UK COMMUNITY FOUNDATIONS

England & Wales · Charity number 1004630

Details

Other names	COMMUNITY FOUNDATION NETWORK
Status	Registered
Legal form	Charitable company
Company number	02651777
Registered	1991-10-11
Register	View on the Charity Commission register

Contact

Address	Northgate Business Centre Ltd Northgate Business Centre 38 North Gate Newark NG24 1EZ
Phone	02077139326
Email	financeadmin@ukcommunityfoundations.org
Website	www.ukcommunityfoundations.org

Activities

Objects: (A) TO PROMOTE AND IMPROVE THE EFFICIENCY AND EFFECTIVENESS OF COMMUNITY FOUNDATIONS IN DIRECT PURSUIT OF THEIR OBJECTS IN SUCH MANNER AS MAY BE THOUGHT FIT AND IN PARTICULAR BY RAISING AND DISTRIBUTING FUNDS FOR APPLICATION FOR THE GENERAL PURPOSES OF SUCH FOUNDATIONS (B) TO ADVANCE EDUCATION OF THE PUBLIC IN THE WORK OF SUCH FOUNDATIONS (C) TO PROMOTE OTHER EXCLUSIVELY CHARITABLE PURPOSES OF BENEFIT TO THE COMMUNITY.

Activities: UK Community Foundations promotes local charitable giving through the quality accredited community foundations covering the UK. Community foundations work to connect donors and local groups to enrich lives for the better and build stronger communities.

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Classification

- **How:** Makes Grants To Organisations, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, Economic/community Development/employment
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** UNITED KINGDOM
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£11,286,000	£11,439,000	£6,316,000	18
2024-03-31	£12,961,000	£13,089,000	£6,713,000	16
2023-03-31	£8,195,000	£8,949,000	£6,289,000	18
2022-03-31	£6,712,000	£8,000,000	£7,326,000	18
2021-03-31	£83,778,000	£83,027,000	£8,180,000	17

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Trustees

Name	Role	Appointed
Lt Col Andrew Simon Tuggey CBE	Chair	2020-06-24
Abdul Ghafoor		2025-11-04
Amanda Ellingworth		2025-11-04
Caroline Jane Rudolph		2025-11-04
Deborah Appleby		2024-11-14
Dr Emma-Jane Watchorn		2021-11-04
Hannah Wickes		2024-01-31
Katherine Cooper Sellar		2025-11-04
Katherine Lucy Webster		2025-11-04
Leslie Rance		2024-03-22
NEIL MACDONALD		2023-06-16
Steve Adams		2024-11-14
THOMAS RICHARD VAN OSS		2020-10-22

Linked charities

- THE SIR GEORGE EARLE FUND AT UK COMMUNITY FOUNDATIONS (1004630-1)
- AID FOR THE AGED IN DISTRESS (1004630-2)

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UK COMMUNITY FOUNDATIONS

England & Wales - Charity number 1004630

Accounts

UK COMMUNITY FOUNDATIONS

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Company number: 2651777
Charity number: 1004630

UKCOMMUNITY FOUNDATIONS

GIVING FOR LOCAL GOOD

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INTRODUCTION

UK Community Foundations (UKCF) is the national membership organisation for all accredited community foundations across the United Kingdom. We enable investment in communities to transform people's lives. UKCF provides a range of services for members, including training and support, networking opportunities, national publicity, and national grant programmes. We want our members to be the best place-based grant makers, leaders, convenors and catalysts of local communities, encouraging and developing local philanthropy, and helping people and organisations direct their giving to where it is most needed and where it will make the most impact. Our vision is of a society where local philanthropy and giving is the norm and where communities can help all those in need.

The Network

Our network consists of 47 accredited community foundations and two overseas members. They are mainly county based or cover metropolitan boroughs. In the case of Scotland, Wales and Northern Ireland, there is one community foundation for each of the devolved administrations. Our overseas members are Jersey and Bermuda.

What Our Members Do

Community foundations are the best way for local people and organisations to give right to the heart of their communities wherever they live across the UK. They address the widest possible range of issues across all communities of England, Northern Ireland, Scotland and Wales.

Community foundations have an unparalleled reach. Each foundation has a deep understanding of its local area, its priority needs and how best to address those needs. Thus, community foundations can advise donors on how best to give to local causes most efficiently and effectively.

Community foundations are focussed on local philanthropy and giving. As endowed charities, they build a sustainable source of funding from and for their local communities.

Community foundations support and fund local projects and organisations at the grassroots level across a wide range of local issues, such as poverty alleviation, emergency crisis response, youth engagement, isolation, and mental health. The causes our members fund are as diverse as the communities with which they engage.

Community foundations are community convenors and leaders, able to harness and influence local resources to achieve community benefit. They bring disparate people and agencies around the table to achieve meaningful social change.

INTRODUCTION

Our network of community foundations together owned endowments of £888 million at 31 March 2024 (figures from our most recent census survey) and last year awarded grants totalling £170 million. Collectively, this makes the UKCF network one of the UK's larger grant-giving organisations. Over the past 50 years, community foundations have distributed over £2 billion to support communities to address local needs. This generosity demonstrates how the philanthropic spirit in the UK has secured long term and sustainable benefit for communities and achieved lasting social change.

CHAIR'S REPORT

The 2024/25 financial year marked a significant period of transition for UKCF. The start of 2025 signalled the beginning of a new phase for the organisation: one focused on stabilisation, renewal and strategic momentum.

Like many membership bodies operating in a complex and evolving environment, UKCF has encountered several challenges during the year. At the same time, we have made important progress and laid strong foundations for the future, thanks to the commitment of our staff team, the Board of Trustees and our network of 47 community foundations.

Progress and Learning

The delivery of our Digital Transformation project (DiTA), a major investment intended to modernise grant-making infrastructure across the network, proved more complex than anticipated. Following careful review, the team implemented a six-month pause in order to improve and test the system further. With the continued support of the participating community foundations, we concluded the year in a stronger position to resume implementation in 2025/26. The learning gained through this experience will be valuable as the project progresses.

UKCF also continued to deliver national programmes to help strengthen civil society. Our flagship *Know Your Neighbourhood* programme entered its third year and was extended into a fourth, in recognition of its impact in communities. In partnership with CCLA Investment Management and LAMIT, we successfully launched the *Care Leavers Programme*, aimed at addressing structural disadvantage for one of the most underserved groups in society.

Other areas of work saw considerable success. UKCF's biannual conference in Harrogate brought together Chief Executives and Chairs from across the UK for two days of shared learning, discussion and connection. Feedback from members was extremely positive, reaffirming the importance of convening the network in this way. Our current quality accreditation process – QA6 – is progressing well and has been well received by members.

Governance and Leadership

A major development during the year was the appointment of our new Chief Executive, Emma de Closset, who joined UKCF in January 2025. Her appointment has already brought renewed energy and focus to the organisation, and the Board has full confidence in the leadership now in place. Alongside this, steps have been taken to strengthen the senior leadership team, reflecting the ambition and scale of the work ahead.

UKCF's finances remained under pressure during the year, not least due to the delayed timing of a trust transfer which arrived shortly after the financial year had ended. Although this affected our reported year-end position, UKCF entered 2025/26 on a substantially firmer financial footing. The Board and executive continue to monitor financial performance closely and are planning cautiously for the year ahead.

Looking Ahead

This year served as a reminder that meaningful change requires patience, resilience and clarity of purpose. The Chief Executive is adapting UKCF's strategy to reflect the increased confidence and ambition of the organisation and will engage the Board and community foundations in the coming months.

On behalf of the Board, I extend sincere thanks to the entire UKCF team, our partners, and our member community foundations for their dedication and support throughout the year. Their contribution is greatly valued.

In a changing political and economic context, UKCF and the network are uniquely well placed to ensure that communities, particularly those often overlooked, receive the investment and attention they deserve. With a new leadership team in place and a clear strategy to guide us, the organisation is well positioned for the future.

Andrew Tuggey

Andrew Tuggey CBE DL
Chair and Trustee

UK Community Foundations

30/09/2025

TRUSTEES' REPORT

The Trustees present their annual report, together with the audited accounts of the charity for the year ended 31 March 2025.

AIMS AND OBJECTIVES

During the 2025 financial year, the Board complied with the duty set out in section 17 of the Charities Act 2011, which is to have due regard to the public benefit guidance published by the Charity Commission (England and Wales) when reviewing UKCF's aims and objectives and planning future activities. In particular, the Board has considered how planned activities will contribute to the aims and objectives they have set.

AIMS

Our charitable objects are:

- To promote and improve the efficiency and effectiveness of community foundations in direct pursuit of their objectives, in such a manner as may be thought fit and by raising and distributing funds for application for the general purposes of such foundations.
- To advance the education of the public in the work of such foundations.
- To promote other charitable purposes of benefit to the community.

2024/25 OBJECTIVES

1. **Strengthen the Network.** We support each of our members to build their skills and capacity to meet the needs of their communities.

2. **Build Profile.** We support policy and systems change, advocating for long-term, relationships-driven approaches.

3. **Unlock Resources.** We generate investment in the network from a wide range of philanthropists, donors, and partners.

4. **Digital Transformation.** We co-invest alongside 33 members to build a new end-to-end grant management system and database that will provide UKCF with access to unique place-based, hyper local data that will support our strategy as a key national provider of grants, capable of tailored delivery in every single UK postcode.

5. **Governance.** We deliver quality assurance programmes to strengthen governance practices at UKCF and across the entire network, ensuring that structures, processes, and practices remain robust and fit for purpose.

ACHIEVEMENTS AND PERFORMANCE

1. Strengthen the Network.

- Held UKCF's biennial in-person conference on 8th, 9th and 10th October, and brought together over 300 delegates from the UK and internationally in Harrogate to explore the future of philanthropic community investment.
- Face-to-face peer learning: CEO Residential and Chairs' Day.
- Communities of Practice continued, Communities of Interest formed around health, rural philanthropy, data, impact and learning.
- Increased engagement on the Members' Hub.
- New strategy engagement event held in London in September – enhanced relationships with key funders including the Henry Smith Charity (now Henry Smith Foundation).
- Achieved a significant increase in engagement and collaboration within the network, demonstrating the value of our new strategic initiatives.

2. Build Profile.

- Profiled arrival of the new Chief Executive in Civil Society Media, through an interview that highlighted the scale and reach of community foundations across the UK.
- Hired a strategic communications director, who took up post in December 2024.
- Established new membership of the Impact Economy Collective, an influential coalition of organisations from philanthropy, social investment and responsible business.
- Continued relationships with other funders and think tanks such as Pro Bono Economics, New Philanthropy Capital, and Beacon Collaborative.

3. Unlock Resources.

- Supported the transfer of inactive and dormant trusts with a total asset value of £6.18M in 2024, in continued partnership with the Charity Commission.
- Secured one-year extension of "Know Your Neighbourhood" with the Department of Culture, Media and Sport, and expanded the Anchor partnership to five more community foundations.

- Expanded corporate donations by sustaining meaningful and valued partnerships with CCLA, Sarasin, Prospectus and Evouchers. As a result of the partnership with UKCF, Evouchers are now widely used across the network as a delivery tool, benefitting our members and the communities they serve.

4. Digital Transformation.

- Two community foundations began using the new end-to-end grant management system in 2024 (Community Foundation Northern Ireland and the Community Foundation for Staffordshire and Shropshire).

- Rollout to further community foundations was paused in Autumn 2024 to allow for additional development time. A Systems Improvement Group (SIG) was established to provide members with visibility into the status of development for prerequisites, and members of the SIG provided invaluable support in user acceptance testing.

- At the UKCF Board meeting in March 2025, Trustees approved significant UKCF investment in upgrading the approach to data migration for community foundations. This enabled the project to move away from manual data migration and invest in an automated Extract, Transfer, Load tool, which is considered best practice for a programme of this nature.

- 2024/25 was a challenging period for this project, but it is moving into 2025/26 on firmer footing with a clear plan for a phased rollout beginning in May 2025 .

5. Governance.

- Concluded the governance review overseen by an independent member of the Nominations and Governance Committee. The insights and learning from this review have been shared across our Board and Senior Management team. Recommendations, and feedback from subsequent sessions held with them, have been enacted and continue to be adopted in governance planning in 2025/26.

- Committee terms of reference, work plans and membership have been strengthened to ensure robust oversight, increasing confidence in our governance structures. We are also conducting a thorough review of our internal policies, procedures and delegated authority process. This work will continue in 2025/26.

- We continue to support members through the Quality Accreditation process, which benchmarks practice against national standards and provides a valuable framework for continuous improvement. Alongside compliance, we share tools, templates, and examples of good practice through our online Resource Library, ensuring learning is accessible and

practical. Insights from accreditation reviews help us identify common strengths, gaps, and emerging themes across the network, directly informing our collective learning plans and guiding targeted capacity-building initiatives.

PLANS FOR THE FUTURE

The new Chief Executive is consulting on changes to the UKCF strategy, including 2025-2030 strategic priorities and our overarching mission: *enabling investment in communities to transform people's lives.*

Our strategic priorities will be finalised in consultation with the Board of Trustees and community foundations by Autumn 2025. As currently drafted, they are to:

- Amplify the community voice in policy making;
- Grow regional and place-based philanthropy and giving, including micro-giving;
- Transform grant-making and convene effective local systems; and
- Foster resilient communities in the face of challenges *(newly added, to reflect the significant role that our members play in this area).*

These strategic priorities are underpinned by three key enablers:

- **Partnership**. We work collaboratively with strategic partners who share our goals and priorities, to maximise our impact in communities;

- **Continuous Learning**. We foster a culture of continuous learning and development across all community foundations, underpinned by Quality Accreditation.

- **Data and Insight**. We use community insights to inform decisions and demonstrate impact, driven by a shared data strategy and supporting infrastructure.

The foundation of our strategy is strong governance, financial management and responsibility. Taken together, the draft strategy sets out a bold vision for UKCF to become an ambitious, high performing membership body, relentlessly championing community foundations and enabling their vital work in communities across England, Northern Ireland, Scotland and Wales.

FINANCIAL REVIEW

Financial Performance

Reflective of the challenging year described above, UKCF produced an unrestricted deficit of £203k in 2024/25, significantly depleting our unrestricted reserves. The deficit arose due to two main factors:

(a) Leadership changes and reduced staff capacity meant that income targets were not met.

(b) Delays and further costs incurred in the delivery of Project DiTA.

With the appointment of the new permanent Chief Executive, a bolstered leadership team, and renewed confidence in the implementation of Project DiTA, the budget for 2025/26 has been set with the core objective of moving the organisation on to a more sustainable footing.

UKCF was fortunate to receive a significant unrestricted trust transfer shortly after the financial year end. Though this income is not accrued in these financial statements, the receipt of this funding materially (and positively) changes the unrestricted reserves position and supports the Trustees' going concern assessment.

Income

Total income for 2025 was £11,286k, of which £9,434k was restricted (2024: £12,961k, of which £11,198k was restricted). Our primary sources of income are:

- **Donations and Grants**. Primarily restricted grants that represent flow-through funding to our network of community foundations. We also receive some core funding (unrestricted grants) from other trusts and foundations, external partners or via programmes.
- **Membership Fees**. Our membership fees are based on the valuation of the endowments held by each individual community foundation.
- **Trust Transfers**. These can arise from transfers of inactive or dormant trusts which have a national or UK-wide objective. Transfers may be endowed, restricted, or unrestricted.
- **Events**. Events such as our biennial national conference generate income via ticket sales and sponsorship opportunities.
- **Other Member Services**. For example, corporate partnership agreements or fees related to our Revitalising Trusts Programme work.
- **ICT Services and Recharged Software**. This relates to the UKCF delivery of Project DiTA and ongoing support for the legacy Salesforce system.

- **Investment Income**. Dividends and interest earned from investment holdings and bank deposits.

Expenditure

Total expenditure was £11,439k, of which £9,270k relates to restricted flow-through grants and programme costs (2024: £13,089k, of which £11,258k was restricted). Notable exceptional expenditure in 2024/25 related to:

- Project DiTA: delivery required significant additional costs relating primarily to data migration work and unbudgeted software licence extensions.
- Staff restructure: costs incurred in enacting changes in the leadership and recruitment of a permanent Chief Executive.

Funds

UKCF has unrestricted, restricted and endowment funds:

- **Unrestricted General Funds**. Excluding ICT costs recharged to members, unrestricted funds show the income and expenditure required to operate UKCF.
- **Unrestricted Designated Funds**. These represent funds ringfenced at the Trustees' discretion for community grant-making.
- **Restricted Funds**. Restricted funds consist of both flow-through funds which we use to make grants to our members, and, on rare occasions, to other organisations; and investment income (and capital drawdown as per below) restricted to programme spend.
- **Endowment Funds**. As a result of the Revitalising Trusts Programme, UKCF also holds an endowment fund. The Sir George Earle Charitable Fund, which is held as a linked charity (charity number 1001630-1), is the largest endowment fund. Capital drawdowns are made in line with fund agreements to provide grants to be made by individual community foundations; this is shown as a fund transfer to restricted funds. UKCF also draws down a contribution to overheads in line with fund agreements.

Investments

UKCF held investments with a valuation at 31 March 2025 of £5.7 million (2024: £6.2 million). Investment performance was impacted in 2024/25 by the election of the Trump administration, leading to market declines amid a US trade war and global policy uncertainty. Total reported losses were £244k (2024: gains of £552k). Investments are managed by CCLA Investment Management Limited and are held in CCLA's COIF Ethical Fund. UKCF operates a total return policy to invest funds for longer-term growth.

Through its Community First Investment Committee (CFIC), UKCF also has responsibility for the oversight of the Community First Match Fund Challenge Endowment which is held by 44 individual community foundations and is invested in CCLA COIF funds. That fund was valued at £165.7m at 31 March 2025 (2024: £181.5m).

CFIC meets twice a year and reports regularly to the membership network. In the opinion of CFIC, CCLA exercised its investment responsibilities with due care during the year. However, CFIC has noted that performance has not only been poor relative to the comparator over the short term but, for the first time in recent history, also relatively poor over the longer term.

Total investment performance net of fees and costs to 31 March	Year 2025	Year 2024	Annualised three-years 2025
CCLA – COIF Ethical Investment Fund	-2.63%	+12.59%	+5.44%
Comparator	+0.82%	+16.52%	+9.70%

It was announced in July that CCLA is to be acquired by Jupiter Investment Management Group. CFIC will monitor developments under the new structure to ensure its obligations to community foundations are met in full.

RESERVES POLICY

At 31 March 2025, UKCF's total funds amounted to £6,316k (2024: £6,713k). Unrestricted general funds were £53k (2024: £256k), designated funds were £287k (2024: £nil), restricted funds were £788k (2024: £267k) and endowment funds were £5,188k (2024: £6,190k).

In August 2024, the Trustees reviewed UKCF's reserves policy, in line with the Charity Commission's guidance CC19 (Charity Reserves: building resilience) and determined that a target of £250k was an appropriate level for unrestricted general reserves. This target translates to around three months of unrestricted operating expenditure (excluding recharged costs).

The Trustees believe this policy is a sensible balance between the need to maintain a secure long-term financial position and the desire not to hold excessive charitable funds that should be distributed. The Trustees review the reserves policy every year and are of the opinion that the target remains appropriate in 2025.

At the balance sheet date, however, unrestricted general reserves fell significantly short of this target, at £53k (2024: £256k). This financial position was impacted by the timing of a large trust transfer received early in 2025/26. The Trustees were made aware of the likely receipt of the transfer in Autumn 2024 but unavoidable delays in winding up the trust resulted in

UKCF not receiving the funds until after the financial year end. Whilst these financial statements reflect a challenging year, the Trustees are confident that unrestricted general reserves will revert closer to policy level in the next 12 months.

RISKS

The Trustees regularly review the major risks to which the charity is exposed. Systems and procedures, including an organisation-wide and specific project risk registers, are in place to manage these risks, with regular reports from the Chief Executive. Mitigating actions are planned and prioritised and those with a financial implication are considered when setting the reserves policy.

The key risks are associated with the financial, operational, and reputational risks associated with the delivery of UKCF's objectives. The most significant risks are:

- Returning the organisation to a sustainable footing, ensuring sufficient funding is secured to cover our unrestricted core costs and therefore allow UKCF to deliver on its mandate and strategy. To mitigate this risk, UKCF is proactively pursuing new strategic partnerships and core funding opportunities, and further diversifying income streams, as well as delivering cost savings via a streamlined budget.

- Ensuring delivery of Project DiTA and managing unplanned costs on the project. The DiTA Steering Committee is responsible for detailed oversight of all project risks and meets monthly to review mitigating actions.

- Ensuring continued engagement with our strategy both within our membership network, and externally with key partners. This is managed by our membership and senior leadership team with any financial risks escalated as necessary.

GOING CONCERN

The Trustees have assessed whether the use of the going concern basis is appropriate for UKCF and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

Given the depleted reserves position at 31 March 2025, the Trustees have considered the post year end results (and cash flow) achieved to date in the current financial year, forecasts for the period to 31 March 2026 and projections for the financial year 2026/27. As mentioned above, the receipt of the trust transfer in May 2025 has replenished reserves. The unrestricted budget for 2025/26 includes cost savings on core running costs and a rationalised staff team.

Therefore the Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Therefore, the charity continues to adopt the going concern basis in preparing its financial statements.

REMUNERATION POLICY

The Trustees consider that the Board and the Senior Management Team comprise the key management personnel in charge of directing and controlling the charity and operating it on a day-to-day basis.

All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses are disclosed in note 15 to the accounts.

Trustees are required to disclose all relevant interests and withdraw from decisions where a conflict of interest arises.

The Chief Executive's salary is reviewed annually considering movement in average earnings and the relativity with the average salary of other employees. The remuneration of the Chief Executive and their senior reports is bench-marked with grant-making charities of a similar size and activity to ensure that the remuneration set is fair and comparable with that generally paid for similar roles. The new permanent Chief Executive was recruited in Autumn 2024 with compensation set at current market rates.

FUNDRAISING

UKCF does not actively fundraise from members of the public and no third-party fundraisers are used by the charity. Most of our funding comes directly from grants and institutional funders. We have not received any complaints in respect of fundraising and are registered with the Fundraising Regulator.

STRUCTURE, GOVERNANCE AND MANAGEMENT

UKCF is a charitable company limited by guarantee with governance arrangements set out in the company's memorandum and articles of association.

UKCF is the national membership organisation for community foundations in the UK. Full membership of UKCF is restricted to quality-accredited community foundations in the UK.

Some of our Trustees are from our membership and some are independent, with members in the majority (see note 16 in the financial statements for more detail). We hold elections for UKCF Trustees from our membership, whether they are Trustees or employees of community foundations. Independent Trustees are co-opted to the board to bring experience and skills that are considered necessary. This process is overseen by our Nominations Committee. Terms of office as a Trustee are a maximum of three terms of two years.

All Trustees have an induction and are encouraged to attend training provided for them. Many of UKCF's Trustees attend third sector seminars and events, and some are offered training and development opportunities by their relevant community foundation. All UKCF Trustees are given the opportunity to attend UKCF's online and in person conference, which fall in alternating years. Both events have a programme of plenary speeches and workshops designed to develop the skills and knowledge of all attendees. In addition, the Board agenda includes updates on charity governance matters.

Board meetings fit into the planning cycle so that the Board can focus on developing strategy, approving the operational plan, agreeing the annual budget, and reviewing lessons learned. The Board of UKCF is the decision-making body of the company. The Board delegates powers to committees to recommend specific decisions to the Board consistent with the overall direction set by the Board. The committees in the 2024/25 financial year were as follows:

- **Finance, Audit & Operations Committee:** Charged with reviewing financial strategy and planning, audit, risk, human resources, and major contracts.
    - **Community First Investment Committee:** A sub-committee of the Finance, Audit & Operations Committee, charged with oversight of the UKCF endowment and the community foundations' endowment established during the Community First Match Challenge Programme.
- **Nominations & Governance Committee:** Charged with overseeing the recruitment of Trustees and Trustee training and development.
- **DiTA Steering Committee:** Charged with overseeing the successful delivery of Project DiTA.

LEGAL AND ADMINISTRATION DETAILS

Status of the Charity
A company limited by guarantee which was incorporated on 7 October 1991 and registered as a charity on 11 October 1991.

Governing Documents
The charity was established under a memorandum of association on 7 October 1991 as amended on 2 December 1993, 17 July 1996, 21 October 1998, 19 January 2000, 27 April 2001, 23 April 2003, 17 November 2010, 19 March 2013, 16 November 2016 and 10 December 2020. The memorandum established the objects and powers of the charity. It is governed under its articles of association.

Company Number: 2651777

Charity Number: 1004630

Honorary Officers
President – Lord (Michael) Hastings of Scarisbrick CBE
Chair – Andrew Tuggey CBE DL
Treasurer – Neil MacDonald OBE

Trustees
Steve Adams (appointed 14 November 2024)
Deborah Appleby (appointed 14 November 2024)
Gill Bull
Michelle Cooper MBE
John Gordon DL
Neil MacDonald OBE
Fiona McDiarmid (resigned 19 March 2025)
Anushka Nagpal (resigned 12 December 2024)
Leslie Rance
Kevin Richmond (resigned 14 November 2024)
Kayathiri Supramaniam
Stephanie Taylor (resigned 19 May 2024)
Andrew Tuggey CBE DL
Thomas Van Oss
Emma-Jane Watchorn
Hannah Wickes

Company Secretary

Rosemary Macdonald BEM (until 31 May 2024)
Kaveed Ali (from 1 June 2024 until 31 March 2025)
Emma de Closset (from 1 April 2025)

Chief Executive

Rosemary Macdonald BEM (until 31 May 2024)
Kaveed Ali – Interim Co-CEO (from 1 June 2024 until 7 January 2025)
Ben Robinson – Interim Co-CEO (from 1 June 2024 until 7 January 2025)
Emma de Closset (from 8 January 2025)

Registered Office

Northgate Business Centre, 38-40 Northgate, Newark, NG24 1EZ

Bankers

CAF Bank Ltd, Kings Hill, West Malling, Kent ME19 4TA
NatWest Commercial Banking, 1st Floor, 440 Strand, London, WC2R 0QS

Investment Managers

CCLA Investment Management Ltd, Senator House, 85 Queen Victoria Street, London EC4V 4ET

Independent Auditors

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

Members' Liability

Members of the charity guarantee to contribute an amount not exceeding £1 to its assets in the event it is wound up. The number of members at 31 March 2025 was 46.

Trustees' Insurance

During the year, Trustees were covered by Directors' and Officers' insurance. The premium for this is not separately identifiable from the organisation's overall insurance policy.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also directors of UK Community Foundations for the purposes of company law) 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.)

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards, including FRS 102, 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 charitable company will continue in business.

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

At the date that this Trustees' report is approved, so far as each of the Trustees is aware:

- There is no relevant information of which the auditors are unaware; and
- The Trustees have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' report, including the strategic report, was approved by the Board on 25 September 2025:

Andrew Tuggey

Signed on its behalf by

Andrew Tuggey CBE DL

Chair and Trustee, UK Community Foundations

30/09/2025

N.A. MacDonald

Signed on its behalf by

Neil MacDonald OBE

Treasurer and Trustee, UK Community Foundations

30/09/2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK COMMUNITY FOUNDATIONS

Opinion

We have audited the financial statements of UK Community Foundations for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 charitable company's affairs as at 31 March 2025 and charitable company's net movement in funds, including the income and expenditure, 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 Companies Act 2006.

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 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 charitable company'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 Introduction, the Chair's Report and the Trustees' 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustee's Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; 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 pages 18-19), the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company 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 charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law and company law 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 Companies Act 2006, the Charities Act 2011, Charities Statement of Recommended Practice (SORP) 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 posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluating management's controls designed to prevent and detect irregularities;
- identifying and testing journals, in particular journal entries posted with unusual account combinations; and
- challenging assumptions and judgements made by management in their accounting estimates.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Tracey Young (Senior Statutory Auditor)
For and on behalf of:
HaysMac LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

Date: 06/10/2025

UK COMMUNITY FOUNDATIONS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000	Total 2024 £'000
Income and endowments from:						
Donations and legacies	3	725	9,251	-	**9,976**	11,848
Charitable activities	4	1,010	-	-	**1,010**	923
Investments	5	3	183	-	**186**	101
Other income	6	114	-	-	**114**	89
Total income		**1,852**	**9,434**	**-**	**11,286**	12,961
Expenditure on:						
Raising funds		103	-	-	**103**	136
Charitable activities:						
ICT services		842	-	-	**842**	837
Member services		961	-	-	**961**	700
Projects and programmes including grants		149	9,270	-	**9,419**	11,416
Other expenditure		-	-	114	**114**	-
Total expenditure	8	**2,055**	**9,270**	**114**	**11,439**	13,089
Net (expenditure) / income before investment (losses) / gains		**(203)**	**164**	**(114)**	**(153)**	(128)
Net (losses) / gains on investments	12	-	(16)	(228)	**(244)**	552
Net (expenditure) / income	11	**(203)**	**148**	**(342)**	**(397)**	424
Transfers between funds	17	287	373	(660)	**-**	-
Net movement in funds		**84**	**521**	**(1,002)**	**(397)**	424
Reconciliation of funds:						
Total funds brought forward		256	267	6,190	**6,713**	6,289
Total funds carried forward	17	**340**	**788**	**5,188**	**6,316**	6,713

All the results are derived from continuing activities. There were no recognised gains or losses other than those stated above. Movements in funds are disclosed in note 17 to the accounts.

A full comparative Statement of Financial Activities is included at note 20.

The notes set out on pages 28 to 42 form an integral part of these financial statements.

UK COMMUNITY FOUNDATIONS

BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Total 2025 £'000	Total 2024 £'000
Fixed assets			
Investments	12	**5,665**	6,172
Total fixed assets		**5,665**	6,172
Current assets			
Debtors	13	**271**	1,515
Cash at bank and in hand		**1,539**	615
Total current assets		**1,810**	2,130
Current liabilities			
Creditors: Amounts falling due within one year	14	**1,159**	1,589
Net current assets		**651**	541
Total net assets	18	**6,316**	6,713
The funds of the charity:			
Unrestricted funds:			
Designated funds		**287**	-
General funds		**53**	256
Restricted funds:			
Restricted income funds		**788**	267
Capital funds:			
Endowments		**5,188**	6,190
Total funds	17	**6,316**	6,713

The financial statements were approved and authorised for issue by the Trustees on 25 September 2025 and signed on their behalf by:

Andrew Tuggey

Andrew Tuggey CBE DL
Chair

N.A. MacDonald

Neil MacDonald OBE
Treasurer

The notes set out on pages 28 to 42 form an integral part of these financial statements.

UK COMMUNITY FOUNDATIONS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Total 2025 £'000	Total 2024 £'000
Cash flows from operating activities:		
Net income (expenditure) / income	**(397)**	424
Adjustments for:		
Dividends and interest	**(186)**	(101)
Losses / (gains) on investments	**244**	(552)
Decrease / (increase) in debtors	**1,244**	(1,308)
(Decrease)/increase in creditors	**(430)**	1,251
Net cash provided by / (used in) operating activities	**475**	(286)
Cash flows from investing activities:		
Dividends and interest	**186**	101
Purchase of investments	**(20)**	(11)
Proceeds on disposal of investments	**283**	-
Net cash provided by / (used in) investing activities	**449**	90
Net change in cash and cash equivalents in the reporting period	**924**	(196)
Cash and cash equivalents at the beginning of the reporting period	**615**	811
Cash and cash equivalents at the end of the reporting period	**1,539**	615

During both the current and prior year, all cash and cash equivalents were held as cash at bank or in hand. At no stage did the charity have any borrowings, including overdrafts and finance leases, therefore no analysis of net debt note is required.

1. Accounting policies

Company information

UK Community Foundations is a private company limited by guarantee incorporated in England and Wales. The registered office is 38-40 Northgate Business Centre, Newark, Nottinghamshire, NG24 1EZ.

Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities SORP (FRS 102) - second edition and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £'000.

Linked charities

UKCF has two linked charities: The Sir George Earle Fund (charity number 1004630-1, transferred January 2019) and Aid for the Aged in Distress (charity number 1004630-2, transferred August 2021). These have both been transferred as part of the Revitalising Trusts Programme and all income and expenditure is included as part of these financial statements.

Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate for UKCF and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

Given the depleted reserves position at 31 March 2025, the Trustees have considered the post year end results (and cash flow) achieved to date in 2025/26, forecasts for the period to 31 March 2026 and projections for the financial year 2026/27. The receipt of a significant unrestricted trust transfer in May 2025 has replenished reserves in line with the reserves policy as outlined in the Trustees Annual Report. The unrestricted budget for 2025/26 includes cost savings on core running costs and a rationalised staff team. The Trustees have therefore concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Therefore, there is no material uncertainty regarding the charity's adoption of the going concern basis in preparing its financial statements.

Income

Grants are recognised when there is entitlement to the income, receipt is probable and the amount can be measured reliably. Where grant agreements include a management fee or contribution to overheads this is separately recorded as unrestricted income of the charity.

Income generated from the supply of goods or services is recognised in the period in which the supply is made. Membership subscriptions are recognised when receivable.

Other donations and gifts to the charity are recognised when received. Gifts in kind are recognised as income where the value of the gift can be measured reliably. General volunteer time is not included in the financial statements in line with the guidance set out in the SORP.

In line with the Charities SORP, income derived from endowment management is recognised as other income.

Expenditure

Expenditure is recognised in the period in which it is incurred. Irrecoverable VAT is included within the expense items to which it relates. Costs which are directly related to activities are allocated to those activities.

Raising funds costs comprise a proportion of staff salary costs based on an estimate of time spent working with current and potential donors.

ICT services costs comprise costs directly attributable to the network's CRM system and Project DiTA, including consultants, contractors, recharged software costs and other licence and applications costs absorbed by UKCF.

Member services comprise mainly staffing costs and other general costs related to our membership functions.

Projects and programmes comprise flow-through grants distributed throughout the community foundation network and staffing and other costs, where these are specifically funded by donors. Grants payable are charged in the year where the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Other expenditure comprises endowment management charges.

Funds

Unrestricted funds are donations and other income received or generated for charitable purposes. Designated funds are unrestricted funds of the charity but are ringfenced at the discretion of the Trustees for projects or purposes as stated in the movement in funds note.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Endowment funds reflect funds transferred to UKCF which relate to the Revitalising Trusts Programme and which are required to be held under a permanent endowment.

Investments

Investments held as fixed assets are revalued at market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

Realised gains and losses are calculated on the difference between sale proceeds and the opening carrying value or the purchase value if acquired in the financial year.

Unrealised gains and losses are calculated as the difference between fair value at the year end and the opening carrying value or purchase value if acquired in the financial year.

Other financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

i. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less. Held in current accounts within UK banks and on deposit at CCLA.

ii. Debtors

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

iii. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and where the amount due to settle the obligation can be measured or estimated reliably.

Pensions

The charitable company makes payments to defined contribution pension schemes on behalf of employees. The contributions are treated as an expense in the year in which they are payable. The charity has no other obligation under these schemes.

Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2. Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

3. Income from donations and legacies

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2025 £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2024 £'000
Donations:								
C S Mott Foundation	38	-	-	**38**	39	-	-	39
CCLA	60	-	-	**60**	60	-	-	60
The David Brownlow Charitable Foundation	20	-	-	**20**	-	-	-	-
Original Cottages Donation	-	-	-	**-**	1	9	-	10
Other	1	-	-	**1**	1	-	-	1
Total donations	119	-	-	**119**	101	9	-	110
Grants:								
Anchor Community Connection Fund	10	57	-	**67**	20	110	-	130
Arup	-	10	-	**10**	-	-	-	-
Cellnex Digital Exclusion Fund	1	79	-	**80**	-	50	-	50
Clean Air Fund Micro Grants Programme	8	23	-	**31**	-	100	-	100
DCMS - Know Your Neighbourhood Fund	148	5,769	-	**5,917**	137	5,786	-	5,923
Local Authorities Mutual Investment Trust (LAMIT) Care Leavers	-	-	-	**-**	30	660	-	690
MOPAC - Victim Support	16	3,207	-	**3,223**	22	4,297	-	4,319
PHP Group - Social Prescribing Fund	-	-	-	**-**	5	95	-	100
Total grants	183	9,145	-	**9,328**	214	11,098	-	11,312
Subscriptions:								
Membership fees	423	-	-	**423**	402	-	-	402
Other:								
Legacies and trust transfers	-	106	-	**106**	-	-	24	24
Total donations and legacies	725	9,251	-	**9,976**	717	11,107	24	11,848

4. Income from charitable activities

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2025 £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2024 £'000
Charitable activities:								
ICT services and recharged software	730	-	-	**730**	878	-	-	878
Event sponsorship and ticket sales	216	-	-	**216**	21	-	-	21
Corporate partnerships	45	-	-	**45**	20	-	-	20
Other earned income	19	-	-	**19**	4	-	-	4
Total charitable activities	**1,010**	**-**	**-**	**1,010**	923	-	-	923

5. Income from investments

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2025 £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2024 £'000
Investments:								
Dividends and interest	3	183	-	**186**	10	91	-	101
Total investment income	**3**	**183**	**-**	**186**	10	91	-	101

6. Other income

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2025 £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2024 £'000
Other income:								
Endowment management	114	-	-	**114**	89	-	-	89
Total investment income	**114**	**-**	**-**	**114**	89	-	-	89

7. Government grants

The charity received grant income from the Department for Culture, Media and Sport (DCMS) and the Mayor's Office for Policing and Crime (MOPAC), to fund charitable activities. Total income from government grants was £9,124k (2024: £10,242k).

8. Expenditure

	Raising funds £'000	ICT services £'000	Member services £'000	Projects and programmes (including grants) £'000	Other expenditure £'000	Total 2025 £'000
Grants payable (note 9)	-	-	15	8,977	-	**8,992**
Staff costs (note 10)	103	190	594	102	-	**989**
Consultancy, contractors and evaluation	-	205	1	310	-	**516**
Other staff costs	-	8	81	1	-	**90**
Recharged software costs	-	308	-	-	-	**308**
Project DiTA other licenses and apps cost	-	113	-	-	-	**113**
Event costs	-	-	144	-	-	**144**
Endowment management	-	-	-	-	114	**114**
Support costs:						
IT costs	-	3	14	19	-	**36**
Office and other costs	-	11	36	1	-	**48**
Premises costs	-	-	-	-	-	**-**
Professional fees	-	-	23	-	-	**23**
Governance costs:						
Audit, accountancy and tax fees (note 11)	-	-	27	-	-	**27**
Legal fees	-	4	15	9	-	**28**
Board meeting costs	-	-	11	-	-	**11**
Total expenditure	**103**	**842**	**961**	**9,419**	**114**	**11,439**

Prior year comparative expenditure:

	Raising funds £'000	ICT services £'000	Member services £'000	Projects and programmes (including grants) £'000	Other expenditure £'000	Total 2024 £'000
Grants payable (note 9)	-	-	-	11,065	-	**11,065**
Staff costs (note 10)	136	115	442	148	-	**841**
Consultancy, contractors and evaluation	-	305	19	187	-	**511**
Other staff costs	-	23	31	1	-	**55**
Recharged software costs	-	382	-	-	-	**382**
Event costs	-	-	27	-	-	**27**
Support costs:						
IT costs	-	2	31	8	-	**41**
Office and other costs	-	10	62	4	-	**76**
Premises costs	-	-	29	-	-	**29**
Professional fees	-	-	25	3	-	**28**
Governance costs:						
Audit, accountancy and tax fees (note 11)	-	-	23	-	-	**23**
Legal fees	-	-	5	-	-	**5**
Board meeting costs	-	-	6	-	-	**6**
Total expenditure	**136**	**837**	**700**	**11,416**	**-**	**13,089**

9. Grants

	Total 2025 £'000	Total 2024 £'000
To organisations		
#iWill	(1)	-
Anchor Community Connection Fund	57	110
Arts Council Lets Create Jubilee Fund	-	37
Arup	10	-
British Red Cross Ukrainian Support Fund	-	(4)
Cellnex Digital Exclusion Fund	59	-
Clean Air Fund	3	222
Communities in Crisis - British Red Cross	-	34
DCMS - Know Your Neighbourhood Fund	5,491	5,587
LAMIT Care Leavers	-	660
MOPAC - Victim Support	3,207	4,297
Original Cottages	-	9
PHP Group - Social Prescribing Fund	-	95
Sir George Earle Individuals Grants	11	18
Sir George Earle National Programme	140	-
To individuals		
International conference delegates	15	-
Total grants	**8,992**	**11,065**

Grants to organisations were distributed to our community foundation members relating to the restricted programmes listed. Grants to individuals were made to international delegates who received bursaries to attend the UKCF Foundations for the Future: Investing in Communities Conference in October 2024.

