

BUTTLE UK ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 March 2022

CONTENTS

	PAGE NO.
Message From The Chair Of Trustees	01
About Buttle UK	02
Overall Aim and Strategic Goals	03
Our Key Strategic Pillars	04
Achievements, Performance and Plans For The Future	08
Case Studies	10
Key Statistics	12
Financial Review	14
Investments & Investment Policy	17
Structure, Governance and Management	19
Independent Auditor's Report to the Trustees of Buttle UK	22
Financial Statements and Notes	25

MESSAGE FROM THE CHAIR OF TRUSTEES

Shortly after launching our new 5-year strategy in March 2020, the Covid-19 pandemic struck the UK and forced the first lockdown. In the face of such high demand for our Chances for Children grants, we made the decision to focus the Buttle UK team on grant making and fundraising as much as possible. If we could help people directly in this time of need, we wanted to focus all our attention on doing so. We received an incredible amount of funding for our grants, and we directed every penny to those struggling the most. Our Chances for Children grants budget nearly trebled in the first year of our strategy as funders came to us to support vulnerable children and young people in their homes. A huge thanks to all funders that have supported us in this time.

To help maintain this higher level of grant provision as the demand for our support continued into the second year of the Covid-19 crisis, we increased funding from our own endowment as part of our 'Stepping Up' fund. We added an additional £1m in 2021/22, with the same again in this current year. We also made the decision to re-engage with our organisational strategy in full. Work on progressing this, alongside maintaining the increased level of grant funding and distribution, has undoubtedly been challenging, with the team stretched on all fronts. We have carried out a remarkable amount of work since the Covid-19 pandemic first hit the UK and I would like to acknowledge and thank our passionate and committed staff that are critical to successfully delivering our work to support children and young people in crisis during this time. However, we recognised that in order to maintain performance against operational need and our strategic intent, we needed to increase the level of resources in the team, and so this is what we have done.

On top of our grant making focus, we have a range of projects this year that will further our strategic work, and really begin to build ways in which we hold ourselves accountable to the communities we support; this includes setting up a Youth Panel

and Advisory Group, where the insight of those with lived and frontline experience will become increasingly integral to our decision making at Buttle UK. Data from our new online application forms, created this year, will help us to develop our understanding of our impact, the diversity of our grants, and the improvements we should be focusing on in our next Business Plan. We will also collaborate with Turn2Us and Smallwood Trust to design and develop a co-produced local programme to support women and their children in crisis.

At a time when the country has begun to learn to live with Covid-19, our 'Stepping Up' fund has been there to maintain support for those children and young people struggling most with the challenges the pandemic left in its wake. But, the cost-of-living crisis has hit families on the lowest incomes with an absolute sucker punch; without the essential support to cover food and energy costs, children and young people already living in poverty are going to suffer more and the economic issues we face nationally will surely see more join them. We will not step back from this challenge. For the third year in a row, we aim to deliver a Chances for Children grants budget of over double the pre-Covid-19 level thanks to our funders and our own endowment. We will also increase our Support for Boarding funding this year so that children struggling in the most challenging situations at home can receive the best wraparound support, and ultimately remain with their families in the long term.

We believe our grants will be more vital in the coming year than they were at even the worst points during the Covid-19 period, and with your help we will ensure children and young people in crisis do not go without the essential items and activities they need to thrive.



Jill Dinsmore, Chair of Trustees

ABOUT BUTTLE UK

Buttle UK is a charity dedicated to helping children and young people in the UK who have experienced crisis, live in financial hardship and deal with multiple challenging social issues. We have been doing this since 1953.

We provide support designed to improve emotional, educational and social outcomes through our Chances for Children grants and, for some children whose home environment is particularly disruptive and chaotic, grants which allow them to go to boarding school. All our grants are designed to help provide a safe and nurturing environment to grow up in and access to activities that promote wellbeing and help strengthen support networks. Ultimately, we aim to increase the capacity of children and young people to engage in education and improve their social and emotional wellbeing.

We focus our support on grantmaking because this is where we have expertise and experience to make the biggest difference. Buttle UK operates across the UK and, in 2021/22, provided £4.26m in timely, individually targeted grants to support 4,519 children and young people. There are fantastic organisations fighting for systems change to build long-term solutions to end child poverty. Our work generates extensive data and insights into levels of vulnerability and poverty from those with direct experience and the frontline teams that they work with. We share what we hear and learn with the wider social care sector to support positive change for children and young people in crisis and poverty.

Buttle UK provides grants for children and young people in crisis and who are financially excluded.



Overall aim

At Buttle UK we aim to ensure "the maintenance, education and advancement in life of children and young people who are ordinarily resident in the United Kingdom who are in need of financial assistance, with a preference for children who are, or were, adopted, children of lone parents or children who are orphaned and who have or are being deprived of a normal family life.'

These aims are consistent with the guidance on public benefit provided by the Charity Commission for England and Wales. In planning activities, and reviewing grant policy and criteria, Trustees consider the 'public benefit requirement', and are confident that all activities we undertake demonstrate this requirement.

OUR STRATEGIC GOALS

As the country begins to learn to 'live with Covid', we are mindful of the challenges still in play for children and young people, particularly as the current cost of living crisis continues. Our grants will continue to be needed as much now as they have been over the last two years. To meet the ongoing challenges, we continue to target an increase in voluntary income to stand alongside support from our own endowment. Our strategy pushes for continuous improvement in our grantmaking, working in collaboration with other grantmakers and charities, calling for wider change for children in poverty, and involving their expertise in the future direction of our organisation.

We have a range of projects in the coming year that will further this work, and really begin to build ways in which we hold ourselves accountable to the communities we support. This includes setting up a Youth Panel and Advisory Group; involving the insight of those with lived and frontline experience when making decisions at Buttle UK. We will also collaborate with Turn2Us and the Smallwood Trust to design and develop a co-produced programme to support women and their children in crisis.

Our key strategic pillars:

Pillar 1

Creating Chances for Children 2.0 for more children in crisis

We continue to learn more about our Chances for Children grants every day, and refining and developing them is a key aspect of our five-year strategy. Crucial to this development will be to focus on the clear purpose of our grants in the short and long term, the difference we aim to see and can prove through direct evidence, and we would like to see through relevant broader research. We will increase the support offered through our Chances for Children grants to more children and young people in crisis and align these grants with our Support for Boarding grants to offer integrated, individually focused funding by everyone in our Grants Development team

Through our grants, Buttle UK gives children and young people in crisis the power to shape a better future for themselves. We pride ourselves on the expertise within our team and the connections we have with front-line services and want to give the same recognition to 'experts by experience'. Our research has shown how impactful grants can be when provided alongside other support. We are also aware referrers are stretched and families (particularly children) and young people are not always consulted. It is when their voices come together with professionals that support offered can best meet their needs. We can trigger a wider effect of our grants by encouraging partner agencies to work in a more flexible, holistic and child-centred way.

Pillar 2

Co-production and Accountability

Throughout our history we have built a significant network of individuals and organisations with whom we can collaborate to help further the impact we have as a charity for children and young people across the UK. Collaborating with key stakeholders will enable us to increase the number of children and young people our funds support and improve the impact and experience of our support by working as a collective, rather than a single unit. With an improved, collective offer, we will then look to collaborate on joint funding bids/partnerships.

Through investment in fundraising, we will build support for our Chances for Children grants from the general public, corporates and trusts, and therefore be able to offer more children and young people in crisis these grants each year. We will build strong fundraising income streams to work alongside our endowment, that help create a sustainable funding base for the organisation - during and beyond - the period of this strategic plan

Pillar 4

Income Growth

Pillar 5

Know, Learn, Lead: Building a Future-Ready Team

We recognise that our people and team are the single most important resource we have to achieve our strategic goal. We envision building an adaptable team with a strong trust-focused culture, that gives people the confidence to push boundaries on what we can achieve together.



Our cross-cutting themes

Our strategic pillars will be influenced by, and have an impact on, other areas of our work. Key cross-cutting themes are:

Equity, Diversity and Inclusion

We aim for all our staff and Trustees to become inclusive by instinct in the way we work at Buttle UK. We believe that we can build better grant support for children and young people by embracing diversity across our team. Engagement of thought from different demographics is vital to ensuring our grants remain relevant for those we work with. We must also support a diverse range of communities in our grant giving and adapt our processes to enable this.

Impact Measurement

Our impact measurement will be aligned to our Theory of Change so that everything we do is measured against our purpose. We will know when we are successful in our interventions and what we are not doing well so that we can continuously improve our work.

Marketing and Communications

Since changing our grant giving from 'basic essentials' to Chances for Children grants we have updated much of our communications, but key external communication tools such as our website, brand and elevator pitch highlight what we do, not why we do it. Using the Theory of Change to focus on our purpose will have a major effect on our internal and external communications messaging. Our fundraising growth strategy will also influence our communications.

Technology

Technology can provide the exponential difference we need to ensure the best possible service and impact for children and young people we work with. We will consider the enabling power of technology across each of our strategic themes, working with experts where needed and not being afraid to lead the way where we feel the biggest difference can be made.

Based on this strategy, we have set the following key objectives for 2022/23:

A) Chances for Children 2.0

We will deliver 2,500 Chances for Children grants across the team and embed our new application forms to improve our understanding and delivery of impact and diversity in our grantmaking.

B) Co-production and Accountability

We will resource, create and engage with a Youth Panel and Advisory Board to support our decision making in the organisation.

C) Collaboration

We will complete the inception phase of our co-produced Gendered Poverty Programme, and develop a system with 360Giving and the ACO to share individual grantmaking data externally and collectively.

D) Income growth

We will aim to achieve a stretch target of £2.5m to spend in the year and continue to test an individual giving fundraising approach.

E) Know, Learn, Lead

We will embed our 'People & Culture' offer for all staff, and improve our cross-team work and information sharing to support our blended working approach.

Our Grantmaking and Theory of Change

We provide individually tailored grants of up to £2,000 for children and young people who have experienced a crisis that has recently had a significant and enduring impact on their social and emotional wellbeing and educational engagement. We fund items and activities to help improve children and young people’s social and emotional wellbeing and increased capacity to engage in education and learning.

Our funds support children and young people from newborns to 20-year-olds to help them achieve personalised and transformative change to move on from crisis.

