

**Charity Registration No. 1188447**

**The Barratt Developments PLC Charitable Foundation**

**Annual report and financial statements for the year ended 30 June 2023**

**The Barratt Developments PLC Charitable Foundation**  
**Annual report and financial statements**  
**For the Year Ended**  
**30 June 2023**

<b>Contents</b>	<b>Page</b>
Reference and administrative details	1
Trustees' report	2
Statement of Trustees' responsibilities	8
Independent auditor's report	9
Statement of financial activities	13
Balance sheet	14
Statement of cash flows	15
Notes	16

# **The Barratt Developments PLC Charitable Foundation**

## **Annual report and financial statements for the year ended 30 June 2023**

### **Reference and Administrative Details**

The Trustees of the Barratt Developments PLC Charitable Foundation (the "Foundation"), registered number 1188447, present their report and accounts for the year ended 30 June 2023 ('FY23'). The accounts have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Foundation's constitution, the Charities Act 2011 and the provisions of 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).

### **Trustees**

The Trustees who held office during the period and to the date of this report were as follows:

K K Bains

Lord G L Barwell

P M Charles (appointed 2 August 2022)

T Collins

J Hipkiss (resigned 30 November 2023)

U Ikwu (appointed 2 August 2022)

M E Rolfe

D F Thomas (resigned 27 April 2023)

H Adams (appointed 11 January 2024)

### **Head of Foundation**

Andrew Button-Stephens

### **Banker**

Lloyds Bank Plc City Office

P.O. Box 72

Bailey Drive

Gillingham Business Park

Kent

ME8 0LS

### **Auditor**

UHY Hacker Young LLP

Quadrant House

4 Thomas More Square

London

E1W 1YW

### **Solicitor**

Slaughter and May

One Bunhill Row

London

EC1Y 8YY

### **Principal office**

Barratt House

Cartwright Way

Forest Business Park

Bardon Hill

Coalville

LE67 1UF

# **The Barratt Developments PLC Charitable Foundation**

## **Annual report and financial statements for the year ended 30 June 2023**

### **Trustees' report**

#### **Objectives and Activities for the Public Benefit**

The Foundation is a charitable incorporated organisation ('CIO') which was established on 10 March 2020. Its objectives, as set out in its constitution, are to advance such charitable purposes (according to the law of England and Wales) as the charity Trustees see fit from time to time. The Foundation draws together charitable work undertaken by Barratt Developments PLC ("the PLC"), and its employees, under one body. It aims to lead the way in charitable giving, grow the impact it has across the UK and create a powerful legacy both nationally and locally in communities across the UK.

The Foundation has a general charitable purpose, which means that it is able to donate to a wide variety of UK charities. For FY23, the Trustees of the Foundation focused on the following key areas:

- Promoting social inclusion, with a specific focus on young people, the armed forces and the most disadvantaged and excluded in society
- Promoting physical and mental health and wellbeing
- Advancement of education
- Helping the environment and nature

During the year the Trustees, with support from an external consultant, reviewed its vision, purpose and strategy for FY24 and beyond, including a review of the above key areas. The outcome was a new Purpose for the Foundation (for full details see page 6: Plans for the Future). From FY24 the Foundation will focus on supporting charities and local causes relating to children and young people and those most disadvantaged.

#### **Foundation Management**

The Foundation is governed by the Trustees and chaired by Mark Rolfe. The Trustees meet at least four times a year to review the strategic, financial, governance and operational performance of the Foundation and to review progress against its goals and objectives – which include the allocation of grants to specific projects, the selection of charity partners and improving engagement with employees of the PLC. As reported in last year's Annual Report and Accounts, Philippa Charles and Ugo Ikokwu, joined the Trustee Board in FY23, both of whom bring significant grant making experience. Full biographies for Philippa and Ugo can be found on the Foundation's website at: <https://barrattfoundation.org.uk/people>.

The Foundation commenced operation in January 2021 and continues to develop its activities, policies, processes and grant making. The day-to-day management of the Foundation is led by the Head of Foundation, Andrew Button-Stephens, who is supported by a newly appointed Partnerships and Projects Manager and a Foundation Coordinator.