10. Staff costs and remuneration of key management personnel

	Total 2025 £'000	Total 2024 £'000
Salaries and wages	**858**	732
Social security costs	**87**	69
Employer pension contributions	**44**	40
	989	841
Redundancy and termination costs	**54**	5
	1,043	846

The number of staff whose emoluments were greater than £60,000 are:

		2025 No.	2024 No.
Number of employees earning between	£60,001 and £70,000	**1**	2
Number of employees earning between	£70,001 and £80,000	**2**	1
Number of employees earning between	£100,001 and £110,000	**-**	1

The average head count was 18 (2024: 16).

Key management personnel includes the CEO and Senior Leadership Team (Chief Operating Officer, Deputy CEO & Director of Strategy, Interim Co-CEOs). The remuneration paid to the key management personnel was £354k (2024: £300k).

11. Net income/(expenditure) for the year

This is stated after charging:

	Total 2025 £'000	Total 2024 £'000
Auditor's remuneration:		
Current year - Statutory audit	**24**	17
Current year - Certification of grant programme income and expenditure	**-**	4
Current year - Tax advisory services	**3**	2

12. Investments

	2025 £'000	2024 £'000
Valuation at 1 April	**6,172**	5,609
Additions in year	**20**	11
Disposals during the year	**(283)**	-
Net (loss) / gain on revaluation	**(244)**	552
Valuation at 31 March	**5,665**	6,172

All investments are held with CCLA in COIF Charities Ethical Investment Fund.

13. Debtors

	2025 £'000	2024 £'000
Trade and sundry debtors	**83**	1,119
Prepayments	**47**	57
Accrued income	**140**	339
VAT recoverable	**1**	-
	271	1,515

14. Creditors : Amounts falling due within one year

	2025 £'000	2024 £'000
Trade and sundry creditors	**76**	220
Grants payable	**983**	1,220
Accruals and deferred income	**69**	119
Social security and other taxes	**31**	30
	1,159	1,589

Included within note 14 above is accrued grants payable as follows:

Analysis of grants payable

	2025 £'000	2024 £'000
Grants payable brought forward	**1,220**	-
Paid in year	**(1,220)**	-
Accrued in year	**983**	1,220
As at 31 March 2025	**983**	1,220

All grants payable are due within one year.

Included within note 14 above is deferred income as follows:

Analysis of deferred income

	2025 £'000	2024 £'000
Deferred income brought forward	**65**	53
Released to income in year	**(65)**	(53)
Deferred in year	**-**	65
As at 31 March 2025	**-**	65

Deferred income in the prior year relates to income for ICT services invoiced in advance of delivery.

15. Trustee remuneration and expenses

Eight members of the board (2024: six) received reimbursement of travel expenses to attend meetings. This amounted to £5,838 (2024: £1,242). No members of the board (2024: nil) received remuneration.

Some trustees are also either trustees or employees of UKCF's member organisations (see note 16).

UKCF holds trustees liability insurance, the charge for which cannot be separately identified from the value of the premium.

16. Related party transactions

UKCF is a membership organisation which exists to serve its members. Some of our trustees are also involved in local community foundations, listed below, which are members of UKCF. This involvement may be as an employee, a trustee, or by having a close family relationship with a trustee. Day to day transactions such as membership fees, licence fees and grant payments, take place between UKCF and its members. These transactions are on the same basis as the other members. If decisions are made about transactions with individual community foundations where trustees may have a conflict of interest, this interest is declared and the trustee not involved in the decision.

Trustee Name	**Community Foundation**
Steve Adams	Community Foundation for Staffordshire and Shropshire
Deborah Appleby	Dorset Community Foundation
Michelle Cooper	Point North Community Foundation
John Gordon	Community Foundation Northern Ireland
Neil MacDonald	South Yorkshire Community Foundation
Fiona McDiarmid	Norfolk Community Foundation
Leslie Rance	Foundation Scotland
Kevin Richmond	Sussex Community Foundation
Stephanie Taylor	Leeds Community Foundation
Andrew Tuggey	Community Foundation Wales
Tom Van Oss	Cornwall Community Foundation

17. Movement in funds

	At 1 April 2024 £'000	Income £'000	Expenditure £'000	Endowment management £'000	Transfers between funds £'000	Investment gains / (losses) £'000	At 31 March 2025 £'000
Endowment funds:							
Sir George Earle Charitable Fund	4,945	-	-	(93)	(240) [a]	(194)	4,418
Education Fund	82	-	-	(1)	(4) [a]	(3)	74
Relief of Poverty Fund	879	-	-	(16)	(137) [a/b]	(30)	696
General Fund	284	-	-	(4)	(279) [a/c]	(1)	-
Total endowment funds	6,190	-	-	(114)	(660)	(228)	5,188
Restricted funds:							
Anchor Community Connection Fund	-	57	(57)	-	-	-	-
Arup	-	10	(10)	-	-	-	-
British Red Cross Ukrainian Support Fund	4	-	-	-	-	-	4
Cellnex Digital Exclusion Fund	50	79	(59)	-	-	-	70
Clean Air Fund Micro Grants Programme	-	23	(3)	-	-	-	20
DCMS - Know Your Neighbourhood Fund	9	5,769	(5,775)	-	-	-	3
Endowment - Education Fund	5	3	-	-	4 [a]	-	12
Endowment - Relief of Poverty Fund	25	85	-	-	137 [a/b]	(5)	242
Endowment - General Fund	10	9	-	-	(8) [a/c]	(11)	-
Endowment - Sir George Earle Individuals	56	151	(11)	-	(61) [d]	-	135
Endowment - Sir George Earle National	79	-	(140)	-	301 [a/d]	-	240
Flood and Storm Donations	6	-	-	-	-	-	6
#iWill	8	-	(8)	-	-	-	-
MOPAC - Victim Support	-	3,207	(3,207)	-	-	-	-
Physical Education & Recreation	-	41	-	-	-	-	41
Surviving Winter	15	-	-	-	-	-	15
Total restricted funds	267	9,434	(9,270)	-	373	(16)	788
Unrestricted funds:							
Designated funds - Community Fund	-	-	-	-	287 [c]	-	287
General funds	256	1,852	(2,055)	-	-	-	53
Total unrestricted funds	256	1,852	(2,055)	-	287	-	340
Total funds	**6,713**	**11,286**	**(11,325)**	**(114)**	**-**	**(244)**	**6,316**

Transfers between funds:

Transfers between funds comprise several items:

1. Historic endowment management fees [a] (recognised in 24/25 as other expenditure)
2. A reclassification of trust transfers made to UKCF historically for which no permanent endowment was stipulated, therefore, these funds have been released to restricted funds [b] or unrestricted designated funds [c] to utilise as flow-through funding for communities, in line with the intentions of the original donors.
3. An annual reallocation of funds from the individuals stream of the Sir George Earle fund to the national programme stream, in line with the fund agreement [d]

Purposes of designated funds:

The general endowment fund and its associated restricted revenue fund have both been released to unrestricted designated funds in the year to be used as flow-through funding for communities, in line with the intentions of the original donors.

Purposes of endowment funds:

As part of the Revitalising Trusts Programme with the Charity Commission, the Sir George Earle Charitable Fund was transferred to UKCF in 2018-19 and multiple other smaller value funds have been transferred to UKCF since. Investment income from these funds are spent in accordance with their initial restrictions prior to transfer to UKCF. Further detail on the restrictions relating to the Sir George Earle Fund can be found below. Income from the other funds must be spent respectively on Education or Relief of Poverty.

Purposes of restricted funds:

The Anchor Community Connection Fund

The fund offered grants to local community organisations, causes or programmes which focus on bringing people together to share food and strengthen community connections. The funding was delivered in three areas of the UK via the community foundation network.

Arup

This funding was received in the wake of the Southport riots and passed to two of our member community foundations.

British Red Cross Ukrainian Support Fund

The fund supported local VCS organisations directly supporting refugee arrivals from Ukraine, and local infrastructure organisations to develop the capacity to prepare, coordinate and enable the successful integration of refugees. The funding was delivered via the community foundation network.

Cellnex Digital Exclusion Fund

The aim of the fund is to target digital exclusion and the funds have been used to support and work with organisations who are working in this area. The funding was delivered in three areas of the UK via the community foundation network.

Clean Air Fund Micro Grants Programme

The purpose of the programme was to scope the best ways of increasing demand and support for clean air policies in the worst affected cities (Manchester, Birmingham and Liverpool) via scoping a micro-granting project to support individuals and small organisations.

UKCF and the community foundations designed and delivered a pilot micro-granting project to support action on air pollution in these areas. This programme built awareness and demand for clean air in these cities.

DCMS - Know Your Neighbourhood Fund (KYN)

The KYN Fund has been extended and will run until March 2026. A key focus of the programme is to generate and share learning on how people in disadvantaged areas can be supported to volunteer and improve their social connections, which will help to support sustained action beyond the lifetime of the fund. The funding included a match element, requiring £1.5m to be raised across the life of the programme by those participating across the community foundation network.

Endowment Funds

There are three (2024: four) endowment funds held by UKCF which generate income for restricted funding. The largest is funded mainly by the investment income from the Sir George Earle Charitable Foundation, which was originally set up to provide discretionary grants to support current and former employees of the cement manufacturer in cases of financial hardship (Individuals). The scope has been extended to work with local communities and projects which support older people, particularly with regard to reducing loneliness or isolation, and in specific geographies around historic cement works (National).

The relief of poverty fund can be used specifically to address relief of poverty, and the education fund for the advancement of education.

The general fund can be used for broader purposes and as per the transfers note above has been released to unrestricted designated funds in the year to be used as flow-through funding for communities, in line with the intentions of the original donors.

Flood and Storm Donations

From December 2013 onwards, 11 community foundations set up local programmes to assist the victims of the extreme floods and storms. UKCF launched a national programme to support them. As a result, the Office for Civil Society, Wren Living Ltd, Comic Relief and others awarded grants to UKCF to distribute via the participating community foundations. This will continue to be disbursed in 2025/26.

#iWill

Funded by the National Lottery Community Fund and DCMS. The #iwill Fund supported the broader #iWill movement – a collaboration of over 1,000 cross-sector organisations and over 300 young people who are united by a shared belief that all children and young people should be supported and empowered to make a positive difference on the issues that affect their lives, their communities, and broader society.

The #iWill Fund distributed via the community foundation network supported social action activities that create opportunities for young people aged 10-20 to develop their potential and their capacity to significantly contribute to their community. Social action involves activities such as campaigning, fundraising and volunteering and has huge potential to create enjoyable opportunities and skills development for young people, and in turn benefit the local people and places.

Lamit Care Leavers

The Care Leavers Programme has a primary focus of improving the life chances of care leavers through decentralised funding into regions around the country. The £3.6 million match fund scheme will run over three years and is being funded by the Local Authorities' Mutual Investment Trust (LAMIT), a shareholder of the UK's biggest charities asset manager, CCLA.

MOPAC - Victim Support

The grant programme will involve the distribution of several million pounds of grant funding to organisations which deliver crime prevention and victim support services in London. Specifically, domestic abuse and sexual violence support. This is being distributed by London Community Foundation.

Physical Education & Recreation

A fund created from the transfer of an inactive charity to UKCF by the Charity Commission. To be utilised within the original charitable objectives of physical education and recreation in 2025/26.

Surviving Winter

The Surviving Winter campaign is funded by donations from the public to raise money for pensioners affected by fuel poverty. The funding is distributed via the community foundation network.

18. Analysis of net assets between funds

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Investments	-	268	209	5,188	5,665
Current assets	182	19	1,609	-	1,810
Current liabilities	(129)	-	(1,030)	-	(1,159)
Net assets at 31 March 2025	**53**	**287**	**788**	**5,188**	**6,316**
Investments	-	-	-	6,172	6,172
Current assets	589	-	1,542	18	2,149
Current liabilities	(333)	-	(1,275)	-	(1,608)
Net assets at 31 March 2024	**256**	**-**	**267**	**6,190**	**6,713**

19. Movement in funds - prior year comparative

	At 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Investment gains / (losses) £'000	At 31 March 2024 £'000
Endowment funds:						
Sir George Earle Charitable Fund	4,503	-	-	-	442	4,945
Education Fund	75	-	-	-	7	82
Relief of Poverty Fund	778	24	-	-	77	879
General Fund	258	-	-	-	26	284
Total endowment funds	5,614	24	-	-	552	6,190
Restricted funds:						
Anchor Community Connection Fund	-	110	(110)	-	-	-
Arts Council Lets Create Jubilee Fund	40	-	(40)	-	-	-
British Red Cross Ukrainian Support Fund	-	-	4	-	-	4
Cellnex Digital Exclusion Fund	-	50	-	-	-	50
Clean Air Fund Micro Grants Programme	122	100	(222)	-	-	-
Communities in Crisis - DCMS	34	-	(34)	-	-	-
DCMS - Know Your Neighbourhood Fund	-	5,786	(5,777)	-	-	9
Endowment - Education Fund	4	1	-	-	-	5
Endowment - Relief of Poverty Fund	13	12	-	-	-	25
Endowment - General Fund	6	4	-	-	-	10
Endowment - Sir George Earle Individuals	66	74	(18)	(66)	-	56
Endowment - Sir George Earle National	13	-	-	66	-	79
Flood and Storm Donations	6	-	-	-	-	6
#iWill	8	-	-	-	-	8
LAMIT Care Leavers	-	660	(660)	-	-	-
MOPAC - Victim Support	-	4,297	(4,297)	-	-	-
Original Cottages	-	9	(9)	-	-	-
PHP Group - Social Prescribing Fund	-	95	(95)	-	-	-
Surviving Winter	15	-	-	-	-	15
Total restricted funds	327	11,198	(11,258)	-	-	267
Unrestricted funds:						
General funds	344	1,739	(1,827)	-	-	256
Designated funds: Digital Transformation	4	-	(4)	-	-	-
Total unrestricted funds	348	1,739	(1,831)	-	-	256
Total funds	**6,289**	**12,961**	**(13,089)**	**-**	**552**	**6,713**

Negative expenditure figures represent a grant underspend being returned to UKCF.

20. Comparative Statement of Financial Activities - Prior year

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000
Income and endowments from:				
Donations and legacies	717	11,107	24	**11,848**
Charitable activities	923	-	-	**923**
Investments	10	91	-	**101**
Other income	89	-	-	**89**
Total income	**1,739**	**11,198**	**24**	**12,961**
Expenditure on:				
Raising funds	136	-	-	**136**
Charitable activities:				
ICT services	837	-	-	**837**
Member services	700	-	-	**700**
Projects and programmes including grants	158	11,258	-	**11,416**
Total expenditure	**1,831**	**11,258**	**-**	**13,089**
Net (expenditure) / income before investment (losses) / gains	**(92)**	**(60)**	**24**	**(128)**
Net gains / (losses) on investments	-	-	552	**552**
Net income / (expenditure)	**(92)**	**(60)**	**576**	**424**
Transfers between funds	-	-	-	**-**
Net movement in funds	**(92)**	**(60)**	**576**	**424**
Reconciliation of funds:				
Total funds brought forward	348	327	5,614	**6,289**
Total funds carried forward	**256**	**267**	**6,190**	**6,713**

UK COMMUNITY FOUNDATIONS

England & Wales - Charity number 1004630

Accounts

UK COMMUNITY FOUNDATIONS

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

Company number: 2651777
Charity number: 1004630

UKCOMMUNITY FOUNDATIONS

GIVING FOR LOCAL GOOD

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INTRODUCTION

UK Community Foundations (UKCF) is the national membership organisation for all accredited community foundations across the United Kingdom. We invest in communities to transform people's lives. UKCF provides a range of services for members, including training and support, networking opportunities, national publicity, and national grant programmes. We want our members to be the best place-based grant makers, leaders, convenors and catalysts of local communities, encouraging and developing local philanthropy, and helping people and organisations invest where it is most needed, and where it will make the most impact. Our vision is of a society where local philanthropy and giving is the norm and where communities can help all those in need.

Who We Are

Our network consists of 47 accredited community foundations and three overseas members. They are mainly county based or cover metropolitan boroughs. In the case of Scotland, Wales and Northern Ireland, there is one community foundation for each of the devolved administrations. Our overseas members are from the Republic of Ireland, Jersey, and Bermuda.

What Our Members Do

Community foundations are the best way for local people and organisations to give right to the heart of their communities wherever they live across the UK. They address the widest possible range of issues and work with communities that are the hardest to reach.

Community foundations have an unparalleled reach. Each foundation has a deep understanding of its local area, its priority needs and how best to address those needs. This knowledge is the result of extensive local research. Thus, community foundations are able to advise donors on how best to give to local causes most efficiently and effectively.

Community foundations are focussed on local philanthropy and giving. As endowed charities, they build a sustainable source of funding from and for their local communities.

Community foundations support and fund local projects and organisations at the grassroots level across a wide range of local issues, such as poverty alleviation, emergency crisis response, youth engagement, isolation, and mental health. The causes we fund are as diverse as the communities with which we engage.

Community foundations are community convenors and leaders, able to harness and influence local resources to achieve community benefit. We bring disparate people and agencies around the table to achieve meaningful social change.

INTRODUCTION

The network of accredited community foundations gives grants totalling around £170 million annually. Collectively, this makes us one of the UK's larger grant-giving organisations. Over the past 20 years, donors have given over £1 billion to and through community foundations to address local needs. This generosity demonstrates how the philanthropic spirit in the UK has secured long term and sustainable benefit for communities and achieved lasting social change.

Our network of community foundations together owned endowments of £822 million at 31 March 2024.

CHAIR'S REPORT

The financial year 2023/24 consolidated the work of the previous year and saw the preparation and drafting of UKCF's new strategy for the period 2024 – 2027. The Board approved the new strategy which is based on growing UKCF's external influence and that of our network of 47 community foundations with their postcode coverage of the UK, with the purpose of investing in communities to transform people's lives.

Our Chief Executive Officer, Rosemary Macdonald BEM, departed UKCF on 31 May 2024. Her appointment at UKCF will be marked by her dedication in ensuring the delivery of the amazing grant-funding of some £83 million across the whole network during the dark days of the pandemic. Her work demonstrated her passion for supporting communities across the UK. More recently, Rosemary's commitment was evidenced by the launch of the care-leavers' programme in April 2024, which she had prepared in partnership with colleagues from CCLA. The care-leavers' programme will be life-changing for many in our communities. During her tenure as CEO at both UKCF and before that at Wiltshire Community Foundation, Rosemary had a positive impact on the network. On behalf of the 47 community foundations, UKCF thanks Rosemary for all that she achieved.

We are well advanced in the recruitment of a new CEO and on track to appoint a successful candidate during Autumn 2024 to assume the appointment in January 2025. In the interim, on 1 June the Board was pleased to appoint two interim co-CEOs, Ben Robinson (Deputy CEO) and Kaveed Ali (Chief Operating Officer). In parallel, a Director of Strategic Communications, a new appointment, is being recruited. The intention is that the new Director will be in place before the end of 2024.

The UKCF committee structure continues to work well. Independent Trustee Neil MacDonald OBE, appointed in early June 2023, was appointed Treasurer, in addition to chairing the Finance, Audit & Operations (FAO) committee of the Board. That appointment added great value to the organisation. A UKCF governance review was commissioned in January 2024 and reported to the Board in September 2024.

Trustees Toby Anstruther (Foundation Scotland Trustee) and Stephanie Taylor (CEO Leeds Community Foundation) have stepped down from the Board during the year, and Kevin Richmond (CEO Sussex Community Foundation) will step down at the AGM 2024. Les Rance (Foundation Scotland) has been welcomed as a co-opted Trustee to replace Toby. Les comes with significant experience of strategic leadership in the corporate sector. Toby joined the Board in December 2019 and served as Chair of the Nominations & Governance Committee. Kevin was elected in 2020 and Steph in 2023. I am hugely grateful to all three colleagues for their outstanding contributions to the UKCF Board. We wish Kevin, Steph and Toby well as they 'return' to their parent community foundations.

Community foundation CEOs meet regularly online and the bi-monthly webinars for community foundation Chairs and Trustees, together with the annual Chairs' Day, continue to facilitate pan-network engagement. The UKCF Board and executive team value the

engagements as a means of involving the network in UKCF, as well as providing opportunities for learning and understanding across the network.

The digital transformational project (DiTA), previewed in last year's report, continues and will be delivered this year. As with all such complicated digital projects, the organisation continues to learn through the delivery. This is a new area for UKCF and for many of the foundations in the network.

For the first time, UKCF has brought on a Trusts Manager to strengthen our fundraising capabilities, alongside another key addition to the finance team. Rachel Morgan, the Trusts Manager brings significant experience and is already adding tremendous value to the organisation.

Finally, we always know that as a membership organisation our duty is to serve our members. Having said that, UKCF needs to generate income over and above the fees our members pay in order to support the organisational costs needed to deliver a top-quality service to the network.

Looking forward, our financial year 2024/25 brings several new developments:

- A new CEO will be appointed to lead the organisation and to take forward the strategy of growing UKCF's external influence and that of our network
- The new Director of Strategic Communications will facilitate and support that strategy
- The new Quality Assurance process (QA6), designed in the wake of the lessons learned from QA5, will progress in two parts, compliance and development, commencing in the autumn with the compliance element. QA6 will be robust, but will be a more inclusive and learning process that includes a plan to introduce a Membership Charter for the network
- Our UKCF conference will take place in Harrogate between 8 – 10 October
- There is a new government – and there are fresh opportunities for UKCF and the network to support communities in need across the UK

Andrew Tuggey CBE DL
Chair and Trustee, UK Community Foundations

2 October 2024

TRUSTEES' REPORT

The Trustees present their annual report, together with the audited accounts of the charity for the year ended 31 March 2024.

VISION, PURPOSE AND MISSION

Vision. Community foundations have a UK-wide reputation as agile agents for change in every local community – addressing need through vibrant local philanthropy and giving, sustainable charitable funding, and local partnership working – and are recognised as an integral element of any national discussions relating to local communities.

Purpose - Investing in Communities to Transform People's Lives. Our new purpose was developed by the Trustees during their residential in 2023. It reflects UKCF's commitment to addressing current and emerging community needs.

Mission. To provide inspirational leadership and advocacy at the national level by delivering training, resources, and a national profile to enhance and sustain the support of local communities.

VALUES

We believe in justice and fairness. Everyone should have the opportunity to have a fulfilling life and to feel they belong. This cannot be mandated by government or done to people, only with them. Change needs to come from within communities, driven by people who understand the local situation. Our support makes this possible. We understand the challenges, we find the funding, and we work with those who have the solutions to improve lives.

- We embed inclusivity in all that we do
- We put relationships first
- We are ambitious for members and the communities they support

IMPACT

UKCF's impact during the year has been substantial, advancing the future thinking of our members amidst significant national changes. In preparation for the new government, UKCF has strategically positioned itself to engage more meaningfully with public affairs and policy. This approach is crucial as we address ongoing issues such as disadvantage, climate change, and equity, diversity, and inclusion.

The cost-of-living crisis has underscored the vulnerability of many communities and highlighted the critical role of community groups. UKCF has secured funding for these

communities, supported our members, and built partnerships outside the network to gather the necessary skills, resources, and connections to support local initiatives.

THEMES OF THE NEW STRATEGY

1. **Equity, Diversity and Inclusion.** We have woven EDI into all activities to support members in becoming more representative of the communities they serve.

2. **UN Sustainable Development Goals.** Adopting the SDGs provides a framework for measuring our impact and positioning community foundations nationally and internationally.

3. **Digital Transformation.** Enhancing digital capabilities across UKCF's operations is a key focus, improving everything from grant-making and impact measurement to communication and finance.

AIMS AND OBJECTIVES

During the 2024 financial year, the Board complied with the duty set out in section 17 of the Charities Act 2011, which is to have due regard to the public benefit guidance published by the Charity Commission (England and Wales) when reviewing UKCF's aims and objectives and planning future activities. In particular, the Board has considered how planned activities will contribute to the aims and objectives they have set.

AIMS

- To promote and improve the efficiency and effectiveness of community foundations in direct pursuit of their objectives, in such a manner as may be thought fit and by raising and distributing funds for application for the general purposes of such foundations
- To advance the education of the public in the work of such foundations
- To promote other charitable purposes of benefit to the community

OBJECTIVES

1. **Strengthen the Network.** We work to ensure that each of our members has the skills and capacity to meet the needs of their communities by offering a range of services that add value to members of all sizes, based on their needs and interests.

2. **Build Profile.** We endeavour to improve our visibility with government and other influencers to position community foundations as the partner of choice and experts on place-based social change by enhancing our communications and developing a policy platform and a clear and unified voice.

3. **Unlock Resources.** We generate investment in the network from a wide range of philanthropists, donors, and partners by building a strong case for support of community foundations and UKCF.

4. **Digital Transformation.** We invest in data and insights to drive operational efficiencies across the network, enhancing the collective impact of our work.

   Project DiTA is a strategically important initiative and long-term investment for the community foundation network supported by UKCF. Being delivered across 37 foundations, Project DiTA provides a platform for better data management and shared learning. UKCF has significantly subsidised the cost of the project for members by investing its own reserves, ensuring this vital development is accessible to all.

As both the leader and beneficiary of the project, UKCF is also implementing the CRM system internally. This will not only improve our access to valuable data and insights but also enhance our operational efficiencies. By adopting the same system, UKCF can lead by example, driving effectiveness across the network while benefiting from the same streamlined processes and data-driven decision-making that we advocate for all foundations.

5. **Governance.** We aim to strengthen governance practices across the entire network, fostering greater resilience and effectiveness in how we collectively operate.

   This year, UKCF has undertaken a comprehensive governance review aimed at ensuring our structures, processes, and practices remain robust and fit for purpose. The insights and learning from this review have been shared across our Board and Executive team, and will be shared with our members as well.

ACHIEVEMENTS AND PERFORMANCE

1. **Strengthen the Network**:

- Developed a new strategy in collaboration with members, engaging CEOs and Trustees
- Held the online conference "Together 23" attended by representatives from all foundations
- Hosted CEO and Chairs' residentials
- Increased membership on the Members' Hub
- Invested in philanthropy training and expertise, bringing additional capacity to develop resources and learning
- Achieved a significant increase in engagement and collaboration within the network, demonstrating the value of our new strategic initiatives

2. **Build Profile**:

- This year saw a more structured approach to building our profile, focusing on developing a new endowment match challenge and co-developing a national philanthropy strategy with sector partners
- Increased social media followings and budgeted for strategic communications director and research and insights manager positions
- Continued relationships with other funders and think tanks such as Pro Bono Economics, New Philanthropy Capital, and Beacon Collaborative

3. **Unlock Resources**:

- Unlocked significant amounts in trust transfer and revitalising trusts programme, continued work with the Charity Commission
- Continued delivery of "Know Your Neighbourhood" with DCMS and signed the Anchor Programme for another year
- Expanded corporate donations through partnerships with Prospectus, CCLA, Sarasin, and Evouchers

- Compared to previous years, the diversity and scale of resources unlocked have increased, enabling us to support more extensive and impactful community projects

4. Digital Transformation:

- Ongoing rollout of the CRM with all foundations expected to go live by March 2025. The complexity of migrating data from a shared legacy system to new individual CRMs has presented a technical challenge for the project. This has caused a delay in the delivery of the system from Summer 2024 to March 2025. A revised delivery plan has been shared with community foundations. It has also led to unbudgeted costs for hiring data specialist contractors

- Changes in the staff team have impacted UKCF's ability to support the legacy system during the transition. A full team is now in place (expanded from two to four members), including an experienced Project Manager who previously worked in an executive role at a community foundation

- Plan to hire a research and insights role to support the CRM network-wide

- This initiative has progressed significantly from last year, with tangible improvements in data management and member collaboration

5. Governance:

- Governance structures have been strengthened to ensure robust oversight and strategic direction, reflecting our commitment to continuous improvement

- Established a new strategy committee to support the development and implementation of the 2024 - 2027 strategy

- Conducted a governance review by an independent member of the Nominations and Governance Committee. Recommendations from this review will be taken forward in collaboration with the Board and executive team in the next year as part of the organisation's strategic plan

PLANS FOR THE FUTURE

Over the past three years, UKCF's strategy has focused on four key objectives: strengthening the network, building profile, unlocking resources, and building a thriving UKCF. We have made significant progress by fostering a culture of learning across the network, enhancing our communications to position UKCF and its members as experts in philanthropy and place-based giving, securing new partnerships to drive local investment, and embedding digital transformation within our operations. As we look ahead, we will build on these achievements with a refined strategic focus that addresses emerging challenges and opportunities.

Our future direction is shaped by five key objectives:

Establishing a Stronger Voice and Influence for Community Foundations. Our aim is to harness the collective knowledge and expertise of the network to establish a stronger national profile that can shape wider systems and policy. We will invest in our learning, strategic communications, and public affairs capabilities to amplify the voice of community foundations, ensuring they are recognised as authoritative leaders on key social issues at both local and national levels.

Supporting Community Foundations to Continue Transforming Place-Based Grant-Making. Grant-making will remain at the heart of what we do, but the scale of current and future challenges requires a shift from transactional to transformational approaches. We will support the network in adopting more innovative, relational, and trust-based practices, prioritising funding approaches that are more agile, unrestricted, and focused on systemic change.

Growing Local Philanthropy and Giving. Local philanthropy is central to our work, and there is vast untapped potential to make it more inclusive and impactful. We will strengthen the network's capacity to grow local giving through a comprehensive library of resources, peer-learning events, and by positioning community foundations as key advocates for philanthropy at a national level.

Becoming an Insights and Data-Driven Network. Data and insights are powerful tools for driving social change, and we are committed to making them a core strength of our network. Through Project DiTA and other initiatives, we will build an integrated platform for seamless data collection, analysis, and sharing across the network. This will enable more strategic decision-making, more effective grant-making, and better advocacy based on a deeper understanding of community needs.

Positioning Community Foundations as the Long-Term Funder. To truly transform communities, we need to shift our focus toward addressing root causes and building long-term solutions. As permanent fixtures in local communities, community foundations are ideally placed to advocate for long-term approaches that tackle the underlying causes of social

issues. We will work to position the network as a leading voice for sustainable, future-focused funding that drives genuine, lasting impact.

Through these strategic objectives, UKCF aims to support a network that is collaborative, resilient, and equipped to address the challenges of today and tomorrow. By 2027, we envision community foundations as recognised leaders in philanthropy, driving social change and transforming lives through their strategic vision and local expertise.

STRUCTURE, GOVERNANCE AND MANAGEMENT

UKCF is a charitable company limited by guarantee with governance arrangements set out in the company's memorandum and articles of association.

UKCF is the national membership organisation for community foundations in the UK. A community foundation is a foundation established to generate funds from all sources (including money given to build endowments) and to provide grants for charitable purposes related to the needs of a defined community. Community foundations thus provide services to donors and engage with others to strengthen local communities.

Full membership of UKCF is restricted to quality-accredited community foundations in the UK.

Some of our Trustees are from our membership and some are independent, with members in the majority (see note 16 in the financial statements for more detail). We hold elections for UKCF Trustees from our membership, whether they are Trustees or employees of community foundations. Independent Trustees are co-opted to the board to bring experience and skills that are considered necessary. This process is overseen by our Nominations Committee. Terms of office as a Trustee are a maximum of three terms of two years.

All Trustees have an induction and are encouraged to attend training provided for them. Many of UKCF's Trustees attend third sector seminars and events, and some are offered training and development opportunities by their relevant community foundation. All UKCF Trustees attend UKCF's online and in person conference, which fall in alternating years. Both events have a programme of plenary speeches and workshops designed to develop the skills and knowledge of all attendees. In addition, the Board agenda includes updates on charity governance matters.

Board meetings fit into the planning cycle so that the Board can focus on developing strategy, approving the operational plan, agreeing the annual budget, and reviewing lessons learned. The Board of UKCF is the decision-making body of the company. The Board delegates powers to committees to recommend specific decisions to the Board consistent with the overall direction set by the Board. The committees in the 2024 financial year were as follows:

- **Finance, Audit & Operations Committee:** Charged with reviewing financial strategy and planning, audit, risk, human resources, and major contracts

- **Nominations & Governance Committee:** Charged with overseeing the recruitment of Trustees and Trustee training and development

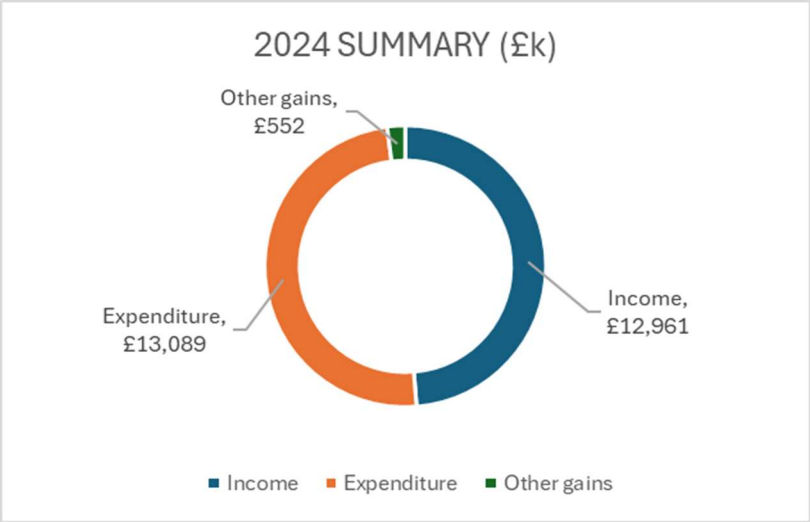
- **Community First Investment Committee:** A sub-committee of the Finance, Audit & Operations Committee, charged with oversight of the UKCF endowment and the community foundations' endowment established during the Community First Match Challenge Programme

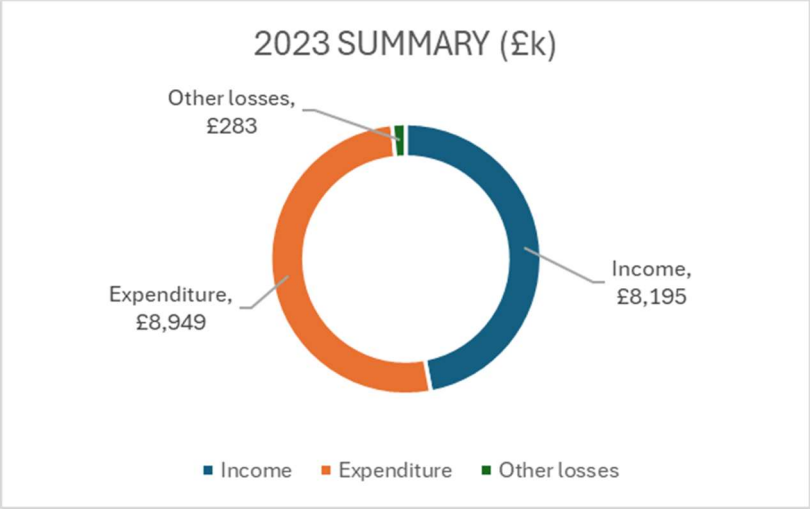
- **Strategy Committee:** This committee worked with SLT to develop the 3-year strategy for 2024-2027 and the vision for 2040.

FUNDRAISING

UKCF does not actively fundraise from members of the public and no third-party fundraisers are used by the charity. Most of our funding comes directly from grants and institutional funders. We have not received any complaints in respect of fundraising and are registered with the Fundraising Regulator.

FINANCIAL REVIEW





FUNDS

UKCF has three types of funds, Unrestricted, Restricted and Endowment.

Unrestricted funds

Excluding the Information and Communications Technology subscriptions and Salesforce development costs, which are a fully recharged cost to our members, the unrestricted funds show the income and expenditure required to operate UKCF.

Unrestricted funds	2024 £k	2023 £k
Deficit	-92	-297
Funds transfers	-	20
Overall net movement in funds	-92	-277

Restricted funds

In comparison, restricted funds are pass-through funds which we use to make grants to our members, and, on rare occasions, to other organisations.