The children and young people we support are living in severe poverty, on average, on incomes of less than £14,000 per year. They suffer significant deprivation as a result and face additional serious social issues around them such as domestic violence, drug and alcohol misuse, estrangement, illness, distress, abuse, neglect, behavioural or mental health issues.

Each case is individual so what is offered via our grants varies too. Frontline workers, who make the applications on behalf of the children and young people, work with them to find out about their needs as well as their interests and ambitions. Our financial support assists with improving emotional, mental and social wellbeing and increases young people’s capacity to engage with education and learning through funding activities, items for the home, clothes, therapeutic support and much more.

We have learnt from our Chances for Children grantmaking that:

- A grant averaging £1,500 has the potential to make a lasting difference and facilitate outcomes of other service providers in moving a family or young person beyond crisis, towards a genuine turning point in their lives.
- A these larger grants help service providers to work beyond funding and procedure constraints and so they are able to do more for their clients.

Referrers sign up to the grant terms and conditions for all grants and submit receipts against spend. We monitor grants closely for misspend, misuse or fraud and act quickly to address inconsistencies or issues.

Our boarding school offer supports a small number of children and young people, aged between 11 and 16, whose ongoing home environment is so challenging that there is a serious risk of family breakdown. We have been supporting boarding places for young people for more than 65 years. We have seen that boarding can support a child’s developmental needs through providing routine, increased stability, and emotional and social support. The level of aspiration offered by boarding education can also help to raise a young person’s educational attainment.



BUTTLE UK THEORY OF CHANGE



ACHIEVEMENT, PERFORMANCE & PLANS FOR THE FUTURE

Achievements against 2021/22 aims and objectives

Through our direct grant giving, we are able to create a positive change to children and young people's lives, giving them a chance to focus more on their education or gaining employment, lifting them out of a crisis at a critical period in their life.

We set the following goals in 2021/22 to further this work, in line with our overall strategy:

a) Chances for Children 2.0

We will deliver 2,320 Chances for Children grants across the team and align our application, outcomes and impact to our updated theory of change.

b) Co-production and Accountability

We will agree a plan for ongoing involvement of children, young people and families in the organisation.

c) Collaboration

We will deliver collective funding pilots with other individual grant givers in the sector and engage local authorities in their role to play.

d) Income Growth

We will aim to achieve a stretch target of £1.95m and test an individual giving fundraising approach.

e) Know, Learn, Lead

We will provide staff with the tools, training, support and systems to ensure a flexible working environment that delivers for children and young people in crisis.

Key Achievements in 2021/22

- > **Delivered 2,550 Chances for Children bespoke packages** of grants for children and young people, holding a higher line of support during the Covid-19 crisis. This includes delivery of our first **£1m from our 'Stepping Up' fund**.
- > **Supported 4,519 children and young people in total.** This figure includes 121 children supported into boarding school this year, 25 of whom are new.
- > **Overall fundraising income raised of £2.012m.** Some of this income will be spent on grants in the financial year of 2022/23 (£5.5m in 2020/21 and £1.99m in 2019/20). **In 2021/22 we have spent £4.259m on our grants** - Chances for Children grants (£3.322m) and Support for Boarding grants (£937k).
- > Developed plans and resources for a **Youth Panel and Advisory Group** to support our Co- production and Accountability work.
- > **Updated our grants application process**, eligibility criteria and improved the demographics data we collect on the children and young people we support.
- > **Launched a new £10m Chances for Children fundraising campaign.**
- > Created a new **People and Culture strategy** to support our staff team to ensure staff feel valued, rewarded, have opportunities for development and a sense of inclusion in their role at Buttle UK and as a member of our team.
- > **Recruited three new Trustees** to further develop the skills and diversity of our Trustee Board.



Buttle UK's Equity, Diversity and Inclusion (EDI) Strategy – Our journey to become inclusive by instinct.

Our vision for this strategy is that 'our Trustees and Staff will have a deep understanding of EDI, the self-awareness of how it relates to the organisation's work and systems we work in. We will have a continued process of engagement, reflection and action taken for progression. We will become inclusive by instinct.' Our annual Business Plan sets specific goals for the year to ensure constant reflection on improvements and identifies areas that need further support. We acknowledge as an organisation that we do not all start from the same place of knowledge and understanding but are here to achieve this same vision.

1) We will become inclusive by instinct and represent the communities we aim to support
Staff and Trustees have attended EDI training and we are now looking to add Unconscious Bias, and Disability Awareness training in the first quarter of 2022/23, followed by LGBTQ+ training. All Trustees will be invited to these sessions. Our Chair and CEO have also taken part in a number of anti-racism sessions in order to learn more together and champion a new way of working. SMT and the EDI Working Group have additionally had training in Equality Impact Assessment Forms and 'It's About Race Training' on inclusive recruitment. Our Trustee Recruitment process has been completed, with the addition of three new Trustees, increasing the racial diversity of our Board. Induction work, training, coaching and buddy support is now being provided to our new Trustees.

2) Improve the access and experience of children and young people that could benefit from our grants

This goal closely aligns with the work we are doing within our Co-production and Accountability strategic pillar to work closer with the communities we support by building a Youth Panel and Advisory Group to engage with our staff and Trustees. In addition, the new grants application has been completed, providing additional demographic information on the children and families we support.

This includes more information on protected characteristics of grantees, although we will need at least six months to collect sufficient data to review. We currently analyse geographic data on our grantmaking and for the first time, our impact report this year has shown the national and regional breakdown of our grant giving by ethnicity.

3) Holding ourselves to account and sharing our EDI challenges and achievements with others
Overall, our focus has largely been on the first two elements of the strategy as we build our own knowledge and review improvements we can make internally. As this continues, we will begin to share our learning and work with other organisations to further collective change in the grantmaking sector, particularly for organisations that support individuals. We are now sharing our Trustee Recruitment process documentation and experience with other organisations to support them in creating change on their Trustee Boards.

Our Trustees are accountable for ensuring that the organisation has appropriate structures, processes and resources in place to ensure that EDI are embedded into Buttle UK and monitor 7 progress through Buttle UK's annual Business Plan. Please do read more about our EDI Strategy here: <https://buttleuk.org/equity-diversity-and-inclusion/>

THE DIFFERENCE OUR SUPPORT MAKES

DAVID AND SIMON

Since the day he was born, David, 5, has constantly been a witness to, and at times a victim of, ongoing abuse and violence. His father emotionally, physically and financially abused David and his mother, Irene until it finally got too much, and Irene called the police and escaped with David and her youngest son Simon, 1, to a women's refuge.

Although the perpetrator remains in custody, and the family are now safe, things are still proving difficult for the family due to their past experiences. Having witnessed the abuse and violence his mother was subjected to; David's behaviour has been significantly impacted. He will often act out and get angry, which can be difficult for mum to handle whilst also looking after a baby. He is also afraid to sleep on his own and stays with his mum. As well as this, due to the move to the refuge, the family are now living significantly further away from David's school and have to take public transport to get there. Unfortunately, Irene cannot afford this which has meant David was often only attending school a couple of times a week. Simon is only young and so has not been impacted as much as David; however, he is very jumpy and startles very easily which is worrying for Irene.

Our Chances for Children grants were able to provide the family with some items to help them start afresh and recover from their experiences. Firstly, the grant funded a new tablet. This will allow David to have access to educational programmes and games and allow him to keep up with his studies, so he does not fall further behind. As well as this, the grant also funded transport so that David is able to get to school now that he lives further away. Furthermore, new bedding and a night light were also bought for David's room to make his bedroom feel more comfortable and hopefully encourage him to sleep in his own bed. Finally, the grant provided the family with new clothes and shoes as the boys were quickly growing out of theirs, as well as some new toys to help the boys settle into the refuge and give them a chance to play and bond with mum.

Our Chances for Children grants were able to provide the family with some items to help them start afresh and recover from their experiences.

PIPER

Piper is currently 16 years old and from the West Midlands. Both of her parents have serious, deteriorating health conditions, that have put her in the position of being their carer. Her parents have been unable to work due to their health, and the family's finances have been slowly deteriorating as they have become more and more dependent on benefits to get by.

Piper had always been a strong student, but her parents were concerned that their health was impacting her life more and more. Already they had had to move further away from her school to find affordable housing and Piper was taking on a lot of responsibilities for cooking, cleaning, and caring for both her parents.

We were able to work with the school to not only cover her tuition, but to secure extra support that covers additional costs such as school supplies, school uniform, trips and experiences

Piper's parents felt boarding school would give Piper the space to pursue her studies and also to enjoy being a teen away from the pressures of home. Piper qualified for a boarding school place, but the family could not afford it. The school was a Buttle UK Support for Boarding partner, and we were able to work with the school to cover not only her tuition, but to secure extra support that covers additional costs such as school supplies, school uniforms, trips, and experiences.

Piper has thrived for the past two years in her boarding school. Her grades have continued to be excellent, and she has become involved in music and the school play. The school has committed to full-funding for her when she begins her A-levels.



LUCY

Lucy started spending nights away from home at age 12. Her mother rarely noticed. Ever since Lucy was 8 her mother had struggled with alcohol abuse and was often unaware of what was happening in Lucy's life. Not only did this mean a difficult home life, it also meant that when Lucy was diagnosed with dyslexia at school, she did not get all the support she was entitled to.

By 15, Lucy had permanently left home and was sofa-surfing. It was 2 years before she was identified as homeless and started getting the support she needed. With the support of local services, she has managed to secure her own tenancy. She also now has the support to complete her education and has an apprenticeship lined up for a business administration role. Lucy's progress is a testament to her strength and determination. However, with a new house and a new job, there are lots of things Lucy needs for her new life, but it is difficult to manage with only basic income support.

Our Chances for Children grant is helping Lucy continue to move forward.

Our Chances for Children grant is helping Lucy continue to move forward. Her new home was completely unfurnished. The grant provided her a bed and bedding and with a sofa, so she has a comfortable place to sleep and relax. Lucy also needed help with her kitchen so she could prepare proper meals, so we supplied a cooker, a washing machine and kitchen essentials like pots and pans. There were things Lucy needed help with for her apprenticeship, so we covered a travel pass for three months, a laptop so she can complete assignments and new work clothes so she feels smart in her new job. Lucy hopes if everything goes well, she will be hired on a full-time basis at the end of her apprenticeship.