#### **Achievements and Performance**

During the year to 30 June 2023, the Foundation entered into a three year funding agreement with the PLC (the 'Funding Agreement'). Under this agreement the Foundation will receive £4m per financial year commencing from FY23 (2022: £4,438,195). The Funding Agreement is automatically extended annually for a further year (subject to satisfactory performance and reporting by the Foundation) until terminated by notice from either party. Funding under this agreement is drawn down in quarterly instalments to cover the expected funding plans of the Foundation for each quarter. The Foundation donated a total value of £4,098,185 in FY23 (2022: £3,831,203) to more than 690 good causes throughout the UK to support grants and partnerships; PLC Divisional giving; and employee fundraising programmes.



# **The Barratt Developments PLC Charitable Foundation**

## **Annual report and financial statements for the year ended 30 June 2023**

### **Grants & Partnerships**

During FY23 the Foundation made donations of £2,228,500 (FY22: £2,500,000) to grantees and partners. This included multi-year partnerships with The Outward Bound Trust, Whizz-Kidz and Sheffield Hallam University and new one-year national partnerships with Place2Be, Bookmark Reading Charity, Refuge, Wetland & Wildfowl Trust, the Lighthouse Construction Industry Charity and CleanUpUK.

The Foundation's approach to national charity partnerships continues to develop. Each one of these national partnerships was carefully selected by the Trustees for the impact that funding from the Foundation is likely to have, the alignment with its criteria and focus areas and, where available, opportunities for employees of the PLC to participate in volunteering and other forms of charitable engagement.

### **Emergencies and disasters**

The Foundation is proud to continue its support for emergencies and disasters in the UK and internationally. In FY23, the Trustees agreed the following one-off grants to charities via the Disasters & Emergencies Fund:

- £100,000 to Comic Relief's Winter Cost of Living Crisis Appeal
- £50,000 to the DEC Syria Turkey Earthquake Appeal
- £50,000 to the DEC Pakistan Floods Appeal
- £50,000 to The Scouts Association – in memory of HM The Queen
- £50,000 to Girlguiding UK – in memory of HM The Queen

### **Monthly grants programme**

The Foundation also continued to respond to worthy and inspiring ad-hoc grant requests through its monthly grants programme, donating £300,000 to 127 charities and good causes. The Foundation received 130% more grant requests in FY23 than in FY22 and were able to support 32% of the requests. During the year the Trustees considered how to improve the effectiveness of the monthly grants programme and agreed to establish a Grants Committee to consider all ad hoc requests and determine how to allocate the funding available. See page 6: Plans for Future Period for more information.

### **Grant Making Policy**

The Trustees determine how charitable grants are awarded and assess each grant application on its merits by considering, amongst other matters, the potential impact of any funding; its justification; its alignment to the Foundation's charitable purpose (in particular the key focus areas); the geographical reach of the charity; its registered charity status; its financial position, and how it fits with the Foundation's grant making criteria.

### **Enabling Divisional Giving**

In FY23, £1,086,000 (FY22: £900,629) was donated via the Foundation's Divisional Giving programmes. This included support for over 350 local charities through the Barratt and David Wilson Community Fund, a programme that enables each of the PLC's 32 divisional and Group office locations throughout the UK to nominate a different local charity each month to receive a £1,500 (FY22: £1,000) donation.

In December 2022 the Foundation made an additional £165,000 available (FY22: £150,000), for each Division of the PLC to nominate at least one local charity to receive a donation of up to £5,000, with 48 local charities being supported at Christmas.

In collaboration with the PLC's Regional Managing Directors ("RMDs"), the Foundation also made £350,000 in donations to 27 charities across the seven operating regions of the PLC.

# **The Barratt Developments PLC Charitable Foundation**

## **Annual report and financial statements for the year ended 30 June 2023**

### **Encouraging Employee Fundraising**

To encourage employee fundraising, the Trustees made a number of changes to the Foundation's matched funding programmes for FY23. This included lowering the threshold for submitting an application for matched funding from £500 to £100 and providing double match funding up to a maximum of £2,000 per employee. These changes drove a 200% increase in the number of employees applying for matched funding, a significant improvement in the total amount raised and the level of utilisation of matched funding during the year.

Accordingly, in FY23, the Foundation provided £783,685 (FY22 £430,574) of match funding to employees and Divisions of the PLC. Funds were raised by PLC employees and its Divisions through a variety of activities from running marathons, scaling mountains, organizing events to holding coffee mornings or quizzes, all for charities that are close to their hearts.