Restricted funds	2024 £k	2023 £k
Deficit	-60	-504
Funds transfers	-	28
Overall net movement in funds	-60	-476

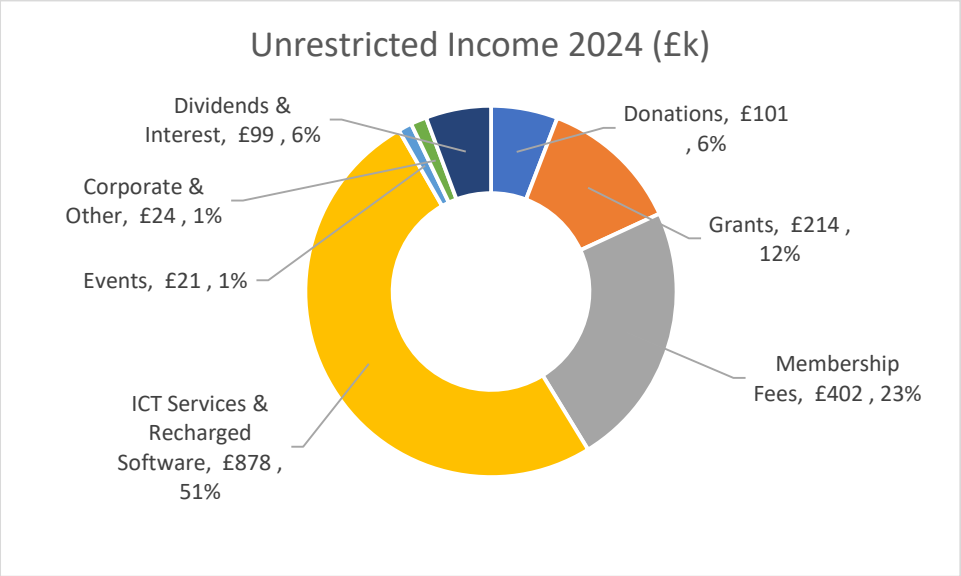
Endowment funds

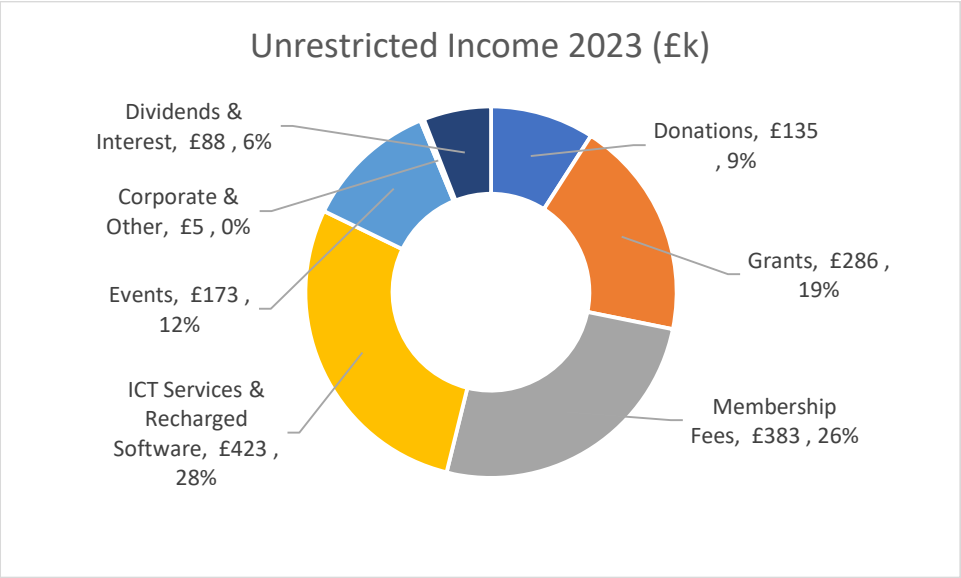
As a result of the Revitalising Trusts Programme, UKCF also holds an endowment fund. This arises from transfers of inactive or dormant trusts which have a national or UK-wide objective.

Endowment funds	2024 £k	2023 £k
Income	24	47
Funds transfers	-	-48
Investment losses / gains	(gains) 552	(losses) -283
Overall net movement in funds	(upward) 576	(downward) -284

INCOME

Unrestricted Income: £1,739k (2023: £1,493k)





Membership income	Our membership fees are based on a percentage of the endowments held by each individual community foundation. Lower fees are charged to our overseas members as they have limited access to membership benefits compared to our UK accredited members.
Donations and core grants	Core funding from trusts and foundations, partners and via programmes.
ICT services and recharged software	These recharges mainly relate to the network-wide CRM which is administered by UKCF.
Events	Ticket sales and sponsorship of network events.
Corporate and other	Other earned income, e.g. from corporate partnerships.
Dividends and interest	Earned from investment holdings and bank interest.

Restricted Income: £11,198k (2023: £6,655k)

Restricted income used for flowthrough grant-making was £11,107k (2023: £6,560k).

Restricted investment income was £91k (2023: £95k).

Endowment Income: £24k (2023: £47k)

Investment gains in 2023/24 were £552k (2023: £283k loss).

Funds transferred through the Revitalising Trusts Programme are held as endowment funds. The balance of this fund at the end of the year is £6,190k (2023: £5,614k).

The Sir George Earle Charitable Fund, which is held as a linked charity (charity number 1001630-1), makes up most of this balance. UKCF also has a second linked charity, Aid for the Aged in Distress (charity number 1004630-2).

The proceeds of the endowment funds are used to contribute to UKCF overheads and to provide grants to be made by individual community foundations.

Capital drawdowns are made in line with fund agreements to augment grant-making, this is shown as a fund transfer. Grants of £18k (2023: £150k) were made related to the Sir George Earle endowment fund, with a further £140k paid out early in financial year 2024/25.

EXPENDITURE

Unrestricted Expenditure: £1,831k (2023: £1,790k)

Significant expenditure areas	2024		2023	
Team costs – Includes employee salaries and on-costs before redundancies and termination costs (Financial statements note 9)	£841k		£928k	55%
Headcount		16		18
Governance costs – Includes costs relating to Board meetings, Trustee travel and the external audit	£34k		£22k	

Restricted Expenditure: £11,258k (2023: £7,159k)

	2024	2023
Flowthrough grants awarded	£11,065k	£6,959k
Other project and programme expenditure (£188k of this expenditure (2023: £196k) relates to evaluation costs for the DCMS Know Your Neighbourhood programme)	£193k	£200k

The difference between restricted income received and expended in-year arises due to grant-making in-year being made from brought forward funds.

Endowment Expenditure: £nil (2023: nil)

INVESTMENTS

Through its Community First Investment Committee (CFIC), UKCF oversees the investment of the Community First investment funds on behalf of 45 of the community foundations. That fund was valued at £181m at 31 March 2024 (2023: £161m).

UKCF's endowment fund, which comprises the Sir George Earle Fund and some smaller funds (as described in financial statements note 17), stood at £6.2m at 31 March 2024 (2023: £5.6m).

These funds are all managed by CCLA Investment Management Limited.

UKCF's policy is to build and hold a significant endowment fund, created to support community foundations and their communities now and for generations to come. The intention is that UKCF will continue to develop its endowment from the transfer of dormant or inactive trusts with a national reach.

UKCF's endowment is invested in CCLA's COIF Ethical Fund. UKCF operates a total return policy to invest funds for longer-term growth.

The CFIC meets twice a year and reports regularly to the membership network. In the opinion of the CFIC, CCLA exercised its investment responsibilities with due care during the year.

In addition, UKCF has responsibility for the oversight of the Community First Match Fund Challenge Endowment which is held by individual community foundations and is invested in CCLA COIF funds. This oversight has been delegated to the CFIC.

Total investment performance net of fees and costs to 31 March	Year 2024	Year 2023	Annualised three-years 2024
CCLA – COIF Ethical Investment Fund	+13.11%	-2.00%	+7.34%
Comparator	+16.72%	-3.94%	+7.81%

RESERVES POLICY

At 31 March 2024:

- Total funds amounted to £6,713k (2023: £6,289k)
- Unrestricted funds were £256k (2023: £348k)
- Restricted funds were £267k (2023: £327k)
- Endowment funds were £6,190k (2023: £5,614k)

In August 2024, the Trustees reviewed the reserves policy, following the steps outlined in the Charity Commission's guidance CC19 (Charity Reserves: building resilience). This involves taking a detailed look at the restrictions on the funds and assets we hold, understanding the impact of risk, assessing the reliability of our sources of income and considering future plans.

The Trustees determined that a target of £250k was an appropriate level for our unrestricted general reserves (2023: £300k – £410k). This change reflects the changing funding landscape resulting in anticipated lower spend in 2024/25. In determining the level of reserves we have also considered the impact of any timing lag on income in developing new programmes, partnerships and strategic projects. This revised reserves target translates to around three months of unrestricted operating expenditure (excluding recharged costs).

The Trustees believe this policy is a sensible balance between the need to maintain a secure long-term financial position and the desire not to hold excessive charitable funds that should be distributed. The Trustees review the reserves policy every year.

At the balance sheet date, the unrestricted reserves were £256k (2023: £348k), within target. All designated funds were spent in the year.

RISKS

The Trustees regularly review the major risks to which the charity is exposed. Systems and procedures, including a risk register, are in place to manage these risks, with regular reports from the CEO. Mitigating actions are planned and prioritised and those with a financial implication are considered when setting the reserves policy.

The key risks are associated with the financial, operational, and reputational risks associated with the delivery of UKCF's objectives. The most significant risks are:

- ensuring sufficient funding is secured to cover our unrestricted core costs and therefore allow UKCF to deliver on its mandate and strategy. To mitigate the risks of

a reduction of income, UKCF is actively pursuing new programmes, core funding opportunities and diversifying income streams through new corporate partnerships

- ensuring delivery of our digital transformation project is on budget and managing cash flow on the project. A separate Steering Group is responsible for detailed oversight on the digital transformation project risk register

- ensuring member satisfaction and continued engagement with our strategy. This is managed by our membership and senior leadership team with any financial risks escalated as necessary

GOING CONCERN

The Trustees have assessed whether the use of the going concern basis is appropriate for UKCF and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

In particular, the Trustees have considered the charity's forecasts for the period to 31 March 2025 and projections for the financial year 2025/26. The Trustees have taken account of the likely fall in unrestricted programme income (as a key national programme with DCMS comes to an end in March 2025) and the potential need to reduce unrestricted expenditure to a more sustainable level. With these cost savings and a close eye on our cash flow, the Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Therefore, the charity continues to adopt the going concern basis in preparing its financial statements.

REMUNERATION POLICY

The Trustees consider that the Board and the Senior Management Team comprise the key management personnel in charge of directing and controlling the charity and operating it on a day-to-day basis.

All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses are disclosed in note 15 to the accounts.

Trustees are required to disclose all relevant interests and register them with the CEO or Company Secretary and, following UKCF's policy, withdraw from decisions where a conflict of interest arises.

The CEO's salary is reviewed annually considering movement in average earnings and the relativity with the average salary of other employees. The remuneration of the CEO and their senior reports is bench-marked with grant-making charities of a similar size and activity to ensure that the remuneration set is fair and comparable with that generally paid for similar roles.

LEGAL AND ADMINISTRATION DETAILS

Status of the Charity
A company limited by guarantee which was incorporated on 7 October 1991 and registered as a charity on 11 October 1991

Governing Documents
The charity was established under a memorandum of association on 7 October 1991 as amended on 2 December 1993, 17 July 1996, 21 October 1998, 19 January 2000, 27 April 2001, 23 April 2003, 17 November 2010, 19 March 2013, 16 November 2016 and 10 December 2020. The memorandum established the objects and powers of the charity. It is governed under its articles of association.

Company Number: 2651777

Charity Number: 1004630

Honorary Officers
President – Lord (Michael) Hastings of Scarisbrick CBE
Chair – Andrew Tuggey CBE DL
Treasurer – Neil MacDonald OBE (from 16 June 2023) / Thomas Van Oss (until 16 June 2023)

Trustees
Toby Anstruther (resigned 19 February 2024)
Gill Bull
Michelle Cooper MBE
John Gordon DL
Neil MacDonald OBE (appointed 16 June 2023)
Fiona McDiarmid
Helen McEachern (resigned 16 June 2023)
Anushka Nagpal
Leslie Rance (appointed 22 March 2024)
Kevin Richmond (standing down 9 October 2024)
Kayathiri Supramaniam
Stephanie Taylor (resigned 19 May 2024)
Andrew Tuggey CBE DL
Thomas Van Oss
Emma-Jane Watchorn
Hannah Wickes (appointed 31 January 2024)

Company Secretary
Rosemary Macdonald BEM (until 31 May 2024)
Kaveed Ali (from 1 June 2024)

Chief Executive
Rosemary Macdonald BEM (until 31 May 2024)
Kaveed Ali – Co-CEO (from 1 June 2024)
Ben Robinson – Co-CEO (from 1 June 2024)

Registered Office
Northgate Business Centre, 38-40 Northgate, Newark, NG24 1EZ

Bankers
CAF Bank Ltd, Kings Hill, West Malling, Kent ME19 4TA
Natwest Commercial Banking, 1st Floor, 440 Strand, London, WC2R 0QS

Investment Managers
CCLA Investment Management Ltd, Senator House, 85 Queen Victoria Street, London EC4V 4ET

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

Members' Liability
Members of the charity guarantee to contribute an amount not exceeding £1 to its assets in the event it is wound up. The number of members at 31 March 2024 was 46.

Trustees' Insurance
During the year, Trustees were covered by Directors' and Officers' insurance.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also directors of UK Community Foundations for the purposes of company law) 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.)

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements
- State whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

At the date that this Trustees' report is approved, so far as each of the Trustees is aware:

- There is no relevant information of which the auditors are unaware; and

- The Trustees have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The Trustees' report, including the strategic report, was approved by the Board on 2 October 2024:

Signed on its behalf by

Andrew Tuggey CBE DL

Chair and Trustee, UK Community Foundations

Signed on its behalf by

Neil MacDonald OBE

Treasurer and Trustee, UK Community Foundations

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK COMMUNITY FOUNDATIONS

Opinion

We have audited the financial statements of UK Community Foundations for the year ended 31 March 2024 which comprise the Balance Sheet as at 31 March 2024, the Statement of Financial Activities, the Statement of Cash Flows 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 charitable company's affairs as at 31 March 2024 and charitable company's net movement in funds, including the income and expenditure, 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 Companies Act 2006.

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 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 charitable company'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 Trustees' Report and the Chair's 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustee's Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement (set out on pages 27-28), the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company 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 charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Charity Commission 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 Companies Act 2006 and the Charities Act 2011, Charity Statement of Recommended Practice (SORP) 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 posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;

- evaluating management's controls designed to prevent and detect irregularities;

- identifying and testing journals, in particular journal entries posted with unusual account combinations; and

- challenging assumptions and judgements made by management in their critical accounting estimates.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Siobhan Holmes (Senior Statutory Auditor)
For and on behalf of:
Haysmacintyre LLP
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

Date: 3 October 2024

UK COMMUNITY FOUNDATIONS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000	Total 2023 £'000
Income and endowments from:						
Donations and legacies	3	717	11,107	24	**11,848**	7,416
Charitable activities	4	923	-	-	**923**	596
Investments	5	99	91	-	**190**	183
Total income		**1,739**	**11,198**	**24**	**12,961**	8,195
Expenditure on:						
Raising funds		136	-	-	**136**	103
Charitable activities:						
ICT services		837	-	-	**837**	408
Member services		708	-	-	**708**	1,047
Projects and programmes including grants		150	11,258	-	**11,408**	7,391
Total expenditure	7	**1,831**	**11,258**	**-**	**13,089**	8,949
Net gains / (losses) on investments	11	-	-	552	**552**	(283)
Net income / (expenditure)	10	**(92)**	**(60)**	**576**	**424**	(1,037)
Transfers between funds		-	-	-	**-**	-
Net movement in funds	17	**(92)**	**(60)**	**576**	**424**	(1,037)
Reconciliation of funds:						
Total funds brought forward		348	327	5,614	**6,289**	7,326
Total funds carried forward		**256**	**267**	**6,190**	**6,713**	6,289

All the results are derived from continuing activities. There were no recognised gains or losses other than those stated above. Movements in funds are disclosed in note 17 to the accounts.

A full comparative Statement of Financial Activities is included at note 20.

The notes set out on pages 37 to 51 form an integral part of these financial statements.

UK COMMUNITY FOUNDATIONS

BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Total 2024 £'000	Total 2023 £'000
Fixed assets			
Investments	11	**6,172**	5,609
Total fixed assets		**6,172**	5,609
Current assets			
Debtors	12	**1,515**	207
Cash at bank and in hand		**615**	811
Total current assets		**2,130**	1,018
Current liabilities			
Creditors: Amounts falling due within one year	13	**1,589**	338
Net current assets		**541**	680
Total net assets	18	**6,713**	6,289
The funds of the charity:			
Unrestricted funds:			
Total unrestricted funds		**256**	348
Revenue funds:			
Restricted income funds		**267**	327
Capital funds:			
Endowments		**6,190**	5,614
Total funds	17	**6,713**	6,289

The financial statements were approved and authorised for issue by the Trustees on 2 October 2024 and signed on their behalf by:

A S Tuggey

Andrew Tuggey CBE DL
Chair

N. A. MacDonald

Neil MacDonald OBE
Treasurer

The notes set out on pages 37 to 51 form an integral part of these financial statements.

UK COMMUNITY FOUNDATIONS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Total 2024 £'000	Total 2023 £'000
Cash flows from operating activities:		
Net income / (expenditure)	**424**	(1,037)
Adjustments for:		
(Gains)/losses on investments	**(552)**	283
(Increase)/decrease in debtors	**(1,308)**	(134)
(Decrease)/increase in creditors	**1,251**	91
Net cash (used in) operating activities	**(185)**	(797)
Cash flows from investing activities:		
Purchase of investments	**(11)**	(133)
Proceeds on disposal of investments	**-**	49
Net cash (used in) investing activities	**(11)**	(84)
Net change in cash and cash equivalents in the reporting period	**(196)**	(881)
Cash and cash equivalents at the beginning of the reporting period	**811**	1,692
Cash and cash equivalents at the end of the reporting period	**615**	811

During both the current and prior year, all cash and cash equivalents were held as cash at bank or in hand. At no stage did the charity have any borrowings, including overdrafts and finance leases, therefore no analysis of net debt note is required.

1. Accounting policies

Company information

UK Community Foundations is a private company limited by guarantee incorporated in England and Wales. The registered office is 38-40 Northgate Business Centre, Newark, Nottinghamshire, NG24 1EZ.

Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Charities SORP (FRS 102) and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £'000.

Linked charities

UKCF has two linked charities: The Sir George Earle Fund (charity number 1004630-1, transferred January 2019) and Aid for the Aged in Distress (charity number 1004630-2, transferred August 2021). These have both been transferred as part of the Revitalising Trusts Programme and all income and expenditure is included as part of these financial statements.

Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered charity's forecasts for the period to 31 March 2025 and projections for the financial year 2025/26. The Trustees have taken account of the likely fall in unrestricted programme income (as a key national programme with DCMS comes to an end in March 2025) and the potential need to reduce unrestricted expenditure to a more sustainable level. With these cost savings and a close eye on our cash flow, the Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Income

Grants are recognised when there is entitlement to the income, receipt is probable and the amount can be measured reliably. Where grant agreements include a management fee or contribution to overheads this is separately recorded as unrestricted income of the charity.

Income generated from the supply of goods or services is recognised in the period in which the supply is made. Membership subscriptions are recognised when receivable.

Other donations and gifts to the charity are recognised when received. Gifts in kind are recognised as income where the value of the gift can be measured reliably. General volunteer time is not included in the financial statements in line with the guidance set out in the SORP.

Expenditure

Expenditure is recognised in the period in which it is incurred. Irrecoverable VAT is included within the expense items to which it relates. Costs which are directly related to activities are allocated to those activities.

Fundraising costs comprise a proportion of staff salary costs based on an estimate of time spent working with current and potential donors.

ICT services costs comprise costs directly attributable to the network's CRM system, including ICT consultants and other recharged software costs.

Member services comprise mainly staffing and consultancy costs and other general costs related to our membership functions.

Projects and programmes comprise flow-through grants distributed throughout the community foundation network and staffing and other costs, where these are specifically funded by donors.

Funds

Unrestricted funds are donations and other income received or generated for charitable purposes.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Endowment funds reflect funds transferred to UKCF which relate to the Revitalising Trusts Programme. The capital must be retained by the charity however the income from funds invested partly represents an unrestricted management fee at an agreed rate. Income in excess of the unrestricted management fee is restricted as set out in note 17.

Investments

Investments held as fixed assets are revalued at market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

Realised gains and losses are calculated on the difference between sale proceeds and the opening carrying value or the purchase value if acquired in the financial year.

Unrealised gains and losses are calculated as the difference between fair value at the year end and the opening carrying value or purchase value if acquired in the financial year.

Other financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

i. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less. Held in current accounts within UK banks and on deposit at CCLA.

ii. Debtors

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

iii. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and where the amount due to settle the obligation can be measured or estimated reliably.

Pensions

The charitable company makes payments to defined contribution pension schemes on behalf of employees. The contributions are treated as an expense in the year in which they are payable. The charity has no other obligation under these schemes.

Operating lease

Rentals payable under operating leases, where substantially all 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 lease duration.

Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2. Taxation

The charity is exempt from corporation tax under section 505 of the Income and Corporation Taxes Act 1988 as all its income is applied to charitable purposes.

3. Income from donations and legacies

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2024 £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2023 £'000
Donations:								
C S Mott Foundation	39	-	-	**39**	66	-	-	66
CCLA	60	-	-	**60**	60	-	-	60
Original Cottages Donation	1	9	-	**10**	3	-	-	3
Other	1	-	-	**1**	1	-	-	1
ShareGift Donation	-	-	-	**-**	5	-	-	5
Total donations	101	9	-	**110**	135	-	-	135
Grants:								
#iWill	-	-	-	**-**	35	603	-	638
Anchor Community Connection Fund	20	110	-	**130**	5	110	-	115
Arts Council Lets Create Jubilee Fund	-	-	-	**-**	70	(47)	-	23
British Red Cross Ukrainian Support Fund	-	-	-	**-**	18	660	-	678
Cellnex Digital Exclusion Fund	-	50	-	**50**	2	149	-	151
Clean Air Fund Micro Grants Programme	-	100	-	**100**	5	122	-	127
Communities in Crisis - British Red Cross	-	-	-	**-**	18	286	-	304
Communities in Crisis - DCMS	-	-	-	**-**	20	760	-	780
Communities in Crisis - M&G	-	-	-	**-**	7	343	-	350
DCMS - Know Your Neighbourhood Fund	137	5,786	-	**5,923**	45	1,485	-	1,530
Ladbrokes	-	-	-	**-**	27	-	-	27
Local Authorities Mutual Investment Trust (LAMIT) Care Leavers	30	660	-	**690**	-	-	-	-
Masonic Charitable Found'n Refugee Fund	-	-	-	**-**	15	485	-	500
MOPAC - Victim Support	22	4,297	-	**4,319**	10	1,525	-	1,535
Nationwide	-	-	-	**-**	2	-	-	2
NET - COVID 19	-	-	-	**-**	-	(24)	-	(24)
PHP Group - Social Prescribing Fund	5	95	-	**100**	8	143	-	151
Tampon Tax	-	-	-	**-**	-	(40)	-	(40)
Total grants	214	11,098	-	**11,312**	286	6,560	-	6,846
Subscriptions:								
Membership fees	402	-	-	**402**	383	-	-	383
Endowment transfer:								
Legacies	-	-	24	**24**	5	-	47	52
Total donations and legacies	717	11,107	24	**11,848**	809	6,560	47	7,416

4. Income from charitable activities

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2024 £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2023 £'000
Charitable activities:								
ICT services and recharged software	878	-	-	**878**	423	-	-	423
Event sponsorship and ticket sales	21	-	-	**21**	173	-	-	173
Corporate partnerships	20	-	-	**20**	-	-	-	-
Other earned income	4	-	-	**4**	-	-	-	-
Total charitable activities	**923**	**-**	**-**	**923**	596	-	-	596

5. Income from investments

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2024 £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2023 £'000
Investments:								
Dividends and interest	99	91	-	**190**	88	95	-	183
Total investment income	**99**	**91**	**-**	**190**	88	95	-	183

6. Government grants

The charity received grant income from the Department for Culture, Media and Sport (DCMS), Arts Council England and the Mayor's Office for Policing and Crime (MOPAC) to fund charitable activities. Total income from government grants was £10,242 (2023: £3,868).

7. Expenditure

	Raising funds £'000	ICT services £'000	Member services £'000	Projects and programmes (including grants) £'000	Total 2024 £'000
Grants payable (note 8)	-	-	-	11,065	**11,065**
Staff costs (note 9)	136	115	442	148	**841**
Consultancy and other staff costs	-	328	50	188	**566**
Recharged software	-	382	-	-	**382**
Support costs:					
Event costs	-	-	27	-	**27**
IT costs	-	2	39	-	**41**
Office and other costs	-	10	62	4	**76**
Premises costs	-	-	29	-	**29**
Professional fees	-	-	25	3	**28**
Governance costs:					
Audit, accountancy and tax fees (note 10)	-	-	23	-	**23**
Legal fees	-	-	5	-	**5**
Board meeting costs	-	-	6	-	**6**
Total expenditure	**136**	**837**	**708**	**11,408**	**13,089**

Prior year comparative expenditure:

	Raising funds £'000	ICT services £'000	Member services £'000	Projects and programmes (including grants) £'000	Total 2023 £'000
Grants payable (note 8)	-	-	-	6,959	6,959
Staff costs (note 9)	103	52	544	229	928
Consultancy and other staff costs	-	110	129	196	435
Recharged software	-	244	-	-	244
Support costs:					
Event costs	-	-	138	-	138
IT costs	-	2	65	-	67
Office and other costs	-	-	72	7	79
Premises costs	-	-	62	-	62
Professional fees	-	-	15	-	15
Governance costs:					
Audit, accountancy and tax fees (note 10)	-	-	13	-	13
Legal fees	-	-	1	-	1
Board meeting costs	-	-	8	-	8
Total expenditure	**103**	**408**	**1,047**	**7,391**	**8,949**

8. Grants paid to organisations

	Total 2024 £'000	Total 2023 £'000
#iWill	-	615
Anchor Community Connection Fund	110	110
Arts Council Lets Create Jubilee Fund	37	(88)
British Red Cross Ukrainian Support Fund	(4)	660
Cellnex Digital Exclusion Fund	-	149
Clean Air Fund	222	-
Communities in Crisis - British Red Cross	34	286
Communities in Crisis - DCMS	-	726
Communities in Crisis - M&G	-	343
DCMS - Know Your Neighbourhood Fund	5,587	1,295
Ladbrokes	-	580
LAMIT Care Leavers	660	-
Masonic Charitable Found'n Refugee Fund	-	485
MOPAC - Victim Support	4,297	1,525
NET - COVID 19	-	(17)
Original Cottages	9	-
PHP Group - Social Prescribing Fund	95	143
Royal London	-	7
Sir George Earle Individuals Grants	18	10
Sir George Earle National Programme	-	140
Surviving Winter	-	1
Tampon Tax	-	(11)
Total grants paid	**11,065**	**6,959**

All grants paid are restricted.

9. Staff costs and remuneration of key management personnel

	Total 2024 £'000	Total 2023 £'000
Salaries and wages	**732**	796
Social security costs	**69**	92
Employer pension contributions	**40**	40
	841	928
Redundancy and termination costs	**5**	48
	846	976

The number of staff whose emoluments were greater than £60,000 are:

		2024 No.	2023 No.
Number of employees earning between	£60,001 and £70,000	**2**	2
Number of employees earning between	£70,001 and £80,000	**1**	2
Number of employees earning between	£100,001 and £110,000	**1**	-
Number of employees earning between	£110,001 and £120,000	**-**	1

The average head count was 16 (2023: 18).

The total amount paid in the year for redundancy and compensation for loss of office was £5k (2023: £48k). These payments related to one employee (2023: three).

Key management personnel includes the CEO and Senior Leadership Team (Chief Operating Officer, Deputy CEO & Director of Strategy and the Director of Business Development until October 2022). The remuneration paid to the key management personnel was £300k (2023: £359k).

10. Net income/(expenditure) for the year

This is stated after charging:

	Total 2024 £'000	Total 2023 £'000
Auditor's remuneration:		
Current year - Statutory audit	**17**	13
Current year - Certification of grant programme income and expenditure	**4**	1
Current year - Tax advisory services	**2**	-

11. Investments

	2024 £'000	2023 £'000
Valuation at 1 April	**5,609**	5,764
Additions in year	**11**	177
Disposals during the year	**-**	(49)
Net gain / (loss) on revaluation	**552**	(283)
Valuation at 31 March	**6,172**	5,609

All investments are held with CCLA in COIF Charities Ethical Investment Fund.

12. Debtors

	2024 £'000	2023 £'000
Trade and sundry debtors	**1,119**	130
Prepayments	**57**	21
Accrued income	**339**	56
	1,515	207

13. Creditors : Amounts falling due within one year

	2024 £'000	2023 £'000
Trade and sundry creditors	**1,143**	154
Accruals and deferred income	**416**	104
Social security and other taxes	**30**	80
	1,589	338

Included with the above is deferred income as follows:

Analysis of deferred income

	2024 £'000	2023 £'000
Deferred income brought forward	**53**	93
Released to income in year	**(53)**	(93)
Deferred in year	**65**	53
As at 31 March 2024	**65**	53

Deferred income in the current year relates to income for ICT services invoiced in advance of delivery. Deferred income in the prior year relates to income from evaluation and monitoring work related to programmes which were ongoing at the year end.

14. Operating lease commitments

Total annual commitments payable under operating leases are as follows:

	Land and buildings	
	Total 2024 £'000	**Total 2023 £'000**
Operating leases which expire		
Less than 1 year	-	16
	-	**16**

15. Trustee remuneration and expenses

Six members of the board (2023: eight) received reimbursement of travel expenses to attend meetings. This amounted to £1,242 (2023: £3,564). No members of the board (2023: nil) received remuneration.

Some trustees are also either trustees or employees of UKCF's member organisations (see note 16).

16. Related party transactions

UKCF is a membership organisation which exists to serve its members. Some of our trustees are also involved in local community foundations, listed below, which are members of UKCF. This involvement may be as an employee, a trustee, or by having a close family relationship with a trustee. Day to day transactions such as membership fees, licence fees and grant payments, take place between UKCF and its members. These transactions are on the same basis as the other members. If decisions are made about transactions with individual community foundations where trustees may have a conflict of interest, this interest is declared and the trustee not involved in the decision.

Trustee Name	**Community Foundation**
Toby Anstruther	Foundation Scotland
Michelle Cooper	Point North Community Foundation
John Gordon	Community Foundation Northern Ireland
Neil MacDonald	South Yorkshire Community Foundation
Fiona McDiarmid	Norfolk Community Foundation
Leslie Rance	Foundation Scotland
Kevin Richmond	Sussex Community Foundation
Stephanie Taylor	Leeds Community Foundation
Andrew Tuggey	Community Foundation Wales
Tom Van Oss	Cornwall Community Foundation

17. Movement in funds

	At 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Investment gains / (losses) £'000	At 31 March 2024 £'000
Endowment funds:						
Sir George Earle Charitable Fund	4,503	-	-	-	442	4,945
Education Fund	75	-	-	-	7	82
Relief of Poverty Fund	778	24	-	-	77	879
General Fund	258	-	-	-	26	284
Total endowment funds	5,614	24	-	-	552	6,190
Restricted funds:						
Anchor Community Connection Fund	-	110	(110)	-	-	-
Arts Council Lets Create Jubilee Fund	40	-	(40)	-	-	-
British Red Cross Ukrainian Support Fund	-	-	4	-	-	4
Cellnex Digital Exclusion Fund	-	50	-	-	-	50
Clean Air Fund Micro Grants Programme	122	100	(222)	-	-	-
Communities in Crisis - DCMS	34	-	(34)	-	-	-
DCMS - Know Your Neighbourhood Fund	-	5,786	(5,777)	-	-	9
Endowment - Education Fund	4	1	-	-	-	5
Endowment - Relief of Poverty Fund	13	12	-	-	-	25
Endowment - General Fund	6	4	-	-	-	10
Endowment - Sir George Earle Individuals	66	74	(18)	(66)	-	56
Endowment - Sir George Earle National	13	-	-	66	-	79
Flood and Storm Donations	6	-	-	-	-	6
#iWill	8	-	-	-	-	8
LAMIT Care Leavers	-	660	(660)	-	-	-
MOPAC - Victim Support	-	4,297	(4,297)	-	-	-
Original Cottages	-	9	(9)	-	-	-
PHP Group - Social Prescribing Fund	-	95	(95)	-	-	-
Surviving Winter	15	-	-	-	-	15
Total restricted funds	327	11,198	(11,258)	-	-	267
Unrestricted funds:						
General funds	344	1,739	(1,827)	-	-	256
Designated funds: Digital Transformation	4	-	(4)	-	-	-
Total unrestricted funds	348	1,739	(1,831)	-	-	256
Total funds	**6,289**	**12,961**	**(13,089)**	**-**	**552**	**6,713**

Negative expenditure figures represent a grant underspend being returned to UKCF.

Purposes of endowment funds:

As part of the Revitalising Trusts Programme with the Charity Commission, the Sir George Earle Charitable Fund was transferred to UKCF in 2018-19 and multiple other smaller value funds have been transferred to UKCF since. Investment income from these funds are spent in accordance with their initial restrictions prior to transfer to UKCF. Further detail on the restrictions relating to the Sir George Earle Fund can be found below. Income from the other funds must be spent respectively on Education, Relief of Poverty or more broadly for the General Fund.

Purposes of restricted funds:

The Anchor Community Connection Fund

The fund offered grants to local community organisations, causes or programmes which focus on bringing people together to share food and strengthen community connections. The funding was delivered in three areas of the UK via the community foundation network.

Arts Council Lets Create Jubilee Fund

The fund supported voluntary and community groups to develop creative and cultural activities as part of the Queen's Platinum Jubilee celebrations in June 2022. The funding was delivered throughout England via the community foundation network.

British Red Cross Ukrainian Support Fund

The fund supported local VCS organisations directly supporting refugee arrivals from Ukraine, and local infrastructure organisations to develop the capacity to prepare, coordinate and enable the successful integration of refugees. The funding was delivered via the community foundation network.

Cellnex Digital Exclusion Fund

The aim of the fund is to target digital exclusion and the funds have been used to support and work with organisations who are working in this area. The funding was delivered in three areas of the UK via the community foundation network.

Clean Air Fund Micro Grants Programme

The purpose of the programme is to scope the best ways of increasing demand and support for clean air policies in the worst affected cities (Manchester, Birmingham and Liverpool) via scoping a micro-granting project to support individuals and small organisations.

UKCF and the community foundations will design and deliver a pilot micro-granting project to support action on air pollution in these areas. This programme will build awareness and demand for clean air in these cities.

Communities in Crisis - British Red Cross, DCMS & M&G

The aim of the fund was to increase the beneficiary numbers of warm hubs/spaces and support them to maintain and/or increase their opening times and funding energy costs of community centres, so that they can maintain their current community activities and/or increase them. The funding was delivered via the community foundation network.

DCMS - Know Your Neighbourhood Fund (KYN)

The KYN Fund will run until March 2025. A key focus of the programme will be to generate and share learning on how people in disadvantaged areas can be supported to volunteer and improve their social connections, which will help to support sustained action beyond the lifetime of the fund. The funding includes a match element, requiring £1.5m to be raised across the life of the programme by those participating across the community foundation network.

Endowment Funds

There are four endowment funds held by UKCF which generate income for restricted funding. The largest is funded mainly by the investment income from the Sir George Earle Charitable Foundation, which was originally set up to provide discretionary grants to support current and former employees of the cement manufacturer in cases of financial hardship (Individuals). The scope has been extended to work with local communities and projects which support older people, particularly with regard to reducing loneliness or isolation, and in specific geographies around historic cement works (National).

The relief of poverty fund can be used specifically to address relief of poverty, and the education fund for the advancement of education. The general fund can be used for broader purposes.

Flood and Storm Donations
From December 2013 onwards, 11 community foundations set up local programmes to assist the victims of the extreme floods and storms. UKCF launched a national programme to support them. As a result, the Office for Civil Society, Wren Living Ltd, Comic Relief and others awarded grants to UKCF to distribute via the participating community foundations. This will continue to be disbursed in 2024/25.

#iWill
Funded by the National Lottery Community Fund and DCMS. The #iwill Fund supports the broader #iWill movement – a collaboration of over 1,000 cross-sector organisations and over 300 young people who are united by a shared belief that all children and young people should be supported and empowered to make a positive difference on the issues that affect their lives, their communities, and broader society.

The #iWill Fund distributed via the community foundation network looks to support social action activities that create opportunities for young people aged 10-20 to develop their potential and their capacity to significantly contribute to their community. Social action involves activities such as campaigning, fundraising and volunteering and has huge potential to create enjoyable opportunities and skills development for young people, and in turn benefit the local people and places.

LAMIT Care Leavers
CCLA (via the Local Authorities' Mutual Investment Trust) has initiated a funding programme to support care leavers. This programme invited community foundations to bring forward proposals where they will be working with local authorities and other organisations to support young people in addressing any of the multitude of challenges they face and provide experiences and opportunities from which they may not otherwise benefit.

MOPAC - Victim Support
The grant programme will involve the distribution of several million pounds of grant funding to organisations which deliver crime prevention and victim support services in London. Specifically, domestic abuse and sexual violence support. This is being distributed by London Community Foundation.

Original Cottages
After the small partnership and core funding donations a few years ago, Original Cottages developed UKCF as a core opt-in donation partner for their brands which cover over 120,000 holiday bookings each year. Funds are raised through opt-in donations on the Original Cottages website for UKCF, for which regions these bookings were made with donations being sent to the relevant regional community foundations.

PHP Group - Social Prescribing Fund
Funded by Primary Healthcare Properties Group, the aim of the programme is to provide grants to charities focussed on social prescribing and community wellbeing. The funding was delivered in three areas of the UK via the community foundation network.

Surviving Winter
The Surviving Winter campaign is funded by donations from the public to raise money for pensioners affected by fuel poverty. The funding is distributed via the community foundation network.

Purposes of designated funds:
The designated funds relating to digital transformation have been utilised in the development of an improved network-wide CRM system.

18. Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Investments	-	-	6,172	6,172
Current assets	589	1,542	18	2,149
Current liabilities	(333)	(1,275)	-	(1,608)
Net assets at 31 March 2024	**256**	**267**	**6,190**	**6,713**
Investments	-	-	5,609	5,609
Current assets	598	415	5	1,018
Current liabilities	(250)	(88)	-	(338)
Net assets at 31 March 2023	**348**	**327**	**5,614**	**6,289**

19. Movement in funds - prior year comparative

	At 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Investment gains / (losses) £'000	At 31 March 2023 £'000
Endowment funds:						
Sir George Earle Charitable Fund	4,788	-	-	(48)	(237)	4,503
Education Fund	79	-	-	-	(4)	75
Relief of Poverty Fund	759	47	-	-	(28)	778
General Fund	272	-	-	-	(14)	258
Total endowment funds	5,898	47	-	(48)	(283)	5,614
Restricted funds:						
Anchor Community Connection Fund	-	110	(110)	-	-	-
Arts Council Lets Create Jubilee Fund	-	(47)	87	-	-	40
British Red Cross Ukrainian Support Fund	-	660	(660)	-	-	-
Cellnex Digital Exclusion Fund	-	149	(149)	-	-	-
Clean Air Fund Micro Grants Programme	-	122	-	-	-	122
Communities in Crisis - British Red Cross	-	286	(286)	-	-	-
Communities in Crisis - DCMS	-	760	(726)	-	-	34
Communities in Crisis - M&G	-	343	(343)	-	-	-
DCMS - Know Your Neighbourhood Fund	-	1,485	(1,485)	-	-	-
Endowment - Education Fund	2	2	-	-	-	4
Endowment - Relief of Poverty Fund	3	10	-	-	-	13
Endowment - General Fund	-	6	-	-	-	6
Endowment - Sir George Earle Individuals	107	75	(10)	(106)	-	66
Endowment - Sir George Earle National	-	-	(140)	153	-	13
Fidelity	3	-	(3)	-	-	-
Flood and Storm Donations	6	-	-	-	-	6
#iWill	21	603	(615)	(1)	-	8
Ladbrokes	578	2	(580)	-	-	-
Masonic Charitable Found'n Refugee Fund	-	485	(485)	-	-	-
MOPAC - Victim Support	-	1,525	(1,525)	-	-	-
NET - COVID 19	7	(24)	17	-	-	-
PHP Group - Social Prescribing Fund	-	143	(143)	-	-	-
Royal London	7	-	(7)	-	-	-
Surviving Winter	16	-	(1)	-	-	15
Tampon Tax	53	(40)	5	(18)	-	-
Total restricted funds	803	6,655	(7,159)	28	-	327
Unrestricted funds:						
General funds	455	1,493	(1,662)	57	-	344
Designated funds: Strategic Development	100	-	(80)	(20)	-	-
Designated funds: Digital Transformation	70	-	(49)	(17)	-	4
Total unrestricted funds	625	1,493	(1,791)	20	-	348
Total funds	**7,326**	**8,195**	**(8,949)**	**-**	**(283)**	**6,289**

Negative income figures relate to either the correction of unrestricted income recognised as restricted in previous years or income which has been received in previous years but where there has been a grant underspend which is returned to the funder. Negative expenditure figures represent this grant underspend being returned to UKCF.