Note: names have been changed to protect anonymity



THROUGHOUT OUR GRANT MAKING

In 2021–22:

We supported **4,519 children and young people**.

Between 1 April 2021 and 31 March 2022, we spent **£4,259,658** across both grant programmes. **£3,321,687** on Chances for Children Grants and **£937,971** on Support for Boarding.

Against our main areas of impact, we awarded:

- > **£1,992,996** towards education, training and employment
(includes £854,781 towards boarding school fees)
- > **£1,448,768** towards safe and equipped homes
- > **£621,894** towards social and emotional wellbeing

The average grant awarded was **£1,312**.

Through our Chances for Children grants, the top 10 items and costs that we funded are in the table on the right.



Boarding School Fees
21.03% | £886,169



Furniture and Home Furnishing
12.15% | £493,701



IT Equipment
11.26% | £457,438



Home Appliances
9.20% | £373,870



Beds and Bedding
8.97% | £364,704



Toys, Books and Games
8.17% | £332,018



Children's Clothing & Footwear
6.86% | £278,781



School Uniform and Equipment
3.98% | £161,563



Carpeting & Flooring
3.89% | £157,998



Sports Activities
3.13% | £127,338

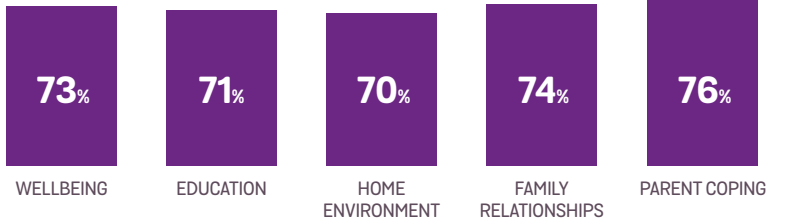
Rank in 2020/21:



Evaluation data, gathered through regular surveying at three and six months, has demonstrated that despite serious ongoing socio-economic issues, the impact of our Chances for Children Grants has remained highly effective. Throughout 2021/22, improvement scores reported by families have remained consistent. The graphic below shows improvement reported by parents/carers three months after the grant. During the year we have seen improvement scores rise largest for access to activities, which reflects the UK opening up, post lockdowns.

Key outcomes reported three months after the grant

Percentage of respondents who reported an improvement (Nos. 460)



Our Equity, Diversity and Inclusion strategy is designed to create a continued process of engagement, reflection, and action, through which we aim, as an organisation, to become inclusive by instinct. There are many changes for us to consider and make as we undertake this journey, particularly broadening our understanding of the communities we support with protected characteristics. Below is data on our grant split by ethnicity compared to UK population data from the 2011 census.

ETHNICITY	CASES	% CASES	% OF UK POPULATION
White	1361	58.10%	85%
Black or Black British	299	12.80%	3%
Asian or Asian British	216	9.20%	7%
Other	213	9.10%	1%
Mixed	171	7.30%	2%
Not Disclosed	77	3.30%	-
Chinese	4	0.20%	1%
Total	2341	100%	

Support for Boarding Evaluation

This year we have introduced deeper evaluation via standardised surveys and one-to-one interviews, to understand more about the impact of boarding on the social, emotional and mental wellbeing of the young people we support. This additional data will be presented in future reports.

In 2021/22 five young people funded through our Support for Boarding grants finished their A-Levels and 24 young people finished their GCSEs. We have results for 69% of these grantees (N=20).

- The pass rate was 98.6% for all GCSEs taken
- On average, each student took 8.8 subjects at GCSE, above the national average of 7.85
- 93.4% of students achieved a pass (9-4 or A*-C) in their Maths and English GCSEs
- 100% of students received 5 or more GCSEs at 9-4 (A*-C)

A separate evaluation report on Boarding provides more detail.

FINANCIAL REVIEW

Statement of Financial Activities (SOFA)

The following summarises the key figures from the 2021/22 SOFA

ALL FUNDS	DIRECT COSTS	SUPPORT COSTS	2021-22 TOTAL	2020-21 TOTAL	% CHANGE
Income					
Investment			1,293	992	30%
Charitable activities			100	2,372	-96%
Donations and legacies			1,622	3,531	-54%
Total income			3,015	6,895	
Expenditure					
Raising funds			1,023	855	+ 19.6%
Charitable activities					
- Grants to individuals and charities	3,322	532	3,854	4,712	-18.2%
- Grants for Children's Education	937	256	1,193	886	35%
- Research and Projects		49	49	39	+25.6%
Total charitable activities	4,259	837	5,096	5,637	-9.6%
Total expenditure			6,119	6,492	-5.7%
Net expenditure before revaluation of investments			(3,104)	403	

All figures expressed in £'000.

Total fundraised income dropped in 2021/22, as expected, because the prior year was heavily boosted by our Covid-19 Emergency Appeal. Notwithstanding the substantial drop in income of about 56.3%, the charitable expenditure was down only by 9.6%. This was largely achieved by deployment of the designated Stepping Up fund which provided £1m of additional charitable expenditure which was drawn from Buttle UK unrestricted reserves.

Investment income was 30% higher than in 2020/21. This reflects good global stock market performance including resumption of higher dividends after

the difficult year, which saw many companies cut dividends when the global economy was pretty much closed for the second quarter of 2020.

The Drawdown from the endowment provided a total of £2.4m to fund overheads as well as the Support for Boarding programme. The extract from this year's SOFA shows that the deficit of £3.1m is therefore covered through the Drawdown and the Stepping Up Fund. Additionally, investment revaluations to market value provide a further £4.649m of positive adjustment to assets. This is lower than the prior year, but is still a healthy surplus.

Principal Donors

RECEIVED IN YEAR	AMOUNT (£'000)
The Edward Gostling Foundation	250
Garfield Weston Foundation	200
Comic Relief	116
Barclays Community Aid Package	100
Graphite Capital	100
Peoples's Postcode Lottery	100
Colin Crawshaw	50
KPMG Foundation	50
Band Trust	50
Mercers' Company	45
The Italian job	41
Ajaz.org	40
Schroder Foundation	40
Dulverton Trust	35
Clothworkers' Foundation	35
Rob Rinder appearance on Who Wants to be a Millionaire	32
Taylor Family Foundation	30
Denbighshire Foyer Company	25
Cyril Taylor Charitable Foundation	23
Dreams Beds	13
KIDLY	13
Mat Waugh	12
CTF Training	10
Eleanor Hamilton Educational Trust	10
Medlock Charitable Trust	10
Other Trust donations	18
Anonymous or private donations	357
Other donations	207
	2,012

Expenditure

The expenditure on grants, and the associated administration and infrastructure costs of delivering those grants, was down by 9.6%. This reflects the continued high demand for Buttle UK services to our grantees, and the ability of the fund to provide services despite the 56% drop in income.

The 10-year grant history, by programme, is set out in the table below and this also shows the overall cost, as a percentage, of delivering a grant over that same period.

The increase in overall expenditure on overheads in 2021/22 was limited to £54k instead of the £297k originally planned for in the budget. There were many variances to the budget which had originally been agreed in March 2020 as a result of continued deployment of the 2020-25 strategy as well as the continued disruption caused by the restrictions imposed by government owing to the Covid-19 pandemic. Two additional members of staff were recruited for part of the year to support the GDPR strategy and to assist in the implementation of the new finance system. The biggest variance in expenditure from the budget was for fundraising expenditure as for the second year running, all planned events were cancelled because of Covid-19 restrictions. Further savings were found in the categories of Premises, IT, Communications, Impact & Evaluation, Audit & Legal and General Expenditure. A new category of expense was brought in to reflect the growth in the usage of prepaid cards to deliver grant awards as this now forms approximately 76% of payments to grantees.

The deficit of (£3.104m) before gains on investments is a big swing from the £403k surplus in 2020-21. This deficit was funded from the capital element of the total return allocation, referred to below, which amounted to a drawdown of £2.4m. Additionally the first tranche of funds from the Trustees designated Stepping Up fund were spent. These funds came from the unrestricted reserves of the Charity. The second tranche of the fund will be spent on Chances for Children grants in the amount of £1m during the year 2022/23. The designated fund is referred to as the "Stepping Up" fund.

Grant history by programme, with support costs as a percentage of total charitable expenditure, 2012–22

YEAR	SMALL GRANTS		CHANCES FOR CHILDREN ¹		BOARDING		DAY FEES ²		TOTAL		SUPPORT	TOTAL	%
	NO	£'000	NO	£'000	NO	£'000	NO	£'000	NO	£'000	£'000	£'000	
2012–13	11,654	2,675	-	-	282	766	280	356	12,216	3,797	641	4,438	14.40%
2013–14	11,888	2,689	-	-	312	892	106	116	12,306	3,697	666	4,363	15.30%
2014–15	10,197	2,189	504	474	314	974	28	46	11,043	3,683	821	4,504	18.2% ³
2015–16	9,148	2,321	583	596	323	991	14	26	10,068	3,934	934 ⁴	4,849	19.30%
2016–17	9,408	2,603	576	414	276	917	3	7	10,263	3,941	1,047	4,981	21.00%
2017–18	11,505	3,144	946	593	242	866	1	3	12,694	4,606	1,369	5,975	22.90%
2018–19	4,093	1,000	1,580	1,765	186	752	0	0	5,859	3,517	1,328	4,845	27.40%
2019–20	0	0	1,411	1,363	182	790	0	0	1,593	2,322	1,350	3,672	36.70%
2020–21	0	0	6,211	4,139	122	642	0	0	6,333	4,781	1,429	6,210	23.01%
2021–22	0	0	4,398	3,322	121	937	0	0	4,519	4,259	1,489	6,119	24.33%

[1] These include the various enhanced package approach projects, Viz: Anchor, Estranged Young People.

[2] This programme closed in 2013 and no further grants will be made.

[3] The increase in support costs as a percentage of total charitable expenditure from 2014 onwards is mainly due to the enhanced package approach to grant giving which requires more caseworker input to build a bespoke grant that can make a more significant difference in a child/young person's life.

[4] The first-time application of the Charities SORP FRS 102 in 2015-16 led to a change in the way that support costs were calculated in that governance costs were required to be included as a charitable activity cost for the first time.