The Trustees also made a donation of £68,000 towards the fundraising efforts of a team of the PLC's graduates, who took part in the annual Million Makers Competition in aid of The Prince's Trust.

### **Progress against FY23 Priorities and Objectives**

In FY22 the Trustees set the following key objectives and priorities for FY23:

- a) to utilise to the greatest extent possible the Foundation's grant from the PLC for the year;
- b) to complete the vision and strategy project;
- c) to launch new charity partnerships;
- d) to increase the Foundation's engagement with employees and Divisions of the PLC;
- e) to implement a new payment and grant management system; and
- f) to explore the optimal human resources needed to deliver the Foundation's objectives.

The Trustees reviewed progress against each of these objectives on a quarterly basis across FY23. All of the objectives were achieved in FY23, with the exception of the new grant management system, which has been deferred into FY24 to allow more time for implementation.

### **Financial Review**

During the period under review, the Foundation received £4,000,000 (2022: £4,438,195) in monetary donations and a further £247,368 (2022: £104,009) in donated services. The Foundation incurred expenditure of £4,374,264 (2022: £3,963,277) on charitable activities, comprising grant expenditure of £4,098,185 (2022: £3,831,203), support costs of £258,079 (2022: £112,074) and governance costs of £18,000 (2022: £20,000). The PLC provides both financial (by covering most Foundation overheads) and administrative support to the Foundation. This ensures that the Foundation has low running costs and that the majority of the funding it receives can be donated to worthy causes.

At the end of the financial period the Foundation held unrestricted funds of £587,163 (2022: £363,059) and restricted funds of £587,195 (2022: £938,195). The Foundation's restricted funds were donated by the PLC in March 2022 and are the outcome of a review by the PLC of its unclaimed dividends and inactive share accounts in June 2021. In April 2023 the Trustees agreed to utilise the remaining restricted funds equally over FY24, FY25 and FY26.

In FY23 the Foundation utilised the first £4m donation under the Funding Agreement. With the Funding Agreement in place the Trustees believe there is a low risk of significant unexpected changes in the Foundation's income or expenditure. Accordingly, the Foundation's reserves policy is to hold a minimum cash reserve of £100,000 to cover timing fluctuations in grant expenditure each quarter and £250,000 to support the cash flow requirements of the Foundation. The Trustees reviewed the funding and reserves approach in April 2023 and agreed that it remains fit for purpose. The Trustees will review the Foundation's Reserves policy on an annual basis.



# **The Barratt Developments PLC Charitable Foundation**

## **Annual report and financial statements for the year ended 30 June 2023**

### **Going Concern**

Based on an assessment of the forecast cash flows to 30 June 2024 and the contracted cash flows to 30 June 2025, the Trustees consider that the Foundation is able to meet its liabilities as they fall due during the going concern assessment period. The Trustees have also considered any possible events or conditions over the next 18 months that would result in the Foundation being unable to continue. No material uncertainties have been identified. The Trustees have therefore approved the preparation of the Accounts on the going concern basis.

### **Principal Risks**

Our aim is for our risk management approach to follow the recommendations of the Charity Governance Code. Following a review of the requirements of the Charity Governance Code in FY22, which highlighted strong alignment with charity-sector best practice, we further strengthened our governance in FY23– this included developing our vision, purpose and values and developing our approach to safeguarding and diversity, equality and inclusion. The Trustees, with the support of the Foundation team and its independent legal advisors, Slaughter and May, will continue to monitor charity sector best practice and ensure that the Foundation continues to operate within legal and regulatory requirements

The Foundation's principal risks are reputational and fraud. The Trustees have put in place systems and procedures to monitor how donations are made. All beneficiaries are reviewed and approved by the Foundation team and Trustees in advance of any grants being awarded. All payments are authorised and made in accordance with the banking mandate and delegation of authority in place.

The PLC has made resources available to the Trustees to help them run the Foundation efficiently and in an appropriate manner. These resources include a dedicated Foundation team and its heads of functions for Finance, Company Secretarial and Communications to ensure that the Trustees have relevant financial controls, monitoring and reporting in place to reduce the risk of fraud.