20. Comparative Statement of Financial Activities - Prior year

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000
Income and endowments from:					
Donations and legacies	3	809	6,560	47	**7,416**
Charitable activities	4	596	-	-	**596**
Investments	5	88	95	-	**183**
Total income		**1,493**	**6,655**	**47**	**8,195**
Expenditure on:					
Raising funds		103	-	-	**103**
Charitable activities:					
ICT services		408	-	-	**408**
Member services		1,047	-	-	**1,047**
Projects and programmes including grants		232	7,159	-	**7,391**
Total expenditure	7	**1,790**	**7,159**	**-**	**8,949**
Net gains / (losses) on investments	11	-	-	(283)	**(283)**
Net income / (expenditure)	10	**(297)**	**(504)**	**(236)**	**(1,037)**
Transfers between funds		20	28	(48)	**-**
Net movement in funds	17	**(277)**	**(476)**	**(284)**	**(1,037)**
Reconciliation of funds:					
Total funds brought forward		625	803	5,898	**7,326**
Total funds carried forward		**348**	**327**	**5,614**	**6,289**

UK COMMUNITY FOUNDATIONS

England & Wales - Charity number 1004630

Accounts

UK COMMUNITY FOUNDATIONS

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Company number: 2651777
Charity number: 1004630

UKCOMMUNITY FOUNDATIONS

GIVING FOR LOCAL GOOD

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INTRODUCTION

UK Community Foundations (UKCF) is the national membership organisation for all accredited community foundations across the United Kingdom. UKCF provides a range of services for members, including training and support, networking opportunities, national PR, and national grant programmes. We want our members to be the best place-based grant makers, leaders, convenors and catalysts of local communities, encouraging and developing local philanthropy, and helping people and organisations invest where it is most needed and where it will make the most impact. Our vision is of a society where local philanthropy is the norm and where communities can help all those in need.

Who we are.

Our network consists of 47 accredited community foundations and three overseas members. They are mainly county based or cover metropolitan boroughs. In the case of Scotland, Wales and Northern Ireland there is one community foundation for each of the devolved administrations. Our overseas members are from the Republic of Ireland, Jersey, and Bermuda.

What our members do.

Community foundations are the best way for local people and organisations to give right to the heart of their communities wherever they live across the UK. They address the widest possible range of issues and intervene in communities that are the hardest to reach.

Community foundations have an unparalleled reach. Each foundation has a deep understanding of its local area, its priority needs and how best to address those needs. This knowledge is the result of extensive local research. Community foundations are thus able to advise donors on how best to give to local causes most efficiently and effectively.

Community foundations are focussed on local philanthropy. As endowed charities, they build a sustainable source of funding from and for their local communities.

Community foundations support and fund local projects and organisations at the grassroots level across a wide range of local issues, such as poverty alleviation, emergency crisis response, youth engagement, isolation, and mental health. The causes we fund are as diverse as the communities with which we engage.

Community foundations are community convenors and leaders, able to harness and influence local resources to achieve community benefit. We bring disparate people and agencies around the table to achieve meaningful social change.

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2023

INTRODUCTION

The network of accredited community foundations gives grants totalling around £170 million annually. This makes us, collectively, one of the UK's larger grant-giving organisations. Over the past 20 years, donors have given over £1 billion to and through community foundations to address local needs. This demonstrates how the philanthropic spirit in the UK has secured long term and sustainable benefit for communities and achieved lasting social change.

Our network of community foundations together owned endowments of £741m at 31 March 2023.

CHAIR'S REPORT

The financial year that ended on 31 March 2023 saw UKCF go from strength to strength. Governance has been enhanced and made more inclusive by embedding a new committee structure with representatives from across the community foundation network on all committees and working groups of the UKCF Board.

Our strategy moved into its second year, consolidating progress after the pandemic. UKCF continued to build new links with government and sector partners. The Revitalising Trusts Programme enhanced involvement and forged stronger links with the Charity Commission and is gradually releasing much needed funding to communities, although more work needs to be done in the coming financial years. Plans to build policy and public affairs functions have been hampered by resource challenges, but we anticipate better progress in the next two years.

The highlight of the 2023 financial year was the digital transformation project (DiTA). Any digital project is a risk, but members have been keen to move to a new customer relationship management (CRM) platform for some time and DiTA is well underway. Careful stewardship and communication with our members was key to completing the consultation and design phases. Building our new platform is well underway with an anticipated roll-out in September 2023. I thank Lee Grocott and his team, and two UKCF trustees, Michelle Cooper and Anushka Nagpal, and Neil Wright from the Community Foundation for Calderdale their hard work and support.

UKCF held a three-day conference in Manchester in October 2022. It was the first time since the pandemic that the whole network could meet in person, and we were delighted to also be joined by 45 international delegates.

Our regular and popular webinars for the chairs and trustees of community foundations facilitate pan-network engagement on specific topics of choice. The series builds peer support. The UKCF Board and executive team value the engagements as a means of involving the network in UKCF, as well as providing opportunities for learning and understanding.

The UKCF team continues to work from home, but there have been three successful face-to-face team away days held in Sussex, Edinburgh and Reading. The away days have enabled the team to meet and learn about the host community foundations, work on strategy, undertake training, and to meet each other. Two members of staff left during the year for promotions elsewhere. The communications and marketing team has been re-structured and has been building a stronger external profile for UKCF.

Mark Spofforth and Stephen Singleton stepped down as trustees during the year. I thank them for their service and wish them every success. Both remain part of the network. Mark becomes Chair of Sussex Community Foundation in July and Stephen is Executive Vice-Chair of Suffolk Community Foundation. Two new trustees from the membership have joined the UKCF Board: Fiona McDiarmid (Vice-Chair of Norfolk Community Foundation) and

Stephanie Taylor (Strategy and Programmes Director of Leeds Community Foundation). Fiona and Steph bring significant experience and I was delighted to welcome them to the Board. I also welcomed Neil MacDonald as a new independent trustee after the year end.

We are focussing on growing the profile of the community foundation network across the public, corporate and third sectors, demonstrating the essential support that the network brings to our communities, while also providing leadership and high-quality service and support to the network and to other stakeholders. UKCF listens, engages, advocates and amplifies.

Signature

Andrew Tuggey CBE DL

Chair and Trustee, UK Community Foundations

16th November 2023

TRUSTEES' REPORT

The Trustees present their annual Report, together with the audited accounts of the charity for the year ended 31 March 2023.

VISION, PURPOSE AND MISSION

Vision. Community foundations have a UK-wide reputation as agile agents for change in every local community – addressing need through vibrant local philanthropy and giving, sustainable charitable funding and local partnership working – and are recognised as an integral element of any national discussions relating to local communities.

Purpose. To position community foundations at the national level as the partner of choice.

Mission. To provide inspirational leadership and advocacy at the national level by delivering training, resources, and a national profile to enhance and sustain their support of local communities.

VALUES

We believe in justice and fairness. Everyone should have the opportunity to have a fulfilling life and to feel they belong. This cannot be mandated by government or done to people, only with them. Change needs to come from within communities, driven by people who understand the local situation. Our support makes this possible. We understand the challenges, we find the funding and we work with those who have the solutions to improve lives.

- We embed **inclusivity** in all that we do:
- We put **relationships** first:
- We are **ambitious** for members and the communities they support:

IMPACT

UKCF's impact during the year has been to advance the future thinking of our members. We need to anticipate what communities will be like in 30 years' time in order to ensure that community foundations are strong and well equipped for the future.

Issues such as disadvantage, climate change and equity diversity and inclusion remain and will become more prevalent in the future. The cost-of-living crisis has shown how vulnerable many people are and how important are the community groups that support them. UKCF

has secured funding for communities, supported our members, and built partnerships outside the network to garnish the skills, resources and connections needed to support communities.

AIMS AND OBJECTIVES

During the 2023 financial year, the Board complied with the duty set out in section 17 of the Charities Act 2011, which is to have due regard to the public benefit guidance published by the Charity Commission (England and Wales) when reviewing UKCF's aims and objectives and planning future activities. In particular, the Board has considered how planned activities will contribute to the aims and objectives they have set.

AIMS

- To promote and improve the efficiency and effectiveness of community foundations in direct pursuit of their objectives, in such a manner as may be thought fit and by raising and distributing funds for application for the general purposes of such foundations
- To advance the education of the public in the work of such foundations
- To promote other charitable purposes of benefit to the community.

OBJECTIVES

1. **Strengthen the Network.** We work to ensure that each of our members has the skills and capacity to meet the needs of their communities by offering a range of services that add value to members of all sizes, based on their needs and interests.

2. **Build Profile.** We endeavour to improve our visibility with government and other influencers to position community foundations as the partner of choice and experts on place-based social change by enhancing our communications and developing a policy platform and a clear and unified voice.

3. **Unlock Resources.** We generate investment in the network from a wide range of philanthropists, donors, and partners by building a strong case for support of community foundations and UKCF.

4. **Build a Thriving UKCF.** We endeavour to create an exemplar organisation that has the confidence of its members, is sustainable and a good place to work by investing in our people, systems, processes and leadership.

THEMES

1. **Equity Diversity and Inclusion.** In order to improve our diversity, scrutiny and decision making, we have woven Equity Diversity and Inclusion into everything we do. This includes support for members to become more representative of the communities they serve and to share best practice.

2. **UN Sustainable Development Goals.** These provide a framework which explains the wide range of work that community foundations do. By adopting the goals and targeting the 2030 timeframe, we have a methodology for measuring our impact, a communication hook, and the ability to position community foundations on national and international stages.

3. **Digital Transformation.** Improving our use of digital is a key focus for UKCF and the members. The digital transformation project reaches into every area of UKCF's operation from grant-making and impact measurement to communication, finance, and membership services.

ACHIEVEMENTS AND PERFORMANCE

1. **Strengthen the Network**.

- To prepare our members for changing times, our focus is future thinking. Our members want to consider what communities will look like in 30 years' time. To complement our peer to peer learning we invited an exciting range of external speakers to speak at our webinars and to provide training for staff and trustees.

- We held our first in person conference in October in Manchester focussed on "Foundations for the Future" which 382 delegates attended. These delegates represented 43 of our members, and we had 45 international delegates from across the world. We would like to thank CS Mott Foundation and ECFI our European partners for their support in bringing such a considerable delegation from overseas.

- Other in person events held included a CEO's residential attended by 36 of our members, and a Chairs' Day attended by 25 members.

- Our Members Hub which was set up to streamline our communication with members now has 765 staff and trustees registered. The Members' Hub is a dedicated intranet, hosting online events, peer-to-peer conversations and a resource library. Over the year, we held 77 events, which include webinars, communities of practice and CEO update meetings.

- We have focussed on developing our philanthropy expertise through our Philanthropy Reference group and have developed our marketing and communications training by arranging courses delivered by external organisations.

2. Build Profile.

- Following a restructure of our Marketing and Communications team we have streamlined our communications activity and are focussing on building our reputation through the delivery of a new communications plan. Our narrative is focussed on philanthropy, permanence and place. Examples of articles and reports can be found on our website: www.ukcommunityfoundations.org

- We continue to build our links with government and have regular discussions with the Department for Digital, Culture, Media and Sport (DCMS). We have also built strong links with the Charity Commission due to our Revitalising Trusts Programme.

- We maintain good relationships with networks in the fields of philanthropy, emergency response and think tanks, in order to provide timely updates for our members.

- We strengthened our relationship with other funders including the National Lottery Community Fund, the Joseph Rowntree Foundation and the John Ellerman Foundation.

- Our policy focus has not progressed as we had hoped due to a lack of resources and capacity.

3. Unlock Resources.

- The 2023 financial year was the first year that we offered pooled funds to potential donors. We ran two funds: Communities in Crisis, to address the cost-of-living crisis, and a Ukrainian Refugee Fund. The Communities in Crisis fund raised £1.35m. Our thanks go to M&G, British Red Cross and DCMS for their generous contributions. The Ukrainian Refugee fund raised £1.14m with donations from the British Red Cross and the Masonic Charitable Foundation.

- We enabled several corporates to support communities during the year. These included Arla and their Anchor Community Support Fund, working with three community foundations to bring people together through food. Cellnex continued their work with us, extending their Digital Exclusion fund for a further year. PHP continued their social prescribing fund for another year. The Clean Air fund opened a programme to benefit Manchester, Liverpool and Birmingham. Two government programmes secured during the year were DCMS – Know your Neighbourhood, and #IWill.

- We received donations to our running costs from CCLA, CS Mott Foundation, Original Cottages and Share Gift. We would like to thank them for their support.

- Our Revitalising Trusts programme has been focussed on Wales, working with the Charity Commission to release dormant charitable funds from Welsh charities. Much of this is in

progress and is expected to complete in the 2024 financial year. Transfers of charities in England revitalised £1.98m during the year. Of that, £47k was transferred to the UKCF endowment, with the remainder going to members.

4. A Thriving UKCF.

- We carried out surveys of our employees and of our Board members, which will aid future training and development.

- We held three Team Away Days, in Worthing Edinburgh, and Reading. We take the whole staff team to visit our members for three days, which provides time for training, team building and spending valuable time with our members.

- We developed a competency framework to systemise career development.

- We achieved cyber essentials plus accreditation which provides enhanced cyber security.

5. Equity Diversity and Inclusion (EDI).

- **Communities of Practice/Conference 2022**
  UKCF has applied EDI themes to community foundation work in our monthly communities of practice. Across all communities of practice, including Marketing and Communications, Development and Philanthropy, Finance & Operations, and Programmes, sessions have explored EDI topics, and how to improve policies, processes, and outcomes. Examples include improving donor diversity, accessible communications and menopause policies. UKCF's 2022 Conference, *Foundations for the Future* incorporated EDI themes into sessions including donor diversity, the unjust effects of climate change, and community philanthropy across the world.

- **EDI work with Community Foundations**
  UKCF staff worked with multiple community foundations to support them with shaping EDI strategies both internally and externally, delivering facilitation and training. This has included working with a range of foundations, which include Sussex Community Foundation, Community Foundation for Northern Ireland, London Community Foundation, Cambridgeshire Community Foundation and Northamptonshire Community Foundation.

- **EDI Survey and Member Census**
  In April 2022, UKCF undertook a demographic and learning needs survey related EDI the UKCF network.
  The purpose of the survey was twofold:
    - To understand the demographics of staff and trustees in the UKCF network.
    - To understand respondents' attitudes and learning needs related to EDI.

185 total responses were received. We now have a good understanding of EDI demographics, attitudes, and learning needs across the network. This has allowed UKCF to plan for future EDI activities.

Post year-end in April 2023, UKCF launched its first Member Census. The census is a compulsory annual survey which provides a detailed picture of the entire network and, in time, a longitudinal view of the UKCF network. The census was created in consultation with communities of practice and network members.

Following the 2022 EDI Survey, the 2023 Census included an EDI data section. This collects information from community foundations on the racial, gender, and age makeup of their staff and board, with further categories to be added in future years. Community Foundations who did not already collect this information were encouraged to do so and provided sample questionnaire wording. As the Census is mandatory, this allows for a larger sample size and for the information to be broken down by community foundation, giving UCKF higher-quality data on network demographics.

6. The United Nations Sustainability Development Goals (SDGs).

"SDG: Resources for community foundations" guide – containing links to key resources and reports, highlighting practice within the network, signposting to external networks and organisations was launched and shared with the network.

We made the decision to integrate the SDGs into our network wide community of practice sessions – sessions have included both peer learning and external speakers. Examples of sessions are:

- Finance and Operations network: Aligning strategy with the 2030 agenda and Removing bias from the recruitment process- Be Applied recruitment.
- Marketing and Communications network: Inclusive and accessible communications and Cost of living and winter appeals.
- Grants network: Accessibility for grantees and Transparency in grant making.
- Chairs and Trustees' network: Digital transformation and Inclusive governance in grant making.
- CEOs network: Why socially just responses to climate change are important and Equity, diversity, and inclusion.

At our biannual conference 'Foundations for the future' – all conference sessions were aligned to the SDGs but three sessions particularly focused on the goals:

- Up to and beyond the Sustainable Development Goals.
- Catalysing and resourcing local responses to climate change.
- Focusing on 'Equity, Diversity and Inclusion' is not enough.

Within the member hub launched at the beginning of 2022 we have a designated SDG channel where UKCF and members can share relevant articles and resources.

Moving forward to June 2023, we are hosting a workshop with ECFI and seven European Community Foundation Support organisations with the following purpose:
To provide an opportunity for community foundation support organisations to:

- share knowledge and practical experience on the relevance of the SDGs to their work and the work of community foundations.
- Consider the benefits that have been realised through embracing the SDGs (at community, community foundation and network levels).
- explore the role of support organisations in encouraging the community foundation field to embrace the SDGs.

We are also working closely with the DiTA team to make sure that the SDG's are aligned to grants and outcomes in Salesforce so we can demonstrate our alignment to SDGs and identify gaps and areas for future focus.

We will continue to integrate SDGs into our work with the intention of making it more explicit, particularly to audiences where the framework resonates.

7. Digital Transformation.

Thirty-eight of our members have signed up for Project DiTA (Digital Transformation Accelerator). Project DiTA will deliver a CRM system tailored to the specific needs of community foundations and the groups they serve.

During the year we held a rigorous tender process and selected a supplier who we and the members felt confident in working with. We entered the discovery phase, conducting over 30 workshops with different user groups from across the network. These sessions allowed us to gather insights and feedback, shaping the design of the CRM system to meet the shared requirements of our members.

During the design phase, we focused on creating a CRM system that provides a solid foundation while allowing individual members to tailor it to their specific needs. Staff and trustees from across the network actively participated in the tender, design, and ongoing governance process, ensuring that the system aligns with their goals and objectives.

We are currently in the build phase of Project DiTA. By early 2024, all thirty-eight foundations will have transitioned to their respective CRM systems. In the meantime, UKCF continue to provide support for the existing legacy Salesforce system.

The core of Project DiTA lies in the CRM system, specifically designed to foster collaboration and efficiency across the network. By leveraging this CRM system, foundations will have enhanced data management, improved insights, and streamlined processes, ultimately enabling them to better serve their communities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

UKCF is a charitable company limited by guarantee with governance arrangements set out in the company's memorandum and articles of association.

UKCF is the national membership organisation for community foundations in the UK. Community foundation means a foundation established to generate funds from all sources (including money given to build endowments), and to provide grants for charitable purposes related to the needs of a defined community. Community foundations thus provide services to donors and engage with others to strengthen local communities.

Full membership of UKCF is restricted to quality-accredited community foundations in the UK.

Some of our trustees are from our membership and some are independent, with members in the majority. We hold elections for UKCF trustees from our membership, whether they are trustees or employees of community foundations. Independent trustees are co-opted to the board in order to bring experience and skills to bear that are considered necessary. This process is overseen by our Nominations Committee. Terms of office as a trustee are a maximum of three terms of two years.

Board meetings fit into the planning cycle so that the Board can focus on developing strategy, approving the operational plan, agreeing the annual budget and reviewing lessons learned.

The Board of UKCF is the decision-making body of the company. The Board delegates powers to committees to recommend specific decisions to the Board consistent with the overall direction set by the Board. The committees in the 2023 financial year were as follows:

- Finance, Audit & Operations committee: charged with reviewing financial strategy and planning, audit, risk, human resources, and major contracts.
- Nominations & Governance committee: charged with overseeing the recruitment of trustees and trustee training and development.
- Community First Investment Committee, a sub-committee of the Finance, Audit & Operations committee: charged with oversight of the UKCF endowment and the community foundations' endowment established during the Community First Match Challenge Programme (see Investments below).

All trustees have an induction and are encouraged to attend training provided for them. However, most of them are either a trustee of other charities or employed by community foundations and therefore have significant current knowledge of charity practice and regulation. We do welcome those who have not been a trustee before and we provide the

support they need to develop the skills required of a trustee. Many of UKCF's trustees attend third sector seminars and events and some are offered training and development opportunities by their relevant community foundation. All UKCF trustees attend UKCF's Symposium and the UKCF Conference which fall in alternating years. Both events have a programme of plenary speeches and workshops designed to develop the skills and knowledge of all attendees. In addition, the Board agenda includes updates on charity governance matters.

The legal and administrative information at the end of the financial statements forms part of this report.

Fundraising.

UKCF does not actively fundraise from members of the public, and no third-party fundraisers are used by the Charity. Donations are, however, gratefully received and accepted. Most of our funding comes directly from grants and other institutional funders. We have not received any complaints in respect of fundraising. We are registered with the Fundraising Regulator.

AUDIT INFORMATION

At the date that this Trustees' report is approved, so far as each of the trustees is aware:

There is no relevant information of which the auditors are unaware; and

The trustees have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

LEGAL AND ADMINISTRATION DETAILS

Status of the charity.

A company limited by guarantee which was incorporated on 7 October 1991 and registered as a charity on 11 October 1991

Governing documents.

The charity was established under a memorandum of association on 7 October 1991 as amended on 2 December 1993, 17 July 1996, 21 October 1998, 19 January 2000, 27 April 2001, 23 April 2003, 17 November 2010, 19 March 2013, 16 November 2016 and 10 December 2020. The memorandum established the objects and powers of the charity. It is governed under its articles of association

Company number. 2651777

Charity number. 1004630

Registered office.

Unit 1.04, 9 Brighton Terrace, London, SW9 8DJ (to 24 July 2023)
Northgate Business Centre, 38-40 Northgate, Newark. NG24 1EZ (from 25 July 2023)

Honorary officers.

President – Lord Michael Hastings CBE
Chair – Andrew Tuggey CBE DL
Treasurer – Thomas Van Oss (from 10 November 2022)
Treasurer – David Mark Spofforth OBE (to 10 November 2022)

Members of the Board / Trustees.

Toby Anstruther
Gill Bull
Michelle Cooper MBE
John Gordon
Neil MacDonald (from 16 June 2023)
Fiona McDiarmid (from 2 December 2022)
Helen McEachern (to 16 June 2023)
Anushka Nagpal
Kevin Richmond
Stephen Singleton MBE (to 10 November 2022)
David Mark Spofforth OBE (to 10 November 2022)
Kayathiri Supramaniam
Stephanie Taylor (from 5 December 2022)
Andrew Tuggey CBE DL
Thomas Van Oss
Emma-Jane Watchorn

Chief Executive and Company secretary. Rosemary Macdonald BEM

Bankers. CAF Bank Ltd, Kings Hill, West Malling, Kent ME19 4TA

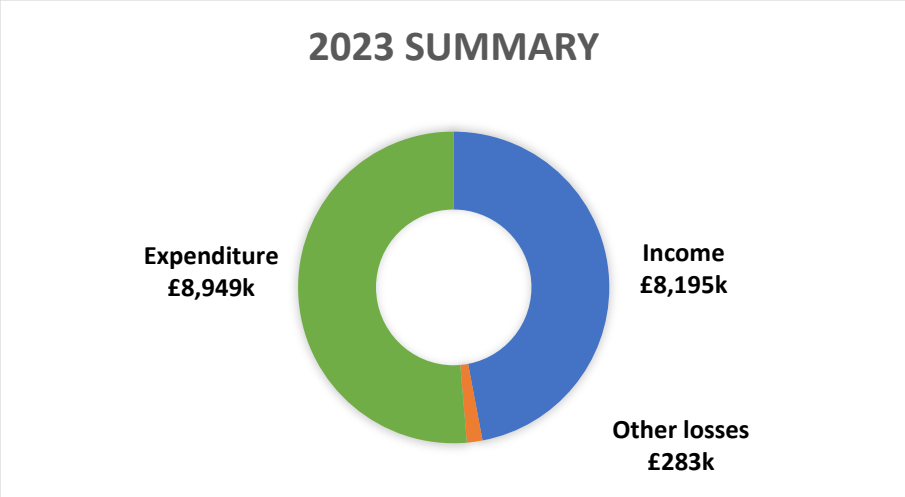
Investment managers. CCLA Investment Management Ltd, Senator House, 85 Queen Victoria Street, London EC4V 4ET

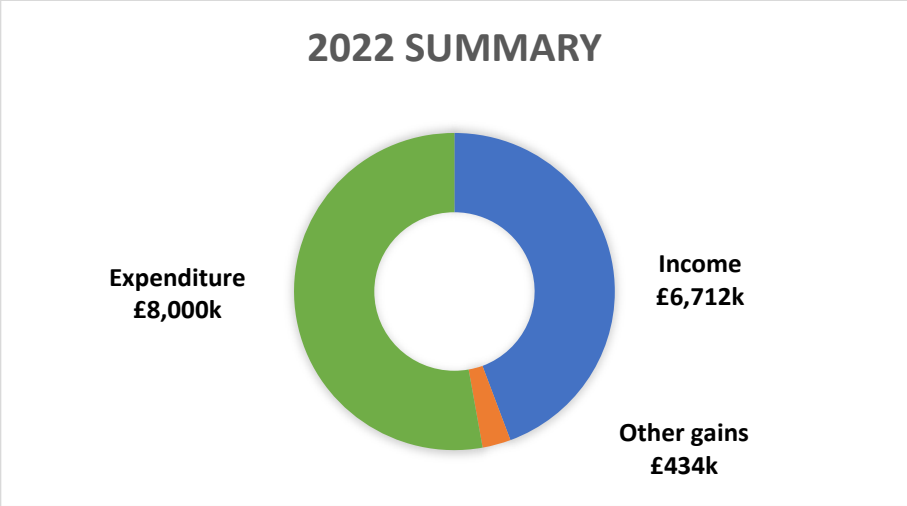
Auditors. Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG

Members' liability. Members of the charity guarantee to contribute an amount not exceeding £1 to its assets in the event it is wound up. The number of members at 31 March 2023 was 47

Trustees' insurance. During the year, trustees were covered by Directors' and Officers' insurance.

FINANCIAL REVIEW





Funds

UKCF has three types of funds: Unrestricted, Restricted and Endowment.

Unrestricted funds

Excluding the Information and Communications Technology subscriptions and Salesforce development costs, which are a fully recharged cost to our members, the unrestricted funds show the income and expenditure required to operate UKCF.

Unrestricted funds	2023 £k	2022 £k
Deficit	297	399
Funds transfers	20	116
Overall downward movement	277	283

Restricted funds

In comparison, restricted funds are pass-through funds which we use to make grants to our members, and, on rare occasions, to other organisations. The only exceptions to this are restricted funds related to the leadership programme which directly support activities at UKCF.

Restricted funds	2023 £k	2022 £k
Deficit	504	1,200
Funds transfers	28	22
Overall downward movement	476	1,222

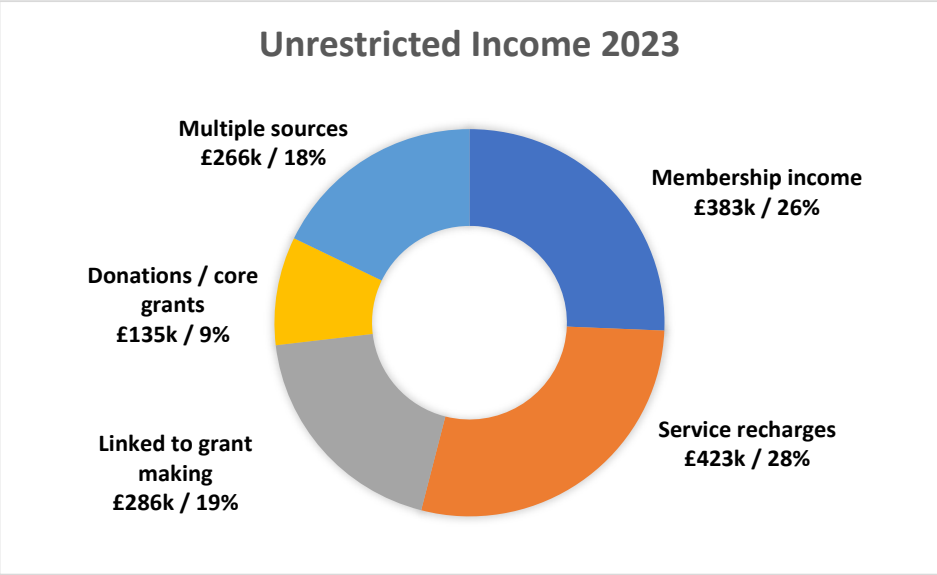
Endowment funds

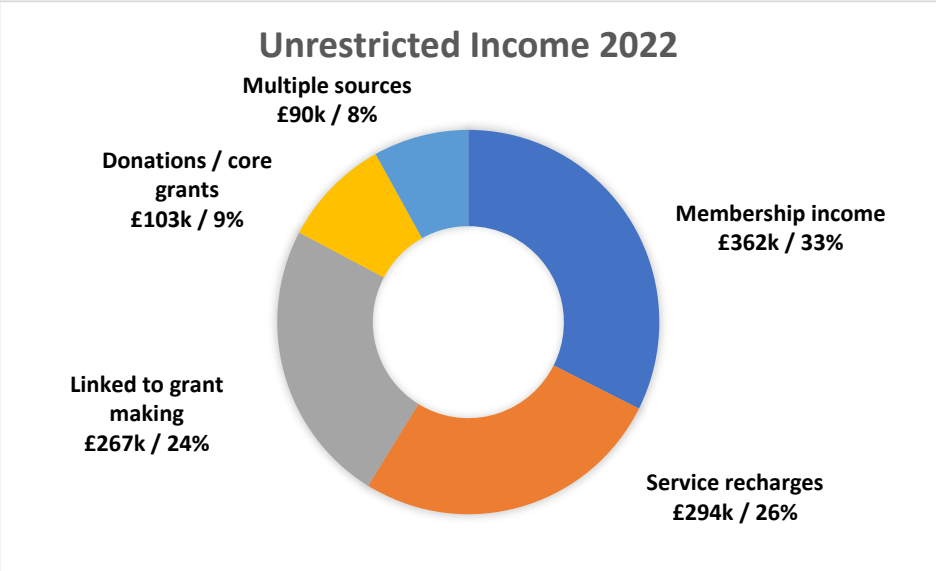
As a result of the Revitalising Trusts Programme, UKCF also holds an endowment fund. This arises from transfers of inactive or dormant trusts which have a national or UK-wide objective.

Endowment funds	2023 £k	2022 £k
Income	47	311
Funds transfers	48	94
Investment losses / gains	(losses) 283	(gains) 434
Overall movement	(downward) 284	(upward) 651

INCOME

Unrestricted Income – £1,493k (2022: £1,116k)





Membership Income	Our membership fees are based on a percentage of the endowments held by each individual community foundation. Lower fees are charged to our overseas members as they have limited access to membership benefits compared to our UK accredited members
Service Recharges	These recharges mainly relate to the network wide CRM which is administered by UKCF
Linked to grant making	Linked to flow-through grants
Donations and core grants	Not linked to grant making
Multiple sources	Endowment transfers - £5k Managing endowments - £84k Event sponsorship and ticket sales - £173k Bank interest - £4k

Restricted Income – £6,655k (2022: £5,285k)

Restricted income used for flowthrough grant-making was £6,560k (2022: £5,103k).

Investment income was £95k (2022: £88k).

Endowment Income – £47k (2022: £311k)

With investment losses of £283k (2022: £434k gains).

Funds transferred through the Revitalising Trusts Programme are held as endowment funds. The balance of this fund at the end of the year is £5,614k (2022: £5,898k).

The Sir George Earle Charitable Fund, which is held as a linked charity (Charity number 1001630-1), makes up most of this balance. UKCF also has a second linked charity, Aid for the Aged in Distress (Charity number 1004630-2).

The proceeds of the endowment funds are used to contribute to UKCF overheads and to provide grants to be made by individual community foundations.

Capital drawdowns are made in line with fund agreements to augment grant-making, this is shown as a fund transfer. Grants of £150k (2022: £149k) were made related to the Sir George Earle endowment fund.

EXPENDITURE

Unrestricted Expenditure – £1,790k (2022: £1,515k)

Significant expenditure areas	2023		2022	
Team costs – Includes employee salaries and on-costs before redundancies and termination costs (Financial statements note 8)	£928k	55%	£922k	61%
Headcount		18		18
Governance costs – Includes costs relating to Board meetings, Trustee travel and the external audit (In 2022 also included Trustee recruitment and governance review)	£22k		£47k	

Restricted Expenditure – £7,159k (2022: £6,485k)

	2023	2022
Flowthrough grants awarded	£6,959k	£6,370k
Project & Programme expenditure (£190k of 2023 expenditure relates to evaluation costs for the DCMS Know Your Neighbourhood programme)	£200k	£115k

The difference between restricted income received and expended in-year arises due to grant-making in-year being made from brought forward funds.

Endowment Expenditure – £nil (2022: nil)

INVESTMENTS

Through its Community First Investment Committee (CFIC), UKCF oversees the investment of the Community First investment funds on behalf of 45 of the community foundations. That fund was valued at £161m at 31 March 2023 (2022: £171m).

UKCF's endowment fund, which comprises the Sir George Earle Fund and some smaller funds (as described in financial statements note 16), stood at £5.6m at 31 March 2023 (2022: £5.9m).

These funds are all managed by CCLA Investment Management Limited.

UKCF's policy is to build and hold a significant endowment fund, created to support community foundations and their communities now and for generations to come. The intention is that UKCF will continue to develop its endowment from the transfer of dormant or inactive trusts with a national reach. Although legally the endowment could be treated as expendable, it will be held as a long-term capital fund to provide income for current and future network grant-making and to contribute to UKCF's administration costs.

UKCF's endowment is invested in CCLA's COIF Ethical fund. UKCF operates a total return policy to invest funds for longer-term growth.

The CFIC meets twice a year and reports regularly to the membership network. In the opinion of the CFIC, CCLA exercised its investment responsibilities with due care during the year.

In addition, UKCF has responsibility for the oversight of the Community First Match Fund Challenge endowment which is held by individual community foundations and is invested in CCLA COIF funds. This oversight has been delegated to the CFIC.

Total investment performance net of fees and costs to 31 March	Year 2023	Year 2022	Annualised three-years2023
CCLA – COIF Ethical Investment Fund	-2.00%	11.56%	10.63%
ARC Steady Growth (peer group comparison)	-4.04%	6.29%	8.15%

RESERVES POLICY

At 31 March 2023:

- Total funds amounted to £6,289k (2022: £7,236k)
- Unrestricted funds were £348k (2022: £625k)
- Restricted funds were £327k (2022: £803k)
- Endowment funds were £5,614k (2022: £5,898k)

During the year the trustees reviewed the reserves policy, following the steps outlined in the Charity Commission's guidance CC19 *(Charity Reserves: building resilience)*. This involves taking a detailed look at the restrictions on the funds and assets we hold, understanding the impact of risk, assessing the reliability of our sources of income and considering future plans. During the 2023 financial year, this provided a target range of £300k to £410k for our unrestricted general reserves (2022: £300k to £410k). The size of the organisation has remained similar in the 2024 financial year, as have our future commitments and the probability of programme income. For comparison, this translates to 3-4 months of unrestricted expenditure excluding recharged costs. The trustees believe this policy is a sensible balance between the need to maintain a secure long-term financial position and the desire not to hold excessive charitable funds that should be distributed. The trustees review the reserves policy every year.

At the balance sheet date, the unrestricted reserves were £348k (2022: £625k), which includes £4k of designated reserves (2022: £170k) and £343k of general funds (2022: £455k).

Designated Funds

Total designated funds at the year-end were £4k (2022: £170k). Designated funds comprise £4k for the digital transformation project to complete the design and build work of the new Salesforce CRM system. This will be spent in the 2024 financial year.

REMUNERATION POLICY

The trustees consider that the Board and the Senior Management Team comprise the key management personnel in charge of directing and controlling the charity and operating it on a day-to-day basis.

All trustees give their time freely and no trustee remuneration was paid in the year. Details of trustee expenses are disclosed in note 11 to the accounts.

Trustees are required to disclose all relevant interests and register them with the CEO or Company Secretary and, following UKCF's policy, withdraw from decisions where a conflict of interest arises.

The CEO's salary is reviewed annually considering movement in average earnings and the relativity with the average salary of other employees. The remuneration of the CEO and her senior reports is bench-marked with grant-making charities of a similar size and activity to ensure that the remuneration set is fair and comparable with that generally paid for similar roles. A cost-of-living increase was awarded in April 2022to all staff who had been in post for a year, other than to the CEO whose salary was unchanged.

PLANS FOR THE FUTURE

Our strategic plan is in its third year. The items below provide additional detail on the activities we plan to undertake over the next two years.

Strengthen the Network: Building a culture of learning: carefully planned, peer-led, curated learning offer for everyone in the network.

Build Profile: Deliver a detailed communications plan, focussed on positioning UKCF and its members' expertise in philanthropy and giving, permanence, and place.

Unlock Resources: With a focus on developing corporate, philanthropy and government partnerships who wish to focus their funding in local communities.

Build a Thriving UKCF: To complete the transition to working from home, focussing on digital transformation and robust training and development plans for the team. To enter the next phase of strategic planning with the Board.

RISKS

The trustees regularly review the major risks to which the charity is exposed. Systems and procedures – including a Strategic Risk Register – are in place to manage these risks, with regular reports from the CEO. Mitigating actions are planned and prioritised and those with a financial implication are considered when setting the reserves policy.

The key risks are associated with the financial, operational, and reputational risks associated with the delivery of UKCF's objectives. The most significant risk is a decline in income as a result of the loss of programmes or core funding grants. To mitigate the risks of a reduction of income, UKCF is actively pursuing new programmes and core funding opportunities.

In addition, with the transition to a home working organisation, there is currently strong focus on risks associated with cyber security and delivering our digital transformation project on time and to budget. We have achieved cyber essentials plus certification.

GOING CONCERN

The trustees have assessed whether the use of the going concern basis is appropriate for UKCF and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the charity's forecasts and projections and have taken account of pressures on donations income.

After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity, therefore, continues to adopt the going concern basis in preparing its financial statements.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees (who are also directors of UK Community Foundations for the purposes of company law) 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.)

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements.
- State whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements.

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' Report, including the strategic report, was approved by the Board on

Date: 16th November 2023……

Signed on its behalf by

Andrew Tuggey CBE DL

Chair and Trustee, UK Community Foundations

Signed on its behalf by

Thomas Van Oss

Treasurer and Trustee, UK Community Foundations

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK COMMUNITY FOUNDATIONS

OPINION

We have audited the financial statements of UK Community Foundations for the year ended 31 March 2023 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 charitable company's affairs as at 31 March 2023 and of the charitable company's net movement in funds, including the income and expenditure, 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 Companies Act 2006.