INVESTMENTS & INVESTMENT POLICY

The investment portfolio is managed by two major fund managers. BlackRock manage a total of approximately £50.8 million, in a mix of active and passive funds investing in global equities and fixed interest, and a portfolio of directly invested UK equities. In addition, there are some non-discretionary holdings in property and private equity investments, predominantly held through funds. Additionally, Buttle UK holds an investment in the Mayfair PITCH fund, which is a property fund, with excellent ESG credentials. Ruffer manage approximately £13 million in their Charity Assets Trust. The overall investment policy is to maximise long term total return, accepting a medium level of risk, such that the real capital value is maintained whilst allowing the Charity to fulfill its grant giving obligations. Whilst noting that performance is of paramount importance, the Trustees have engaged with the need to include a sustainable investment framework within the investment strategy and have reflected this engagement in their updated statement of investment principles document. The performance of both managers is measured against market-based benchmarks, and monitored by an Investment Committee comprising six Trustees, some with relevant financial services expertise. The overall performance in the year was very positive thanks to the global equity markets robust response to the economic climate. Annual performance of the endowment was 5.35%. Since the end of the financial year, global stock markets have been volatile as a result of the resurgence of inflation, with expectations rising that this may cause a recession. This has had a negative impact of close to 8% on the value of the endowment.

Buttle UK updated its Statement of Investment Principles (SIP) to more particularly align our investment strategy to take account of sustainable investment. The Trustees take their responsibilities as stewards of the Charity's assets seriously and strive to appoint investment managers who invest responsibly in keeping with the Charity's beliefs. This entails both excluding certain sectors, and ongoing engagement within sectors and with individual companies. The Trustees encourage their managers to engage with companies on issues that support our charitable beliefs. The Trustees seek to appoint investment managers who are actively involved in applying Environmental, Social and Governance (ESG) criteria across the investment

process. In addition, the Investment Committee regularly reviews the investment managers' policies on ESG matters including monitoring their track record of positive engagement with businesses. The Trustees encourage their investment managers to notify the Investment Committee of investment opportunities which will help Buttle invest according to the Charity's core beliefs. Both of our managers are signatories to the UN's Principles of Responsible Investment.

During 2021/22, Trustees actively managed their investment allocation strategy together with their Investment Managers. By 31 March 2022, the percentage of assets of the endowment that were invested in funds that pursued a focus on enhanced ESG criteria increased to 69.5%.

The Trustees monitor the ongoing climate change debate and advocate active ownership and engagement rather than disinvestment as a general principle. This applies especially regarding fossil fuels as the large oil and gas companies are the biggest contributors both to the ongoing exploitation of natural resources as well as being one of the biggest investors in renewable energy infrastructure.

Buttle UK endeavours to avoid investing in companies or organisations whose primary activities are detrimental to child welfare, including the exploitation of child labour as this is contrary to the Charity's objectives. Specific sectors where the Charity does not knowingly invest are (1) the manufacture/dealing in certain weapons and armaments (2) payday lending (3) any company which derives more than 25% of its revenue from gambling, any company where more than 25% of its turnover derives from the production, distribution or sale of alcohol and any company where more than 25% of its turnover derives from the production, distribution, or sale of tobacco.

The assets of the Graphite Capital Bursary Fund (£470k) and the Edward Gostling Foundation (£250k) are restricted investment funds. Both restricted funds are managed in separate accounts by Ruffer in their Charity Assets Trust, and they follow the same investment principles as are applied to the Buttle UK investment also held by them.

Total return

In 2006, the Charity Commission granted Buttle UK a total return order, permitting the spending of the unapplied total return of its endowment, but with the key responsibility of balancing the needs of current and future children and young people we support. Annually, the Trustees decide an appropriate amount to allocate to unrestricted funds from the endowment, which can include an element of capital from the unapplied total return. Due consideration is given to ensure the real capital value of the endowment, as adjusted for inflation, is not affected by any allocation to unrestricted reserves. The split between the real capital value of the endowment, as adjusted for inflation, and the capital from the unapplied total return, as adjusted for inflation, is calculated annually, reported, and then carried forward for consideration in future years.

The total return allocation was fixed by the Trustees at £2.4 million in 2021/22 for the ongoing regular activities of the Charity. The total drawdown in 2021/22 at £2.4m represents 3.7% of the current endowment value and this reflects the decision to draw on the accumulated unapplied total return to increase, inter alia, the funds available for grant giving. The Trustees keep the level of the sums withdrawn annually under review.

The details of the movement on the unapplied total return are set out in note 18.

Reserves

The Endowment Fund of Buttle UK could be available to act as a reserve as a result of the Total Return Order awarded by the Charity Commission. Nevertheless, we highlight the future commitment to children in our Support for Boarding programme who may have awards granted to them over a period of six years. We will, however, continue to hold unrestricted reserves to enable flexibility in organizational or grant expenditure if a critical situation arises. We have selected the level of reserves after taking account of the most significant risks in our risk register. Our reserves will help to ensure that our invested funds can continue to drive long term growth to support the next generation of children and young people's wellbeing and capacity to engage in education. Therefore, the unrestricted reserves will maintain a balance in the region of £400,000 which amount to approximately three months of core organizational expenditure. This will be subject to annual review.

The Endowment Fund is the Charity's principal asset in the balance sheet at £65.67million. In addition, there are £1.54m of restricted reserves, a designated fund of £999k and £1.142m of unrestricted reserves at the balance sheet date.

Risk management

The Trustees have considered the significant risks to which the Charity is exposed, have a process of

regularly reviewing those risks and have established systems and processes to manage them. They are of the view that an appropriate control framework is in place, recognising that no system of internal control can provide absolute assurance of elimination of risk. In addition, the Governance Advisory Committee provides a mechanism for reviewing compliance with policy, law, and systems.

The highest risks may be summarized as follows:

(a) Governance risks – a lack of progression on EDI within the organisation impacts on our organisational strength to challenge ourselves to build the best possible support for, and with, children and young people.

Diversity is a fantastic strategy for driving change and improvement. A diverse organisation is, or should be, a more challenging organisation – more difficult to manage, where leaders of all kinds need to expect to be questioned or challenged. Our EDI Strategy and Co-production & Accountability plan will help us to increase diversity within the organisation and develop our staff and Trustees understanding of building a more equitable and inclusive place of work for our team and who we work with. To ensure the strongest mitigation Trustees and staff must continue to work together to further our EDI strategy.

(b) Financial risks – hat the endowment assets are mismanaged to the extent the capital value and income is seriously diminished; the risk that restricted funds are not spent properly, or the risk that there are insufficient unrestricted funds for the Charity to operate in the long term.

Buttle UK employs respected investment managers, selected through a competitive process. Their performance is assessed against benchmarks by the Investment Committee on a regular basis with face-to-face meetings. An analysis of the investment management contracts is commissioned every five years. Risks associated with major stock market fluctuations are unavoidable. The policy on liquid funds would ensure the short-term continuance of Buttle UK's activities in all circumstances that can reasonably be foreseen. The investment managers have agreed with the Investment Committee a rebalance of the strategic asset allocation to include investments with ESG characteristics. There has also been a reduction in equity holdings to gain exposure to fixed income assets. The global investment environment is currently less positive than over the past three years. Inflationary pressures have begun to impact on global monetary policy and central banks have begun to withdraw the quantitative easing that has been a support to global equities as well as start to increase interest rates. The impact on investment returns is more likely to be negative over the coming year than it has been since 2020.

(c) Cyber Security – computer operations failure or a cyber security event causes serious interruption to service provision and control.

We have in place a two-step verification process with all of our referral agencies to eliminate fraudulent access to our grants application portal. We have implemented the dual-authorisation recommendation for all payments, and all staff login to our google accounts uses dual-authorisation as well. Staff have been trained on cyber security and on using their Google accounts securely. We have also updated our Data Breach notification policy should an internal or external breach occur. We aim to gain Cyber Essentials accreditation by the end of Q4 2022/23.

(d) Fundraising – income falls, after the immediate response to the Covid-19 crisis, to the point where the core activities of Buttle UK are threatened, and we are over-dependent on short-term income from fundraising for funding its core activities.

The current fundraising strategy is designed to contribute to operating costs and increase funds available for grant giving, research and project development. Where core costs (i.e., salaries and overheads) for pilot projects are short term, review of this and the longer-term implications will be considered in a timely fashion and exit strategies put in place. Trustees have agreed to 'Step Up' support from the endowment in the period 2021 to 23. We have successfully used this to ask other funders to join our stance and show their support as well.

(e) Operational – grant programmes become open to wholesale fraud and abuse. The potential for fraud increases at times of economic uncertainty. In 2021/22 we put in place and retained more due diligence and controls to monitor and manage risk. The mitigating measures include ensuring that the line managers at referral agencies are aware of grants awarded, that the grant recipients are informed of grant awards and provided with our contact details in case of any real or perceived irregularity, and that receipts are actively managed. We have put in place due diligence for all applications and guidance on how to respond and manage mispend, misuse and fraud. We limit new referrers to two live applications at any time. Checks and controls are continually reviewed and updated.

STRUCTURE, GOVERNANCE & MANAGEMENT

Charitable status

Buttle UK is a registered charity for the benefit of children and young people, administered and managed in accordance with the rules of a Scheme made by the Secretary of State for Education and Science on 26 March 1971, as amended by Charity Commission Schemes dated 19 August 1972, 22 February 1988, 26 October 1993 and 5 September 2006. Buttle UK is a registered charity in England and Wales under the Charity Commission and in Scotland under OSCR. The Charity Commission for Northern Ireland has begun registering charities but anticipate this will take another two to three years to complete. Buttle UK has not yet been called forward to apply for registration.

Public benefit

The Trustees confirm they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Commission.

Governance

Buttle UK's Scheme provides for a minimum of eight Trustees and a maximum of twenty. The current fourteen Trustees provide substantial support and advice to the work of the Charity through Board meetings and Committee Meetings. Additional Committees are listed below:

- Governance Advisory Committee
- Investment Committee
- Grants Committee
- Campaign Board (volunteer fundraising committee).

