

Philip Barker Charity
Annual Report and Financial Statements
For the year ended 31 October 2022

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A list of our directors and their qualifications can be viewed at our registered office.

Philip Barker Charity

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PHILIP BARKER CHARITY

Legal and administrative information

Trustees	Sir Edmund Burton Mr T R A Groves Mrs J P E Groves Mr M Burton
Charity number	1000227
Principal address	Bay Tree Cottage Barbary Close South Cheriton Somerset England BA8 0BG
Auditor	DJH Mitten Clarke Audit Limited Chester House Lloyd Drive Ellesmere Port Cheshire United Kingdom CH65 9HQ
Investment advisors	Investec Wealth & Investment Limited The Plaza 100 Old Hall Street Liverpool L3 9AB

Philip Barker Charity

Trustees' report

For the year ended 31 October 2022

The Trustees present their annual report and financial statements for the year ended 31 October 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's deed of trust, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and aims

In keeping with the objectives of the charity, the Trustees continue to focus on supporting local charities operating in Chester and the North West and, particularly, those related to youth activities that enhance young people's safety, preparing them for future employment and, in so doing, strengthening local communities.

The Trustees have paid due regard to guidance issued by the Charity Commission regarding public benefit in deciding what activities the Charity should undertake.

Grant Making

During the year grants to charities totalled £55,000. The Charity grant-making policy is to concentrate the Charity's limited resources, making major grants to a small number of charities, where significant and enduring benefits can be delivered. In recent years the charity has supported the Philip Barker Centre for Creative Learning, Cheshire Youth United, and the North West Young People's Cyber Security Safety Initiative; the latter two under the auspices of the Youth Federation. This policy has delivered significant benefits to innovative and highly effective initiatives, led by inspiring people, working in partnership.

Legacy

In 2016 the charity received a major legacy from the estate of the late Mrs Gwen Mather (founder of the Philip Barker Charity). The trustees decided that these funds would be devoted to the establishment and operation of the Philip Barker Centre for Creative Learning, within the education department of the University of Chester, initially, for 5 years. This initial phase was completed by the grant made on 25 August 2021. The initiative seeks to stimulate innovative opportunities and the implementation of new and effective approaches to teaching, learning and the use of creativity within a range of contexts.

The trustees have discussed future plans with the Vice Chancellor of the University of Chester: these addressed how this pioneering research work could most effectively be embodied across the faculties.

General

The Covid crisis has had a serious impact on all the uniformed youth groups of the Cheshire Youth United (CYU), with all predicting a long-term loss of young people and volunteers. The CYU, with partners, ran a recruiting initiative through schools to maintain and invigorate the services that they offer to young people: this engaged young leaders across the youth groups. The Youth Federation is working with partners, including the Cheshire and Warrington Pledge programme which is, effectively, acting as a bridge between industry and young people and preparing them for employment, with the necessary life skills and leadership.

Significantly, the effectiveness of these grants is enhanced by the establishment of enduring partnerships with primary and secondary schools, councils, police, fire and rescue, universities (including teacher training providers) and national experts. These links are being extended to include private sector employers.

Acknowledging the success of partnering in the North West, the trustees established an initial link with the Gryphon School in Sherborne, Dorset, with a view to developing and jointly funding an adventure training scheme drawing on best practice derived from the Duke of Edinburgh Award Scheme.

Philip Barker Charity

Trustees' report (continued)

For the year ended 31 October 2022

Major Youth Grants

Building on the success of past years of partnering with the Youth Federation, major repeat grants were made to the Youth Federation North West Young People's Cyber Safety initiative (£20,000) and Youth United programmes (£20,000). Responding to a special request from the Youth Federation, a further grant of £10,000 was made to fund additional in-depth training around digital skills in cyber security and networking.

Community Grants

The major grants to youth organisations have delivered benefits to local communities, through the well-established links between the youth organisations and their local communities.

Financial review

Reserves policy

The trustees have reviewed the reserves of the charity and concluded that, in order to allow the charity to be managed efficiently and to provide a buffer, the unrestricted funds not invested in investments held by the charity should be maintained at a level of approximately twelve months anticipated expenditure. At the balance sheet date reserves were in excess of that amount. The trustees continue to monitor and review this policy.

Investment policy and objectives

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees, with the advice of their stockbrokers (Investec), to whom the day-to-day management of investments is delegated. The strategy is to invest in low risk investments, generating sufficient income to fund minor grants. The major grant to the Centre for Creative Learning was funded from capital in order to sustain innovation.

