assets		<u>338,523</u>	<u>363,130</u>
The funds of the charity			
Unrestricted funds:	15		
-General Funds		250,000	250,000
-Designated Funds		88,523	113,130
Restricted funds	15		-
Total charity funds		<u>338,523</u>	<u>363,130</u>

For the financial year ended 31 March 2022 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 15th September 2022 and were signed on its behalf by:



Michael Spurr (CHAIR)



Claudia Sturt (TREASURER)

Company Registration No: 07844810

The notes on pages 12 to 19 form part of these accounts

THE BUTLER TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

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 2019) – Charity SORP (FRS 102), 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.

The financial statements are prepared in sterling, which is the functional currency of the charity.

1.2 Preparation of accounts on a going concern basis

The Charity's Financial Statements show net deficit of £24,607 for the year and free reserves of £215,240. 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.

1.3 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 include as Income from Charitable Activities as shown in Note 3.
- (d) Investment income is included when receivable.

1.4 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.

THE BUTLER TRUST
NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2022

1.5 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.

1.6 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.

1.7 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.

1.8 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.

1.9 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
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1.10 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.

1.11 Cash at bank and in hand

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

THE BUTLER TRUST
NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2022

1.12 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.

1.13 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.

1.14 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.

1.15 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 £	2022 £	2021 £
General private donations	2,858	-	2,858	3,383
	<u>2,858</u>	<u>-</u>	<u>2,858</u>	<u>3,383</u>

The donations in 2021, totalling £3,383, were attributed to unrestricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
Charitable foundations	11,700	10,000	21,700	22,500
Corporate, statutory and other donors	208,000	-	208,000	228,000
	<u>219,700</u>	<u>10,000</u>	<u>229,700</u>	<u>250,500</u>

Income in 2021 totalling £250,500 was attributed to £240,500 to unrestricted funds and £10,000 to restricted funds.

THE BUTLER TRUST
NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2022

4. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
Bank interest	147	-	147	346
Interest on Gift aid			-	8
	<u>147</u>	<u>-</u>	<u>147</u>	<u>354</u>

All the investment income totalling £354 in 2021 were attributed to unrestricted funds.

5. CHARITABLE ACTIVITIES

	2022 £	2021 £
Staff salaries and costs	135,111	127,791
Annual awards and Alumni programme	52,103	13,039
Good Practice Programme	9,001	11,133
HiddenHeroes Programme	34,115	41,103
<u>Support costs</u>		
Premises	17,620	18,870
Other office costs	19,612	19,350
Depreciation	731	731
Governance (see Note 6)	2,722	2,520
	<u>271,015</u>	<u>234,537</u>

Of the £271,015 expenditure in 2022 (2021 - £234,537), £261,015 was charged to unrestricted funds - (2021 - £224,537) and £10,000 to restricted funds (2021 - £10,000).

6. GOVERNANCE

	2022 £	2021 £
Trustees' meeting costs	202	-
Independent examination	2,520	2,520
	<u>2,722</u>	<u>2,520</u>

7. NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2022 £	2021 £
Depreciation on tangible fixed assets	731	731
Operating leases - rent	17,620	18,870
Independent examination	<u>2,520</u>	<u>2,520</u>

THE BUTLER TRUST
NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2022

8. ANALYSIS OF STAFF COSTS AND TRUSTEES REMUNERATION AND EXPENSES

	2022	2021
	£	£
Wages and salaries	112,336	110,901
Social security costs	9,061	8,218
Pension contributions	13,714	8,672
	<u>135,111</u>	<u>127,791</u>

The emoluments of one member of staff, including benefits in kind, are within the range of £71,000 to £80,000 (2021- one in the range of £61,000 to £70,000). 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 (2021 - £nil). No charity Trustees received payment for professional or other services supplied to the charity (2021 - £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 £90,443 (2021 - £82,406).

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 2021	4,873
Additions	-
Disposals	-
At 31 March 2022	<u>4,873</u>
Depreciation	
At 01 April 2021	3,187
Charge for year	731
Disposals	-
At 31 March 2022	<u>3,918</u>
Net Book Value	
At 31 March 2022	<u>955</u>
At 31 March 2021	<u>1,686</u>

THE BUTLER TRUST
NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2022

11. INVESTMENTS

	2022	2021
	£	£
Market value:		
Balance, brought forward	108,625	83,719
Additions	-	-
Disposal	-	-
Gain/(loss) on valuation at year end	13,703	24,906
	<u>122,328</u>	<u>108,625</u>
Historic cost	<u>75,000</u>	<u>75,000</u>
412.202 units - M & G Equities Investment Fund for Charities	<u>122,328</u>	<u>108,625</u>

12. DEBTORS

	2022	2021
	£	£
Grants and sponsorship receivable	62,250	48,250
Other debtors	5,195	5,800
Prepayments	98	5,725
	<u>67,543</u>	<u>59,775</u>

13. CREDITORS: Amounts falling due within one year

	2022	2021
	£	£
Creditors	4,969	7,800
Tax and social security	3,443	3,658
Other accruals	4,140	4,080
	<u>12,552</u>	<u>15,538</u>

14. SHARE CAPITAL

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

THE BUTLER TRUST
NOTES TO THE ACCOUNTS (Cont'd)
FOR THE YEAR ENDED 31 MARCH 2022

15. ANALYSIS OF CHARITABLE FUNDS

Analysis of movements in unrestricted funds

	Balance at 01.04.21 £	Income £	Expenditure £	Gains/(Losses) £	Transfers £	Balance at 31.03.22 £
General funds	250,000	222,705	(261,015)	13,703	24,607	250,000
Designated funds	113,130	-	-	-	(24,607)	88,523
Total funds	363,130	222,705	(261,015)	13,703	-	338,523

Analysis of movements in restricted funds

	Balance at 01.04.21 £	Income £	Expenditure £	Gains/(Losses) £	Transfers £	Balance at 31.03.22 £
Bromley Trust	-	10,000	(10,000)	-	-	-
Total funds	-	10,000	(10,000)	-	-	-

Analysis of charitable funds – previous year

	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	318,524	244,237	(224,537)	24,906	-	363,130

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	-	10,000	(10,000)	-	-	-

The specific purposes for which the funds are to be applied are as follows:

A restricted grant towards sponsorship of the Keith Bromley Award for Education and Skills Training and promoting good practice in education and skills training

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.

THE BUTLER TRUST
NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31 MARCH 2022

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Designated Funds £	Restricted funds £	Total 2022 £	Total 2021 £
Tangible assets	955	-	-	955	1,686
Investments	122,328	-	-	122,328	108,625
Net current assets	126,717	88,523	-	215,240	252,819
	<u>250,000</u>	<u>88,523</u>	<u>-</u>	<u>338,523</u>	<u>363,130</u>

Analysis of net assets between funds - previous year

	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>

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 £202 for travel and subsistence expense to one Trustee (2021 - Nil).

No remuneration was paid to any Trustee during the year (2021 – 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.

	2022 £	2021 £
One year	16,819	17,551
Between two and five years	-	16,822
	<u>16,819</u>	<u>34,373</u>