Trustees acknowledge that governance is not a role for Trustees alone; it includes the way the Trustees work with the Chief Executive and staff to ensure that the Charity is effectively and properly run and meets the needs of the communities we work with through a good, quality service. The Trustees confirm they have due regard to the Charity Governance Code and we have referred to the Governance Code in order to make significant improvements to our governance in 2021/22 including strengthening the diversity of our Board and our induction process, creating an annual Board evaluation process, clarification of Trustee tenure, and improvements/additions made to our governance manual.

Trustees are not remunerated for their roles on the Trustee Board, although expenses for travel are paid if requested.

Recruitment, induction and training of trustees

Our Trustee recruitment mirrors Buttle UK's staff recruitment process, actively seeking a diverse group of candidates. Applications are anonymized (in particular considering name, age, time spent in organisations and education). An EDI monitoring form is also required for each candidate, but this remains separate from any application and is used to monitor the diversity of our applications to ensure we can make improvements to our process where needed. A mixture of SMT, Trustees and young people interview candidates who are sought from an open application process, and the role/s are advertised across a broad range of publications, websites and social media. A skills and diversity audit is carried out in advance of recruiting any Trustee to the Board. Trustees are recruited for a period of three years with an expectation that this would be renewed, so a six-year term is usual. Renewal for a further term is possible in certain circumstances but resignation must occur after nine years.

Buttle UK's Trustee succession planning process considers a three-year time horizon and aims to improve how we meet current skills/diversity gaps as current Trustee terms finish and provides a stronger induction/learning period for an incoming Trustee. Better planning also means that incoming Trustees – no matter their background and previous experience – are welcomed to Buttle UK with the best support we can provide. The process supports new Trustees to buddy alongside current Trustees. This gives an opportunity to handover their learning, experiences and to support any transition. Current Trustees are also empowered to engage in thinking about their next steps with the Board by providing a clearer forward plan, offering the chance for them to have open conversations with the Chair/Deputy about their future on the Board.

It is recognised that Trustees have differing skills and time commitments, and that our governance model should allow flexibility in helping Trustees to offer these skills and time in the way that fits their needs as well as those of our organisation. Buttle UK offers ongoing training opportunities to Trustees, in particular around governance, investments and diversity. For Trustees with no previous experience on boards we also offer coaching support for the first year at least.

There are a number of functions and roles that Trustees are invited to contribute to, including the development of our future strategy, the policy of our grant giving programmes, the overseeing of projects, support in developing partnerships to enhance our work, support our fundraising activities, audit, finance and investment, governance, education, and social care.

Fundraising disclosure

Fundraising at Buttle UK is undertaken by the internal fundraising team and a volunteer committee (the

Chances for Children Campaign Board). The Board of Trustees regularly review the guidance produced by the Charity Commission on fundraising (CC20) and are satisfied that Buttle UK's practices conform with this guidance.

Buttle UK is registered with the Fundraising Regulator.

There have been no reported failures by Buttle UK, or any person acting on its behalf, to comply with fundraising standards or regulation, in 2021/22 (or, indeed, at any point previously), and the same is true of complaints in relation to fundraising activities. All staff and volunteers representing the Charity for the purposes of fundraising have either a job description and process of internal appraisal (in the case of staff) or a clear term of reference (in the case of volunteers). There are regular meetings between volunteers and staff. As required by the Charity Commission guidance, Buttle UK has complied with both available guidance and legislation to protect vulnerable people and other members of the public from behaviours which constitute an unreasonable intrusion on a person's privacy, are unreasonably persistent or places undue pressure on a person to give money or other property.

Management

The Chief Executive is responsible for the delivery of Buttle UK's objectives and related performance management processes through the staff group. Board members are kept up to date on progression of the organisation's Business Plan through the inclusion of a tracker in the CEO's report in the quarterly board papers. Trustees continue to be kept informed of the activities of the Charity through quarterly Trustee/staff seminars which will be arranged throughout 2022/23 and where appropriate, through contact with Grant Development Officers local to them. An updated performance and development system ensures that staff work to objectives and that their skills development is encouraged.

The Strategic Leadership Team (SLG) consists of the SMT and members of the staff team selected to co-lead on the development of our five key strategic pillars within the 2020-25 strategy. Each SMT member is responsible for ensuring we have appropriate members of the team working on each pillar and the key objectives for the year are completed. The staff members of the SLT will work with the appropriate SMT member to support them on this. Any member of the wider Buttle UK team will support delivery of the Business Plan and the SLT will ensure it is on course.

The Charity's remuneration policy is to review the salaries of all employees annually in December and benchmark them against published salary survey data within the charity sector. This will be reviewed in 2022/23 with a view to further increase the

transparency and clarity of this for our staff team. Adjustments are made to ensure employees are paid a fair salary for the work they do and in line with other similar organisations in the sector. We are a living wage employer.

Statement of the Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, Scotland and Northern Ireland 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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the Charity's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of this information.

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.

Auditors

Haysmacintyre LLP have expressed their willingness to continue as the Charity's auditors.

Approved by the Trustees on 22 September 2022 and signed on their behalf by:



Jill Dinsmore Chair of Trustees



Mark Alexander Trustee

Reference and administrative details

Buttle UK
Registered Charity No - 313007 / Scotland - SCO37997
Head office: 15 Greycoat Place, London, SW1P 1SB

Trustees

Chair: Jill Dinsmore

Deputy Chair: Peter Orlov

Mark Alexander

Lucinda Baxter

David Buttle

Chantelle Chamberlin

Tracey Dwabenah-Barnett

Thomasina Findlay

Aaron McDonald

Rosemary Norris

Michael Seaton

Alex Tennant

Harriet Ward

Leo Wong

Staff

Chief Executive: Joseph Howes

Senior Management Team:

Director of Fundraising & Marketing: Richard Barron

Director of Finance & Administration:

Paddy Zervudachi

Head of Grants Development: Clare McGread

Chris Davis

Jessica Dillon

Adrienne Gregory

Ffion Haf

Gabriele Joceryte

Luke Mitchell

Clare Piechota

Beth McIvor

Gari Sparling

Diane Smith

Andrew Walters

Kate Zaczek

Professional advisers**Investment Advisers & Manager**

BlackRock Investment Management UK Ltd
12 Throgmorton Avenue, London, EC2N 2DL

Investment Managers

Ruffer LLP
80 Victoria Street, London, SW1E 5JL

Auditors

Haysmacintyre LLP
10 Queen Street Place, London, EC4R 1AG

Solicitors

Stone King
16 St Johns Lane, London, EC1M 4BS

Property Advisers

Tuckerman
27 Bream's Buildings, London, EC4A 1DZ

Bankers

Virgin Money
154-158 Kensington High Street, London, W8 7RL

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BUTTLE UK

Opinion

We have audited the financial statements of Buttle UK for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of the Charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the requirements of the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 Trustees are responsible for the other information. The other information comprises the information included in the Chair's Statement and Trustees' Annual Report. 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.

In connection with our audit of the financial statements, 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Charity; or
- sufficient and proper accounting records have not been kept; or
- the Charity 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 for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 24, 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.

Auditor's responsibilities for the audit of the financial statements

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.

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 environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission and Office of Scottish Charity Regulator (OSCR), and the Trustee Investments Act, 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, the Charity Accounts (Scotland) Regulations (as amended), Charities SORP (2019) and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the recognition of voluntary income and grant commitments. Audit procedures performed by the engagement team included:

- Enquiries of management regarding correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the Charity, particularly in relation to the recording of income and processing of payments and payroll, to ensure these were in place throughout the year, including during the Covid-19 remote working period;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing and testing journal entries made in the year, particularly those made as part of the year-end financial reporting process; and
- Challenging assumptions and judgements made by management in their critical accounting estimates which comprise depreciation and amortisation, accruals and deferred income and bad debt provision.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also

greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act, and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

Statutory Auditors
10 Queen Street Place, London EC4R 1AG
28th September 2022

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



BUTTLE UK STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 MARCH 2022

All figures expressed in £'000	NOTE	ENDOWMENT FUND	RESTRICTED FUNDS	UNRESTRICTED GENERAL FUNDS	TOTAL 2022	TOTAL 2021
INCOME FROM:						
Donations & legacies	16	-	1,622	-	1,622	3,531
From charitable activities						
Grants – NLCF COVID Response	16	-	-	-	-	-
Grants – National Lottery	16	-	-	-	-	2,070
Grants – Postcode Lottery	16	-	100	-	100	302
Investment	3	1,280	10	3	1,293	992
TOTAL INCOME		1,280	1,732	3	3,015	6,895
EXPENDITURE ON:						
Raising funds						
Voluntary income	4	-	-	652	652	553
Investment management fees	18	371	-	-	371	302
Total raising funds		371	-	652	1,023	855
Charitable Activities	5, 6, 7					
Chances for Children grants		-	2,321	1,533	3,854	4,712
Grants for children's education		-	226	967	1,193	886
Research and projects		-	-	49	49	39
Total charitable activities		-	2,547	2,549	5,096	5,637
TOTAL EXPENDITURE		371	2,547	3,201	6,119	6,492
Net income/(expenditure)		909	(815)	(3,198)	(3,104)	(403)
Transfers between funds	10	(2,394)	(6)	2,400	-	-
Net (expenditure)/income before other recognised gains/(losses)		(1,485)	(821)	(798)	(3,104)	(403)
Gains/(Losses) on investments	13	4,649	40	-	4,689	(13,284)
NET MOVEMENT IN FUNDS		3,164	(781)	(798)	1,585	(13,687)
Balances at 1 April 2021		62,507	2,321	2,939	67,767	54,080
TOTAL FUNDS CARRIED FORWARD		65,671	1,540	2,141	69,352	67,767

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

In accordance with Charities SORP FRS 102 charitable activities comprise both grants and the associated support costs allocated to each activity. Details are shown in notes 5 & 6. Full details of the grants given are shown in the Trustees' Report. The prior year SOFA is included in Note 24 to these financial statements.

The notes on pages 27-44 form part of these financial statements.