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 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 Charitable Company'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 Trustees' Report and the Chair's 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 in section 13, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company 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 Charitable Company 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 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 Companies Act 2006, the Charities Act 2011, Charity SORP, 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 posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the income recognition policy applied to grant income. Audit procedures performed by the engagement team included:

- Inspecting 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;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Siobhan Holmes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP,
Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 14/12/2023

UK COMMUNITY FOUNDATIONS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Fund £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000	Total 2022 £'000
Income and Endowments from:						
Grants		286	6,584	-	6,870	5,502
NET Grants		-	(24)	-	(24)	(20)
Donations		135	-	-	135	85
Subscriptions		383	-	-	383	362
Other		596	-	-	596	312
Total income	3	**1,400**	**6,560**	-	7,960	6,241
Endowment transfer		5	-	47	52	315
Investment income		4	95	-	99	88
Management Fees from endowment		84	-	-	84	68
Total income and endowments		**1,493**	**6,655**	**47**	**8,195**	**6,712**
Expenditure on:						
Raising funds	5	103	-	-	103	86
ICT services	5	408	-	-	408	250
Member services	5	1,047	-	-	1,047	1,126
Projects and programmes	5	232	200	-	432	168
Grant payments	4	-	6,976	-	6,976	6,307
NET Grant payments	4	-	(17)	-	(17)	63
Total expenditure		**1,790**	**7,159**	**-**	**8,949**	**8,000**
Net (expenditure)		**(297)**	**(504)**	**47**	**(754)**	**(1,288)**
Transfers between funds		20	28	(48)	-	-
Other recognised gains/(losses):						
Investment gains/(losses)	18	-	-	(283)	(283)	434
Net movement on funds		**(277)**	**(476)**	**(284)**	**(1,037)**	**(854)**
Reconciliation of funds						
Total Funds Brought Forward		625	803	5,898	7,326	8,180
Total Funds Carried Forward:	16,17,18	**348**	**327**	**5,614**	**6,289**	**7,326**

No separate income and expenditure account, as required under Companies Act 2006, is presented here as the only difference between the net deficit for the year of £754k (2022: £1,288k) and the net deficit for the year as defined by the companies Act of £801k (2022: £1,599k) is income from endowments of £47k (2022: £311k).

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

A full comparative Statement of Financial Activities is included at note 18.

The notes set out on pages 34 to 51 form an integral part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	Total 2023 £'000	Total 2022 £'000
Fixed Assets			
Investments	8	5,609	5,808
Total fixed assets		5,609	5,808
Current Assets			
Debtors	9	207	73
Cash at bank and in hand		811	1,692
Total current assets		1,018	1,765
Current Liabilities			
Creditors: Amounts falling due within one year	10	338	247
Net Current Assets		680	1,518
Total Net Assets or Liabilities	19	**6,289**	**7,326**
The funds of the charity:			
Unrestricted funds:			
Total unrestricted funds	16	348	625
Revenue funds:			
Restricted income funds	17	327	803
Capital funds:			
Endowments	18	5,614	5,898
Total Funds		**6,289**	**7,326**

The financial statements were approved and authorised for issue by the Trustees on 16th November 2023 and signed on their behalf by:

Chair

Andrew Tuggey CBE DL
Chair

Treasurer

Thomas Van Oss
Treasurer

The notes set out on pages 34 to 51 form an integral part of these financial statements.

UK COMMUNITY FOUNDATIONS

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Total 2023 £'000	Total 2022 £'000
Net cash flow from operating activities:			
Net cash provided (used in) operating activities	A	(797)	(1,448)
Cash flow from investing activities			
Purchase of Investments		(133)	(421)
Proceeds on disposal of investments		49	94
Net cash (used in) investing activities		(84)	(327)
Net change in cash and cash equivalents in the reporting period		**(881)**	**(1,775)**
Cash and cash equivalents at the beginning of the reporting period		1,692	3,467
Cash and cash equivalents at the end of the reporting period	B	811	1,692

Note A:		
Reconciliation of net income/(expenditure) to net cash flow from operating activities	**2023 £'000**	**2022 £'000**
Net (expenditure) for the reporting period (as per the statement of financial activities)	(1,037)	(854)
Adjustment for:		
(Gains)/losses on investments	283	(434)
(Increase)/decrease in debtors	(134)	301
(Decrease)/increase in creditors	91	(461)
Net cash (used in) operating activities	**(797)**	**(1,448)**

Note B:		
Analysis of cash and cash equivalents	**2023 £'000**	**2022 £'000**
Cash in hand	811	1,692
Total cash and cash equivalents	**811**	**1,692**

During both the current and prior year, all cash and cash equivalents were held as cash at bank or in hand. At no stage did the charity have any borrowings, including overdrafts and finance leases, during this time, therefore no debt note has been disclosed.

1. Accounting Policies

Company Information

UK Community Foundations is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 1.04, 9 Brighton Terrace, London, SW9 8DJ.

Basis of Preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Charities SORP (FRS 102) and the Charities Act 2011. The financial statements have been prepared for the year ended 31 March 2023 with comparative information in respect to the year ended 31 March 2022.

The financial statements are prepared in sterling, which is the functional currency of the Charitable Company. Monetary amounts in these financial statements are rounded to the nearest £'000.

Linked Charities

UKCF has two linked charities: The Sir George Earle Fund (Charity number 1004630-1) and Aid for the Aged in Distress (Charity number 1004630-2). These have both been transferred as part of the Revitalising Trusts programme and all income and expenditure is included as part of these financial statements.

Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and have taken account of pressures on income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Income

Income generated from the supply of goods or services is included in the statement of financial activities in the period in which the supply is made.

Subscriptions are included in the statement of financial activities when receivable. Donations and gifts to the charity are included in the statement of financial activities when received. Intangible income is recognised as income where the provider of the service has incurred a financial cost. General volunteer time is not included in the financial statements in line with the guidance set out in the SORP.

Grants are included in the statement of financial activities when there is an entitlement to the income, receipt is probable and it can be quantified with reasonable accuracy. Where grant agreements include a management fee/contribution to overheads element this is separately recorded as unrestricted income of the charity.

Unrestricted funds are donations and other income received or generated for charitable purposes.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund.

Endowment funds reflect funds transferred to UKCF which relate to the Revitalising Trusts Programme. The capital must be retained by the charity however the income from funds invested partly represents an unrestricted management fee at an agreed rate. Income in excess of the unrestricted management fee is restricted as set out in note 15.

Expenditure

Expenditure is recognised in the period in which it is incurred. Irrecoverable VAT is included within the expense items to which it relates. Costs which are directly related to activities are allocated to those activities.

Fundraising costs comprise a portion of CEO and Business Development Director salary based on an estimate of time spent working with current and potential donors.

ICT Services costs comprise costs directly attributable to ICT consultants for the Network's CRM system and costs related to the CRM system itself.

Membership Services comprise mainly staffing and consultancy costs and other general costs related to our membership functions.

Projects and programmes comprise flow-through grants distributed throughout the Community Foundation Network and staffing and other costs, where these are specifically funded by donors.

Investments

Investments held as fixed assets are revalued at market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

Realised gains and losses are calculated on the difference between sale proceeds and the opening carrying value or the purchase value if acquired in the financial year.

Unrealised gains and losses are calculated as the difference between fair value at the year end and the opening carrying value or purchase value if acquired in the financial year.

Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Other financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

i. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less. Held in current accounts within UK banks and on deposit at CCLA.

ii. Debtors

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

iii. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and where the amount due to be settle the obligation can be measured or estimated reliably.

Pensions

The charitable company makes payments to defined contribution pension schemes on behalf of employees. The contributions are treated as an expense in the year in which they are payable. The charity has no other obligation under these schemes.

Operating lease

Rentals payable under operating leases, where substantially all 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 lease duration.

2. Taxation

The charity is exempt from corporation tax under section 505 of the Income and Corporation Taxes Act 1988 as all its income is applied to charitable purposes.

3. Income

	Unrestricted Fund £'000	Restricted Fund £'000	Total 2023 £'000	Unrestricted Fund £'000	Restricted Fund £'000	Total 2022 £'000
Donations and grants						
National Emergencies Trust (NET)						
NET - COVID 19	-	(24)	(24)	80	-	80
NET EDI Infrastructure - COVID 19	-	-	-	(5)	(85)	(90)
NET Government Fund - COVID-19	-	-	-	-	(10)	(10)
	-	**(24)**	**(24)**	**75**	**(95)**	**(20)**
Anchor Community Connection Fund	5	110	115	-	-	-
Arts Council Lets Create Jubilee Fund	70	(47)	23	30	4,860	4,890
British Red Cross Ukrainian Support Fund	18	660	678	-	-	-
CCLA	60	-	60	40	-	40
Cellnex Digital Exclusion Fund	2	149	151	3	198	201
Clean Air Fund Micro Grants Programme	5	122	127	-	-	-
Communities in Crisis - British Red Cross	18	286	304	-	-	-
Communities in Crisis - DCMS	20	760	780	-	-	-
Communities in Crisis - M&G	7	343	350	-	-	-
C S Mott Foundation	66	-	66	59	-	59
DCMS - Know Your Neighbourhood Fund	45	1,485	1,530	-	-	-
DCMS Match Funding	-	-	-	15	-	15
Fidelity	-	-	-	4	74	78
#iWill	35	603	638	32	(23)	9
John Armitage Charitable Trust	-	-	-	-	15	15
Ladbrokes	27	-	27	40	-	40
Made By Sport	-	-	-	44	-	44
MOPAC - Victim Support	10	1,525	1,535	-	-	-
Masonic Charitable Found'n Refugee Fund	15	485	500	-	-	-
Nationwide	2	-	2	-	-	-
Oak Foundation	-	-	-	15	-	15
Original Cottages Donation	3	-	3	2	19	21
Other	1	-	1	4	-	4
PHP Group - Social Prescribing Fund	8	143	151	8	143	151
Revitalising Trusts	-	-	-	-	5	5
ShareGift Donation	5	-	5	-	-	-
Surviving Winter	-	-	-	-	1	1
Tampon Tax	-	(40)	(40)	-	-	-
Total	**422**	**6,560**	**6,982**	**371**	**5,197**	**5,568**
Subscriptions						
Membership	383	-	383	362	-	362
Total	**383**	**-**	**383**	**362**	**-**	**362**
Other income						
D D McPhail Charitable Settlement	-	-	-	3	-	3
ICT subscriptions	419	-	419	235	-	235
Services Recharge	4	-	4	58	-	58
Event Sponsorship and Ticket Sales	173	-	173	16	-	16
Total	**596**	**-**	**596**	**312**	**-**	**312**
Total income	**1,401**	**6,560**	**7,961**	**1,045**	**5,197**	**6,242**

4. Grants paid to organisations

	Total 2023 £'000	Total 2022 £'000
National Emergencies Trust (NET):		
NET - COVID 19	(17)	(7)
NET EDI Infrastructure - COVID 19	-	80
NET Government Fund - COVID 19	-	(10)
	(17)	**63**
Other:		
Anchor Community Connection Fund	110	-
Arts Council Lets Create Jubilee Fund	(88)	4,860
British Red Cross Ukrainian Support Fund	660	-
Cellnex Digital Exclusion Fund	149	198
Communities in Crisis - British Red Cross	286	-
Communities in Crisis - DCMS	726	-
Communities in Crisis - M&G	343	-
DCMS Match Funding	-	100
DCMS - Know Your Neighbourhood Fund	1,295	-
Sir George Earle Individuals Grants	10	149
Sir George Earle National Programme	140	-
#iWill	615	(20)
Ladbrokes	580	880
Made By Sport	-	(5)
MLM	-	7
Masonic Charitable Found'n Refugee Fund	485	-
MOPAC - Victim Support	1,525	-
PHP Group - Social Prescribing Fund	143	143
Original Cottages	-	19
Royal London	7	15
Surviving Winter	1	-
Tampon Tax	(11)	(40)
Total grants paid	**6,959**	**6,369**

All grants paid are restricted.

5. Expenditure

	Grants (Note 4) £'000	Staff costs and consultancy £'000	Support costs £'000	Total 2023 £'000
Raising funds	-	103	-	103
ICT services	-	162	246	408
Member services	-	674	373	1,047
Total for above	-	939	619	1,558
Anchor Community Connection Fund	110	-	-	110
Arts Council Lets Create Jubilee Fund	(88)	70	1	(17)
British Red Cross Ukrainian Support Fund	660	-	-	660
Cellnex Digital Exclusion Fund	149	-	-	149
Clean Air Fund Micro Grants Programme	-	5	-	5
Communities in Crisis - British Red Cross	286	-	-	286
Communities in Crisis - DCMS	726	20	-	746
Communities in Crisis - M&G	343	-	-	343
DCMS - Know Your Neighbourhood Fund	1,295	235	1	1,531
Sir George Earle Individuals Grants	10	-	-	10
Sir George Earle National Programme	140	-	-	140
#iWill	615	50	5	670
Ladbrokes	580	-	-	580
Leadership Programme - Fidelity	-	3	-	3
Masonic Charitable Found'n Refugee Fund	485	-	-	485
MOPAC - Victim Support	1,525	-	-	1,525
NET - COVID 19	(17)	-	-	(17)
PHP Group - Social Prescribing Fund	143	-	-	143
Revitalising Trusts Programme	-	36	-	36
Royal London	7	-	-	7
Surviving Winter	1	-	-	1
Tampon Tax	(11)	7	-	(4)
Total for Projects and Programmes	6,959	426	7	7,392
Total expenditure	**6,959**	**1,365**	**626**	**8,950**

6. Analysis of support costs

	Total 2023 £'000	Total 2022 £'000
Governance	22	24
Events costs	138	11
IT costs	311	197
Office and other costs	78	72
Premises costs	62	60
Professional fees	15	110
Total	626	474
Attributed to:		
Raising funds	-	-
ICT services	246	167
Member services	373	296
Projects and programmes	7	11
Total	626	474

£24k of governance costs were included under the staff costs and consultancy header in note 5 relating to Trustee recruitment costs.

7. Governance costs

	Total 2023 £'000	Total 2022 £'000
External auditor's remuneration	13	12
Legal fees	1	2
Board meeting costs including travel	8	6
Annual report	-	4
Total	22	24

8. Investments

	Total 2023 £'000	Total 2022 £'000
Valuation at 1 April	5,764	4,517
Additions in year	177	907
Disposals during the year	(49)	(94)
Net (loss)/gain on revaluation	(283)	434
Valuation at 31 March	5,609	5,764
Cash held by investment manager	-	-
Cash held in CAF bank	5	44
Total valuation at 31 March	5,614	5,808

All investments are held with CCLA in COIF Charities Ethical Investment Fund.

9. Debtors

	Total 2023 £'000	Total 2022 £'000
Trade and sundry debtors	130	50
Prepayments and accrued income	77	23
	207	73

10. Creditors : Amounts falling due within one year

	Total 2023 £'000	Total 2022 £'000
Trade and sundry creditors	154	79
Accruals and deferred income	104	124
Social security and other taxes	80	44
	338	247

Included within Social security and other taxes is £5,527 owing to the pension scheme (2022: £6,250).

Included with the above is deferred income as follows:

Analysis of deferred income

	Total 2023 £'000	Total 2022 £'000
Deferred income brought forward	93	275
Released to income in year	(93)	(249)
Deferred in year	53	67
As at 31 March 2023	53	93

Deferred income relates to income for evaluation and monitoring work related to programmes which were ongoing at the year end.

11. Staff costs and remuneration of key management personnel

	Total 2023 £'000	Total 2022 £'000
Salaries and wages	796	798
Social security costs	92	85
Employer pension contributions	40	39
	928	922
Redundancy and termination costs	48	-
	976	922

The number of staff whose emoluments were greater than £60,000 are:		2023 No.	2022 No.
Number of employees earning between	£60,001 and £70,000	2	2
Number of employees earning between	£70,001 and £80,000	2	1
Number of employees earning between	£100,001 and £110,000	-	1
Number of employees earning between	£110,001 and £120,000	1	-

The average number of employees analysed by activity:

	2023	2022
Charitable activities	18	18

The total amount paid in the year for redundancy and compensation for loss of office was £48,001 (2022: £nil). These payments related to three employees (2022: nil).

Key management personnel includes the CEO and Senior Leadership Team (Chief Operating Officer, Deputy CEO & director of strategy and the Director of Business development until October). The remuneration paid to the CEO and Senior Ledership Team amounted to £359k including one termination payment (2022: £441k).

12. Net income/(expenditure) for the year

This is stated after charging:

	Total 2023 £'000	Total 2022 £'000
Operating lease rentals	-	-
Auditor's remuneration:		
Current year - Statutory audit	13	12
Prior year - Statutory audit	-	1
Current year - Certification of grant programme income and expenditure	1	-
Current year - Tax advisory services	-	3

13. Trustee remuneration and expenses

Eight members of the board (2022: Six), and nil committee members (2022: nil) received reimbursement of travel expenses to attend meetings, this amounted to £3,564 (2022: £2,281). Nil members of the board (2022: nil) received remuneration.

Some trustees are also either trustees or employees of our member organisations (see note 12).

Total donations received from trustees amounted to £nil (2022: £nil).

14. Related party transaction

UKCF is a membership organisation which exists to serve its members. Some of our trustees are also involved in local Community Foundations, listed below, which are members of UKCF. Day to day transactions such as membership fees, licence fees and grant payments, take place between UKCF and its members. These transactions are on the same basis as the other members. If decisions are made about transactions with individual Community Foundations where trustees may have a conflict of interest, this interest is declared and the trustee not involved in the decision.

Trustee Name	**Community Foundation**
Toby Anstruther	Foundation Scotland
Michelle Cooper	County Durham Community Foundation
John Gordon	Community Foundation Northern Ireland
Fiona McDiarmid	Norfolk Community Foundation (from 02.12.2022)
Kevin Richmond	Sussex Community Foundation
Stephen Singleton	Suffolk Community Foundation (to 10.11.2022)
Mark Spofforth	Sussex Community Foundation (to 10.11.2022)
Stephanie Taylor	Leeds Community Foundation (from 05.12.2022)
Andrew Tuggey	Community Foundation Wales
Tom Van Oss	Cornwall Community Foundation

15. Operating lease commitments

Total annual commitments payable under operating leases are as follows

	Land and Buildings		**Other**	
	Total 2023 £'000	**Total 2022 £'000**	**Total 2023 £'000**	**Total 2022 £'000**
Operating leases which expire				
Less than 1 year	16	46	-	-
Between 1-2 years	-	16	-	-
Between 2-5 years	-	-	-	-
	16	62	-	-

16. Unrestricted and Designated Funds

	At 1 April 2022 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Transfers £'000	At 31 March 2023 £'000
Unrestricted Funds:					
General funds	455	1,493	1,662	57	343
Designated Funds:					
Strategic Development	100	-	80	(20)	-
Digital Transformation	70	-	49	(17)	4
Total	**625**	**1,493**	**1,791**	**20**	**348**

The strategic development designated funds were for investment specific strategic projects including in the areas of equity, diversity and inclusion, communications and advocacy activities.

The designated funds relating to digital transformation are for the development of an improved network-wide CRM system.

A full comparitive note is included at note 20.

17. Restricted funds

	At 1 April 2022 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Transfers £'000	At 31 March 2023 £'000
Anchor Community Connection Fund	-	110	110	-	-
Arts Council Lets Create Jubilee Fund	-	(47)	(87)	-	40
British Red Cross Ukrainian Support Fund	-	660	660	-	-
Cellnex Digital Exclusion Fund	-	149	149	-	-
Clean Air Fund Micro Grants Programme	-	122	-	-	122
Communities in Crisis - British Red Cross	-	286	286	-	-
Communities in Crisis - DCMS	-	760	726	-	34
Communities in Crisis - M&G	-	343	343	-	-
DCMS - Know Your Neighbourhood Fund	-	1,485	1,485	-	-
Endowment - Education Fund	2	2	-	-	4
Endowment - Relief of Poverty Fund	3	10	-	-	13
Endowment - General Fund	-	6	-	-	6
Endowment - Sir George Earle Individuals	107	75	10	(106)	66
Endowment - Sir George Earle National	-	-	140	153	13
Fidelity	3	-	3	-	-
Flood and Storm Donations	6	-	-	-	6
#iWill	21	603	615	(1)	8
Ladbrokes	578	2	580	-	-
Masonic Charitable Found'n Refugee Fund	-	485	485	-	-
MOPAC - Victim Support	-	1,525	1,525	-	-
NET - COVID 19	7	(24)	(17)	-	-
PHP Group - Social Prescribing Fund	-	143	143	-	-
Royal London	7	-	7	-	-
Surviving Winter	16	-	1	-	15
Tampon Tax	53	(40)	(5)	(18)	-
Total funds	**803**	**6,655**	**7,159**	**28**	**327**
	803	6655	7,159	28	

Negative income figures relate to either the correction of unrestricted income recognised as restricted in previous years or income which has been received in previous years but where there has been a grant underspend which is returned to the funder.

Negative expenditure figures represent this grant underspend being returned to UKCF.

A full comparitive note is included at note 21.

The Anchor Community Connection Fund
The fund offered grants to local community organisations, causes or programmes which focus on bringing people together to share food and strengthen community connections. The funding was delivered in three areas of the UK via the community foundation network.

Arts Council Lets Create Jubilee Fund

The fund Fund supported voluntary and community groups to develop creative and cultural activities as part of the Queen's Platinum Jubilee celebrations in June 2022. The funding was delivered throughout England via the community foundation network.

British Red Cross Ukrainian Support Fund
The fund supported local VCS organisations directly supporting refugee arrivals from Ukraine, and local infrastructure organisations to develop the capacity to prepare coordinate and enable the successful integration of refugees.The funding was delivered via the community foundation network.

Cellnex Digital Exclusion Fund

The aim of the fund is to target digital exclusion and the funds have been used to support and work with organisations who are working in this area. The funding was delivered in three areas of the UK via the community foundation network.

Clean Air Fund Micro Grants Programme
The purpose of the programme is to scope the best ways of increasing demand and support for clean air policies in the worst affected cities (Manchester, Birmingham and Liverpool) via scoping a micro-granting project to support individuals and small organisations.
UKCF and the community foundations will design and deliver a pilot micro-granting project to support action on air pollution in these areas. This programme will build awareness and demand for clean air in these cities

Communities in Crisis - British Red Cross, DCMS & M&G

The aim of the fund was to increase the beneficiary numbers of warm hubs/spaces and support them to maintain and/or increase their opening times and funding energy costs of community centres, so that they can maintain their current community activities and/or increase them. The funding was delivered via the community foundation network.

DCMS - Know Your Neighbourhood Fund (KYN)

The KYN Fund will run until March 2025. A key focus of the programme will be to generate and share learning on how people in disadvantaged areas can be supported to volunteer and improve their social connections, which will help to support sustained action beyond the lifetime of the fund. The funding is delivered via the community foundation network.

Endowment Funds

There are four endowment funds held by UKCF which generate income for restricted funding. The largest is funded mainly by the investment income from the Sir George Earle Charitable Foundation, which was originally set up to provide discretionary grants to support current and former employees of the cement manufacturer in cases of financial hardship (Individuals). The scope has been extended to work with local communities and projects which support older people, particularly with regard to reducing loneliness or isolation, and in specific geographies around historic cement works (National).

The relief of poverty fund can be used specifically to address relief of poverty, and the education fund for the advancement of education. The general fund can be used for broader purposes.

Fidelity
Funding the Community Foundation Leadership Programme and associated leadership development activities.

Flood and Storm Donations
From December 2013 onwards, 11 Community Foundations set up local programmes to assist the victims of the extreme floods and storms. UKCF launched a national programme to support them. As a result, the Office for Civil Society, Wren Living Ltd, Comic Relief and others awarded grants to UKCF to distribute via the participating Community Foundations. This will continue to be disbursed in 2023/24.

#iWill

Funded by the National Lottery Community Fund and DCMS. The #iwill Fund supports the broader #iWill movement – a collaboration of over 1000 cross-sector organisations and over 300 young people who are united by a shared belief that all children and young people should be supported and empowered to make a positive difference on the issues that affect their lives, their communities, and broader society.

The #iWill Fund distributed via the community foundation network looks to support social action activities that create opportunities for young people aged 10-20 to develop their potential and their capacity to significantly contribute to their community. Social action involves activities such as campaigning, fundraising and volunteering and has huge potential to create enjoyable opportunities and skills development for young people, and in turn benefit the local people and places.

Ladbrokes

A five-year grant-making programme focussed on community sport and physical/mental health, in particular for young men. The fund aims to provide a five-year spend down fund of around £440k pa. 2022-23 was the final year of this programme.

Masonic Charitable Foundation Refugee Fund
The fund supported local organisations supporting the integration of Ukrainian refugees into their local communities. The funding was delivered via the community foundation network.

MOPAC - Victim Support

The grant programme will involve the distribution of several million pounds of grant funding to organisations which deliver crime prevention and victim support services in London. Specifically, domestic abuse and sexual violence support. This is being distributed by London Community Foundation.

National Emergencies Trust (NET)

UKCF are the main distribution partner of the National Emergencies Trust for the Covid-19 appeal programme. The overall aim of the programme was to effectively and efficiently support local voluntary and community organisations that are helping vulnerable people impacted by the covid-19 crisis. Underspent grant funds were returned to the funder in the year.

PHP Group - Social Prescribing Fund

Funded by Primary Healthcare Properties Group, the aim of the programme is to provide grants to charities focussed on social prescribing and community wellbeing. The funding was delivered in three areas of the UK via the community foundation network.

Royal London

The Royal London Foundation partnered with UKCF to deliver the Corporate Social Responsibility strategy that awarded unrestricted funding of up to £5k to local organisations, with an annual turnover under £500k and a local community impact, in particular supporting people with a chronic or long-term condition. The final funds were distributed in 2022/23.

Surviving Winter
The Surviving Winter campaign is funded by donations from the public to raise money for pensioners affected by fuel poverty. The funding is distributed via the community foundation network.

Tampon Tax

Funded via DCMS through the VAT levied on sanitary products, UKCF made grants across the UK, investing in a wide variety of projects that benefit women and girls, and that make a tangible and long-term difference to health, well-being and confidence. Underspent grant funds were returned to the funder in the year.

18. Endowment Funds

	At April 2022 £'000	Income / Other gains £'000	Transfers £'000	Net Gains / (Losses) £'000	At 31 March 2023 £'000
Sir George Earle Charitable Fund	4,788	-	(48)	(237)	4,503
Education Fund	79	-	-	(4)	75
Relief of Poverty Fund	759	47	-	(28)	778
General Fund	272	-	-	(14)	258
Total Endowment Funds	**5,898**	**47**	**(48)**	**(283)**	**5,614**

As part of the Revitalising Trusts Programme with the Charity Commission, the Sir George Earle Charitable Fund was transferred to UKCF in 2018-19 and multiple other smaller value funds have been transferred to UKCF. Investment income from these funds are spent in accordance with their initial restrictions prior to transfer to UKCF. More detail on the restrictions relating to the Sir George Earle Fund can be found in note 15. Income from the other funds must be spent respectively on Education, Relief of Poverty or more broadly for the General Fund.

19. Analysis of net assets between funds

	Total Unrestricted £'000	Total Restricted £'000	Total Endowment £'000
Net current assets	348	327	5
Investments	-	-	5,609
Net assets at 31 March 2023	**348**	**327**	**5,614**
Net current assets	625	803	90
Investments	-	-	5,808
Net assets at 31 March 2022	**625**	**803**	**5,898**

20. Comparative Statement of Financial Activities - Prior year

	Unrestricted Fund £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000	Total 2021 £'000
INCOME AND ENDOWMENTS FROM:					
Grants	230	5,272	-	5,502	8,962
NET Grants	75	(95)	-	(20)	73,584
Donations	65	20	-	85	95
Subscriptions	362	-	-	362	345
Other	312	-	-	312	193
Total income	1,044	5,197	-	6,241	83,179
Endowment transfer	4	-	311	315	457
Investment income	-	88	-	88	99
Management Fees from endowment	68	-	-	68	43
Total income and endowments	1,116	5,285	311	6,712	83,778
EXPENDITURE ON:					
Raising funds	86	-	-	86	77
ICT services	250	-	-	250	222
Member services	1,126	-	-	1,126	945
Projects and programmes	53	115	-	168	91
Grant payments	-	6,307	-	6,307	8,715
NET Grant payments	-	63	-	63	72,977
Total expenditure	1,515	6,485	-	8,000	83,027
Net income/(expenditure)	**(399)**	**(1,200)**	**311**	**(1,288)**	**751**
Transfers between funds	116	(22)	(94)	-	-
Other recognised gains/(losses):					
Investment gains/(losses)	-	-	434	434	773
Net movement on funds	**(283)**	**(1,222)**	**651**	**(854)**	**1,524**
Reconciliation of funds					
Total Funds Brought Forward	908	2,025	5,247	8,180	6,656
Total Funds Carried Forward:	**625**	**803**	**5,898**	**7,326**	**8,180**

21. Expenditure - Prior year

	Grants (Note 4) £'000	Staff costs and consultancy £'000	Office and running costs £'000	Total 2022 £'000
Fundraising	-	86	-	86
ICT services	-	83	167	250
Member services	-	830	296	1,126
Total for above	-	999	463	1,462
Projects and Programmes				
NET - COVID 19	(7)	-	-	(7)
NET EDI Infrastructure - COVID 19	80	1	-	81
NET Government Fund - COVID 19	(10)	-	-	(10)
Arts Council - Lets Create Jubilee Fund	4,860	7	1	4,868
Cellnex - Digital Exclusion Fund	198	-	-	198
DCMS Match Funding	100	-	-	100
Sir George Earle Endowment Fund	149	-	-	149
#iwill (YSA) Project	(20)	5	-	(15)
Ladbrokes	880	5	1	886
Leadership Programme	-	91	8	99
Made By Sport	(5)	4	-	(1)
MLM	7	-	-	7
Oak Foundation	-	11	-	11
PHP Group - Social Prescribing Fund	143	-	-	143
Original Cottages	19	-	-	19
Revitalising Trusts	-	34	1	35
Royal London	15	-	-	15
Tampon Tax	(40)	-	-	(40)
Total for Projects and Programmes	6,369	158	11	6,538
Total expenditure	**6,369**	**1,157**	**474**	**8,000**

22. Unrestricted and Designated Funds- Prior year

	At 1 April 2021 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Transfers £'000	At 31 March 2022 £'000
Unrestricted Funds:					
General funds	413	1,116	1,365	291	455
Designated Funds:					
Strategic Development	104	-	104	100	100
Digital Transformation	250	-	46	(134)	70
#iwill Programme	141	-	-	(141)	-
Total	**908**	**1,116**	**1,515**	**116**	**625**

23. Restricted funds - Prior year

	At 1 April 2021 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Transfers £'000	At 31 March 2022 £'000
Arts Council - Lets Create Jubilee Fund	-	4,860	4,860	-	-
Building a Stronger Britain Together	70	-	-	(70)	-
Cellnex - Digital Exclusion Fund	-	198	198	-	-
DCMS Match Funding	100	-	100	-	-
Endowment - Education Fund	1	1	-	-	2
Endowment - Relief of Poverty Fund	-	3	-	-	3
Endowment - General Fund	-	-	-	-	-
Endowment - Sir George Earle Fund	78	84	149	94	107
Fidelity	13	74	84	-	3
Flood and Storm Donations	6	-	-	-	6
#iwill (YSA) Project	24	(23)	(20)	-	21
John Armitage Charitable Trust	-	15	15	-	-
Ladbrokes	1,458	-	880	-	578
Made By Sport	-	-	(5)	(5)	-
MLM	7	-	7	-	-
Nationwide Building Society	12	-	-	(12)	-
NET - COVID 19	-	-	(7)	-	7
NET EDI Infrastructure - COVID 19	167	(85)	80	(2)	-
NET Government Fund - COVID 19	-	(10)	(10)	-	-
Oak Foundation	38	-	11	(27)	-
Original Cottages	-	19	19	-	-
PHP Group - Social Prescribing Fund	-	143	143	-	-
Revitalising Trusts	-	5	5	-	-
Royal London	22	-	15	-	7
Surviving Winter	15	1	-	-	16
Tampon Tax	14	-	(39)	-	53
Total funds	**2,025**	**5,285**	**6,485**	**(22)**	**803**

24. Endowment Funds - Prior year

	At April 2021 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Net Gains / (Losses) £'000	At 31 March 2022 £'000
Sir George Earle Charitable Fund	4,493	-	(94)	389	4,788
Education Fund	73	-	-	6	79
Relief of Poverty Fund	679	51	-	29	759
General Fund	2	260	-	10	272
Total Endowment Funds	**5,247**	**311**	**(94)**	**434**	**5,898**

UK COMMUNITY FOUNDATIONS

England & Wales - Charity number 1004630

Accounts

DocuSign Envelope ID: 773E3429-9452-49B4-9062-0B1B0410E8D5

UK COMMUNITY FOUNDATIONS

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Company Number: 2651777
Charity Number: 1004630

UKCOMMUNITY FOUNDATIONS

GIVING FOR LOCAL GOOD

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INTRODUCTION

UK Community Foundations (UKCF, charity number 1004630) is the national membership organisation for all accredited community foundations across the UK. UKCF provides a range of services for members, including training and support, networking opportunities, national PR and national grant programmes. We help our members to be the best place-based grant makers, community leaders, convenors and catalysts. They encourage and develop local philanthropy; helping people and organisations invest in local communities where it is most needed and where it will make the most impact. Our vision is of a society where local philanthropy is the norm and where communities will be able to help all those in need.

Who we are

Our network consists of 47 accredited community foundations and three overseas members. Our members cover the whole of the United Kingdom. They are mainly county based, or covering metropolitan boroughs, or in the case of Scotland, Wales and Northern Ireland one community foundation for each of the devolved administrations. Our overseas members are from the Republic of Ireland, Jersey and Bermuda.

What our members do

Community foundations are the best way for local people and organisations to give right to the heart of their communities wherever they live across the UK. They address the widest possible range of issues and intervene in the hardest to reach communities.

Community foundations have an unparalleled reach into local communities. Each community foundation has an in-depth understanding of its local area, what the priority needs are and how best to address these needs. This understanding and community knowledge is the result of extensive local research. Community foundations are thus able to advise donors on how best to fund local causes most efficiently and effectively.

Community foundations are focused on local philanthropy, as endowed charities they build a sustainable source of funding from and for their local communities.

Community foundations support and fund local projects and organisations at the grassroots level across a wide range of local issues, such as poverty alleviation, emergency crisis response, youth engagement, isolation and mental health. The causes they fund are as diverse as the communities they engage with.

Community foundations are community convenors and leaders, able to harness and influence local resources to achieve community benefit. They are able to bring disparate people and agencies around the table to achieve meaningful social change.

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UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2022

INTRODUCTION

The network of accredited community foundations gives grants totalling around £170 million annually. This makes the community foundation network, one of the UK's larger grant-giving organisations. Over the past 20 years, donors have given over £1 billion to and through community foundations to address local need. This demonstrates how the philanthropic spirit in the UK has secured long term and sustainable benefit for communities and suporting social change.

The network of community foundations together owned endowments of £741m at 31 March 2022.

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CHAIR'S REPORT

The year 2021/2022 saw UKCF go from strength to strength. We are pleased to announce that we have appointed a new President, Lord Hastings of Scarisbrick. Lord Hastings brings considerable expertise to UKCF and we are delighted that he has decided to join us.

The new Board has worked well together and with the Senior Management team. The additional skills brought by the new independent trustees continue to make valuable contributions to the strategic aims of UKCF. A new committee structure has been established with a Finance Audit and Operations Committee, which includes the Community First Investment Committee, a Nominations and Governance Committee, a Forward Planning Committee together with working groups focussed on Quality Accreditation, Equity Diversity and Inclusion (EDI), Digital Transformation, plus a Grants Advisory Panel.

Our strategy has been effective, with progress being made on improving the membership offer, improving our profile and UKCF's relationships with government, attracting new donors to the network, and strengthening our organisation. The Senior Management Team report strategic progress to the Board monthly, which is scrutinised quarterly by the Board and the supporting committees.

One key success this year has been UKCF's communities of practice. These groups meet throughout the year focussing on areas of interest, such as philanthropy, marketing and communications, finance and operations, grant making and EDI. These groups allow staff members from across the network to meet each other and UKCF, share ideas, challenges and opportunities to work together on network wide projects.

UKCF provides regular webinars for the Chairs and for trustees of community foundations to engage on specific topics and to build a network of peer support. In September 2021 we held our first in-person Chairs' Away Day with 47 Chairs and trustees from across the network in attendance. I continue to visit community foundations across the UK to learn, listen and to hear about what is important to them.

UKCF held its first online conference "Together 21" in November, which focussed on EDI and involved a range of speakers from the membership and experts in their field from outside the network. Over 400 people watched the presentations. We look forward to holding UKCF's first in person conference since lockdown in Manchester in October 2022.

During the year all members went through the quality accreditation (QA) process with a 100% pass rate. Though challenging, it is important that we and our stakeholders know with confidence that our membership can deliver their work at a good standard. UKCF will be working with the network to make the next QA process in 2025 even more effective and relevant.

We launched our new Membership Hub, which has improved communication across the network significantly. Many of our members have had in person visits to their foundations from UKCF staff and trustees. This has built relationships and increased understanding of the

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challenges and successes members have had during the year, putting UKCF in a good place to meet members' needs.

Two members of the UKCF staff team have left having secured promotions in other charities. The rest of the team has adapted well to remote working. Three in-person, team away days were held in Coventry, Liverpool and Wiltshire to enable the team to meet and learn about the host community foundations, to work on strategy, carry out training and meet each other. The away days have been a great success and the team works well as a unit.

Daniel Anjorin and David Rossington stepped down as trustees during the year, I thank them for their service and wish them all success.

UKCF looks forward to 2022/2023 with confidence, determined to provide even better service and support to the network and other stakeholders, listening, advocating, and engaging.

Andrew Tuggey

Andrew Tuggey CBE DL

Chair, UK Community Foundations

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TRUSTEES' REPORT

The Trustees present their annual Trustees' Report, with the Audited Accounts of the charity for the year ended 31 March 2022.

1. UKCF'S VISION, MISSION, VALUES AND GOALS

Vision - A National Voice for Local Communities.

Community foundations have a UK-wide reputation as agile agents for change for every local community – addressing need through vibrant local philanthropy and giving, sustainable charitable funding and local partnership working – and are recognised as an integral element of any national discussions relating to local communities.

Purpose. To position community foundations at UK national level as the partner of choice for empowering local communities.

Mission. To provide inspirational leadership and advocacy at UK national level for community foundations across the UK by delivering training, resources and a national profile to enhance and sustain their support of local communities.

UKCF Values. We believe in justice and fairness. Everyone should have the opportunity to have a fulfilling life and to feel they belong. This cannot be mandated by government, or done to people, only with them. Change needs to come from within communities, driven by people who understand the local situation and our support makes this possible. We understand the challenges, will find the funding and work with those who have the solutions to improve lives.

- We put **inclusivity** at the forefront of all we do:
    - Valuing diversity of experience and thought
    - Ensuring all voices are heard
    - Challenging and dismantling barriers wherever we find them

- We put **relationships** first:
    - Everything we achieve will be done with and through others
    - Demonstrating integrity, openness, honesty, and care in all we do
    - Empowering networks that support places to thrive

- We are **ambitious** for members and the communities they support:
    - Valuing future generations
    - Focussing on underlying causes not symptoms
    - Constantly challenging our knowledge and practice

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Overarching Strategic Goals

1. **Strengthen the Network**: We shall work to ensure that each of our members has the skills and capacity to meet the needs of their communities by offering a range of services that add value to members of all sizes, based on members' needs and interests.