In June 2023, with the support of the Trustees, the PLC's Internal Audit team conducted a review of the Barratt Foundation. The review provided assurance to the PLC (the Foundation's sole corporate donor) that the design, effectiveness and application of the policies, processes and controls within the Foundation were appropriate and fit for purpose. The review also highlighted a number of possible improvement opportunities that are being considered by the Trustees – including how the Foundation's operating costs are approved, how the Foundation utilises expertise from the PLC's finance and risk teams and our combined approach to safeguarding.

The Trustees consider that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

# The Barratt Developments PLC Charitable Foundation

## Annual report and financial statements for the year ended 30 June 2023

### Plans for Future Periods

The Foundation will continue to grant awards in line with its charitable purpose and looks forward to delivering the following key projects and activities in FY24:

### FY24 Priorities and Objectives

In June 2023 the Trustees agreed the following key objectives and priorities for FY24:

- a) to fully utilise funding from the PLC;
- b) to implement the agreed approach to identifying new, and renewing existing agreements with, national charitable partners;
- c) to implement the agreed strategy in accordance with the agreed action plan;
- d) to launch and support a new Grants Committee;
- e) to develop our approach to Impact & Engagement measurement and reporting;
- f) to continue to grow charitable engagement with Barratt employees and Divisions;
- g) to deliver our governance priorities; and
- h) to continue to monitor the optimal human resources needed to deliver the Foundation's objectives.

Each of these objectives will be supported by a number of measures, which will be reviewed by the Trustees on a quarterly basis across FY24 to monitor progress.

### Vision, Purpose & Values

Following extensive stakeholder interviews across FY23, the Foundation Trustees have agreed the following Vision, Purpose & Values for the Barratt Foundation for FY24-FY26:

**Our Vision:** *We will help communities throughout the UK to thrive, focusing our support on children, young people and those most disadvantaged.*

**Our Values:** To underpin the vision and purpose we have created a set of values that are based on the input from our stakeholders. These values have been refined to align with the strengths and role of the Foundation, colleagues and supporters.

Value	Description
<i><b>We will be Ambitious</b></i>	We aim to support as many communities as possible across the UK to thrive. We will aim to operate industry leading charitable giving.
<i><b>We will be Collaborative</b></i>	We will work with partners, people and the PLC to fulfil our purpose.
<i><b>We will make our work Enduring</b></i>	We will aim to make a lasting impact in communities across the UK.
<i><b>We will ensure what we do is Impactful</b></i>	We will aim to understand and articulate the outcomes and impact created by the Foundation, it's people and partners.



# The Barratt Developments PLC Charitable Foundation

## Annual report and financial statements for the year ended 30 June 2023

The Vision, Purpose and Values are supported by the following building blocks:

<b>What we will do in the new strategy</b>	<ul style="list-style-type: none"><li>• Focus on a small range of causes clearly connected to our new Vision and Purpose.</li><li>• Continue to support charities (and exempt organisations such as schools) in England, Wales and Scotland.</li><li>• Continue to consider disasters and emergencies funding on a case-by-case basis, in line with our policy.</li><li>• Be flexible with regards to the social issues and causes that we support provided they remain aligned with the new Vision and Purpose.</li></ul>
<b>Our stakeholders</b>	<ul style="list-style-type: none"><li>• We will work in partnership with our stakeholders to deliver our Vision and Purpose, including, but not limited to:<ul style="list-style-type: none"><li>- Current and prospective charity partners</li><li>- Barratt employees in Divisions and Group</li><li>- Barratt Developments PLC Leadership</li></ul></li></ul>
<b>How we will work with our stakeholders</b>	<ul style="list-style-type: none"><li>• We will have a clear programme to engage and support PLC employees and Divisions in their fundraising and volunteering activities.</li><li>• Where there are areas of joint CSR interest we will work with the PLC on a case-by-case basis.</li></ul>
<b>What impact we will achieve</b>	<ul style="list-style-type: none"><li>• The Vision &amp; Purpose defines broadly the areas in scope for the Foundation's work.</li><li>• We will have a clear methodology to showcase the impact achieved from our support to charities and communicate this to our stakeholders.</li></ul>

### New Impact Grants Fund & Grants Committee

In April 2023, the Trustees agreed to establish a Grants Committee as a formal committee of the Trustee Board to review all grant applications to the Impact Grants Fund in FY24. This is a newly established fund, which combines the monthly grants programme and RMD Fund and aims to make donations to charitable projects that align with the Foundation's new vision, can clearly demonstrate the reach and impact of the donation and articulate how the charity could involve Barratt employees or Divisions in volunteering and fundraising activities. In FY24 the Foundation will publish the criteria and detailed guidance and will accept applications via an improved application process.