BUTTLE UK BALANCE SHEET

AT 31 MARCH 2022

	NOTES	ENDOWMENT FUND (£'000)	RESTRICTED FUNDS (£'000)	GENERAL FUND (£'000)	TOTAL 2022 (£'000)	TOTAL 2021 (£'000)
FIXED ASSETS						
Tangible fixed assets	11	-	-	6	6	2
Intangible assets	12	-	-	28	28	69
Investments	13	66,325	721	-	67,046	63,396
TOTAL FIXED ASSETS		66,325	721	34	67,080	63,467
CURRENT ASSETS						
Debtors	14	159	256	56	471	117
Cash at bank and in hand	21	(813)	1,417	2,177	2,781	4,689
TOTAL CURRENT ASSETS		(654)	1,673	2,233	3,252	4,806
CREDITORS:						
Amounts falling due within one year	15	-	(529)	(126)	(655)	(306)
NET CURRENT (LIABILITIES)/ASSETS		(654)	1,144	2,107	2,597	4,500
NET ASSETS BEFORE LONG TERM CREDITORS		65,671	1,865	2,141	69,677	67,967
CREDITORS:						
Amounts falling due after more than one year	15	-	(325)	-	(325)	(200)
NET ASSETS		65,671	1,540	2,141	69,352	67,767
FUNDS						
Endowment Fund		65,671	-	-	65,671	62,507
Restricted Funds	16	-	1,540	-	1,540	2,321
Unrestricted Funds						
Designated Fund	17	-	-	999	999	2,000
General Fund		-	-	1,142	1,142	939
TOTAL UNRESTRICTED FUNDS		-	-	1,142	1,142	939
TOTAL CHARITY FUNDS		65,671	1,540	2,141	69,352	67,767

Approved and authorised for issue by the Trustees on 22 September 2022 and signed on their behalf by:
Jill Dinsmore Chair of Trustees and Mark Alexander Trustee

The notes on pages 27-44 form part of these financial statements.

BUTTLE UK STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2022

	NOTES	2022 (£'000)	2021 (£'000)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	20	(4,235)	(568)
CASH FLOWS FROM INVESTING ACTIVITIES			
Income from investments		1,293	992
Purchase of fixed asset investments		(18,944)	(52,035)
Proceeds from the sale of fixed asset investments		19,983	53,178
Net purchase of fixed assets		(5)	(50)
NET CASH PROVIDED BY INVESTING ACTIVITIES		2,327	2,085
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(1,908)	1,517
Cash and cash equivalents at the beginning of the year		4,689	3,172
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		2,781	4,689

The notes on pages 27-44 form part of these financial statements.

1. Accounting Policies

a) Statement of Compliance

The financial statements are prepared under the historical cost convention modified to include the revaluation of fixed asset investments and in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. The accounts are prepared in pounds Sterling (GBP).

b) General information

The Charity is an unincorporated charity registered in England & Wales (Charity Number 313007) and also a registered charity in Scotland (charity number SCO37997). The Charity's registered office is 15 Greycoat Place, London, SW1P 1SB.

c) Public benefit entity

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

d) Going concern

The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

The Covid-19 pandemic has raised serious issues for the country. However, Buttle UK has been able to rise to the challenges that this brings. It is clear that Covid-19 has caused an increase in the demand for Buttle UK services. And this continues even after all government mandated restrictions on the economy have been lifted for some time.

The financial year 2021/22 saw the charity continue to provide its services at a higher level than might have been envisaged otherwise.

The year 2021/22 saw a dip of about 12% in the level of the value of Chances for Children grant awards. This is thanks not only on the generosity of our donors, but also thanks to the Trustees Designated fund of £2,000,000 carved out of unrestricted reserves to be spent equally on Chances for Children grants over the years 2021/22 and 2022/23.

Additionally, the Endowment Fund has performed well during the period under review and was valued at 31st March 2022 at £65.671m. Since 31 March 2022, the investment markets have come under pressure as a result of a change in monetary policy by the Bank of England which has started a cycle of interest rate rises. The Endowment is valued at £60.8m as at the middle of June 2022 which is a decrease of 7.4% from the end of March valuation. The drawdown from the endowment will be at £2.65m. This takes account of an increased budget investing in securing future fundraised income on a more regular basis. The restricted reserves take account of donor funds carried forward that were unspent during 2021/22.

Cash reserves are healthy with cash balances at 17 June 2022 of £3.64m in restricted and unrestricted funds.

In order to continue to roll out the 2020-25 strategic plan, management is recruiting for three additional members of staff one of which is part-time and another is time limited for a one-year period. The Senior Management Team (SMT) is being strengthened by the addition of a Director of Grants position (instead of Head of Grants) and the GDO team will have in place a Grants Manager (recruited internally) to handle more operational matters for the grants team. This will allow the Director of Grants to focus more on strategic work.

e) Donations and legacies

Grants, donations and legacies are accounted for when receivable. Where a donor imposes time restrictions on when a donation can be spent the relevant amounts are carried forward as deferred income.

f) Income from fixed asset investments

Dividend income is recognised on the basis of the ex-dividend date. Fixed interest security income is accounted for on an accrual's basis.

g) Grants payable

Grants are given in accordance with the Rules of Buttle UK (approved 6 July 1987, subsequently revised by several resolutions drawn up by committees and approved by the Trustee Board). Grants are accounted for in the Statement of Financial Activities in the year in which they are authorised. Any amounts which have been authorised but which remain unpaid at the year-end are included within current liabilities in the balance sheet. Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

h) Expenditure

Expenditure is included on an accrual's basis.

Costs of raising funds comprise those costs directly

attributable to managing the investment portfolio, raising investment income, and fundraising expenses. Fundraising expenses include an estimate of staff time spent on this activity in accordance with note 5.

Costs of charitable activities include grants made in their different categories, plus an apportionment of staff and overhead costs in accordance with notes 5 and 6. The cost of the overall direction and administration of each activity, comprising salary, operational and administration costs are apportioned on the basis of an estimate of staff time attributable to each activity. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Operating leases

Rentals payable under operating leases, where substantially all of the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight-line basis over the minimum period of the lease.

j) Tangible fixed assets

Fixed assets, valued at £500 or more are capitalised. Fixed assets are depreciated at rates calculated to write off the cost of each asset, less estimated residual value, evenly over its expected useful life, as follows:

Leasehold improvements - Over 5 years

Fixtures, fittings and computer equipment - Over 4 years

k) Intangible fixed assets

Intangible fixed assets valued at £500 or more are capitalized:

Database - Over 5 years

Software - Over 3 years

l) Fixed asset investments

Listed equity shares and fixed interest stocks are included in the balance sheet at market values as at the year-end. Unlisted securities are valued at the most recent sale value or Directors' valuation.

Realised and unrealised gains and losses on assets held in a particular fund form part of that fund, and movements are accounted for in the Statement of Financial Activities (SOFA).

m) Endowment fund

The permanent Endowment Fund comprises the original capital fund, and the unapplied accumulated gains on this fund, established to provide income for the Charity.

Buttle UK has adopted a total return approach to its endowment allowing both income and some capital gains to be spent in furthering the objectives of the Charity. Further information is given in notes 2 and 19 to the accounts.

The fund is principally represented by the capital investments included in fixed assets, with the balance held as net current assets.

Gains on sale and revaluation of related investment assets are credited to the Statement of Financial Activities.

n) Restricted and unrestricted funds

Restricted funds are those of which the use of is restricted by the conditions imposed by the donors.

General funds are those used for the general advancement of the Charity's objectives. The General Fund represents the unrestricted funds of the Charity.

o) Pension scheme

Contributions to the defined contributions scheme are charged in the SOFA in the year they are due.

p) Financial instruments

Basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable are accounted for on the following basis:

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors and creditors

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

q) Significant judgement and sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 require the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Charity's accounting policies. There are no significant areas where judgement was needed other than on those already included in the accounting policies.

2. Endowment

The Endowment Fund was first established in 1937 to provide an income for the charitable and philanthropic work of the Charity. The Scheme, made in 1971 by the Secretary of State for Education and Science (Under Section 18 of the Charities Act 1960), which now governs the operation of the Charity, perpetuates the terms of the original endowment. This provided for the fund to be retained, and only the income arising available to be spent.

However, on 28 March 2006 the Charity Commission granted an order to the Charity entitling it to adopt a total return approach to its endowment, and this approach was adopted as from 1 April 2006. This entitles the Charity to spend the unapplied total return of the endowment, but within the context of balancing the interests of current and future beneficiaries. The movements on the fund in the year are detailed in note 18. approach was adopted as from 1 April 2006. This entitles the Charity to spend the unapplied total return of the endowment, but within the context of balancing the interests of current and future beneficiaries. The movements on the fund in the year are detailed in note 18.



3. Investment Income

	2022		2021	
	£'000	%	£'000	%
INCOME FROM INVESTMENTS:				
Equity shares & Property Funds	1,185	92	959	97
Fixed interest stocks	102	8	25	2
TOTAL	1,287	100	984	99
Interest on deposits	6	0	8	1
TOTAL INCOME FOR THE YEAR	1,293	100	992	100

4a. Allocation of Support Costs & Overheads (Current Year)

SUPPORT COST	TOTAL (£'000)	GOVERNANCE (£'000)	FUNDRAISING (£'000)	RESEARCH/ PROJECTS (£'000)	CHANCES FOR CHILDREN GRANTS (£'000)	BOARDING GRANTS (£'000)
Percentage (%)	100%	5.00%	38.40%	3.00%	36.00%	17.20%
Staff costs	893	51	248	36	376	182
TOTAL STAFF COSTS (NOTE 7)	893	51	248	36	376	182
Premises	196	10	75	6	71	34
Communications	46	2	18	1	17	8
IT & depreciation	101	5	40	3	36	17
Fundraising	164	-	164	-	-	-
Impact & Evaluation	6	-	3	-	2	1
Training & recruitment	21	1	7	1	8	4
Audit, legal & professional fees	25	1	10	1	9	4
Trustee	5	-	2	-	2	1
Bank and pre-paid card charges	31	2	12	1	11	5
General	1	-	1	-	-	-
TOTAL 2022	1,489	72	580	49	532	256
TOTAL 2021	1,416	57	496	39	579	244

Basis of allocation:
Staff costs are allocated on the basis of estimates of actual time worked on each activity. Other costs are allocated on the basis of staff costs with the exception of fundraising costs which are allocated to Fundraising only.