The results for the year show a deficit of funds of £120,735 before the unrealised gain on revaluation of listed investments. The unrestricted funds of the charity amounted to £1,776,554. This can be compared with the figures of past years: £1,965,826 at October 2021: £1,779,151 at October 2020: £1,995,831 at October 2019.

During this financial year grants totalled £55,000.

The Trustees continued to exercise tight control over management and administrative costs, which totalled £1,822 (2.68% of resources expended) and investment management of the portfolio by Investec. - £11,159 (16.41% of resources expended).

Resources

Acknowledging that the charity would continue to suffer from a reduced income from its investments, the trustees authorised the release of funds from the sale of investments in order to supplement grants for the current year. The additional funds required to meet approved grants were drawn from the unrestricted funds of the charity.

Risk management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established, so that the necessary steps can be taken to lessen these risks.

Structure, governance and management

The Charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

The Philip Barker Charity is a registered charity, number 1000227. The Charity was established by a charitable trust deed on 10 August 1990.

Philip Barker Charity

Trustees' report (continued)

For the year ended 31 October 2022

The Trustees who served during the year and up to the date of signature of the financial statements were:

Sir Edmund Burton

Mr T R A Groves

Mrs J P E Groves

Mr M Burton

The objects of the charity are the relief of poverty, advancement of education and the Christian religion, and other charitable purposes for the benefit of the community, through the making of grants to appropriate institutions and organisations. The Trustees give special consideration to the furtherance of the objects in the City of Chester and the County of Cheshire.

Organisational structure

The trustees who served during the year and since the year end are set out on page 1. Trustees are appointed by the board of trustees following discussion of recommendations. They serve for a period of five years, after which they may put themselves forward for reappointment. Grant applications are collated and considered periodically.

The Trustees' report was approved by the Board of Trustees.

Sir Edmund Burton

Trustee

11 August 2023

Philip Barker Charity

Statement of trustees' responsibilities

For the year ended 31 October 2022

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 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 year.

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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PHILIP BARKER CHARITY

Independent auditor's report

TO THE TRUSTEES OF PHILIP BARKER CHARITY

Opinion

We have audited the financial statements of Philip Barker Charity (the 'Charity') for the year ended 31 October 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 October 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the 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 director's 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 12 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.

- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

PHILIP BARKER CHARITY

Independent auditor's report (continued)

TO THE TRUSTEES OF PHILIP BARKER CHARITY

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees is 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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.

We considered the legal and regulatory framework of the charity and determined that the most significant having a direct material effect on the financial statements of the charity include those that relate to the reporting framework, FRS 102 and the Charities Act 2011.

We assessed how the charity is complying with the frameworks by:-

- making enquiries of the board of trustees
- testing to supporting documentation to assess compliance with applicable laws and regulations and;
- reviewing the financial statement disclosures for compliance with the relevant accounting standards and legislation.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

PHILIP BARKER CHARITY

Independent auditor's report (continued)

TO THE TRUSTEES OF PHILIP BARKER CHARITY

Other matters

Your attention is drawn to the fact that the charity has prepared accounts in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn. This has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Desirie Lea FCA FCCA (Senior Statutory Auditor)
for and on behalf of DJH Mitten Clarke Audit Limited

14 August 2023

Chartered Accountants
Statutory Auditor

Chester House
Lloyd Drive
Ellesmere Port
Cheshire
United Kingdom
CH65 9HQ

DJH Mitten Clarke Audit Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Philip Barker Charity

Statement of financial activities including income and expenditure account

For the year ended 31 October 2022

		Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Income from:</u>	Notes		
Investments	2	37,985	41,843
<u>Expenditure on:</u>			
Raising funds	3	11,159	11,348
Charitable activities	4	56,822	141,679
Total expenditure		67,981	153,027
Net gains/(losses) on investments	9	(90,739)	31,406
Net outgoing resources		(120,735)	(79,778)
Other recognised gains and losses			
Revaluation of tangible fixed assets		(68,537)	266,453
Net movement in funds		(189,272)	186,675
Fund balances at 1 November 2021		1,965,826	1,779,151
Fund balances at 31 October 2022		1,776,554	1,965,826