### Grants & Partnerships

Following the conclusion of the Foundation's Vision & Purpose project, the Trustees have reviewed all of the Foundation's national charity partners and will be renewing a select number of existing partnerships in FY24 and beginning the search for additional national partners. Selections will be based on the charity's alignment with the Foundation's new vision & purpose, the proposed impact and reach of our donation, the engagement opportunities for Barratt employees and the proactive support from the charity. As the Foundation's national partnership approach continues to develop, we look forward to working with our partners (and carefully selecting new ones) in FY24.

### Enabling Divisional Giving

The Trustees have agreed to maintain the Community Fund donations at £1,500 per month in FY24, representing in total a donation of over £500,000 to local charities in the communities in which Barratt operates across the UK. In addition, the Trustees have agreed to fund each Barratt Division and office to nominate charities to receive an additional £3,000 in donations across December and January, via the new Winter Support Fund.

# **The Barratt Developments PLC Charitable Foundation**

## **Annual report and financial statements for the year ended 30 June 2023**

### **Encouraging Employee Fundraising**

The Foundation Trustees were pleased that the changes made in FY23 resulted in a significant increase in the number of employees applying for matching funding, the total amount raised and the utilisation of matched funding and the Trustees will continue to support Barratt employees with their fundraising and volunteering efforts in FY24. In April 2023 the Trustees approved a number of changes to the matched funding programmes, including broadening the individual matched funding programme to include support for team fundraising events and reducing the level of Divisional matched funding. Employees can therefore secure match funding of up to a maximum of £1,000 per employee and £12,000 per Division from the Foundation.

### **Structure, Governance and Management**

The Foundation is a charitable incorporated organisation (CIO) governed by its constitution. It must have a minimum of two trustees. If the number falls below this minimum, the remaining trustee may act only to appoint a new charity trustee. The maximum number of charity trustees is ten.

At every annual general meeting of the members of the CIO, one-third of the charity trustees shall retire from their office. If the number of charity trustees is not three or a multiple of three, then the number nearest to one-third shall retire from office, but if there is only one charity trustee, he or she shall retire. The charity trustees to retire by rotation shall be those who have been longest in office since their last appointment or reappointment. If any trustees were last appointed or reappointed on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Any vacancies may be filled by the decision of the Foundation's sole member, Barratt Developments PLC, at the annual general meeting or the sole member or the charity trustees may at any time decide to appoint a new charity trustee, whether to replace a charity trustee or as an additional one, provided that the limit on the number of charity trustees is not exceeded. Any trustee appointed must act in the independent interest of the charity to further its charitable aims. Please refer to note 9 on page 20 for related parties' information.

Appropriate training and induction is given to new trustees and they are provided with a copy of the constitution, a copy of the Charities' Commission guide "The essential trustee" and a copy of the latest trustees' annual report and statement of accounts.

The Trustees, led by the Chairman, are responsible for governing and setting the strategy for the Foundation.

This Trustees Report was approved by the Board of Trustees on 15<sup>th</sup> February 2024 and signed on behalf of The Barratt Developments PLC Charitable Foundation on 22<sup>nd</sup> March 2024 by:

**Mark Rolfe**

Chairman

22<sup>nd</sup> March 2024



**Kamalprit Bains**

Trustee

22<sup>nd</sup> March 2024





# **The Barratt Developments PLC Charitable Foundation**

## **Annual report and financial statements for the year ended 30 June 2023**

### **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website'. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



# **The Barratt Developments PLC Charitable Foundation**

## **Annual report and financial statements for the year ended 30 June 2023**

### **Independent auditors' report to the trustees of the Barratt Developments PLC Charitable Foundation**

#### **Opinion**

We have audited the financial statements of the Barratt Developments PLC Charitable Foundation (the charity) for the year ended 30 June 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2023 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 Charities Act 2011