4b. Allocation of Support Costs & Overheads (continued)

SUPPORT COST PRIOR YEAR	TOTAL (£'000)	GOVERNANCE (£'000)	FUNDRAISING (£'000)	RESEARCH/ PROJECTS (£'000)	SMALL GRANTS (£'000)	CHANCES FOR CHILDREN GRANTS (£'000)	BOARDING GRANTS (£'000)
Percentage (%)	100%	9%	30%	-	-	39%	22%
Staff costs	865	17	266	38	-	399	145
TOTAL STAFF COSTS (NOTE 8)	865	17	266	38	-	399	145
Premises	204	18	61	-	-	80	48
Communications	52	5	16	-	-	20	11
IT & depreciation	91	8	27	-	-	35	20
Fundraising	94	-	94	-	-	-	-
Impact & Evaluation	23	2	7	-	-	9	5
Training & recruitment	14	1	4	-	-	6	3
Audit, legal & professional fees	37	3	11	-	-	15	8
Trustee	1	-	-	-	-	1	-
Bank and Pre-paid Card	34	3	10	1	-	13	7
General	1	-	-	-	-	1	-
TOTAL 2021	1,416	57	496	39	-	579	244

Basis of allocation:
Staff costs are allocated on the basis of estimates of actual time worked on each activity. Other costs are allocated on the basis of staff costs, with the exception of fundraising costs which are allocated to Fundraising only

5. Analysis of Charitable Expenditure

	DIRECT COSTS (£'000)	SUPPORT COSTS (£'000)	TOTAL 2022 (£'000)	DIRECT COSTS (£'000)	SUPPORT COSTS (£'000)	TOTAL 2021 (£'000)
Small grants	-	-	-	-	-	-
Chances for Children grants	3,322	532	3,854	4,133	579	4,712
Support for Boarding	937	256	1,193	642	244	886
Impact & Evaluation	-	49	49	-	39	39
TOTAL	4,259	837	5,096	4,775	862	5,637

6. Analysis of Grants to Individuals & Organisations

	RESTRICTED COSTS (£'000)	GENERAL COSTS (£'000)	TOTAL 2022 (£'000)	RESTRICTED COSTS (£'000)	GENERAL COSTS (£'000)	TOTAL 2021 (£'000)
GRANTS TO INDIVIDUALS						
<i>Chances for Children grants</i>	2,321	1,001	3,322	4,288	(155)	<i>4,133</i>
Grants for children's education	226	711	937	160	482	<i>642</i>
Grants for students education and training	-	-	-	-	-	<i>-</i>
TOTAL	2,547	1,712	4,259	<i>4,448</i>	<i>327</i>	<i>4,775</i>

7. Analysis of Staff Costs

	2022 (£'000)	2021 (£'000)
Salaries and wages	711	<i>720</i>
Social security costs	77	<i>72</i>
Employers contribution to defined contribution pension schemes	70	<i>61</i>
Other costs	35	<i>12</i>
TOTAL	893	<i>865</i>

The average number of employees during the year was as follows:

	2022 (£'000)	2021 (£'000)
Grant & project administration	9	<i>9</i>
Management and administration	4	<i>3</i>
Fundraising and promotion	5	<i>5</i>
TOTAL	18	<i>17</i>

The number of staff whose salaries exceeded £60,000, excluding employer pension contributions, and fell within the following bands were:

	2022 (£'000)	2021 (£'000)
£80,000 - £89,999	1	<i>1</i>
£60,000 - £69,999	2	<i>2</i>

Employer's contributions totalling £18,634 (2021: £18,212) were made to a defined contribution pension scheme in respect of the above.

The total employee benefits, including pension contributions and life assurance premiums, of the key management personnel were £263,636 (2021: £260,523).

The Trustees were not paid and did not receive any other benefits from employment with the Charity in the year (2021: £nil). No Trustee received payment for professional or other services supplied to the Charity (2021: £nil).

During the year a total of £4,649 was paid for training and subsistence expenditure to or on behalf of six Trustees (2021: four, £927).

8. Related Party Transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties (2021: None)

9. Auditors' Remuneration

Auditors' remuneration comprised an audit fee of £12,700 (exclusive of VAT), (2021: £12,300).

10. Transfers Between Funds

Current year - The following transfers were made between funds during the year:

	ENDOWMENT FUND (£'000)	RESTRICTED FUND (£'000)	GENERAL FUND (£'000)
Transfer to Restricted Funds from General Funds in relation to support recovery costs	-	-	-
Funds incorrectly disclosed as Restricted in prior year	-	-	-
Transfer from unapplied total return to General and Restricted Funds in respect of charitable activities:			
<i>Regular transfer</i>	(2,394)	(6)	2,400
<i>Single transfer</i>			
NET MOVEMENTS IN 2021-22	(2,150)	(71)	2,221

Prior year - The following transfers were made between funds during the year:

	ENDOWMENT FUND (£'000)	RESTRICTED FUND (£'000)	GENERAL FUND (£'000)
Transfer from Restricted Funds to General Funds in relation to support recovery costs	-	-	-
Funds incorrectly disclosed as Restricted in prior year	-	(65)	65
Transfer from unapplied total return to General and Restricted Funds in respect of charitable activities:			
<i>Regular transfer</i>	(2,150)	(6)	2,156
NET MOVEMENTS IN 2020-21	(2,150)	(71)	2,221

11. Tangible Fixed Assets

	LEASEHOLD IMPROVEMENTS (£'000)	COMPUTER EQUIPMENT (£'000)	FURNITURE & FITTINGS (£'000)	TOTAL (£'000)
COST				
AT 1 APRIL 2021	114	210	39	363
Additions	-	5	-	5
AT 31 MARCH 2022	114	215	39	368
ACCUMULATED DEPRECIATION				
AT 1 APRIL 2021	114	208	39	361
Charge for the year	-	1	-	1
AT 31 MARCH 2022	114	209	39	362
NET BOOK VALUE AT 31 MARCH 2022	0	6	0	6
NET BOOK VALUE AT 31 MARCH 2021	0	2	0	2

All of the above assets are used for charitable purposes.

12. Intangible Fixed Assets

	DATABASE (£'000)	TOTAL (£'000)
COST		
AT 1 APRIL 2021	168	168
Additions	-	0
AT 31 MARCH 2022	168	168
ACCUMULATED DEPRECIATION		
AT 1 APRIL 2021	99	99
Charge for the year	41	41
AT 31 MARCH 2022	140	140
NET BOOK VALUE AT 31 MARCH 2022	28	28
NET BOOK VALUE AT 31 MARCH 2021	69	69

All of the above assets are used for charitable purposes.

13. Fixed Asset Investments

	ENDOWMENT		RESTRICTED LISTED (£'000)	TOTAL 2022 (£'000)	TOTAL 2021 (£'000)
	LISTED (£'000)	UNLISTED (£'000)			
Market value at 1 April 2021	62,864	1	531	63,396	51,451
Non-market adjustment to unquoted investment value		-	-	-	(196)
Additions at cost	18,694	-	250	18,944	52,035
Disposal proceeds	(19,883)	-	(100)	(19,983)	(53,178)
TOTAL	61,675	1	681	62,357	50,112
Investment gains/(losses)	4,649	0	40	4,689	13,284
AT 31 MARCH 2022	66,324	1	721	67,046	63,396
HISTORICAL COST AT 31 MARCH 2022	54,868	1	462	55,331	55,331

The restricted investment comprises the Graphite Capital Bursary Fund and represents funds received from Graphite Capital, a leading private equity investor, which are invested in the CF Ruffer Charity Assets Trust Fund. These funds are being drawn down over a 10-year period commencing in October 2014 to support grant awards to Estranged Young People through our Chances for Children grant provision. Further restricted funds were received during the period in the amount of £250,000 from the Edward Gostling Foundation, which are invested in the CF Ruffer Charity Assets Trust. These funds are being drawn down to support Chances for Children grants over a 10-year period commencing in the year 2022/23.

Listed and unlisted investments in the Endowment Fund are direct holdings of the Charity. Cash invested in the Institutional Cash Series Fund at 31 March 2022 was £2,251,016 (2021: £2,549,122).

Subsequent to the year end, the value of the fixed asset investments has fallen to £61.7m at the end of June 2022 which is a decrease in value of about 8%.

14. Debtors

	2022 (£'000)	2021 (£'000)
Prepayments & accrued income	202	76
Other debtors	269	41
TOTAL	471	117

15a. Creditors

Amounts falling due within one year:	2022 (£'000)	2021 (£'000)
Accruals for CCG grants	404	110
Accruals	52	50
Deferred income	125	100
Other creditors	74	46
TOTAL	655	306

15b. Amounts Falling Due After More Than One Year

	2022 (£'000)	2021 (£'000)
Deferred income	325	200
TOTAL	325	200

Deferred income comprises grant income received in the current accounting period which will be spent in future accounting periods

Reconciliation of deferred income	2022 (£'000)	2021 (£'000)
Balance brought forward at 1 April	300	400
Amounts released to income	-100	-100
Deferred in year	250	0
BALANCE CARRIED FORWARD AT 31 MARCH 2022	325	300

16a. Restricted Funds (Current Year)

	BALANCE 1 APRIL 2021 (£'000)	INCOME (£'000)	EXPENDITURE (£'000)	TRANSFERS & INVESTMENT GAINS (£'000)	BALANCE 31 MARCH 2022 (£'000)
FOR GRANTS					
Westnedge	-	5	(6)	1	-
NLCF Covid response	313	-	(321)	-	(8)
National Lottery	7	-	-	1	8
Postcode Lottery	3	100	(100)	-	3
CTF	215	10	(6)	-	219
Graphite Capital	193	100	(118)	(61)	114
Edward Gostling	-	-	-	1	1
City Bridge Trust	16	-	-	-	16
Comic Relief	101	76	(175)	-	2
Mercers' Company	238	45	(84)	-	199
KPMG Foundation	1	50	(26)	-	25
Clothworkers' Foundation	37	35	(35)	-	37
Garfield Weston	15	200	(50)	-	165
Masonic Foundation	60	-	(60)	-	(0)
Colin Crawshaw	100	50	(100)	-	50
STV Appeal	-	-	-	-	-
Dulverton Trust	2	35	-	-	37
Various	1,020	1,026	(1,466)	92	673
TOTAL	2,321	1,732	(2,547)	34	1,540

Transfers to/from restricted funds, also disclosed in Note 11 above, have been made principally to match administration and support costs funded by donors for a specific project or grant programme or where funds have been incorrectly disclosed in prior years.