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

Philip Barker Charity

Balance sheet

As at 31 October 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Investments	10		1,665,406		1,875,344
Current assets					
Debtors	12	94,224		55,800	
Cash at bank and in hand		18,748		36,412	
		<u>112,972</u>		<u>92,212</u>	
Creditors: amounts falling due within one year	13	<u>(1,824)</u>		<u>(1,730)</u>	
Net current assets			111,148		90,482
Total assets less current liabilities			<u>1,776,554</u>		<u>1,965,826</u>
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		1,734,879		1,855,614	
Revaluation reserve		<u>41,675</u>		<u>110,212</u>	
			1,776,554		1,965,826
			<u>1,776,554</u>		<u>1,965,826</u>

The financial statements were approved by the Trustees on 11 August 2023

Sir Edmund Burton
Trustee

Philip Barker Charity

Notes to the financial statements

For the year ended 31 October 2022

1 Accounting policies

1.1 Accounting convention

The accounts have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Charities Act 2011 and the requirements of the Statements of Recommended Practice, Accounting and Reporting by Charities.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

1.5 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.6 Cash and cash equivalents

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

1.7 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Philip Barker Charity

Notes to the financial statements (continued)

For the year ended 31 October 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Taxation

The charity is exempt from tax on its charitable activities.

1.10 Fund accounting

Unrestricted funds can be used in accordance with the charitable activities at the discretion of the trustees.

2 Investment/Income

	Unrestricted funds	Total
	2022	2021
	£	£
Income from listed investments	34,056	37,232
Interest - UK fixed interest securities	3,926	4,557
Interest receivable	3	54
	<u>37,985</u>	<u>41,843</u>

Philip Barker Charity

Notes to the financial statements (continued)

For the year ended 31 October 2022

3 Raising funds

	Unrestricted funds	Total
	2022	2021
	£	£
Investment management	11,159	11,348
	<u>11,159</u>	<u>11,348</u>

4 Charitable activities

	Grants paid 2022	Grants paid 2021
	£	£
Grant funding of activities (see note 5)	55,000	140,000
Share of governance costs (see note 7)	1,822	1,679
	<u>56,822</u>	<u>141,679</u>

5 Grants payable

	Grants paid 2022	Grants paid 2021
	£	£
Grants to institutions:		
Other	55,000	140,000
	<u>55,000</u>	<u>140,000</u>

Youth Grants

The following grants were made to encourage local youth activities. They were:

£20,000 to the Youth Federation - to implement the North West People's Cyber Safety programme

£20,000 to the Youth Federation - to fund the Youth United activities in Cheshire

£10,000 to the Youth Federation - to fund in-depth cyber training

£5,000 to the Disasters Emergency Committee Ukraine Humanitarian Appeal

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

Philip Barker Charity

Notes to the financial statements (continued)

For the year ended 31 October 2022

7 Support costs

	Support costs	Governance costs	2022	2021	Basis of allocation
	£	£	£	£	
Audit fees	-	995	995	945	Governance
Accountancy	-	827	827	734	Governance
	<u>-</u>	<u>1,822</u>	<u>1,822</u>	<u>1,679</u>	
	<u>-</u>	<u>1,822</u>	<u>1,822</u>	<u>1,679</u>	
Analysed between Charitable activities	-	1,822	1,822	1,679	
	<u>-</u>	<u>1,822</u>	<u>1,822</u>	<u>1,679</u>	

Governance costs includes payments to the auditors of £994 (2021 - £945) for audit fees.

8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Total	-	-
	<u>-</u>	<u>-</u>

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

9 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Gain/(loss) on sale of investments	(90,739)	31,406
	<u>(90,739)</u>	<u>31,406</u>

Philip Barker Charity

Notes to the financial statements (continued)

For the year ended 31 October 2022

10 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 November 2021	1,875,344
Additions	127,710
Valuation changes	(68,537)
Disposals	(269,111)
	<hr/>
At 31 October 2022	1,665,406
	<hr/>
Carrying amount	
At 31 October 2022	1,665,406
	<hr/> <hr/>
At 31 October 2021	1,875,344
	<hr/> <hr/>

11 Financial instruments	2022	2021
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	1,665,406	1,875,344
	<hr/> <hr/>	<hr/> <hr/>

12 Debtors	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	94,224	55,800
	<hr/> <hr/>	<hr/> <hr/>

13 Creditors: amounts falling due within one year	2022	2021
	£	£
Other creditors	1,824	1,730
	<hr/> <hr/>	<hr/> <hr/>

14 Related party transactions

There were no disclosable related party transactions during the year (2021- none).