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISA (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 charity 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 statement is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the 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 financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

# **The Barratt Developments PLC Charitable Foundation**

## **Annual report and financial statements for the year ended 30 June 2023**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the *Charities (Accounts and Reports) Regulations 2008* requires 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;
- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 9, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

### **Auditors' 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

### **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, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charity and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated management's incentives and opportunities for manipulation of the financial statements (including the risk of override of controls), and determined that the principal risk related to the completeness of the year- end grant expenditure liability. We reviewed Trustees Board minutes and grant funding agreements to identify grant expenditure falling into more than one financial period. Substantive testing was performed on a sample of grant applications to ensure the grants had been recognised in the correct period.



## **The Barratt Developments PLC Charitable Foundation**

### **Annual report and financial statements for the year ended 30 June 2023**

Other audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation to assess compliance with relevant laws and regulations, review of correspondence with legal advisors, review of minutes of meetings held by those charged with governance, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities) This description forms part of our auditor's report.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

#### **Use of our report**

This report is made solely to the charity's Trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees 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 charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**UHY Hacker Young**  
**Chartered Accountants**  
**Statutory Auditor**

**28 March 2024**

**UHY Hacker Young LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.**



## The Barratt Developments PLC Charitable Foundation

### Annual report and financial statements for the year ended 30 June 2023

#### Statement of Financial Activities for the year ended 30 June 2023

		Un- restricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Un- restricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
	Notes						
<b>Income from</b>							
Donations	2	4,247,368	-	4,247,368	3,604,009	938,195	4,542,204
<b>Total income</b>		4,247,368	-	4,247,368	3,604,009	938,195	4,542,204
<b>Expenditure on</b>							
Charitable activities	3	(4,023,264)	(351,000)	(4,374,264)	(3,963,277)	-	(3,963,277)
<b>Total expenditure</b>		(4,023,264)	(351,000)	(4,374,264)	(3,963,277)	-	(3,963,277)
<b>Net (expenditure)/income</b>		224,104	(351,000)	(126,896)	(359,268)	938,195	578,927
<b>Reconciliation of funds</b>							
Total funds brought forward		363,059	938,195	1,301,254	722,327	-	722,327
<b>Total funds carried forward</b>	7	587,163	587,195	1,174,358	363,059	938,195	1,301,254

# The Barratt Developments PLC Charitable Foundation

## Annual report and financial statements for the year ended 30 June 2023

### Balance Sheet

at 30 June 2023

	Notes	2023 £	2022 £
<b>Current assets:</b>			
Cash at bank and in hand		<u>1,494,313</u>	<u>1,709,573</u>
<b>Total current assets</b>		<u>1,494,313</u>	<u>1,709,573</u>
<b>Liabilities:</b>			
Creditors: amounts falling due within one year	5	<u>(319,955)</u>	<u>(408,319)</u>
<b>Total assets less current liabilities</b>		<u>1,174,358</u>	<u>1,301,254</u>
<b>Net assets</b>		<u>1,174,358</u>	<u>1,301,254</u>
<b>The funds of the charity:</b>			
Restricted income funds	6	587,195	938,195
Unrestricted income funds	7	<u>587,163</u>	<u>363,059</u>
<b>Total Charity funds</b>		<u>1,174,358</u>	<u>1,301,254</u>

The notes on pages 16 to 20 form part of these accounts.

These accounts were approved and authorised for issue by the Board of Trustees on 15<sup>th</sup> February 2024 and were signed on its behalf by:

**Mark Rolfe**

Chairman

22<sup>nd</sup> March 2024



**Kamalprit Bains**

Trustee

22<sup>nd</sup> March 2024



## **The Barratt Developments PLC Charitable Foundation**

### **Annual report and financial statements for the year ended 30 June 2023**

#### **Statement of cash flows**

for the year ended 30 June 2023

	2023 £	2022 £
<b>Cash flows from operating activities:</b>		
Net (expenditure)/income for the year	(126,896)	578,927
Adjustments for:		
(Decrease)/increase in creditors	(88,364)	301,652
Net cash (used in)/provided by operating activities	(215,260)	880,579
Cash and cash equivalents at the beginning of the year	1,709,573	828,994
<b>Cash and cash equivalents at the end of the year</b>	<b>1,494,313</b>	<b>1,709,573</b>



# **The Barratt Developments PLC Charitable Foundation**

## **Annual report and financial statements for the year ended 30 June 2023**

### **Notes**

#### **1. Principal accounting policies**

##### **Basis of preparation**

The accounts have been prepared in accordance with Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland, the requirements of 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 Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and under the historical cost accounting rules. The charity is a public benefit entity under FRS 102.

##### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of Barratt Developments PLC Charitable Foundation's ('the Foundation's') accounting policies, described below, there are no individual judgements or key sources of estimation uncertainty that have a significant impact upon the Accounts.

##### **Going concern**

Based on an assessment of the forecast cash flows to 30 June 2024 and the contracted cash flows to 30 June 2025, the Foundation is able to meet its liabilities as they fall due for the foreseeable future, being at least 12 months from the date these accounts are approved. Management have also considered any possible events or conditions over the next 18 months that would result in the Foundation being unable to continue. No material uncertainties have been identified. Accordingly, the Trustees continue to adopt the going concern basis in preparing the accounts.

##### **Income**

The Foundation is solely reliant on funding from Barratt Developments PLC ('the PLC') to fund its donations and activities. In FY23 the PLC signed an agreement whereby the PLC will donate £4m per year to the Foundation (subject to satisfactory performance and reporting by the Foundation) for a rolling three year period until terminated with notice by either party. This will be drawn down in equal quarterly instalments to cover the expected funding plans of the Foundation for each quarter. Income from cash donations is recognised in the Statement of Financial Activities when the Foundation is legally entitled to the income, receipt is probable and the amount can be measured reliably, usually on receipt.

Donated services and facilities reflect the cost of services provided free of charge to the Foundation by the PLC and its suppliers. They are measured at the amount the Foundation would pay in an open market for an alternative service and recognised as income, with an equivalent amount recognised in expenditure, as the service is received.

##### **Expenditure**

All expenditure is accounted for on the accruals basis. Grants payable, including multi-year grants, are recognised in full once the Foundation has an obligation to make that grant, usually when payment has been approved by the Trustees and the intention communicated to the recipient. Support and governance costs are recognised over the period in which the services are received. Support costs not attributable to a single activity are apportioned between activities in proportion to the direct costs incurred through each activity.

##### **Financial instruments**

Financial assets and liabilities are recognised on the Balance Sheet when the Foundation becomes a party to the contractual provisions of the instrument.

##### *Cash at bank and in hand*

Cash at bank and in hand comprises cash in bank accounts with no notice that are subject to insignificant changes in value.

# The Barratt Developments PLC Charitable Foundation

## Annual report and financial statements for the year ended 30 June 2023

### *Creditors*

Creditors are recognised at the point at which the Foundation has an obligation for payment and are measured on initial recognition at historical cost. They are subsequently measured at the amount required to settle the obligation.

### **Taxation**

Due to its charitable status no tax is payable on the Foundation's income for the period. Value Added Tax is not recoverable by the organisation, consequently all expenditure in these accounts is stated inclusive of VAT where applicable.

### **Accumulated funds**

Unrestricted funds are general funds which are available at the Trustees' discretion in furtherance of the general objectives of the Foundation.

### **Employee numbers and costs**

The Foundation had no employees or key management personnel during the year and paid no remuneration. The Foundation benefits from administration and donated services provided free of charge, the accounting for which is detailed in the income policy. Please refer to note 4 for disclosures on Trustee remuneration and expenses.

## **2. Income**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Donations received	4,000,000	4,438,195
Donated services and facilities	247,368	104,009
	<hr/>	<hr/>
	4,247,368	4,542,204
	<hr/>	<hr/>

Donated services reflect professional and administration services provided free of charge to the Foundation.

## **3. Charitable activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Grants expenditure	4,098,185	3,831,203
Support costs	258,079	112,074
Governance costs	18,000	20,000
	<hr/>	<hr/>
	4,374,264	3,963,277
	<hr/>	<hr/>

Support costs are incurred in the form of website hosting fees, professional and administration services and insurance costs. All support costs in the year are attributable to the administration of grants expenditure (2022: all attributable to grants expenditure).