2. **Build Profile**: We shall improve our visibility with government and other influencers to position community foundations as the partner of choice and experts on place-based social change by enhancing our communications and developing a policy platform and a clear and unified voice.

3. **Unlock Resources**: We shall generate investment in the network from a wide range of philanthropists, donors and partners by building a strong case for support of community foundations and UKCF.

4. **Build a Thriving UKCF**: We shall create an exemplar organisation that has the confidence of members, is sustainable and a great place to work, by investing in our people, systems, processes, and leadership.

Cross Cutting Themes

1. **Equity Diversity and Inclusion**: In order to improve our diversity, scrutiny and decision making, we have appointed an EDI Director who will be responsible for ensuring that all aspects of our work take equity, diversity and inclusion on board.

2. **UN Sustainable Development Goals**: The UN Sustainable Development Goals provide a framework which neatly explains the wide range of work that community foundations do. By adopting the goals and targeting the 2030 timeframe, we will have a methodology for measuring our impact, a communication hook, and the ability to position community foundations on the national and international stage.

3. **Digital Transformation**: Improving our use of digital is a key focus for UKCF and the members. The digital transformation project will reach into every area of UKCF's operation from grant-making and impact measurement, to communication, finance and membership services. We will improve the systems used by members, especially our CRM which is managed centrally and requires development. Being able to operate in a smooth and agile way will benefit our members, and stakeholders.

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2. IMPACT

UKCF's impact is considered in relation to the support we provide to our membership and the impact our members have on their communities with funding training and support provided by us.

During the year, we have focussed on supporting our members with a range of training and networking opportunities. Peer to peer learning has accelerated with our communities of practice, the members hub and in particular our Together 21 conference on Equity Diversity and Inclusion.

Together 21 satisfaction statistics:

- 320 registered for the event
- Average of 170 views per session (the highest was 419)
- Feedback: 62% said T21 met expectations and 31% said it partially met expectations
- Before T21, respondents rated confidence level in engaging with EDI issues as follows: Low confidence (13%), Some confidence (72%), High confidence (15%)
- After T21, respondents rated confidence level in engaging with EDI issues as follows: Low confidence (0%), Some confidence (62%), High confidence (38%)

Our members have commented on the improvement in communication across the network and with UKCF. This has been achieved through a number of face to face visits to members by UKCF staff and trustees, and through the new members hub which facilitates peer to peer networking. The Chairs of Trustees across our network, have formed a vibrant network with regular webinars, and an in person Chairs Day to help build relationships.

Our profile with government has improved throughout the year with UKCF building and strengthening relationships with many government departments and All Party Parliamentary Groups (APPGs).

3. UKCF'S OBJECTS, OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

During the year, the Board of UKCF has complied with the duty set out in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission (England and Wales) when reviewing UKCF's aims and objectives and in planning future activities. In particular, the Board has considered how planned activities will contribute to the aims and objectives they have set.

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The objects of UKCF are:

- To promote and improve the efficiency and effectiveness of community foundations in direct pursuit of their objectives, in such a manner as may be thought fit and in particular by raising and distributing funds for application for the general purposes of such foundations;
- To advance the education of the public in the work of such foundations; and
- To promote other charitable purposes of benefit to the community.

The changes UKCF seeks to make are:

- We are the only national network of funders with a physical presence in every part of the UK. We are part of, invest in and learn from those who know what needs to be done in partnership with our local communities. Harnessing the scale, impact and passion of our members to raise our profile, reputation and expertise is what UKCF does; bringing together the rich tapestry of community foundations across the UK to deliver a collective voice for all.

- Place-based funding is what makes our community foundations special. Our members are embedded in their place, understand the challenges their communities face and are tireless in their pursuit of better opportunities for all. They pursue long-term change for their communities and the people that live there and they can't do this unless they understand the local context, work with others, manage multiple interventions and learn and adapt their approaches over time. Their interventions include making grants to voluntary groups, charities and individuals, working in partnership with key stakeholders, encouraging local philanthropy to build endowment.

- Local philanthropy matters. Building local philanthropy is at the heart of what we do, so we can provide funding to those who need it into the future. The first community foundation was set up in America in 1914, as a way for the Cleveland Trust Company to manage multiple small endowments for the benefit of Cleveland. Like other philanthropists at the time, they had trouble finding beneficiaries for their grants, and needed to improve efficiency. The solution they came to was to design a model that would look at the root causes of problems in communities rather than being cause specific, engage local people in decision making and be more efficient. This is the model we have today: multiple small endowments, held by community foundations. Our endowments are crucial to communities as other sources of funding reduce.

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1. ACHIEVEMENTS AND PERFORMANCE

a) **Strengthen the Network**: To ensure that each of our members has the skills and capacity to meet the needs of their communities by offering a range of services that add value to members of all sizes, based on members needs and interests.

i) Members have many interactions with UKCF during the year. Much of this was not recorded centrally, so we have adopted a CRM approach to improve our communication with members. Utilizing Salesforce, we now record significant interactions with members, providing visibility amongst the UKCF team.

ii) Members asked for streamlined communication as we had a significant number of channels which were difficult to search and find information from. In response, we launched a new membership hub, which is the central communications tool and resource hub for the membership. This reduced the number of communication channels and improved efficiency. The membership hub has been widely adopted with 560 of our members enrolled.

iii) Quality Accreditation (QA) was completed during the year. Passing QA is a requirement of full membership of UKCF. QA covers all aspects of strategy, governance and risk, financial and information management, philanthropy services and donor management, grant making and community participation, organisational and network development. We are delighted to report that UKCF and our members achieved a 100% pass rate.

iv) Our training offer continues to grow.

(1) We set up communities of practice which meet regularly online across a wide range of topics. We have groups working on grant making, philanthropy, equity diversity and inclusion, finance and operations, marketing and communications, digital transformation and sustainable development goals. We also hold regular CEOs' meetings every two weeks and Chairs' webinars run every five to six weeks. We have also started to run webinars for trustees of community foundations.

(2) Our leadership programme has been a great success. We have completed our fourth cohort and so far 43 CEOs and senior leaders from the network have participated. We carried out an external evaluation of the programme in January 2022 and the report showed that the levels of satisfaction are high, and the impact of the training has been significant.

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(3) We ran an online conference during the year, *Together 21*, focussed on Equity Diversity and Inclusion. We had over 400 attendees and a wide range of external speakers providing advice and challenge to current practice.

(4) We set up a Programme Reference Group that informs UKCF on the design and delivery of national programme opportunities that arise.

(5) We have designed an impact framework, which will make reporting on programmes more consistent across the network. Thirty community foundations are involved in the framework with the remainder expected to join during the year.

b) **Build Profile**: To improve our visibility with government and other influencers to position community foundations as the partner of choice and experts on place based social change by developing a policy platform and a clear unified voice.

i) Our profile with government has increased during the year. We are members of a number of APPGs and have built relationships with various government departments.

ii) Our national and international profile has increased due to our involvement with COP 26, and the F20. We work closely with our European colleagues, especially with the war in Ukraine, and as the needs of refugees become more prevalent. Our emergency work has involved collaboration with the Voluntary Sector Emergency Partnership, the British Red Cross and Government Departments. Good relationships are being maintained with the National Emergencies Trust (NET).

iii) Marketing UKCF and the membership has progressed with refreshed branding and a new website launched in July 2021. Two reports were published during the year:

(1) *"Thinking globally, acting locally: How community foundations are contributing to the United Nations' Sustainable Development Goals"*, published in November 2021

(2) *"Investing, Inspiring, Including: How community foundations are helping recovery from the pandemic",* published in July 2021

c) **Unlock Resources**: To generate investment in the network from a wide range of donors and partners by building a strong case for support of community foundations and UKCF.

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i) The Revitalising Trusts Programme (RTP) is a joint initiative with the Charity Commission. The RTP has transferred £7,232,899 of dormant trusts to community foundations or other appropriate charities during the year.

ii) We secured two government programmes, #IWill from DCMS (£637k) which will be received in 2022/2023 and £5m from the Arts Council England Lets Create Fund

iii) £491k was secured from four corporates; Primary Health Property Group, Cellnex UK, Original Cottages and Vita Coco

iv) We distributed a £4.3m fund from Made by Sport and the Duchy of Lancaster has donated to three of our members.

d) **Build a Thriving UKCF**: to create an exemplar organisation that has the confidence of members, is sustainable and a great place to work, by investing in our people, systems, processes, and leadership.

i) During the financial year, three new staff were recruited. A Director of EDI, Head of Membership, and a Membership Officer. Two staff left the organisation moving for promotion, the Finance and Operations Director and a Membership Officer. Since the end of the financial year, we have appointed an apprentice and Digital Transformation Lead.

ii) Staff welfare is a prominent part of our work. Working remotely can result in feeling isolated. We have quarterly team away days, based with one of our members where the team can meet in person, carry out training and attend project visits. We have signed up to Health Assured – an employee assistance programme which provides advice and support for a range of health-related matters. We have signed up to the Living Wage pledge and are a Disability Confident employer.

iii) Each member of staff has a training budget of £750 to access training specific to their roles. Sixty three percent of our team took advantage of the funding during the year. We have team-based training that takes place throughout the year; topics covered were strategy, philanthropy, budgets, equity diversity and inclusion, and values. We use a Charity Learning platform providing a range of courses that everyone in the team is expected to complete. Cyber Security, GDPR and Health and Safety have been completed. Teamwork, Communications Skills and Workplace Wellbeing are in progress.

iv) Defining our values as a team was one of the most important tasks completed during the year. The values are built into our appraisal process and the team hold

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one another to account for living them. Inclusive, relational and ambitious, as set out in section 1 of this report, define who we are and how we work.

2. Cross Cutting Themes

a) Equity Diversity and Inclusion (EDI):

Equity diversity and inclusion(EDI) is embedded within our culture and practice at UKCF. To progress EDI throughout the network, we have established an EDI Steering Group made up of ten staff representatives from the membership covering a wide range of roles within their foundations. Their role is:

- To develop a common understanding of EDI across the network in terms of language and messaging and to promote a common strategy
- To promote EDI principles and practices at the local and national level, across all practice areas of the UKCF network
- To share best practice in developing EDI strategies and incorporating EDI principles in all aspects of Community Foundations' work
- To identify and promote suitable skills and development training in EDI for the network
- To be the reference group for EDI knowledge and expertise within the Community Foundation network

- Much of our effort in our first year has been to build engagement through learning events such as Together21, Chairs' Day 2021, the CEOs' residential along with several other learning events and webinars for the network.

- We have established a network EDI plan which is being developed with the EDI steering group.

- The EDI curriculum has been partially delivered through the Member Hub, with further training and resources under development. Additionally, a learning cohort of three foundations is being established.

- Work on the community development toolkit has been initiated and is expected to be delivered in the summer.

- The EDI leaders' programme is in the early stages, but work is gaining traction through the work of the EDI steering group and developing EDI learning cohort.

- We carried out a UKCF EDI Network Survey to determine the demographics of our network and the learning needs of members to enable us to tailor our training offer appropriately. We received 185 responses across all roles and role levels. We discovered that compared to national statistics the networks' demographics on race diversity were slightly lower than the national averages, and that people with disabilities are significantly under represented. The network also has a workforce with

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significantly higher levels of education than the average for the population. This insight has shown us all that we cannot be complacent during recruitment, and we must ensure that we are promoting opportunities to the widest network to bring our statistics into line with national averages.

- When asked about specific areas for EDI learning, both personally and organisationally, four areas were most requested: race, disability, LGBTQ+ and socioeconomic issues. Respondents were asked in an open question about what UKCF could do to support their EDI practice; responses showed four main themes which will be incorporated into our EDI training plan:
    - Good practice: respondents wanted to see examples of good practice from the network and beyond.
    - Data: answers stressed the importance of accurate and comprehensive data collection.
    - Training: respondents shared types and formats of training they wanted, including promoting external training, peer-to-peer 'exchange programmes', etc.
    - Network culture: answers noted how UKCF should work to influence the culture of the network to support EDI goals.

b) The United Nations Sustainable Development Goals (SDGs)

The SDG's are often seen as a way of communicating with external audiences and a toolkit to demonstrate how our work is aligned to achieving the goals. It is also an intrinsic element of business as usual and not simply an add on. Over the last year we have:

- Delivered a series of SDG Peer Learning Sessions
- Published the 'Think Globally, Act Locally' report looking at how the place-based community foundation model aligns with SDGs - with examples of work from community foundations across the country.
- Developed of the SDG resource pack to share best practice and learning from external experts and our members.
- Delivered the Together21 conference - An interactive convention around equitable and inclusive communities linked to goal 10: reduced inequalities
- Created a dedicated area in the Member Hub to allow sharing of best practice and learning from outside the sector.

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c) Digital Transformation

Digital transformation is as much an issue of culture as technology. The need for systems that are streamlined and transparent is vital when working remotely. The Digital Transformation programme is divided into two parts, firstly simplifying our processes and having a CRM platform which is fit for purpose. We are working with our members to deliver a solution which will do the following:

- Simplify the application and due diligence process
- A more efficient approach to due diligence
- Improved reporting
- Improve the grantee and donor experience
- Systems that talk to each other

Fundraising

UKCF does not actively fundraise from members of the public, and no third-party fundraisers are used by the Charity. Donations are, however, gratefully received and accepted. Most of our funding comes directly from grants, members and other institutional funders. We have not received any complaints in respect of fundraising. We are registered with the Fundraising Regulator.

3 STRUCTURE, GOVERNANCE AND MANAGEMENT

UKCF is a charitable company limited by guarantee with governance arrangements set out in the company's memorandum and articles of association.

UKCF is the national membership organisation for community foundations in the UK. Community foundation means a foundation established to generate funds from all sources (including money given to build endowments), to provide grants for charitable purposes related to the needs of a defined community. Community foundations thus provide services to donors and engage with others to strengthen local communities.

Full membership of UKCF is restricted to quality-accredited community foundations in the UK.

Some of our trustees are from our membership and some are independent, with members in the majority. We hold elections for UKCF trustees from our membership, whether they are trustees or staff of community foundations. Independent trustees are co-opted onto the board to bring experience and skills to bear that are considered necessary by the Board. This process

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is overseen by our Nominations and Governance Committee. Terms of office are a maximum of three terms of two years as a trustee.

The Board meetings fit into the planning cycle so that the Board can focus on developing strategy, approving the operational plan, agreeing the annual budget and reviewing lessons learned.

The Board of UKCF is the decision-making body for the company. The Board delegates powers to committees to recommend specific decisions to the Board consistent with the overall direction set by the Board. The committees in 2021-2022 were:

- Nominations and Governance Committee - charged with overseeing the recruitment of trustees and trustee training and development.
- Finance, Audit and Operations - charged with reviewing financial strategy and planning, audit, risk, human resources and major contracts.
- Community First Investment Committee – a sub-committee of the Finance Audit and Operations Committee is charged with oversight of the UKCF endowment and the community foundations' endowment established during the Community First Match Challenge Programme (see further below).

All trustees have an induction and are encouraged to attend training provided for them. However, most of them are either a trustee of other charities or employed by community foundations and therefore have significant current knowledge of charity practice and regulation. We do welcome those who have not been a trustee before and we provide the support needed, including a "buddying" system to help them develop the skills required of a trustee. Many of the UKCF trustees attend third sector seminars and events and some are offered training and development opportunities by their relevant community foundation. All UKCF trustees attend UKCF's Symposium and the UKCF Conference which fall in alternating years. Both events have a programme of plenary speeches and workshops designed to develop the skills and knowledge of all attendees. In addition, the Board agenda includes updates on charity governance matters.

The legal and administrative information at the end of the financial statements forms part of this report.

4 AUDIT INFORMATION

So far as each of the trustees, at the time the trustees' report is approved, is aware:

- There is no relevant information of which the auditors are unaware; and

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- They have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

5 FINANCIAL REVIEW

Total charity income for the year was £6,712k (2021: £83,778) and expenditure was £8,000k (2021: £83,027k) with other gains of £434k (2021: £773k) giving a deficit of £854k (2021: £1,524 surplus).

UKCF has three types of funds - Unrestricted, Restricted and Endowment.

Unrestricted funds – deficit of £399k (2021: £196k surplus) Fund transfers of £116k (2021: £52k) give an overall downward movement on funds of £283k (2021: £248k upward movement).

Excluding the ICT subscriptions, which are a fully recharged cost to our members, the unrestricted funds show the income and expenditure required to operate UKCF.

Restricted funds – deficit of £1,200k (2021: £98k surplus) Fund transfers of £22k (2021: £52k) give an overall downward movement on funds of £1,222k (2021: £46k upward movement).

In comparison, restricted funds are pass through funds which we use for grant-making to our members, and, on very rare occasions, to other organisations. The only exceptions to this are restricted funds related to the leadership programme and the RTP which directly support activities at UKCF.

Endowment funds – Income of £311k (2021: £457k) Fund transfers of £94k (2021: nil) Investment gains of £434k (2021: £773k) - give an overall upward movement on funds of £651k (2021: £1,230k).

As a result of the RTP, UKCF also holds an endowment fund. This arises from transfers of inactive or dormant trusts which have a national or UK-wide objective.

INCOME

Unrestricted Income - was £1,116k (2021: £1,485k)

Membership income of £362k (2021: £345k) comprised 32% (2021: 23%) of our unrestricted income for the year. Our membership fees are based on a percentage of the endowment of each individual community foundation. Lower fees are charged to our overseas members as they have limited access to membership benefits compared to our UK accredited members.

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We welcomed one new fully accredited member in the year and one overseas member, the balance of the increased membership fees was from the networks endowment growth.

Service recharges to members of £294k (2021: £193k) comprised 26% (2021: 13%) of our unrestricted income for the year. These recharges mainly relate to the network wide CRM which is administered by UKCF and in 2022 the cost of the triennial quality accreditation process. CRM recharge income increased this year due to increased use of the system.

Unrestricted income linked to flowthrough grant making funding of £267k (2021: £709k) comprised 24% (2021: 48%) of our unrestricted income for the year. The income in 2021 was exceptionally high due to the NET COVID-19 appeal, which accounted for £430k in 2021. For further detail see note 3 of the financial statements.

Unrestricted income from donations and grants which were not linked to grant making of £103k (2021: £167k) comprised 9% (2021: 11%) of our unrestricted income for the year. In 2021 we received one off funding for a governance review and the final instalment of a three-year grant from the John Armitage Charitable Trust. We would like to give our thanks to The C S Mott Foundation and CCLA for their generous and continued support of UKCF in 2022 and beyond.

The remaining unrestricted income of £90k (2021: £71k) comprised 9% (2021: 5%) and was made up from multiple sources including Endowment transfers £4k, fees from managing Endowments £68k, and event sponsorship £16k.

Restricted Income – was £5,285k (2021: £81,836k)

Restricted income used for flow through grant making was £5,103k (2021: £81,738). The £76,635 decrease is because 2021 was an exceptional year due to the NET COVID-19 appeal which generated income of £73,154k and other COVID-19 related income of £3,797k which led to a record year for UK Community Foundations in terms of income and grant-making. For further detail see note 3 of the financial statements.

Restricted income for the leadership and RTP was £94k (2021: £20k). We would like to give our thanks Fidelity and the John Armitage Charitable Trust for their support of the leadership programme.

Investment income was £88k (2021: £89k).

Endowment Income – was £311k (2021: £457k) with Investment gains was £434k (2021: £773k).

Funds transferred through the RTP are held as endowment funds. The balance of this fund at the end of the year is £5,898k (2021: £5,247k).

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The Sir George Earle Charitable Fund, which is held as a linked charity (Charity number 1004630-1), makes up most of this balance. The proceeds of the endowment funds are used to contribute to UKCF overheads and to provide grants to be made by individual community foundations.

UKCF also has a second linked charity: Aid for the Aged in Distress (Charity number 1004630-2). The funds for Aid for Aged in Distress are in the process of being transferred and a reasonable estimate of the value of the funds are included in these financial statements at £91k.

Capital drawdowns are made in line with fund agreements to augment grant making, this is shown as a fund transfer. Grants of £149k (2021; £146k) were made related to the Sir George Earle endowment fund.

EXPENDITURE

Unrestricted Expenditure – was £1,515k (2021: £1,289k)

UKCF's main cost is our team, which represented 61% (2021: 64%) of our total non-grant expenditure. Team costs, which include employees and contractors, have increased to £990k from £849k (financial statements note 6). This is driven by an increased in headcount from 12 to 18.

Governance costs were £47k (2021: £41k), which included costs relating to the audit, independent trustee recruitment and governance review.

Restricted Expenditure – was £6,485k (2021: £81,738k)

Restricted flow through grants awarded was £6,370k (2021; £81,692). The remaining expenditure of £115k (2021: £46k) related to direct restricted expenditure for Projects & Programmes.

The difference between restricted income received and expended in year arises due to grant making in-year being made from brought forward funds.

Endowment Expenditure - was none (2021: none)

6 INVESTMENTS

Through its Community First Investment Committee (the CFIC), UKCF supervises the investment of the Community First Investment Funds on behalf of 45 of the community foundations. That fund was valued at £171m as of 31 March 2022, which was up from the figure of £169m as of 31 March 2021.

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UKCF's endowment fund comprising the Sir George Earl Fund and some smaller funds stood (as described in note 16 of the financial statements) at £5.9m as of 31 March 2022. Compared to £5.2m as of 31 March 2021.

These funds are all managed by CCLA Investment Management Limited.

UKCF's policy is to build and hold a significant endowment fund, created to support community foundations and their communities now and for generations to come. The intention is that UKCF will continue to develop its endowment from the transfer of dormant or inactive trusts with a national reach. Although legally the endowment could be treated as expendable, it will be held as a long-term capital fund in perpetuity, to provide income for current and future network grant-making and to contribute to UKCF's administration costs. As an incorporated charity, UKCF is unable legally to hold a permanent endowment.

UKCF's endowment is invested in CCLA's COIF Ethical fund. UKCF operates a total return policy in order to invest funds for long-term growth.

The CFIC meets twice a year and reports regularly to the membership network. In the opinion of the CFIC, CCLA exercised its investment responsibilities with due care during the year.

In addition, UKCF has responsibility for the oversight of the Community First Match Fund Challenge endowment which is held by individual community foundations and is invested in CCLA COIF funds. This oversight has been delegated to the CFIC.

	Total investment performance in year to 31 March 2022 (net of fees and costs)	Total investment performance in year to 31 March 2021 (net of fees and costs)	Total investment performance annualised three-year return to 31 March 2022 (net of fees and costs)
CCLA – COIF Ethical Investment Fund	11.56%	23.87%	11.46%
ARC Steady Growth (peer group comparison)	6.29%	24.01%	6.68%

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7 RESERVES POLICY

Total funds amount to £7,236k (2021: £8,180k).

Unrestricted funds were £625k (2021: £908k)

Restricted funds were £803k (2021: £2,025k)

Endowment funds were £5,898k (2021: £5,247k).

During the year the trustees reviewed the reserves policy, following the steps outlined in the Charity Commission's guidance CC19 *(Charity Reserves: building resilience)*. This involves taking a detailed look at the restrictions on the funds and assets we hold; understanding the impact of risk; assessing the reliability of our sources of income and considering future plans. During the current year, this gave us a target range of £300k to £410k for our unrestricted general reserves and is the same as our target range in 2021. The size of the organisation is similar to 2021, as are our commitments going forward and the uncertainty around programme income in the coming years. For comparison this translates to 3-4 months of unrestricted expenditure excluding recharged costs.

The trustees believe this policy is a sensible balance between the need to maintain a secure long-term financial position and the desire not to hold excessive charitable funds that should be distributed. The trustees review the reserves policy every year.

At the balance sheet date, the unrestricted reserves of UKCF were £625k, which includes £170k designated reserves and £455k general funds, just above the top of our range. The 2021-22 budget and projection for 2022-23 includes planned investment of the designated reserves into our strategy.

Designated Funds

Total designated funds at year-end were £170k (2021: £495k). Designated funds comprise the following funds set aside by Trustees of UKCF:

- £100k is set aside for investment in specific strategic projects. This includes work on setting up the network-wide EDI plan, various communications and information gathering activities and developing our internal systems, processes and culture. These activities are vital to ensuring successful delivery of our strategy. This expenditure is anticipated in 2022/23.

- £70k is set aside for the digital transformation project, in particular the development of an improved CRM system for our network. The funds would be spent towards

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building and implementing the improved system. This spend is expected to be split over the next two to three years.

8 REMUNERATION POLICY

The trustees consider that the Board of UKCF and the Senior Management Team comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating it on a day-to-day basis. All trustees give their time freely and no trustee remuneration was paid in the year. Details of trustee expenses are disclosed in note 11 to the accounts.

Trustees are required to disclose all relevant interests and register them with the CEO or Company Secretary and, following UKCF's policy, withdraw from decisions where a conflict of interest arises.

The pay of the CEO is reviewed annually considering movement in average earnings and the relativity with the average salary of other employees. The remuneration of the CEO and her senior reports is bench-marked with grant-making charities of a similar size and activity to ensure that the remuneration set is fair and comparable with that generally paid for similar roles. A cost-of-living increase was awarded to all staff who had been in post for a year in April 2021.

9 PLANS FOR THE FUTURE

As discussed in Section 1 of this report, our strategic plan is in its second year. Following a review of our strategy we have strengthened our objectives for the next 12 months. The items below provide additional detail on the activities we plan to undertake over the next two years.

1. **Strengthen the Network**: To ensure that each of our members has the skills and capacity to meet the needs of their communities by offering a range of services that add value to members of all sizes, based on members needs and interests.

   Building a culture of learning: carefully planned, peer-led, curated learning offer for everyone in the network

2. **Build Profile**: To improve our visibility with government and other influencers to position community foundations as the partner of choice and experts on place based social change by developing a policy platform and a clear unified voice.

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Deliver a detailed communications plan, focussed on positioning UKCF and its members' expertise in philanthropy, permanence, and place

3. **Unlock Resources**: To generate investment in the network from a wide range of donors and partners by building a strong case for support of community foundations and UKCF.

   With a focus on developing corporate donors, philanthropy partnerships and government partnerships who wish to focus their funding in local communities

4. **Build a Thriving UKCF**: to create an exemplar organisation that has the confidence of members, is sustainable and a great place to work, by investing in our people, systems, processes, and leadership.

   To complete the transition to working from home, focussing on digital transformation and robust training and development plans for the team

   To undertake a review of our business model.

10 RISKS

The trustees regularly review the major risks to which the charity is exposed. Systems and procedures are in place to manage these risks, with regular reports from the CEO at Board meetings. Mitigating actions are planned and prioritised and those with a financial implication are taken into account when setting the reserves policy.

The key risks are associated with the financial, operational, and reputational risks associated with the delivery of UKCF's objectives. The most significant risk is a decline in income as a result of the loss of programmes or core funding grants. To mitigate the risks of a reduction of income, UKCF is actively pursuing new programmes and core funding opportunities.

In addition, with the transition to a home working organisation, there is currently strong focus on risks associated with cyber security and delivering our digital transformation project on time and to budget. We have achieved cyber essentials plus certification.

11 UKCF GOING CONCERN

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular,

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the trustees have considered the charity's forecasts and projections and have taken account of pressures on income generation and investment market fluctuations.

The COVID-19 pandemic was a time of unprecedented grant making for UKCF, most notably we became the main distribution partner for the NET COVID-19 appeal alongside funding from other institutions. The core funding contribution from these programmes enabled us to strengthen our finances during a difficult time to ensure that we can continue to deliver going forward.

After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity, therefore, continues to adopt the going concern basis in preparing its financial statements.

12 TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees (who are also Directors of UK Community Foundations for the purposes of company law) 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.)

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- State whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' report, including the strategic report, was approved by the Board on

Date: 23 September 22

Signed on its behalf by

Andrew Tuggey

.....

Andrew Tuggey CBE DL

Chair and Trustee, UK Community Foundations

Signed on its behalf by

Mark Spofforth

.....

Mark Spofforth, OBE

Trustee, UK Community Foundations

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK COMMUNITY FOUNDATIONS

OPINION

We have audited the financial statements of UK Community Foundations 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 charitable company's affairs as at 31 March 2022 and of the charitable company's net movement in funds, including the income and expenditure, 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 Companies Act 2006.

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 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 Charitable Company'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.

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Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and the Chair's 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the trustees' responsibilities statement set out in section 13, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company 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 Charitable Company 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 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 Companies Act 2006, the Charities Act 2011, Charity SORP, 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 posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the income recognition policy applied to grant income. Audit procedures performed by the engagement team included:

- Inspecting 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;

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- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Siobhan Holmes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP,
Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 19-12-22

UK COMMUNITY FOUNDATIONS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

		2022				2021
		Unrestricted Fund	Restricted Funds	Endowment Funds	Total	Total
INCOME AND ENDOWMENTS FROM:	Notes	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Grants		230	5,272	-	5,502	8,962
NET Grants		75	(95)	-	(20)	73,584
Donations		65	20	-	85	95
Subscriptions		362	-	-	362	345
Other		312		-	312	193
Total income	3	1,044	5,197	-	6,241	83,179
Endowment transfer		4	-	311	315	457
Investment income		-	88	-	88	99
Management Fees from endowment		68	-	-	68	43
Total income and endowments		1,116	5,285	311	6,712	83,778
EXPENDITURE ON:						
Raising funds	5	86	-	-	86	77
ICT services	5	250	-	-	250	222
Member services	5	1,126	-	-	1,126	945
Projects and programmes	5	53	115	-	168	91
Grant payments	4	-	6,307	-	6,307	8,715
NET Grant payments	4	-	63	-	63	72,977
Total expenditure		1,515	6,485	-	8,000	83,027
Net (expenditure) / income		**(399)**	**(1,200)**	**311**	**(1,288)**	**751**
Transfers between funds		116	(22)	(94)	-	-
Other recognised gains/(losses):					-	-
Investment gains	16	-	-	434	434	773
Net movement on funds		**(283)**	**(1,222)**	**651**	**(854)**	**1,524**
Reconciliation of funds						
Total Funds Brought Forward		908	2,025	5,247	8,180	6,656
Total Funds Carried Forward:	14,15,16	**625**	**803**	**5,898**	**7,326**	**8,180**

No separate income and expenditure account, as required under Companies Act 2006, is presented here as the only difference between the net deficit for the year of £1,285k (2021: surplus of £751k) and the net deficit for the year as defined by the companies Act of £1,596k (2021: surplus £294k) is income from endowments of £311k (2021: £457k).

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

A full comparative Statement of Financial Activities is included at note 18.

The notes set out on pages 34 to 49 form an integral part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £'000	2021 £'000
FIXED ASSETS			
Investments	8	5,808	5,047
Total fixed assets		5,808	5,047
CURRENT ASSETS			
Debtors	9	73	374
Cash at bank and in hand		1,692	3,467
Total current assets		1,765	3,841
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	10	247	708
NET CURRENT ASSETS		1,518	3,133
TOTAL NET ASSETS OR LIABILITIES	17	7,326	8,180
THE FUNDS OF THE CHARITY			
Total unrestricted funds	14	625	908
Restricted income funds	15	803	2,025
Endowments	16	5,898	5,247
TOTAL CHARITY FUNDS		7,326	8,180

The financial statements were approved and authorised for issue by the Trustees on 23 September 2022 and signed on their behalf by:

Andrew Tuggey

Andrew Tuggey CBE DL
Chair

Mark Spofforth

David Mark Spofforth OBE
Treasurer

The notes set out on pages 34 to 49 form an integral part of these financial statements.

UK COMMUNITY FOUNDATIONS

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	2022 £'000	2021 £'000
Net cash flow from operating activities:		
Net cash (used in) / provided by operating activities	(1,448)	533
Cash flow from investing activities		
Purchase of Investments	(421)	(457)
Proceeds on disposal of investments	94	-
Net cash (used in) investing activities	(327)	(457)
Net change in cash and cash equivalents in the reporting period	(1,775)	76
Cash and cash equivalents at the beginning of the reporting period	3,467	3,391
Cash and cash equivalents at the end of the reporting period	1,692	3,467

Reconciliation of net (expenditure) / income to net cash flow from operating activities	**2022 £'000**	**2021 £'000**
Net (expenditure) / Income for the reporting period (as per the statement of financial activities)	(854)	1,524
Adjustment for:		
(Gains) on investments	(434)	(773)
Decrease / (Increase) in debtors	301	(64)
(Decrease) in creditors	(461)	(154)
Net cash (used in) / provided by operating activities	(1,448)	533

Analysis of cash and cash equivalents	**2022 £'000**	**2021 £'000**
Cash in hand	1,692	3,467
Total cash and cash equivalents	1,692	3,467

During both the current and prior year, all cash and cash equivalents were held as cash at bank or in hand. At no stage did the charity have any borrowings, including overdrafts and finance leases, during this time, therefore no debt note has been disclosed.

The notes set out on pages 34 to 49 form an integral part of these financial statements.

1. Accounting Policies

Company Information

UK Community Foundations is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 1.04, 9 Brighton Terrace, London, SW9 8DJ.

Basis of Preparation

The financial statements have been prepared under the historical cost convention (with the exception of investments which are stated at market value) and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (Charities SORP second edition), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the Charitable Company. Monetary amounts in these financial statements are rounded to the nearest £'000.

Linked Charities

UKCF has two linked charities: The Sir George Earle Fund (Charity number 1004630-1) and Aid for the Aged in Distress (Charity number 1004630-2). These have both been transferred as part of the Revitalising Trusts programme. The Sir George Earle Fund has been fully transferred and all income and expenditure is included as part of these financial statements. The funds for Aid for Aged in Distress are in the process of being transferred and a reasonable estimate of the value of the funds are included in these financial statements at £92k.

Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and have taken account of pressures on income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Income

Income generated from the supply of goods or services is included in the statement of financial activities in the period in which the supply is made.

Subscriptions are included in the statement of financial activities when receivable. Donations and gifts to the charity are included in the statement of financial activities when received. Intangible income is recognised as income where the provider of the service has incurred a financial cost. General volunteer time is not included in the financial statements in line with the guidance set out in the SORP.

Grants are included in the statement of financial activities when there is an entitlement to the income, receipt is probable and it can be quantified with reasonable accuracy. Where grant agreements include a management fee/contribution to overheads element this is separately recorded as unrestricted income of the charity.

Unrestricted funds are donations and other income received or generated for charitable purposes.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund.

Endowment funds reflect funds transferred to UKCF which relate to the Revitalising Trusts Programme. The capital must be retained by the charity however the income from funds invested partly represents an unrestricted management fee at an agreed rate. Income in excess of the unrestricted management fee is restricted as set out in note 15.

Expenditure

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered. Costs which are directly related to activities are allocated to those activities.

Fundraising costs comprise a portion of CEO and Business Development Director salary based on an estimate of time spent working with current and potential donors.

ICT Services costs comprise costs directly attributable to ICT consultants for the Network's CRM system and costs related to the CRM system itself.

Membership Services comprise mainly staffing and consultancy costs and other general costs related to our membership functions.

Projects and programmes comprise flow-through grants distributed throughout the Community Foundation Network and staffing and other costs, where these are specifically funded by donors.

The charitable company makes payments to defined contribution pension schemes on behalf of employees. The contributions are treated as an expense in the year in which they are payable. The charity has no other obligation under these schemes.

Rentals payable under operating leases, where substantially all 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 lease duration.

Investments

Investments held as fixed assets are revalued at market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Other financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

i. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

ii. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their at transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

2. Taxation

The charity is exempt from corporation tax under section 505 of the Income and Corporation Taxes Act 1988 as all its income is applied to charitable purposes.

3. Income

	2022			2021		
Donations and grants	**Unrestricted**	**Restricted**	**Total**	**Unrestricted**	**Restricted**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
National Emergencies Trust (NET)						
NET - COVID 19	80	-	80	314	52,670	52,984
NET EDI Infrastructure - COVID 19	(5)	(85)	(90)	16	1,039	1,055
NET Government Fund - COVID-19	-	(10)	(10)	100	19,445	19,545
	75	(95)	(20)	430	73,154	73,584
3i - COVID 19	-	-	-	4	196	200
Arts Council - Lets Create Jubilee Fund	30	4,860	4,890	-	-	-
Barclays - COVID 19	-	-	-	10	990	1,000
Building a Stronger Britain Together	-	-	-	35	3	38
CCLA	40	-	40	40	-	40
Cellnex - Digital Exclusion Fund	3	198	201	-	119	119
Coronavirus Jobs Retention Scheme	-	-	-	16	-	16
C S Mott Foundation	59	-	59	62	-	62
DCMS Match Funding	15	-	15	10	2,338	2,348
Direct Line	-	-	-	2	98	100
Duchy of Lancaster	-	-	-	2	97	99
Fidelity	4	74	78	-	-	-
Flood and Storm Donations	-	-	-	-	-	-
#iwill (YSA) Project	32	(23)	9	32	259	291
John Armitage Charitable Trust	-	15	15	45	-	45
Ladbrokes	40	-	40	-	-	-
Made By Sport	44	-	44	-	4,386	4,386
MLM	-	-	-	-	7	7
Nationwide Building Society	-	-	-	85	-	85
Oak Foundation	15	-	15	33	-	33
Original Cottages	2	19	21	-	-	-
Other	4	-	4	-	-	-
PHP Group - Social Prescribing Fund	8	143	151	-	-	-
Revitalising Trusts	-	5	5	27	20	47
Royal London	-	-	-	8	-	8
Sick Man's Friend - COVID 19	-	-	-	1	48	49
Surviving Winter	-	1	1	-	12	12
Tampon Tax	-	-	-	35	(19)	16
Tom Ward - Governance	-	-	-	20	-	20
Uber	-	-	-	6	-	6
Weavers	-	-	-	-	30	30
Total	371	5,197	5,568	903	81,738	82,641
Subscriptions						
Membership	362	-	362	345	-	345
Total	362	-	362	345	-	345
Other Income						
D D McPhail Charitable Settlement	3	-	3	-	-	-
ICT subscriptions	235	-	235	186	-	186
Services Recharge	58	-	58	7	-	7
Event Sponsorship	16	-	16	-	-	-
Total	312	-	312	193	-	193

4. Grants paid to organisations

	2022	2021
	£'000	£'000
National Emergencies Trust (NET)		
NET - COVID 19	(7)	52,670
NET EDI Infrastructure - COVID 19	80	862
NET Government Fund - COVID 19	(10)	19,445
	63	72,977
3i - COVID 19	-	196
Arts Council - Lets Create Jubilee Fund	4,860	-
Barclays - COVID 19	-	990
Building a Stronger Britain Together	-	102
Cellnex - Digital Exclusion Fund	198	119
DCMS Match Funding	100	2,238
Direct Line	-	98
Duchy of Lancaster	-	97
Sir George Earle Endowment Fund	149	146
#iwill (YSA) Project	(20)	287
Ladbrokes	880	-
Made By Sport	(5)	4,386
MLM	7	-
PHP Group - Social Prescribing Fund	143	-
Original Cottages	19	-
Royal London	15	-
Sick Man's Friend - COVID 19	-	48
Tampon Tax	(40)	(22)
Weavers	-	30
	6,369	81,692

All grants paid are restricted in 2022 and 2021.