16a. Restricted Funds (continued)

Westnedge	<i>Chances for Children grants for adopted children</i>
NLCF – Covid-19 Emergency	<i>Chances for Children grants, grants for children in England</i>
National Lottery	<i>Chances for Children grants, grants for those children affected by domestic abuse in West Midlands</i>
Postcode Lottery	<i>Chances for Children grants</i>
CTF	<i>Chances for Children grants</i>
Graphite Capital	<i>Chances for Children grants, Estranged Young People in UK</i>
Edward Gostling Foundation	<i>Chances for Children grants</i>
City Bridge Trust	<i>Chances for Children grants for those children affected by domestic abuse in London</i>
Comic Relief	<i>Chances for Children grants for those children affected by domestic abuse in West Midlands</i>
Mercers' Company	<i>Chances for Children, Support for Boarding</i>
KPMG Foundation	<i>Chances for Children grants</i>
Clothworkers' Foundation	<i>Chances for Children grants</i>
Garfield Weston Foundation	<i>Chances for Children grants, estranged young people in UK</i>
Masonic Foundation	<i>Chances for Children grants</i>
Colin Crawshaw	<i>Chances for Children grants</i>
Dulverton Trust	<i>Chances for Children grants</i>

16b. Restricted Funds (Prior year)

	BALANCE 1 APRIL 2020 (£'000)	INCOME (£'000)	EXPENDITURE (£'000)	TRANSFERS & INVESTMENT GAINS (£'000)	BALANCE 31 MARCH 2021 (£'000)
FOR GRANTS					
Westnedge	-	5	(6)	1	-
NLCF Covid - 19 response	-	2,070	(1,757)	-	313
National Lottery	-	302	(295)	-	7
Postcode Lottery	74	-	(72)	1	3
CTF	-	215	-	-	215
Graphite Capital	70	118	(103)	108	193
City Bridge Trust	48	161	(145)	(48)	16
Comic Relief	34	610	(540)	(3)	101
Mercers' Company	15	238	-	(15)	238
KPMG Foundation	-	100	(99)	-	1
Clothworkers' Foundation	-	85	(48)	-	37
Garfield Weston	(2)	300	(283)	-	15
Masonic Foundation	-	250	(190)	-	60
Colin Crawshaw	-	100	-	-	100
STV Appeal		100	(100)	-	-
Dulverton Trust	-	50	(48)	-	2
Various	589	1,212	(774)	(7)	1,020
TOTAL	828	5,916	(4,460)	37	2,321

Transfers to/from restricted funds, also disclosed in Note 11 above, have been made principally to match administration and support costs funded by donors for a specific project or grant programme or where funds have been incorrectly disclosed in prior years.

17a. Designated Funds (current year)

	BALANCE 01-APR-21 (£'000)	INCOME (£'000)	EXPENDITURE (£'000)	TRANSFERS & INVESTMENT GAINS (£'000)	BALANCE 31 MARCH 2022 (£'000)
Buttle UK Stepping UP Fund	2,000	-	(1,001)	-	999
TOTAL	2,000	-	(1,001)	-	999

17b. Designated Funds (prior year)

	BALANCE 01-APR-20 (£'000)	INCOME (£'000)	EXPENDITURE (£'000)	TRANSFERS & INVESTMENT GAINS (£'000)	BALANCE 31 MARCH 2021 (£'000)
Buttle UK Stepping UP Fund	-	-	-	2,000	-
TOTAL	-	-	-	2,000	2,000

The Board of Trustees has applied £2m from available funds to spend on Chances for Children grants over the two years 2021-22 & 2022-23 in equal amounts.

18. Total Return Application

The Charity Commission permitted the Charity to adopt the use of the total investment powers in relation to its permanent endowment investments by an order dated 28 March 2006. The power permits the Trustees to invest the portfolio to maximize total return and to apply an appropriate portion of the unapplied total return to income each year. Until the power is exercised to transfer a portion of unapplied total return to income (as disclosed in the funds transfers, note 11), the unapplied total return remains invested as part of the permanent endowment. The power was implemented on 1 April 2006.

The Westnedge Fund refers to a legacy received in 2001 as a permanent endowment for the benefit of adopted children.

The investment fund and application of total return to permanent endowment funds	MAIN FUND (£'000)	WESTNEDGE FUND (£'000)	TOTAL 2022 (£'000)
Value of permanent endowment at 1 April	62,390	117	62,507
Less: Value of Main Fund at 5 April 1978	(7,247)	-	(7,247)
Value of Westnedge Fund at 31 March 2001	-	(73)	(73)
Unapplied total return at 1 April 2019	55,143	44	55,187
Add: Investment return			
Dividends and interest in the year	1,275	5	1,280
Realised and unrealised gains/(losses)	4,647	2	4,649
Deduct: Investment management fees	(370)	(1)	(371)
Unapplied total return before transfer to income	60,695	50	60,745
Less: Unapplied total return applied	(2,394)	(6)	(2,400)
Unapplied total return at 31 March 2021	58,301	44	58,345
Add: Endowment value at 5 April 1978	7,247		7,247
Endowment value at 31 March 2001	-	73	73
Permanent endowment including unapplied total return at 31 March 2022, constituting the investment fund	65,548	117	65,665

19. Operating Lease Commitments (Land and Buildings)

The Charity had total future minimum lease payments under non-cancellable operating leases as follows for each of the following periods:

	2022 (£'000)	2021 (£'000)
Less than one year	150	150
Between two & five years	71	221
TOTAL	221	371

20. Reconciliation Of Net Income/(Expenditure) To Net Cash Flow From Operating Activities

	2022 (£'000)	2021 (£'000)
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	1,585	13,687
Depreciation	42	39
(Gains)/losses on investments	(4,689)	(13,284)
Change in investment cash and capital commitments	-	197
Investment income	(1,293)	(992)
(Increase)/decrease in debtors	(354)	86
Increase/(decrease) in creditors	474	(301)
NET CASH PROVIDED USED IN OPERATING ACTIVITIES	(4,235)	(568)

21. Analysis of Net Debt

	AT 1st APRIL 2021 (£'000)	CASH FLOWS (£'000)	OTHER CHANGES (£'000)	AT 31st MARCH 2022 (£'000)
Cash at bank & in hand	1,575	(1,613)	-	(38)
Bank deposits (less than 3 months)	3,114	(295)	-	2,819
TOTAL CASH AND CASH EQUIVALENTS	4,689	(1,908)	-	2,781

The Charity does not hold any debt therefore the net debt analysis has not been provided.

22a. Analysis of Net Assets (current year)

	ENDOWMENT FUND (£'000)	RESTRICTED FUNDS (£'000)	UNRESTRICTED GENERAL FUNDS (£'000)	TOTAL FUNDS (£'000)
Fixed assets	-	-	34	34
Investments	66,325	721	-	67,046
Current assets	(654)	1,673	2,233	3,252
Current liabilities	-	(529)	(126)	(655)
Long term liabilities	-	(325)	-	(325)
TOTAL	65,671	1,540	2,141	69,352

22b. Analysis of Net Assets (prior year)

	ENDOWMENT FUND (£'000)	RESTRICTED FUNDS (£'000)	UNRESTRICTED GENERAL (£'000)	TOTAL FUNDS (£'000)
Fixed assets	-	-	71	71
Investments	62,865	531	-	63,396
Current assets	(208)	2,198	2,816	4,806
Current liabilities	(150)	(208)	52	(306)
Long term liabilities	-	(200)	-	(200)
TOTAL	62,507	2,321	2,939	67,767

23. Staff Retirement Benefit Scheme

The Charity operates a defined contribution scheme operated with Aviva (formerly Friends Life), whereby the Charity pays 12% of Members' salaries plus life insurance and administration costs for members who joined before 2018. Contributions for members joining from 2018 onwards are at the rate of 7%. Contributions (including member contributions) and premiums paid in the year (2022) amounted to £61,609 (2021: £98,557).

24. Statement Of Financial Activities (Prior year)

All figures expressed in £'000	NOTE	ENDOWMENT FUND	RESTRICTED FUNDS	UNRESTRICTED GENERAL FUNDS	TOTAL 2021	TOTAL 2020
INCOME FROM:						
Donations & legacies	16	-	3,491	-	3,491	1,192
From charitable activities						
Grants – NLCF COVID Response	16	-	2,070	-	2,070	-
Grants – National Lottery	16	-	302	-	302	-
Grants – Postcode Lottery	16	-	100	-	100	-
Investment	3	976	13	3	992	1,158
TOTAL INCOME		976	5,876	3	6,855	2,639
EXPENDITURE ON:						
Raising funds						
Voluntary income	4	-	-	553	553	570
Investment management fees	18	290	12	-	302	270
Total raising funds		290	12	559	855	840
Charitable Activities	5, 6					
Chances for Children grants		-	4,288	424	4,712	1,877
Grants for children's education		-	160	726	886	1,021
Research and projects		-	-	39	39	35
Total charitable activities		-	4,448	1,189	5,637	2,933
TOTAL EXPENDITURE		290	4,460	1,742	6,492	3,773
Net income/(expenditure)		686	1,416	(1,739)	363	(1,134)
Transfers between funds	10	(2,150)	(71)	2,221	-	-
Net (expenditure)/income before other recognised gains/(losses)		(1,464)	(1,345)	(482)	(363)	(1,134)
Gains/(Losses) on investments	13	13,177	107	-	13,284	(3,442)
NET MOVEMENT IN FUNDS		11,713	1,452	482	13,647	(4,576)
Balances at 1 April 2021		50,795	828	2,457	54,080	58,656
TOTAL FUNDS CARRIED FORWARD		62,508	2,280	2,939	67,727	54,080





England

Buttle UK
15 Greycoat Place
London
SW1P 1SB

020 7828 7311
info@buttleuk.org

Northern Ireland

Buttle UK
PO Box 1534
Dungannon
BT70 9BR

028 87746778

Scotland

Buttle UK
PO Box 2081
Glasgow
G32 2BR

0141 778 2839

Wales

Buttle UK
PO Box 2528
Cardiff
CF23 0GX

029 2054 1996

[f](#) [t](#) [@](#) [in](#) | [@buttleuk](#)

Registered Charity No - 313007
Scotland - SCO37997