Governance costs comprise the annual audit fee plus VAT.

# The Barratt Developments PLC Charitable Foundation

## Annual report and financial statements for the year ended 30 June 2023

All grants expenditure is payable to charitable institutions for the pursuit of charitable activities:

	2023 £
Whizz-Kidz	381,856
The Outward Bound Trust	300,000
Place2Be	300,000
Bookmark Reading Charity	102,420
CleanUp UK	100,000
Comic Relief	100,000
Refuge	100,000
The Wildfowl and Wetlands Trust	100,000
The Prince's Trust	75,500
Other charitable institutions*	2,538,409
	<u>4,098,185</u>

	2022 £
The Outward Bound Trust	1,000,000
Whizz-Kidz	631,000
Magic Breakfast	100,000
The Prince's Trust	68,200
Action for Kids Charitable Trust	60,000
Other charitable institutions*	1,972,003
	<u>3,831,203</u>

\*These include all donations granted with a value of £50,000 or less.

### 4. Staff numbers and costs

The average number of the PLC staff who supported the Foundation during the period was 7 (2022: 6).

No emoluments were paid to any Trustees during the year (2022: £Nil). Reimbursed expenses of £226 were paid during the year to one Trustee in respect of travel costs (2022: £111).



# The Barratt Developments PLC Charitable Foundation

## Annual report and financial statements for the year ended 30 June 2023

### 5. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals for grants payable	281,654	390,319
Accruals for governance costs	38,301	18,000
	<u>319,955</u>	<u>408,319</u>

All of the creditor balances above are from the unrestricted fund.

### 6. Analysis of restricted charitable funds

	2023 £	2022 £
Restricted funds brought forward	938,195	-
Income	-	938,195
Expenditure	(351,000)	-
	<u>587,195</u>	<u>938,195</u>
Restricted funds carried forward		

Restricted charitable funds comprise amounts donated to the Foundation on condition that those amounts are used for grant expenditure that meets criteria specified by the donor.

### 7. Analysis of unrestricted charitable funds

	2023 £	2022 £
Unrestricted funds brought forward	363,059	722,327
Income	4,247,368	3,604,009
Expenditure	(4,023,264)	(3,963,277)
	<u>587,163</u>	<u>363,059</u>
Unrestricted funds carried forward		

### 8. Trustees

The Trustees are set out in the Trustees' Report. None of the Trustees (or any persons connected with them) have been paid remuneration or received any other benefits from the Foundation during the year. One or more of the Trustees have been paid remuneration and received other benefits from their employment with the PLC, a related party to the Foundation.

# **The Barratt Developments PLC Charitable Foundation**

## **Annual report and financial statements for the year ended 30 June 2023**

### **9. Related party transactions**

During the year, monetary donations totalling £4,000,000 (2022: £4,438,195) were received from the PLC, the sole member of the Foundation. One Trustee was a paid director of the PLC; but was not remunerated for their role as a Trustee.

The Foundation also benefits from administration services provided free of charge by the PLC. In the year to 30 June 2023, the value of these services to the charity was £193,068 (2022: £104,009). This has been recognised as donated services in income from donations and as support costs in expenditure on charitable activities.

### **10. Ultimate controlling party**

The Trustees of the Foundation may be nominated by its sole member, Barratt Developments PLC, but they act in the independent interest of the Foundation to further its charitable aims.

Barratt Developments PLC is the parent company of a large group of companies whose principal activity is that of housebuilding in the United Kingdom. Copies of the financial statements of this company are available from:

The Company Secretary  
Barratt House  
Cartwright Way  
Forest Business Park  
Bardon Hill  
Coalville  
LE67 1UF

### **11. Post balance sheet events**

The Barratt Foundation are in discussions with Barratt Developments PLC about an amended Funding Agreement for FY25 onwards. As a result of this, the Trustees will be reconsidering the level of free cash reserves, Reserves Policy and options for diversifying income.

Jeremy Hipkiss, a Trustee since the Foundation's incorporation, stepped down on 30<sup>th</sup> November 2023 having made a significant contribution to the charity's development.

Helen Adams, the PLC's Group Head of Reward & Policy joined the Trustee Board on 11<sup>th</sup> January 2024, bringing extensive knowledge of the PLC's employee base and a passion for supporting volunteering.