5. Expenditure

	Grants (Note 4) £'000	Staff costs and consultancy £'000	Office and running costs £'000	Total 2022 £'000
Fundraising	-	86	-	86
ICT services	-	83	167	250
Member services	-	830	296	1,126
Total for above	-	999	463	1,462
Projects and Programmes				
NET - COVID 19	(7)	-	-	(7)
NET EDI Infrastructure - COVID 19	80	1	-	81
NET Government Fund - COVID 19	(10)	-	-	(10)
Arts Council - Lets Create Jubilee Fund	4,860	7	1	4,868
Cellnex - Digital Exclusion Fund	198	-	-	198
DCMS Match Funding	100	-	-	100
Sir George Earle Endowment Fund	149	-	-	149
#iwill (YSA) Project	(20)	5	-	(15)
Ladbrokes	880	5	1	886
Leadership Programme	-	91	8	99
Made By Sport	(5)	4	-	(1)
MLM	7	-	-	7
Oak Foundation	-	11	-	11
PHP Group - Social Prescribing Fund	143	-	-	143
Original Cottages	19	-	-	19
Revitalising Trusts	-	34	1	35
Royal London	15	-	-	15
Tampon Tax	(40)	-	-	(40)
Total for Projects and Programmes	6,369	158	11	6,538
2022 Total	**6,369**	**1,157**	**474**	**8,000**

5. Expenditure (cont)

Prior year	Grants (Note 4) £'000	Staff costs and consultancy £'000	Office and running costs £'000	Total 2021 £'000
Fundraising	-	77	-	77
ICT services	-	66	156	222
Member services	-	752	193	945
Total for above	-	895	349	1,244
Projects and Programmes				
National Emergencies Trust	72,977	10	4	72,991
3i - COVID 19	196	-	-	196
Barclays - COVID 19	990	-	-	990
Direct Line	98	-	-	98
Building a Stronger Britain Together	102	-	2	104
Cellnex	119	-	-	119
DCMS Match Funding	2,238	-	-	2,238
Duchy of Lancaster	97	-	-	97
Endowment Fund	146	-	-	146
#iwill (YSA) Project	287	-	-	287
Leadership Programme	-	45	-	45
Made By Sport	4,386	-	-	4,386
Revitalising Trusts	-	30	-	30
Sick Man's Friend - COVID 19	48	-	-	48
Tampon Tax	(22)	-	-	(22)
Weavers	30	-	-	30
Total for Projects and Programmes	81,692	85	6	81,783
2021 Total	**81,692**	**980**	**355**	**83,027**

6. Staff costs and numbers

	2022 Total £'000	2021 Total £'000
Salaries and wages	798	525
Social security costs	85	54
Pension contributions	39	20
	922	599
Redundancy costs	-	25
Other staff costs, including recruitment	68	225
	990	849

		2022	2021
Number of employees earning between	£100,000 and £110,000	1	-
Number of employees earning between	£80,000 and £90,000	-	1
Number of employees earning between	£70,000 and £80,000	1	-
Number of employees earning between	£60,000 and £70,000	2	2

The average number of employees analysed by activity:

	2022	2021
Charitable activities	18	12

Key management personnel includes the Trustees, the CEO and Senior Management Team. The remuneration paid to the CEO and Senior Management Team amounted to £441k (2021: £288k).

7. Net income/(expenditure) for the year

This is stated after charging:

	2022 £'000	2021 £'000
Operating lease rentals	-	1
Auditor's remuneration:		
Current year - Statutory audit	12	12
Prior year - Statutory audit	1	2
Current year - Tax advisory services	3	2

8. Investments

	2022	2021
	£'000	£'000
Valuation at 1 April	4,517	3,740
Additions in year	907	4
Disposals during the year	(94)	-
Net gain/(loss) on revaluation	434	773
Valuation at 31 March	5,764	4,517
Cash held by investment manager	-	530
Cash held in CAF bank	44	-
Total valuation at 31 March	5,808	5,047

All investments are held with CCLA in COIF Charities Ethical Investment Fund.

9. Debtors

	2022	2021
	£'000	£'000
Trade and sundry debtors	50	359
Prepayments and accrued income	23	15
	73	374

10. Creditors : Amounts falling due within one year

	2022	2021
	£'000	£'000
Trade and sundry creditors	79	370
Accruals and deferred income	124	309
Social security and other taxes	44	29
	247	708

Included within Social security and other taxes is £6,250 owing to the pension scheme (2021: £4,373).

Included with the above is deferred income as follows:

Analysis of deferred income	2022	2021
	£'000	£'000
Deferred income brought forward	275	354
Released to income in year	(249)	(241)
Deferred in year	67	163
As at 31 March 2022	93	276

Deferred income relates to income for evaluation and monitoring work related to programmes which were ongoing at the year end.

11. Trustee remuneration and expenses

Six members of the board (2021: nil), and no committee members (2021: nil) received reimbursement of travel expenses to attend meetings, this amounted to £2,281 (2021: £nil). No member of the board (2021: nil) received remuneration.

Some trustees are also either trustees or employees of our member organisations (see note 12).

Total donations received from trustees amounted to £nil (2020: £nil).

12. Related party transaction

UKCF is a membership organisation which exists to serve its members. Some of our trustees are also involved in local Community Foundations, listed below, which are members of UKCF. Day to day transactions such as membership fees, licence fees and grant payments, take place between UKCF and its members. These transactions are on the same basis as the other members. If decisions are made about transactions with individual Community Foundations where trustees may have a conflict of interest, this interest is declared and the trustee not involved in the decision.

Trustee Name	Community Foundation
Toby Anstruther	Foundation Scotland
Michelle Cooper	County Durham Community Foundation
John Gordon	Community Foundation Northern Ireland
Kevin Richmond	Sussex Community Foundation
Stephen Singleton	Suffolk Community Foundation
Mark Spofforth	Sussex Community Foundation
Andrew Tuggey	Community Foundation Wales
Tom Van Oss	Cornwall Community Foundation

13. Operating lease commitments

Total annual commitments payable under operating leases are as follows

	Land and Buildings		Other	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Operating leases which expire				
Less than 1 year	46	46	-	-
Between 1-2 years	16	46	-	-
Between 2-5 years	-	16	-	-
	62	108	-	-

14. Unrestricted and Designated Funds

	At 1 April 2021 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Transfers £'000	At 31 March 2022 £'000
Unrestricted Funds:					
General funds	413	1,116	1,365	291	455
Designated Funds:					
CRM Training and Development	-	-	-	-	-
Strategic Development	104	-	104	100	100
Digital Transformation	250	-	46	(134)	70
#iwill Programme	141	-	-	(141)	-
Total	**908**	**1,116**	**1,515**	**116**	**625**

The strategic development designated funds are for investment specific strategic projects including in the areas of equity, diversity and inclusion, communications and advocacy activities.

The designated funds relating to digital transformation are for the development of an improved network-wide CRM system.

The #iwill programme designated funds were a potential return of funds relating to an ongoing negotiation about the matched funding of Community Foundation management fees. This return was not required and the balance has been transferred to general funds.

	At 1 April 2020 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Transfers £'000	At 31 March 2021 £'000
Unrestricted Funds:					
General funds	624	1,485	1,253	(443)	413
Designated Funds:					
CRM Training and Development	36	-	36	-	-
Strategic Development	-	-	-	104	104
Digital Transformation	-	-	-	250	250
#iwill Programme	-	-	-	141	141
Total	**660**	**1,485**	**1,289**	**52**	**908**

15. Restricted funds

	At 1 April 2021 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Transfers £'000	At 31 March 2022 £'000
Arts Council - Lets Create Jubilee Fund	-	4,860	4,860	-	-
Building a Stronger Britain Together	70	-	-	(70)	-
Cellnex - Digital Exclusion Fund	-	198	198	-	-
DCMS Match Funding	100	-	100	-	-
Endowment - Education Fund	1	1	-	-	2
Endowment - Relief of Poverty Fund	-	3	-	-	3
Endowment - General Fund	-	-	-	-	-
Endowment - Sir George Earle Fund	78	84	149	94	107
Fidelity	13	74	84	-	3
Flood and Storm Donations	6	-	-	-	6
#iwill (YSA) Project	24	(23)	(20)	-	21
John Armitage Charitable Trust	-	15	15	-	-
Ladbrokes	1,458	-	880	-	578
Made By Sport	-	-	(5)	(5)	-
MLM	7	-	7	-	-
Nationwide Building Society	12	-	-	(12)	-
NET - COVID 19	-	-	(7)	-	7
NET EDI Infrastructure - COVID 19	167	(85)	80	(2)	-
NET Government Fund - COVID 19	-	(10)	(10)	-	-
Oak Foundation	38	-	11	(27)	-
Original Cottages	-	19	19	-	-
PHP Group - Social Prescribing Fund	-	143	143	-	-
Revitalising Trusts	-	5	5	-	-
Royal London	22	-	15	-	7
Surviving Winter	15	1	-	-	16
Tampon Tax	14	-	(39)	-	53
Total funds	2,025	5,285	6,485	(22)	803

Negative income figures relate to either the correction of unrestricted income recognised as restricted in previous years or income which has been received in previous years but where there has been a grant underspend which is returned to the funder.

Negative expenditure figures represent this grant underspend being returned to UKCF.

15. Restricted Funds (cont)

	At 1 April 2020 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Transfers £'000	At 31 March 2021 £'000
3i - COVID 19	-	196	196	-	-
Barclays - COVID 19	-	990	990	-	-
Building a Stronger Britain Together	218	3	104	(47)	70
Cellnex - Digital Exclusion Fund	-	119	119	-	-
DCMS Match Funding	-	2,338	2,238	-	100
Direct Line	-	98	98	-	-
Duchy of Lancaster	-	97	97	-	-
Endowment - Education Fund	-	1	-	-	1
Endowment - Relief of Poverty Fund	-	-	-	-	-
Endowment - Sir George Earl Fund	129	95	146	-	78
Fidelity	21	-	8	-	13
Flood and Storm Donations	6	-	-	-	6
#iwill (YSA) Project	52	259	287	-	24
John Armitage Charitable Trust	5	-	5	-	-
Ladbrokes	1,456	2	-	-	1,458
Made By Sport	-	4,386	4,386	-	-
Mars	5	-	-	(5)	-
MLM	-	7	-	-	7
Nationwide Building Society	12	-	-	-	12
NET - COVID 19	-	52,670	52,670	-	-
NET EDI Infrastructure - COVID 19	-	1,039	872	-	167
NET Government Fund - COVID 19	-	19,445	19,445	-	-
Oak Foundation	38	-	-	-	38
Revitalising Trusts	-	20	20	-	-
Royal London	23	-	1	-	22
Sick Man's Friend - COVID 19	-	48	48	-	-
Surviving Winter	3	12	-	-	15
Tampon Tax	11	(19)	(22)	-	14
The Worshipful Company of Weavers	-	30	30	-	-
Total funds	1,979	81,836	81,738	(52)	2,025

Arts Council - Lets Create Jubilee Fund

The Let's Create Jubilee Fund is to support voluntary and community groups to develop creative and cultural activities as part of the Queen's Platinum Jubilee celebrations in June 2022. The funding is delivered via the community foundation network.

Building a Stronger Britain Together

UKCF partnered with advertising agency M&C Saatchi to deliver several rounds of funding of a major Home Office initiative to build social cohesion and to counter extremism. The programme supports civil society and community organisations who work to create more resilient communities, stand up to extremism in all forms and offer vulnerable individuals a positive alternative, regardless of race, faith, sexuality, age, and gender. The programme has ended and has been closed down. A transfer has been made from restricted to unrestricted funds in the year to recognise the element of the grant funding which was a contribution towards UKCFs overheads.

15. Restricted Funds (cont)

Cellnex - Digital Exclusion Fund

Funded by Cellnex, the aim of the programme is to target digital exclusion and the funds have been used to support and work with organisations who are working in this area. All funds were distributed during 2021-2022.

DCMS Match Funding

The overall aim of the Programme was to provide support for local voluntary and community organisations that were helping vulnerable people impacted by the Covid-19 crisis. DCMS provided match funding to UKCF for onward distribution through the Community Foundations. The two key objectives for the Programme are to ensure essential services are provided to vulnerable people through the work of charitable organisations; and to reduce closures of charities that provide essential services to vulnerable groups during the COVID-19 crisis thereby reducing the burden on public services.

Direct Line

Donations from Direct Line were to put towards Community Foundation Covid-19 related programmes in specific local areas.

Duchy of Lancaster

UKCF distributed funds on behalf of Duchy of Lancaster Benevolent Fund (DLBF) by awarding grants to communities affected by COVID-19. These grants were used to help communities in DLBF areas of interest on the basis of where there is the most need as identified by the local Community Foundations. All funds were distributed during 2020-2021.

Endowment Funds

There are four endowment funds held by UKCF which generate income. The largest is funded mainly by the investment income from the Sir George Earle Charitable Foundation, which was originally set up to provide discretionary grants to support current and former employees of the cement manufacturer in cases of financial hardship. The scope has been extended to work with local communities and projects which support older people, particularly with regard to reducing loneliness or isolation, and in specific geographies around historic cement works. Two of the funds are to specifically address relief of poverty, advancement of education and the general fund can be used more generally.

Fidelity

Funding the Community Foundation Leadership Programme and associated leadership development activities.

Flood and Storm Donations

From December 2013 onwards, 11 Community Foundations set up local programmes to assist the victims of the extreme floods and storms. UKCF launched a national programme to support them. As a result, the Office for Civil Society, Wren Living Ltd, Comic Relief and others awarded grants to UKCF to distribute via the participating Community Foundations. This will continue to be disbursed in 2022-23.

#iwill (formerly known as OCS-Youth Social Action)

Funded by the National Lottery Community Fund and the Office for Civil Society, and delivered in conjunction with Step Up to Serve. UKCF completed the first phase of this partnership in 2017 and 2018, and has now completed the two year extension covering 2019 and 2020. The programme supported volunteering, skills development and social action opportunities for young people in disadvantaged areas and from backgrounds with below-average levels of participation. UKCF distributed grants of £5-10k for projects through our network of Community Foundations in England.

John Armitage Charitable Trust

Additional funding for the Community Foundation Leadership Programme and associated leadership development activities.

15. Restricted Funds (cont)

Ladbrokes

A five-year grant-making programme focussed on community sport and physical/mental health, in particular for young men. The fund aims to provide a five-year spend down fund of around £440k pa. The programme was paused for 2020-21 due to the coronavirus pandemic with two years worth of spend in 2021-22. 2022-23 will be the final year of this programme.

Made by Sport

MBS funded this programme to award grants to charities focused on grassroots sport for development, with a particular focus on clubs in crisis, specifically with the intention to save organisations from closure and to get them back on their feet following the pandemic. This was distributed by the Community Foundation Network.

MLM

This programme aims to support local communities and projects, with a focus on skills and employability

Nationwide Building Society

UK Community Foundations has been working with Nationwide Building Society to provide grant funding for projects that are providing housing services to people in need and supporting homeless people into homes. Grants were made in the North East of England, Central England, Wales, Scotland and Northern Ireland.

National Emergencies Trust (NET)

UKCF are the main distribution partner of the National Emergencies Trust for the Covid-19 appeal programme. The overall aim of the programme is to effectively and efficiently support local voluntary and community organisations that are helping vulnerable people impacted by the covid-19 crisis. The NET EDI Infrastruture Funding is for grant making to BAME led infrastructure groups. The NET Government Fund specifically relates to funds receieved from the Big Night In Fundraiser.

Oak Foundation

The Transformation & Growth Fund funded voluntary and community organisations serving those at risk of homelessness. The fund is a capacity building programme to increase organisations' resilience and sustainability to support people in vulnerable housing situations.

Original Cottages

Core costs donation for seven community foundations working in the areas where Original Cottages have key business.

PHP Group - Social Prescribing Fund

Funded by Primary Healthcare Properties Group, the aim of the programme is to provide grants to charities focussed on social prescribing and community wellbeing in the pilot areas of Scotland and Lincolnshire. All funds were distributed during 2021-2022.

Revitalising Trusts

Grant funding from Community Foundation for Wales towards the revitalising trusts programme which is run in partnership with the Charity Commission.

Royal London

The Royal London Foundation partners with UKCF to deliver the Corporate Social Responsibility strategy that awards unrestricted funding of up to £5k to local organisations, with an annual turnover under £500k and a local community impact, in particular supporting people with a chronic or long-term condition.

Surviving Winter

The Surviving Winter campaign is funded by donations from the public to raise money for pensioners affected by fuel poverty. Grants are made by our member organisations.

15. Restricted Funds (cont)

Tampon Tax

Funded via DCMS through the VAT levied on sanitary products, UKCF is making grants across the UK, investing in a wide variety of projects that benefit women and girls, and that make a tangible and long-term difference to health, well-being and confidence.

16. Endowment Funds

	At April 2021 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Net Gains / (Losses) £'000	At 31 March 2022 £'000
Sir George Earle Charitable Fund	4,493	-	94	389	4,788
Education Fund	73	-	-	6	79
Relief of Poverty Fund	679	51	-	29	759
General Fund	2	260	-	10	272
Total Endowment Funds	**5,247**	**311**	**94**	**434**	**5,898**

	At April 2020 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Net Gains / (Losses) £'000	At 31 March 2021 £'000
Sir George Earle Charitable Fund	3,725	-	-	768	4,493
Education Fund	18	51	-	4	73
Relief of Poverty Fund	272	406	-	1	679
General Fund	2	-	-	-	2
Total Endowment Funds	**4,017**	**457**	**-**	**773**	**5,247**

As part of the Revitalising Trusts Programme with the Charity Commission, the Sir George Earle Charitable Fund was transferred to UKCF in 2018-19 and multiple other smaller value funds have been transferred to UKCF. Investment income from these funds are spent in accordance with their initial restrictions prior to transfer to UKCF. More detail on the restrictions relating to the Sir George Earle Fund can be found in note 15. Income from the other funds must be spent respectively on Education, Relief of Poverty or more broadly for the General Fund.

17. Analysis of net assets between funds

	Unrestricted £'000	Restricted £'000	Endowment £'000
Net current assets	625	803	90
Investments	-	-	5,808
Net assets at 31 March 2022	625	803	5,898

	Unrestricted £'000	Restricted £'000	Endowment £'000
Net current assets	908	2,025	200
Investments	-	-	5,047
Net assets at 31 March 2021	908	2,025	5,247

18. Comparative Statement of Financial Activities (31 March 2021)

INCOME AND ENDOWMENTS FROM:	Unrestricted Fund £'000	Restricted Funds £'000	Endowment Funds £'000	2021 Total £'000
Grants	390	8,572	-	8,962
NET Grants	430	73,154	-	73,584
Donations	83	12	-	95
Subscriptions	345	-	-	345
Other	193	-	-	193
Total income	1,441	81,738	-	83,179
Endowment transfer	-	-	457	457
Investment income	1	98	-	99
Management Fees from endowment	43	-	-	43
Total income and endowments	1,485	81,836	457	83,778
EXPENDITURE ON:				
Raising funds	77	-	-	77
ICT services	222	-	-	222
Member services	945	-	-	945
Projects and programmes	45	46	-	91
Grant payments	-	8,715	-	8,715
NET Grant payments	-	72,977	-	72,977
Total expenditure	1,289	81,738	-	83,027
Net income/(expenditure)	**196**	**98**	**457**	**751**
Transfers between funds	52	(52)	-	-
Other recognised gains/(losses):				-
Investment gains/(losses)	-	-	773	773
Net movement on funds	**248**	**46**	**1,230**	**1,524**
Reconciliation of funds				
Total Funds Brought Forward	660	1,979	4,017	6,656
Total Funds Carried Forward:	**908**	**2,025**	**5,247**	**8,180**

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REFERENCE AND ADMINISTRATION DETAILS

Status:	The organisation is a charitable company limited by guarantee, incorporated on 7 October 1991 and registered as a charity on the 11 October 1991.
Governing document:	The organisation was established under a memorandum of association on 7 October 1991 and amended on 2 December 1993, 17 July 1996, 21 October 1998, 19 January 2000, 27 April 2001, 23 April 2003, 17 November 2010, 19 March 2013, 16 November 2016 and 10 December 2020 which established the objects and powers of the organisation and is governed under its articles of association.
Company number:	2651777
Charity number:	1004630
Registered Office and Operations address:	Unit 1.04, 9 Brighton Terrace, London, SW9 8DJ.
Honorary Officers:	President – Lord Michael Hastings CBE Chair – Andrew Tuggey CBE DL Treasurer – Colin Seccombe MBE (to 8 September 2021) Treasurer – David Mark Spofforth OBE (from 8 September 2021)
Members of the Board/ Trustees:	Toby Anstruther Gill Bull (from 4 November 2021) Michelle Cooper MBE John Gordon Helen McEachern (from 4 November 2021) Anushka Nagpal (from 4 November 2021) Kevin Richmond Timothy David Rossington (to 4 November 2021) Colin Seccombe MBE (to 4 November 2021) Stephen Singleton MBE David Mark Spofforth OBE Kayathiri Supramaniam (from 4 November 2021) Andrew Tuggey CBE DL Thomas Van Oss Emma-Jane Watchorn (from 4 November 2021)

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Chief Executive:	Rosemary Macdonald BEM
Company Secretary:	Ian Smith (to 16 February 2022) Rosemary Macdonald (from 16 February 2022)
Bankers:	CAF Bank Ltd, Kings Hill, West Malling, Kent ME19 4TA
Investment Managers:	CCLA Investment Management Ltd, Senator House, 85 Queen Victoria Street, London EC4V 4ET
Auditors:	Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG Haysmacintyre LLP has indicated their willingness to continue in office and is deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.
Members' Liability	Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of Members at 31 March 2022 was 47.
Trustees' Indemnity Insurance	During the year, trustees were covered by Directors' and Officers' insurance.

UK COMMUNITY FOUNDATIONS

England & Wales - Charity number 1004630

Accounts

UK COMMUNITY FOUNDATIONS

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Company Number: 2651777
Charity Number: 1004630

UKCOMMUNITY FOUNDATIONS

GIVING FOR LOCAL GOOD

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INTRODUCTION

UK Community Foundations (UKCF, charity number 1004630) is the national membership organisation for all accredited community foundations across the UK. In addition to being place-based grant-makers, community foundations are community leaders, convenors and catalysts. They encourage and develop local philanthropy; we help people and organisations invest in local communities where it is most needed and where it will make the most impact. Our vision is of a society where local philanthropy is the norm and where communities will be able to help all those in need.

Who we are

Our network consists of 47 accredited community foundations and three overseas members. We cover the whole of the United Kingdom and we have an unparalleled reach into local communities. Each community foundation has an in-depth understanding of its local area, what the priority needs are and how best to address these needs. This understanding and community knowledge is the result of extensive local research. Community foundations are thus able to advise donors on how best to fund local causes most efficiently and effectively.

Community foundations are the best way for local people and organisations to give right to the heart of their communities wherever they live across the UK. They address the widest possible range of issues and intervene in the hardest to reach communities.

What we do

Community foundations support and fund local projects and organisations at the grassroots level across a wide range of local issues, such as poverty alleviation, emergency crisis response, youth engagement, isolation and mental health. The causes we fund are as diverse as the communities we engage with.

Community foundations are community convenors and leaders, able to harness and influence local resources to achieve community benefit. We are able to bring disparate people and agencies around the table to achieve meaningful social change.

Community foundations are focussed on local philanthropy, as endowed charities they build a sustainable source of funding from and for their local communities.

The network of accredited community foundations gives grants totalling around £100 million annually (2020-21 increased to almost £175 million due to COVID-19 related programmes). This makes us, collectively, one of the UK's largest grant-giving organisations. Over the past

INTRODUCTION

20 years, donors have given over £1 billion to and through community foundations to address local need. This demonstrates how the philanthropic spirit in the UK has secured long term and sustainable benefit for communities and achieved lasting social change.

CHAIR'S REPORT

2020-21 was an extraordinary year for UKCF and for the whole community foundation network; full of change, challenges and achievements. This annual report marks and celebrates those achievements, which resulted in £81.7 million being distributed to meet and sustain the needs of our communities across the UK, in what were extremely tough circumstances. The report also looks forward to the future, to a vibrant and thriving UKCF and community foundation network.

COVID-19 hit UK and in March 2020, lockdown began. Early that year, Fabian French, our CEO, stepped down. The UKCF Board thanks Fabian for his leadership at the helm of UKCF over the previous five years.

Fortunately, Wiltshire Community Foundation generously released its CEO, Rosemary Macdonald, to be appointed UKCF's interim CEO in March 2020. Later, after an open recruitment process, Rosemary was appointed to be UKCF's new, permanent CEO in July.

As lockdown began, it had become apparent that UKCF and all community foundation members would have to work together in a new and different way to support and sustain our communities though the pandemic. The National Emergencies Trust (NET) launched its COVID-19 appeal in March 2020 and UKCF was delighted to work with NET as its main distribution partner.

Straight away, our members commenced the distribution of huge amounts of funding to communities across the UK. It was an amazing success, made even more impressive because teams throughout the network had transitioned from working in comfortable and collegiate offices to working from home, frequently in pretty stressful circumstances, to manage very large volumes of funding. UKCF and the network celebrate the tremendous achievement of distributing £75.6 million of NET funding to our communities between March and October 2020 (£2.6 million of which was distributed in financial year 2019-20). Other funding brought that total to £81.7 million of grants distributed for the financial year 2020-21. I am extremely proud of UKCF and our members.

The staff team at UKCF also underwent significant change. Team members were furloughed and others departed to seek openings elsewhere. This gave UKCF an opportunity to rethink its strategic direction and to build a new team for the future. Eleven new team members were recruited during 2020-21. Now UKCF team members work remotely from across the UK, which improves our diversity and better reflects the communities we serve.

UKCF undertook a governance review during the year. A nominations committee was appointed to run the election process for trustees from the membership and to oversee the appointment of independent trustees to the board. A new board of trustees was voted in at the virtual AGM on 23 October 2020 and six new independent trustees were co-opted to the

board on 23 June 2021. A new set of articles was approved at a virtual EGM on 10 December 2020.

Michelle Cooper, Kevin Richmond, David Rossington, Mark Spofforth and Tom Van Oss were elected to the board as new trustees from the membership. Toby Anstruther, John Gordon, Stephen Singleton and I (Andrew Tuggey) were re-elected as member trustees. Colin Seccombe remained on the board as an independent trustee.

Following a rigorous recruitment process supported by Green Park, specialists in helping boards to strengthen and diversity their membership, we were delighted to welcome independent trustees Daniel Anjorin, Gill Bull, Helen McEachern, Anushka Nagpal, Kayathiri Supramaniam and Edge Watchorn to the board on 23 June 2021.

The UKCF board now comprises 16 trustees, nine from the membership and seven independents.

I thank Jerome Booth, Jan Garrill, Niamh Goggin, Andrew McCracken, Victoria Miles, John Nickson, Paul Palmer, Arthur Roberts and Martha Wilkinson for their service as trustees during 2020-21.

2020-21 was a year in which the equity, diversity and inclusion (EDI) of both UKCF and the network gained the importance it deserves. We were challenged fairly in relation to our commitment to racial justice and the equitable distribution of our funding. EDI has now been made a priority for UKCF and all community foundations. Following the publication of our EDI policy in October 2020, UKCF appointed a Director of EDI, Kaveed Ali, to provide the strategic lead at UKCF and for the network. This is a new chapter in our EDI journey and I look forward to reporting progress in coming years.

Following through from 2020-21, UKCF looks ahead with confidence. There are new strategic priorities; strengthening the network, building the UKCF profile, unlocking resources and building a thriving UKCF, with EDI, digital transformation and communications woven through the fabric of our work.

Reflecting on thirty years of co-operation and collaboration and looking ahead, UKCF is at an exciting point in its history, ready to inspire and equip our members to serve their communities as the UK recovers from the pandemic and all its challenges.

Andrew Tuggey CBE DL

UKCF Chair

REPORT OF THE BOARD

The Trustees present their annual Trustees' Report, incorporating the strategic report, together with the audited accounts of the charity for the year ended 31 March 2021.

1. UKCF'S VISION, MISSION, VALUES AND GOALS

Vision - A National Voice for Local Communities. Community foundations have a UK-wide reputation as agile agents for change for every local community – addressing need through vibrant local philanthropy and giving, sustainable charitable funding and local partnership working – and are recognised as an integral element of any national discussions relating to local communities.

Purpose. To position community foundations at UK national level as the partner of choice for empowering local communities.

Mission. To provide inspirational leadership and advocacy at UK national level for community foundations across the UK by delivering training, resources and a national profile to enhance and sustain their support of local communities.

UKCF Values. Why are we here? We believe in justice and fairness. Everyone should have the opportunity to have a fulfilling life and to feel they belong. This cannot be mandated by government, or done to people, only with them. Change needs to come from within communities, driven by people who understand the local situation and our support makes this possible. We understand the challenges, will find the funding and work with those who have the solutions to improve lives.

- We put **inclusivity** at the forefront of all we do:
    - Valuing diversity of experience and thought
    - Ensuring all voices are heard
    - Challenging and dismantling barriers wherever we find them
- We put **relationships** first:
    - Everything we achieve will be done with and through others
    - Demonstrating integrity, openness, honesty, and care in all we do
    - Empowering networks that support places to thrive

- We are **ambitious** for members and the communities they support:
    - Valuing future generations
    - Focussing on underlying causes not symptoms
    - Constantly challenging our knowledge and practice

Overarching Strategic Goals

1. **Strengthen the Network**: We shall work to ensure that each of our members has the skills and capacity to meet the needs of their communities by offering a range of services that add value to members of all sizes, based on members' needs and interests.

2. **Build Profile**: We shall improve our visibility with government and other influencers to position community foundations as the partner of choice and experts on place-based social change by enhancing our communications and developing a policy platform and a clear and unified voice.

3. **Unlock Resources**: We shall generate investment in the network from a wide range of philanthropists, donors and partners by building a strong case for support of community foundations and UKCF.

4. **Build a Thriving UKCF**: We shall create an exemplar organisation that has the confidence of members, is sustainable and a great place to work, by investing in our people, systems, processes, and leadership.

Special Projects

1. **Equity Diversity and Inclusion**: In order to improve our diversity, scrutiny and decision making, we have appointed an EDI Director who will be responsible for ensuring that all aspects of our work take equity, diversity and inclusion on board. During 2021, they will be focussed on, embedding best practice across our grant-making, philanthropy, communications, governance and operations at UKCF, and then sharing our EDI learning and experience across the network.

2. **UN Sustainable Development Goals**: The UN Sustainable Development Goals provide a framework which neatly explains the wide range of work that community foundations do. By adopting the goals and targeting the 2030 timeframe, we will have

a methodology for measuring our impact, a communication hook, and the ability to position community foundations on the national and international stage.

3. **Digital Transformation**: Improving our use of digital is a key focus for UKCF and the members. The digital transformation project will reach into every area of UKCF's operation from grant-making and impact measurement, to communication, finance and membership services. We will improve the systems used by members, especially our CRM which is managed centrally and requires development. Being able to operate in a smooth and agile way will benefit our members, and stakeholders.

2. UKCF'S OBJECTS, OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

During the year, the Board of UKCF has complied with the duty set out in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission (England and Wales) when reviewing UKCF's aims and objectives and in planning future activities. In particular, the Board has considered how planned activities will contribute to the aims and objectives they have set.

The objects of UKCF are:

- To promote and improve the efficiency and effectiveness of community foundations in direct pursuit of their objectives, in such a manner as may be thought fit and in particular by raising and distributing funds for application for the general purposes of such foundations;
- To advance the education of the public in the work of such foundations; and
- To promote other charitable purposes of benefit to the community.

The changes or differences that UKCF seeks to make are:

- We are the only national network of funders with a physical presence in every part of the UK. We are part of, invest in and learn from those who know what needs to be done in partnership with our local communities. Harnessing the scale, impact and passion of our members to raise our profile, reputation and expertise is what UKCF does; bringing together the rich tapestry of community foundations across the UK to deliver a collective voice for all.
- Place-based funding is what makes our community foundations special. Our members are embedded in their place, understand the challenges their communities face and

are tireless in their pursuit of better opportunities for all. They pursue long term change for their communities and the people that live there, they can't do this unless they understand the local context, work with others, manage multiple interventions and learn and adapt their approaches over time. Their interventions include making grants to charities and individuals, working in partnership with key stakeholders, encouraging local philanthropy to build endowment.

- Local philanthropy matters. Building local philanthropy is at the heart of what we do, so we can provide funding to those who need it into the future. The first community foundation was set up in America in 1914, as a way for the Cleveland Trust Company to manage multiple small endowments for the benefit of Cleveland. Like other philanthropists at the time, they had trouble finding beneficiaries for their grants, and needed to improve efficiency. The solution they came to was to design a model that would look at the root causes of problems in communities rather than being cause specific, engage local people in decision making and be more efficient. This is the model we have today: multiple small endowments, held by community foundations. Our endowments are crucial to communities as other sources of funding reduce.

3. ACHIEVEMENTS AND PERFORMANCE

2020-2021 was one of the most challenging years UKCF and our members have had. Two weeks into the financial year the scale of the pandemic became evident, and the world went into lockdown. This brought a halt to business as usual as everyone transitioned to working from home.

Emergency Funding in the Pandemic

The National Emergencies Trust (NET), one of our strategic partners, responded to the emergency by launching a fundraising appeal. By 18 April NET had raised £8.2 million which UKCF distributed to our members across the UK to support their communities. By June 2020, we distributed £30 million to members and, by October, £75 million from the NET Coronavirus Appeal. This was distributed by our members to nearly 11,000 charities and community groups across the UK over that period.

In addition, we distributed grant-funding from the Department of Culture Media and Sport, Barclays, 3i, Direct Line Insurance and the Worshipful Company of Weavers. We also distributed funding from our endowment funds, The Sir George Earle Fund and a Trust Transfer flow through funding from Sick Man's Friend Society. Total funds of £79.5 million

were distributed to our members for COVID-19 support and recovery work across 2019-20 and 2020-21.

The issues that received the most funding during the pandemic were food and essentials, mental health support, information and advice, and digital and social isolation.

To distribute this amount of funding during a very short time was an achievement. Due to the speed at which things happened, we were building the systems for our coronavirus appeal programme, while it was underway. This led to our data capture not being as accurate as is should have been. We were challenged by Charity So White during the pandemic to show that we had distributed 20% of our funding to BAME led groups. We re-analysed thousands of grants against more stringent criteria to establish whether we were close to the benchmark. Once this exercise was completed, it was proved that we had distributed nearly 20% of our funding to BAME led groups.

It became apparent through our review that the infrastructure for BAME groups was less well developed than for other parts of the sector. This led to NET establishing a BAME fund of £1 million, which we were delighted to manage, to build links with BAME infrastructure organisations across the country to increase our reach into those communities.

Staffing

We had been fortunate to move to Sharepoint in the period immediately before the lockdown; this considerably aided our transition to working from home. However, during the year, we had to furlough two members of staff, who subsequently both decided not to return to UKCF and unfortunately lost a number of other members of the team. This resulted in considerable pressure on the remaining team to deliver the unprecedented level of funding described above. We are deeply thankful for their commitment during this difficult time.

We updated our staff policies and procedures to ensure we were delivering our duty of care to our team. This included the adoption of a mental health wellbeing app which provides a range of support and advice to our team free of charge. We also held training sessions for the team on working from home, increased our check ins with individuals and were flexible for those with home schooling or caring responsibilities.

Once the immediate emergency passed, we began recruiting new team members, using a blind recruitment tool called Beapplied and we now have eleven new people in the team. Having made the decision to become a remote organisation, we developed a new induction process and we have recruited from across the country, making our team more

representative of our members. Most of the new team replaced those members who left, but we have three new positions: a Director of Business Development and External Affairs, a Director of Equity Diversity and Inclusion, and a Head of Digital.

Members

As with all membership bodies, the challenges of managing 47 UK members and three overseas members are not to be underestimated. The pandemic provided opportunities to increase our support for members. The NET became our largest donor, providing unprecedented funding for our members and into their communities. The amount of teamwork required to deliver that programme was significant and the members pulled together magnificently. The Senior Leadership Team focussed on improving communication, including a weekly CEO's update meeting on zoom attended by over 40 community foundations each week. In normal times, the CEOs would get together three or four times a year, so the opportunity to speak every week, share challenges and encourage each other, was greatly valued by our members. The Programmes Team held weekly webinars with the grants teams across the network, and our marketing and comms activity also increased dramatically. We provided free access to our PR agency for any community foundation requiring crisis communications.

We set up series of "CEOs' Conversations", which provided a confidential space for CEOs to share what they were most concerned about which was well received.

Our leadership programme continued, albeit with a slight delay and in a remote form, and Cohort 3 has now graduated and satisfaction with the programme is high.

We held consultations with members on the development of the new strategy, and our governance review. It is pleasing to note that engagement has been high, facilitated by online meetings. We have engaged with trustees as well as community foundation staff.

The Chair of Trustees has held numerous Chairs Webinars to build relationships across the network and to focus on topics of interest, including EDI and philanthropy. This has been important, as we have has many new Chairs of Trustees appointed across the network.

PR and Marketing

We appointed a PR agency, PHA, to build our profile and have been successful in appearing in a range of national newspapers and trade press. These included the Independent, the Financial Times, the Mirror, the i, the Charity Times and others.

Our social media presence has also improved. Since January 2020, our tweets have been viewed 1,082,000 times. This is up 172,000 on the same period last year which represents a 16% increase. Since January last year our followers on LinkedIn have grown by over 160%. Twitter followers have grown by 2,000 since September 2019 which represents a 40% increase.

We have published two reports about the work of community foundations during the pandemic, one as an update on the emergency funding and a second sharing the results of a survey of members, about the future post pandemic.

We have launched a new website and have updated our branding.

Governance

During 2020-21, we undertook a governance review, following the Charity Commission's Code of Governance Framework, with an independent firm, The Connectives, advising us. We held a consultation with members, including trustees of community foundations, to discuss our challenges and to gather views from the network. The outcome of our work with The Connectives and members was a clear desire for a more diverse board of trustees at UKCF, a clearer selection and appointment process for UKCF trustees and a new set of articles.

A new Nominations Committee was put in place to guide us through the trustee recruitment process. We are required to have trustees from our membership in the majority on our board and have the capacity to appoint independent trustees to make sure the skills on the board are appropriate for our strategic needs.

We held an election at our AGM in October to appoint trustees from the membership. We then began the process to find independent trustees. At our June 2021 meeting six new independent trustees were co-opted and will be officially appointed at our AGM in November 2021.

We would like to thank The Connectives for their work during this review. We would also like to thank Alan Banes from Howard Kennedy LLP for his support and guidance in updating our articles and Tom Ward for his generous donation to help fund this governance review.

Further information regarding UKCF's governance is provided in section 4 of this report.

IT and Digital Transformation

We have been working with Digital Wonderlab to develop a new digital transformation strategy. Consultation with members has taken place and a skills audit across UKCF has been undertaken. There is considerable work to do in this area, to improve our use of Salesforce, move into a "digital first" mentality and to improve communications between UKCF and members. Data management was highlighted as a weakness during the pandemic and is a priority area to resolve. We have undergone Cyber Essentials accreditation and will achieve Cyber Essentials Plus accreditation by September 2021. We are building a communications hub for members and UKCF to access to streamline our multiple communication channels. We have appointed a new Head of Digital who will lead this work on our behalf.

The Revitalising Trusts Programme

The Revitalising Trusts Programme (RTP) was formed to help struggling trustees of inactive or ineffective trusts to revitalise their charities and put their trust assets back to work for the public benefit in local communities. The programme was overseen by a steering group made up of all three organisations involved with the programme: The Office for Civil Society (now Civil Society and Youth)/DCMS, The Charity Commission (CC) and UKCF. The steering group ran between January 2018 until the end of March 2021.

Ineffective trusts are defined as trusts that are struggling to spend 30% of their income over a five year period. Inactive trusts are defined as those that have no income or expenditure reported over five year period. The RTP, which began in January 2018 and continues today, seeks to release funds from these inactive and ineffective trusts in one of several ways. One of these ways, recommended by the CC, is for the inactive trust's capital to be transferred to the relevant community foundation. This is done through a streamlined process to enable funds to be released quickly and spent exactly as they were meant to be – on excellent projects at the heart of their communities.

Since its launch in 2018, the programme has revitalised £51.9 million to help good causes, with £21.3 million revitalised in Year 3 alone. Of this amount, £18.2 million has been transferred to the community foundation network and UKCF. The remainder has been revitalised through modernising the purpose of the relevant trust, with the trustees continuing to provide local management, or the funds have been transferred to another local charity.

At the time of writing, UKCF and the network has a substantial pipeline to work through which we hope will result in an increase in endowment for a number of foundations.

Towards the end of 2020-21, progress had been made towards moving trusts through to the final stages of the programme – when the CC enacts its powers to place UKCF as trustee for those trusts which have not responded. This is an exciting development and we look forward to reporting on this in the next annual report.

The RTP is also developing across the UK, with the programme commencing in Wales, as well as Foundation Scotland and The Community Foundation Northern Ireland establishing their own versions. UKCF is proud to be supporting these foundations with this work.

The programme has proved to be a major success due to the partnership and funding from DCMS, and therefore the CC and UKCF have decided to continue with the programme permanently. To facilitate this, UKCF has employed a permanent member of staff to deliver the programme, which was previously delivered by an external consultant, underlying our commitment to the programme over the long term.

UKCF Core Funding

UKCF's overall financial position improved during the year, mainly due to increased income from the NET Programme combined with a close focus on costs and the inability to continue with certain projects during the pandemic. Whilst 1% was available, we decided to take a contribution of only 0.5% to overheads throughout the NET programme. The total value of grant-making available through the programme made it the largest programme we have ever delivered, and the 0.5% contribution helped to strengthen our finances during a difficult time.

CS Mott Foundation, John Armitage Charitable Trust and CCLA were the largest donors to core costs and we continue to be very grateful to these wonderful organisations for their ongoing support.

Membership Fees

Our membership fees are based on a percentage of the endowment of each individual community foundation so that community foundations with larger endowments pay higher fees than those with smaller endowments. This demonstrates the values of the network in that larger community foundations help to ensure the prosperity and growth potential of their smaller colleagues.

Lower fees are charged to our overseas members as they have limited access to membership benefits compared to our UK accredited members.

Membership fees made up 27% of unrestricted income in the year (excluding pass-through income for IT subscriptions).

UKCF Endowment

As a result of the Revitalising Trusts Programme, UKCF holds £5.2 million (2020: £4.0 million) in its own endowment fund. This arises from transfers of inactive or dormant trusts which have a national or UK-wide objective. The endowment from these trust transfers is held by UKCF but the grants from the income generated are made by individual community foundations. UKCF receives an annual contribution to overheads for holding and administering the central endowment and the funds have been invested in CCLA COIF funds. The Community First Investment Committee (a committee of the UKCF Board) has oversight of the funds but reports regularly to the network.

Fundraising

UKCF does not actively fundraise from members of the public, and no third-party fundraisers are used by the Charity. Donations are, however, gratefully received and accepted. The majority of our funding comes directly from grants and other institutional funders. We have not received any complaints in respect of fundraising. We are registered with the Fundraising Regulator.

National Programmes

Over the past year, UKCF has continued to manage many national programmes for government or corporate donors, which are distributed by some or all our members.

The grants made in respect of national programmes are delivered by members of the network rather than by UKCF itself. UKCF's role is to arrange, administer and report on these programmes to the grantors who prefer to have a single point of contact.

UKCF has consolidated relationships with funders and has successfully launched new programmes in addition to the emergency funding described above, including with Made by Sport and the Department for Digital, Culture, Media & Sport. Other programmes came to an end during the year, including The Nationwide programme as they moved the programme inhouse. We are in the process of delivering the final report for Nationwide. We are very thankful to Nationwide for being flexible and allowing the participating foundations to repurpose the funds towards COVID-19 recovery.

For the year 2020-21, UKCF was responsible for programmes that distributed £81.7 million of charitable funding through the organisation's national network of 47 community foundations and other partners. This figure compares with £15.1 million in the previous year, the large increase being due to the NET Coronavirus Emergency Appeal.

This funding was distributed on behalf of 13 different partners, two more than last year:

- 3i: £0.2 million
- Barclays: £1.0 million
- Building a Stronger Britain Together (BSBT), for the Home Office: £0.1 million
- Cellnex: £0.1 million
- Department for Digital, Culture, Media & Sport Matched Fund: £2.2 million
- Direct Line: £0.1 million
- Duchy of Lancaster: £0.1 million
- #iwill Fund, for National Lottery Community Fund: £0.3 million
- Made by Sport: £4.4 million
- National Emergencies Trust: £73.0 million
- Sick Man's Friend: £0.05 million
- Sir George Earle: £0.1 million
- The Worshipful Company of Weavers: £0.03 million

UKCF has been very fortunate to have partners who were flexible during the pandemic. They allowed us to repurpose funding across the network so that the those most adversely affected by the pandemic could be supported. They also allowed for greater flexibility in reporting for which both the network and onward grant recipients were grateful.

4. STRUCTURE, GOVERNANCE AND MANAGEMENT

UKCF is a charitable company limited by guarantee with governance arrangements set out in the company's memorandum and articles of association.

UKCF is the national membership organisation for community foundations in the UK. Community foundation means a foundation established to generate funds from all sources (including money given to build endowments), to provide grants for charitable purposes related to the needs of a defined community. Community foundations thus provide services to donors and engage with others to strengthen local communities.

Full membership of UKCF is restricted to quality-accredited community foundations in the UK.

Some of our trustees are from our membership and some are independent, with members in the majority. We hold elections for UKCF trustees from our membership, whether they are trustees or staff of community foundations. Independent trustees are co-opted onto the board to bring experience and skills to bear that are considered necessary by the Board. This process is overseen by our Nominations Committee. Terms of office are a maximum of three terms of two years as a trustee.

The Board meetings fit into the planning cycle so that the Board can focus on developing strategy, approving the operational plan, agreeing the annual budget and reviewing lessons learned.

The Board of UKCF is the decision-making body for the company. The Board delegates powers to committees to recommend specific decisions to the Board consistent with the overall direction set by the Board. The committees in 2020-2021 were:

- Nominations Committee - charged with overseeing the recruitment of trustees and trustee training and development.
- Finance, Audit and Operations - charged with reviewing financial strategy and planning, audit, risk, human resources and major contracts.
- Community First Investment Committee – charged with oversight of the UKCF endowment and the community foundations' endowment established during the Community First Match Challenge Programme (see further below).

All trustees have an induction and are encouraged to attend training provided for them. However, most of them are either a trustee of other charities or employed by community foundations and therefore have significant current knowledge of charity practice and regulation. We do welcome those who have not been a trustee before and we provide the support needed, including a "buddying" system to help them develop the skills required of a trustee. Two of our co-opted trustees have not held a trustee position before. Many of the UKCF trustees attend third sector seminars and events and some are offered training and development opportunities by their relevant community foundation. All UKCF trustees attend UKCF's Symposium and the UKCF Conference which fall in alternating years. Both events have a programme of plenary speeches and workshops designed to develop the skills and knowledge of all attendees. In addition, the Board agenda includes updates on charity governance matters.

The legal and administrative information at the end of the financial statements forms part of this report.

5. INVESTMENT POLICY

UKCF's investment policy is to build and hold a significant endowment fund, created to support community foundations and their communities now and for generations to come. The intention is that UKCF will continue to develop its endowment from the transfer of dormant or inactive trusts with a national reach. Although legally the endowment could be treated as expendable, it will be held as a long-term capital fund in perpetuity, to provide income for current and future grant-making and to contribute to administration costs. As an incorporated charity, UKCF is unable legally to hold a permanent endowment.

UKCF's endowment was invested in CCLA COIF funds throughout the year and was moved to CCLA's COIF Ethical fund in July 2021. UKCF operates a total return policy which enables Investment Managers to invest funds for long-term growth. The objective of the fund is to produce as much total return as possible whilst seeking to maximise the long-term real value of the fund.

The Community First Investment Committee (a committee of the UKCF Board) has oversight of the funds and meets twice a year. The committee consists of experienced independent investment fund managers. The committee reports regularly to the membership network.

In addition, UKCF has responsibility for the oversight of the Community First Match Fund Challenge endowment which is held by individual community foundations. This oversight has been delegated to the Community First Investment Committee and is also invested in CCLA COIF funds.

6. FINANCIAL REVIEW

The statement of financial activities reports a surplus of £1,524k (2020: £4,320k deficit), including an unrestricted surplus of £248k (2020: £132k). The majority of the surplus is made up of an increase in endowment funds of £1,230k which is due to some new endowment income and investment gains during the year.

Total funds amount to £8,180k (2020: £6,656k). This includes unrestricted reserves of £908k (2020: £660k) which is made up of £413k of free reserves and £495k designated to particular projects.

Unrestricted funds are used for the day to day operations of UKCF. Excluding the ICT subscriptions, which are a fully recharged cost to our members, the unrestricted funds show

the income and expenditure required to operate UKCF. In comparison, restricted funds are pass through funds which we use for grant-making to our members, and, on very rare occasions, to other organisations. The only exceptions to this are restricted funds related to the leadership programme and the revitalising trusts programme which directly support activites at UKCF.

INCOME

Total income from grants, donations and subscriptions increased to £83,179k (2020: £11,897k). This is due to the NET COVID-19 appeal which generated income of £73,584k in the year (2020: £2,650k) and led to a record year for UK Community Foundations in terms of income and grant-making. Other large programmes that commenced in the year include Made by Sport and DCMS Match Funding. These replaced programmes that ended in the prior year (Nationwide, Building a Stronger Britain Together and Tampon Tax). Core funding increased slightly from 2020 and The C S Mott Foundation, the John Armitage Charitable Trust, and CCLA are to be heartily thanked for their generous and continued support of UKCF.

Additional income of £599k (2020: £441k) is recognised as related to endowment funds (this does not include investment gains). The majority is held as an investment fund, but this also includes investment income which is used to contribute to UKCF overheads and to be used for grant-making.

EXPENDITURE

Total expenditure increased to £83,027k (2020: £16,533k), as the result of increased grant-making from the NET programme. We delivered around 1,500 grants to our members (who then use each to make many smaller grants to groups in their local communities), which is double the amount of the previous year.

Unrestricted expenditure was similar to last year at £1,289k. During the year Governance costs were £29k (2020: £24k), which included costs relating to the governance review discussed above.

7. RESERVES POLICY

During the year the trustees reviewed the reserves policy, following the steps outlined in the Charity Commission's guidance CC19 *(Charity Reserves: building resilience)*. This involves: taking a detailed look at the restrictions on the funds and assets we hold; understanding the impact of risk; assessing the reliability of our sources of income and taking into account future plans. During the current year, this gave us a target range of £300k to £410k for our unrestricted general reserves (£250k - £340k in 2020). This increase is due to the increase in size of the organisation, our commitments going forward and the slight increase in the uncertainty around programme income in the coming years. For comparison this translates to 3-4 months of unrestricted expenditure.

The trustees believe this policy is a sensible balance between the need to maintain a secure long-term financial position and the desire not to hold excessive charitable funds that should be distributed. The trustees review the reserves policy every year.

At the balance sheet date, the unrestricted reserves of UKCF were £908k, which includes £495k designated reserves and £413k general funds, just above the top of our range. The 2021-22 budget and projection for 2022-23 includes planned investment of the designated reserves into our new strategy.

Designated Funds

Total designated funds at the year-end were £495k (2020: £36k). Designated funds comprise the following funds set aside by Trustees of UKCF:

- £104k is set aside for investment in specific strategic projects. This includes work on our digital strategy, setting up the network-wide equity, diversity and Inclusion plan, and various communications and information gathering activities. These activities are vital to ensuring a successful start to our new strategy period.

- £250k is set aside for the digital transformation project, in particular the development of an improved CRM system for our network. The funds would be spent towards building and implementing the improved system. This spend is expected to be split over the next two years.

- £141k is set aside for a potential return of funds related to the #iwill programme. This was a matched fund programme and the amount is under review.

Restricted Funds

At 31 March 2021, UKCF held restricted funds of £2,025k (2020: £1,979k) reflecting funds that were received in previous financial years that will be spent on specific projects in future years. For further detail see note 15 of the financial statements.

Endowment Funds

Funds transferred through the Revitalising Inactive Trusts programme (RTP) are held as endowment funds. The balance of this fund at the end of the year is £5,247k (2020: £4,017k). The Sir George Earle Charitable Fund, which is held as a linked charity (Charity number 1004630-1), makes up the majority of this balance. The proceeds of the endowment funds are used to contribute to UKCF overheads and to provide grants to be made by individual community foundations.

UKCF also has a second linked charity: Aid for the Aged in Distress (Charity number 1004630-2). The funds for Aid for Aged in Distress are in the process of being transferred and a reasonable estimate of the value of the funds are included in these financial statements at £200k.

8. RISKS

The trustees regularly review the major risks to which the charity is exposed. Systems and procedures are in place to manage these risks, with regular reports from the CEO at Board meetings. Mitigating actions are planned and prioritised and those with a financial implication are taken into account when setting the reserves policy.

The key risks are associated with the financial, operational and reputational risks associated with the delivery of UKCF's objectives. The most significant risk is a decline in income as a result of the loss of programmes or core funding grants. To mitigate the risks of a reduction of income, UKCF is actively pursuing new programmes and core funding opportunities. We have a new Director of Business Growth and External Affairs who is beginning to build up a pipeline to secure funding for the future. Following the focus on the NET programme, a reduction in income is expected in 2021-22 and plans have been agreed to enable us to reduce our expenditure as required during this period.

In addition, with the transition to a home working organisation, there is currently strong focus on risks associated with cyber security and delivering our digital transformation project on

time and to budget. We have recruited a new Head of Digital post to lead on this delivery and are working with consultants to support the work. We will work to make our systems even more secure and provide training to staff in the first half of 2021-22, and plan to obtain cyber essentials plus certification.

9. UKCF GOING CONCERN

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the charity's forecasts and projections and have taken account of pressures on donations income.

The COVID-19 pandemic has been a time of unprecedented grant making for UKCF, most notably we became the main distribution partner for the NET COVID-19 appeal alongside funding from other institutions. The core funding contribution from these programmes has enabled us to strengthen our finances during a difficult time to ensure that we can continue to deliver going forward.

After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity, therefore, continues to adopt the going concern basis in preparing its financial statements.

10. PLANS FOR THE FUTURE

As discussed in Section 1 of this report, we have developed a new strategic plan for the next three years. The below provides some more detail on what activites we plan to undertake over the next three years.

1. **Strengthen the Network**: To ensure that each of our members has the skills and capacity to meet the needs of their communities by offering a range of services that add value to members of all sizes, based on members needs and interests.

To develop tailored learning and support plans for our members based on the results of our quality accreditation process, which will be completed in October 2021

2. **Build Profile**: To improve our visibility with government and other influencers to position community foundations as the partner of choice and experts on place based social change by developing a policy platform and a clear unified voice.

   To build our network of partners and agree a policy platform with members

3. **Unlock Resources**: To generate investment in the network from a wide range of donors and partners by building a strong case for support of community foundations and UKCF.

   With a focus on developing corporate, philanthropy and government partnerships who wish to focus their funding in local communities

4. **Build a Thriving UKCF**: to create an exemplar organisation that has the confidence of members, is sustainable and a great place to work, by investing in our people, systems, processes, and leadership.

   To complete the transition to working from home, focussing on digital transformation and robust training and development plans for the team

11. REMUNERATION POLICY

The trustees consider that the Board of UKCF and the Senior Management Team comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating it on a day to day basis. All trustees give their time freely and no trustee remuneration was paid in the year. Details of trustee expenses are disclosed in note 12 to the accounts.

Trustees are required to disclose all relevant interests and register them with the CEO or Company Secretary and, following UKCF's policy, withdraw from decisions where a conflict of interest arises.

The pay of the CEO is reviewed annually taking into account movement in average earnings and the relativity with the average salary of other employees. The remuneration of the CEO and her senior reports is bench-marked with grant-making charities of a similar size and activity to ensure that the remuneration set is fair and comparable with that generally paid

for similar roles. A cost of living increase was awarded to all staff who had been in post for a year in April 2020.

12. IMPACT

UKCF's impact is considered in relation to the support we provide to our membership and the impact our members have on their communities with funding provided by us.

During the year, we focussed on supporting our members to deliver their work in the pandemic. We provided support to our CEOs by taking advantage of zoom to hold weekly update meetings, which was attended by approximately 40 of our CEOs each week. We also had confidential sessions for CEOs to share their concerns with peers, which were greatly valued. We developed an open and supportive culture discussing the difficulties of managing teams remotely, mental health, along with operational matters. We engaged with the trustees of our members, running webinars, including them in consultations on governance, strategy and digital transformation. As a result relationships have been strengthend across the network.

Our members benefited from unprecedented levels of funding for communities during the year. UKCF secured the funding, managed the relationships with the donors, and worked with members to provide reports to the donors. The impact of the funding can be found in our two reports published during the year, available on our website.

2021 was an exceptional year, with challenges and opportunities. Our relationships with our members have been greatly enhanced and our understanding of them as individual organisations has improved, leading to us all being very optimistic fo the future.

13. TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees (who are also Directors of UK Community Foundations for the purposes of company law) 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.)

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- State whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

14. AUDIT INFORMATION

So far as each of the trustees, at the time the trustees' report is approved, is aware:

- There is no relevant information of which the auditors are unaware; and
- They have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

15. MEMBERS' LIABILITY

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of Members at 31 March 2021 was 46.

16. TRUSTEES' INDEMNITY INSURANCE

During the year, trustees were covered by Directors' and Officers' insurance.

17. AUDITORS

Haysmacintyre LLP has indicated their willingness to continue in office and is deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

The Trustees' report, including the strategic report, was approved by the Board on

22 September 2021

Signed on its behalf by .....

Andrew Tuggey

Chair and Trustee, UK Community Foundations

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK COMMUNITY FOUNDATIONS

OPINION

We have audited the financial statements of UK Community Foundations for the year ended 31 March 2021 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 charitable company's affairs as at 31 March 2021 and of the charitable company's net movement in funds, including the income and expenditure, 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 Companies Act 2006.

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 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 Charitable Company'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 Trustees' Report and the Chair's 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or

- the charitable company financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of trustees' remuneration specified by law are not made; 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 in section 13, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company 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 Charitable Company 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 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 Companies Act 2006, the Charities Act 2011, Charity SORP, 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 posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the income recognition policy applied to grant income. Audit procedures performed by the engagement team included:

- Inspecting 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;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Siobhan Holmes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP,
Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 15 November 2021

UK COMMUNITY FOUNDATIONS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

		2021				2020
		Unrestricted Fund	Restricted Funds	Endowment Funds	Total	Total
INCOME AND ENDOWMENTS FROM:	**Notes**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Grants		390	8,572	-	8,962	8,578
NET Grants		430	73,154	-	73,584	2,650
Donations		83	12	-	95	85
Subscriptions		345	-	-	345	338
Other		193	-	-	193	246
Total income	3	1,441	81,738	-	83,179	11,897
Endowment transfer		-	-	457	457	296
Investment income		1	98	-	99	97
Management Fees from endowment		43	-	-	43	48
Total income and endowments		1,485	81,836	457	83,778	12,337
EXPENDITURE ON:						
Raising funds	5	77	-	-	77	82
ICT services	5	222	-	-	222	220
Member services	5	945	-	-	945	908
Projects and programmes	5	45	46	-	91	210
Grant payments	4	-	8,715	-	8,715	12,463
NET Grant payments	4	-	72,977	-	72,977	2,650
Total expenditure		1,289	81,738	-	83,027	16,533
Net income/(expenditure)		**196**	**98**	**457**	**751**	**(4,195)**
Transfers between funds		52	(52)	-	-	-
Other recognised gains/(losses):					-	
Investment gains/(losses)	16	-	-	773	773	(125)
Net movement on funds		**248**	**46**	**1,230**	**1,524**	**(4,320)**
Reconciliation of funds						
Total Funds Brought Forward		660	1,979	4,017	6,656	10,976
Total Funds Carried Forward:	14,15,16	**908**	**2,025**	**5,247**	**8,180**	**6,656**

No separate income and expenditure account, as required under Companies Act 2006, is presented here as the only difference between the net surplus for the year of £751k (2020: deficit of £4,195k) and the net surplus for the year as defined by the companies Act of £294k (2020: losses £4,491k) is income from endowments of £457k (2020: £296k).

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

A full comparative Statement of Financial Activities is included at note 18.

The notes set out on pages 35 to 50 form an integral part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £'000	2020 £'000
FIXED ASSETS			
Investments	8	5,047	3,817
Total fixed assets		5,047	3,817
CURRENT ASSETS			
Debtors	9	374	310
Cash at bank and in hand		3,467	3,391
Total current assets		3,841	3,701
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	10	708	862
NET CURRENT ASSETS		3,133	2,839
TOTAL NET ASSETS OR LIABILITIES	17	8,180	6,656
The funds of the charity:			
Total unrestricted funds	14	908	660
Restricted income funds	15	2,025	1,979
Endowments	16	5,247	4,017
TOTAL CHARITY FUNDS		8,180	6,656

The financial statements were approved and authorised for issue by the Trustees on 22nd September 2021 and signed on their behalf by:

Andrew Tuggey

The notes set out on pages 35 to 50 form an integral part of these financial statements.

UK COMMUNITY FOUNDATIONS

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

	2021 £'000	2020 £'000
Net cash flow from operating activities:		
Net cash provided by/(used in) operating activities	533	(3,326)
Cash flow from investing activities		
Purchase of Investments	(457)	(96)
Net cash (used in) investing activities	(457)	(96)
Net change in cash and cash equivalents in the reporting period	76	(3,422)
Cash and cash equivalents at the beginning of the reporting period	3,391	6,813
Cash and cash equivalents at the end of the reporting period	3,467	3,391

Reconciliation of net income/(expenditure) to net cash flow from operating activities	2021 £'000	2020 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	1,524	(4,320)
Adjustment for:		
(Gains)/losses on investments	(773)	125
(Increase)/decrease in debtors	(64)	304
(Decrease)/increase in creditors	(154)	565
Net cash provided by/(used in) operating activities	533	(3,326)

Analysis of cash and cash equivalents	2021 £'000	2020 £'000
Cash in hand	3,467	3,391
Total cash and cash equivalents	3,467	3,391

During both the current and prior year, all cash and cash equivalents were held as cash at bank or in hand. At no stage did the charity have any borrowings, including overdrafts and finance leases, during this time, therefore no debt note has been disclosed.

The notes set out on pages 35 to 50 form an integral part of these financial statements.

1. Accounting Policies

Company Information

UK Community Foundations is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 1.04, 9 Brighton Terrace, London, SW9 8DJ.

Basis of Preparation

The financial statements have been prepared under the historical cost convention (with the exception of investments which are stated at market value) and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (Charities SORP second edition), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the Charitable Company. Monetary amounts in these financial statements are rounded to the nearest £'000.

Linked Charities

UKCF has two linked charities: The Sir George Earle Fund (Charity number 1004630-1) and Aid for the Aged in Distress (Charity number 1004630-2). These have both been transferred as part of the Revitalising Trusts programme. The Sir George Earl Fund has been fully transferred and all income and expenditure is included as part of these financial statements. The funds for Aid for Aged in Distress are in the process of being transferred and a reasonable estimate of the value of the funds are included in these financial statements at £200k.

Going concern

The COVID-19 pandemic has been a time of unprecedented grant making for UKCF, most notably we became the main distribution partner for The National Emergencies Trust COVID-19 appeal alongside funding from other institutions (full detail is included in the Trustees Report). The core funding contribution from these programmes has enabled us to strengthen our finances during a difficult time to ensure that we can continue to deliver going forward.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and have taken account of pressures on income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Income

Income generated from the supply of goods or services is included in the statement of financial activities in the period in which the supply is made.

Subscriptions are included in the statement of financial activities when receivable. Donations and gifts to the charity are included in the statement of financial activities when received. Intangible income is recognised as income where the provider of the service has incurred a financial cost. General volunteer time is not included in the financial statements in line with the guidance set out in the SORP.

Grants are included in the statement of financial activities when there is an entitlement to the income, receipt is probable and it can be quantified with reasonable accuracy. Where grant agreements include a management fee/contribution to overheads element this is separately recorded as unrestricted income of the charity.

Unrestricted funds are donations and other income received or generated for charitable purposes.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund.

Endowment funds reflect funds transferred to UKCF which relate to the Revitalising Trusts Programme. The capital must be retained by the charity however the income from funds invested partly represents an unrestricted management fee at an agreed rate. Income in excess of the unrestricted management fee is restricted as set out in note 15.

Expenditure

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered. Costs which are directly related to activities are allocated to those activities.

Fundraising costs comprise a portion of CEO and Business Development Director salary based on an estimate of time spent working with current and potential donors.

ICT Services costs comprise costs directly attributable to ICT consultants for the Network's CRM system and costs related to the CRM system itself.

Membership Services comprise mainly staffing and consultancy costs and other general costs related to our membership functions.

Projects and programmes comprise flow-through grants distributed throughout the Community Foundation Network and staffing and other costs, where these are specifically funded by donors.

The charitable company makes payments to defined contribution pension schemes on behalf of employees. The contributions are treated as an expense in the year in which they are payable. The charity has no other obligation under these schemes.

Rentals payable under operating leases, where substantially all 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 lease duration.

Investments

Investments held as fixed assets are revalued at market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Other financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

i. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

ii. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their at transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

2. **Taxation**

The charity is exempt from corporation tax under section 505 of the Income and Corporation Taxes Act 1988 as all its income is applied to charitable purposes.

3. Income

	2021			2020		
Donations and grants	**Unrestricted £'000**	**Restricted £'000**	**Total £'000**	**Unrestricted £'000**	**Restricted £'000**	**Total £'000**
National Emergencies Trust (NET)						
NET - COVID 19	314	52,670	52,984	-	2,650	2,650
NET EDI Infrastructure - COVID 19	16	1,039	1,055	-	-	-
NET Government Fund - COVID-19	100	19,445	19,545	-	-	-
	430	73,154	73,584	-	2,650	2,650
3i - COVID 19	4	196	200	-	-	-
Barclays - COVID 19	10	990	1,000	-	-	-
Building a Stronger Britain Together	35	3	38	233	1,596	1,829
CCLA	40	-	40	40	-	40
Cellnex	-	119	119	-	-	-
Comic Relief	-	-	-	14	(3)	11
Connect	-	-	-	9	8	17
Coronavirus Jobs Retention Scheme	16	-	16	-	-	-
C S Mott Foundation	62	-	62	39	-	39
DCMS Match Funding	10	2,338	2,348	-	-	-
Direct Line	2	98	100	-	-	-
Duchy of Lancaster	2	97	99	-	-	-
Fidelity	-	-	-	7	48	55
Flood and Storm Donations	-	-	-	2	3	5
#iwill (YSA) Project	32	259	291	32	1,720	1,752
John Armitage Charitable Trust	45	-	45	45	15	60
Ladbrokes	-	-	-	50	(75)	(25)
Made By Sport	-	4,386	4,386	-	-	-
MLM	-	7	7	-	-	-
The Mohn Westlake Foundation	-	-	-	15	235	250
Nationwide Building Society	85	-	85	183	254	438
Oak Foundation	33	-	33	36	63	99
Revitalising Trusts	27	20	47	-	20	20
Royal London	8	-	8	19	399	417
Sick Man's Friend - COVID 19	1	48	49	-	-	-
Surviving Winter	-	12	12	-	1	1
Tampon Tax	35	(19)	16	35	3,506	3,541
Tom Ward - Governance	20	-	20	-	-	-
Uber	6	-	6	2	110	112
Weavers	-	30	30	-	-	-
Total	903	81,738	82,641	761	10,552	11,313
Subscriptions						
Membership	345	-	345	338	-	338
Total	345	-	345	338	-	338
Other Income						
D D McPhail Charitable Settlement	-	-	-	2	-	2
ICT subscriptions	186	-	186	215	-	215
Other	-	-	-	29	-	29
Services Recharge	7	-	7	-	-	-
Total	193	-	193	246	-	246

In the prior year, unrestricted grant income for core costs related to restricted programmes were included under the other income heading. This year, this type of income has been included under the donations and grants heading to better reflect its nature. The prior year figures have been amended to this same basis to ensure consistency of presentation.

4. **Grants paid to organisations**

	2021 £'000	2020 £'000
National Emergencies Trust (NET)		
NET - COVID 19	52,670	2,650
NET EDI Infrastructure - COVID 19	862	-
NET Government Fund - COVID 19	19,445	-
	72,977	2,650
3i - COVID 19	196	-
Barclays - COVID 19	990	-
Building a Stronger Britain Together	102	4,935
Cellnex	119	-
Comic Relief	-	5
DCMS Match Funding	2,238	-
Direct Line	98	-
Duchy of Lancaster	97	-
Endowment Fund	146	15
Flood and Storm Donations	-	19
#iwill (YSA) Project	287	1,662
Ladbrokes	-	440
Made By Sport	4,386	-
The Mohn Westlake Foundation	-	235
Nationwide Building Society	-	412
Oak Foundation	-	636
Royal London	-	484
Sick Man's Friend - COVID 19	48	-
Surviving Winter	-	12
Tampon Tax	(22)	3,502
Uber	-	108
Weavers	30	-
	81,692	15,113

All grants paid are restricted in 2021 and 2020.

5. Expenditure

	Grants (Note 4) £'000	Staff costs and consultancy £'000	Office and running costs £'000	Total 2021 £'000
Fundraising	-	77	-	77
ICT services	-	66	156	222
Member services	-	752	193	945
Total for above	-	895	349	1,244
Projects and Programmes				
National Emergencies Trust	72,977	10	4	72,991
3i - COVID 19	196	-	-	196
Barclays - COVID 19	990	-	-	990
Direct Line	98	-	-	98
Building a Stronger Britain Together	102	-	2	104
Cellnex	119	-	-	119
DCMS Match Funding	2,238	-	-	2,238
Duchy of Lancaster	97	-	-	97
Endowment Fund	146	-	-	146
#iwill (YSA) Project	287	-	-	287
Leadership Programme	-	45	-	45
Made By Sport	4,386	-	-	4,386
Revitalising Trusts	-	30	-	30
Sick Man's Friend - COVID 19	48	-	-	48
Tampon Tax	(22)	-	-	(22)
Weavers	30	-	-	30
Total for Projects and Programmes	81,692	85	6	81,783
2021 Total	**81,692**	**980**	**355**	**83,027**

Prior year	Grants (Note 4) £'000	Staff costs and consultancy £'000	Office and running costs £'000	Total 2020 £'000
Fundraising	-	79	3	82
ICT services	-	65	155	220
Member services	-	700	207	908
Total for above	-	844	366	1,210
Projects and Programmes				
Building a Stronger Britain Together	4,935	10	-	4,945
Comic Relief	5	0	-	5
Connect	-	15	-	15
Endowment Fund	15	-	-	15
Flood and Storm Donations	19	-	-	19
#iwill (YSA) Project	1,662	15	-	1,677
Ladbrokes	440	-	-	440
Leadership Programme	-	109	-	109
The Mohn Westlake Foundation	235	-	-	235
Nationwide Building Society	412	7	-	419
National Emergencies Trust	2,650	-	-	2,650
Oak Foundation	636	5	-	641
Revitalising Trusts	-	28	-	28
Royal London	484	3	-	487
Surviving Winter	12	-	-	12
Tampon Tax	3,502	15	-	3,517
Uber	108	3	-	110
Total for Projects and Programmes	15,113	210	-	15,323
2020 Total	**15,113**	**1,054**	**366**	**16,533**

6. Staff costs and numbers

	2021 Total £'000	2020 Total £'000
Salaries and wages	525	588
Social security costs	54	62
Pension contributions	20	26
	599	675
Redundancy costs	25	-
Other staff costs, including recruitment	225	155
	849	831

		2021	2020
Number of employees earning between	£100,000 and £110,000	-	1
Number of employees earning between	£80,000 and £90,000	1	-
Number of employees earning between	£60,000 and £70,000	2	1

The average number of employees analysed by activity:

	2021	2020
Charitable activities	17	13

Key management personnel includes the Trustees, the CEO and Senior Management Team. The remuneration paid to the CEO and Senior Management Team amounted to £288k (2020: £287k).

The redundancy cost relates to a payment to one member of staff.

7. Net income/(expenditure) for the year

This is stated after charging:

	2021 £'000	2020 £'000
Operating lease rentals	1	1
Auditor's remuneration:		
Current year - Statutory audit	12	10
Prior year - Statutory audit	2	-
Current year - Tax advisory services	2	-

8. **Investments**

	2021 £'000	2020 £'000
Valuation at 1 April	3,740	3,846
Additions in year	4	18
Net gain/(loss) on revaluation	773	(125)
Valuation at 31 March	4,517	3,740
Cash held by investment manager	530	6
Cash held in CAF bank	-	71
Total valuation at 31 March	5,047	3,817

All investments are held with CCLA in COIF Charities Investment Fund.

9. **Debtors**

	2021 £'000	2020 £'000
Trade and sundry debtors	359	18
VAT Recoverable	-	75
Prepayments and accrued income	15	216
	374	310

10. **Creditors : Amounts falling due within one year**

	2021 £'000	2020 £'000
Trade and sundry creditors	370	496
Accruals and deferred income	309	346
Social security and other taxes	29	20
	708	862

Included within Social security and other taxes is £4,373 owing to the pension scheme (2020: £2,763).

Included with the above is deferred income as follows:

Analysis of deferred income	2021 £'000	2020 £'000
Deferred income brought forward	354	61
Released to income in year	(241)	(61)
Deferred in year	163	354
As at 31 March 2021	276	354

Deferred income relates to income for evaluation and monitoring work related to programmes which were ongoing at the year end.

11. Trustee remuneration and expenses

No members of the board (2020: 11), and no committee members (2020: 5) received reimbursement of travel expenses to attend meetings, this amounted to £nil (2020: £15k). No member of the board (2020: £nil) received remuneration.

Most trustees are also either trustees or employees of our member organisations (see note 12).

Total donations received from trustees amounted to £nil (2020:£nil).

12. Related party transaction

UKCF is a membership organisation which exists to serve its members. Some of our trustees are also involved in local Community Foundations, listed below, which are members of UKCF. Day to day transactions such as membership fees, licence fees and grant payments, take place between UKCF and its members. These transactions are on the same basis as the other members. If decisions are made about transactions with individual Community Foundations where trustees may have a conflict of interest, this interest is declared and the trustee not involved in the decision.

Trustee Name	Community Foundation
Toby Anstruther	Foundation Scotland
Michelle Cooper	County Durham Community Foundation
Jan Garrill	Two Ridings Community Foundation
Niamh Goggin	Community Foundation Northern Ireland
John Gordon	Community Foundation Northern Ireland
Andrew McCracken	Community Foundation Northern Ireland
Victoria Miles	Northamptonshire Community Foundation
Kevin Richmond	Sussex Community Foundation
Arthur Roberts	Community Foundation for Merseyside & Lancashire
David Rossington	Oxfordshire Community Foundation
Stephen Singleton	Suffolk Community Foundation
Mark Spofforth	Sussex Community Foundation
Andrew Tuggey	Community Foundation Wales
Tom Van Oss	Cornwall Community Foundation
Martha Wilkinson	Devon Community Foundation

13. Operating lease commitments

Total annual commitments payable under operating leases are as follows

	Land and Buildings		Other	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Operating leases which expire				
Less than 1 year	46	46	-	1
Between 1-2 years	46	46	-	-
Between 2-5 years	16	62	-	-
	108	154	-	1

14. Unrestricted and Designated Funds

	At 1 April 2020 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Transfers £'000	At 31 March 2021 £'000
Unrestricted Funds:					
General funds	624	1,485	1,253	(443)	413
Designated Funds:					
CRM Training and Development	36	-	36	-	-
Strategic Development	-	-	-	104	104
Digital Transformation	-	-	-	250	250
#iwill Programme	-	-	-	141	141
Total	660	1,485	1,289	52	908

The strategic development designated funds are for investment specific strategic projects including in the areas of equity, diversity and inclusion, communications and advocacy activities.

The designated funds relating to digital transformation are for the development of an improved network-wide CRM system.

The #iwill programme designated funds are a potential return of funds relating to an ongoing negotiation about the matched funding of Community Foundation management fees.

	At 1 April 2019 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Transfers £'000	At 31 March 2020 £'000
Unrestricted Funds:					
General funds	514	1,363	1,253	-	624
Designated Funds:					
CRM Training and Development	14	22	-	-	36
Total	528	1,385	1,253	-	660

15. **Restricted funds**

	At 1 April 2020 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Transfers £'000	At 31 March 2021 £'000
3i - COVID 19	-	196	196	-	-
Barclays - COVID 19	-	990	990	-	-
Building a Stronger Britain Together	218	3	104	(47)	70
Cellnex	-	119	119	-	-
DCMS Match Funding	-	2,338	2,238	-	100
Direct Line	-	98	98	-	-
Duchy of Lancaster	-	97	97	-	-
Endowment - Education Fund	-	1	-	-	1
Endowment - Relief of Poverty Fund	-	-	-	-	-
Endowment - Sir George Earl Fund	129	95	146	-	78
Fidelity	21	-	8	-	13
Flood and Storm Donations	6	-	-	-	6
#iwill (YSA) Project	52	259	287	-	24
John Armitage Charitable Trust	5	-	5	-	-
Ladbrokes	1,456	2	-	-	1,458
Made By Sport	-	4,386	4,386	-	-
Mars	5	-	-	(5)	-
MLM	-	7	-	-	7
Nationwide Building Society	12	-	-	-	12
NET - COVID 19	-	52,670	52,670	-	-
NET EDI Infrastructure - COVID 19	-	1,039	872	-	167
NET Government Fund - COVID 19	-	19,445	19,445	-	-
Oak Foundation	38	-	-	-	38
Revitalising Trusts	-	20	20	-	-
Royal London	23	-	1	-	22
Sick Man's Friend - COVID 19	-	48	48	-	-
Surviving Winter	3	12	-	-	15
Tampon Tax	11	(19)	(22)	-	14
The Worshipful Company of Weavers	-	30	30	-	-
Total funds	1,979	81,836	81,738	(52)	2,025

Negative income figures relate to the correction of unrestricted income recognised as restricted in previous years.

	At 1 April 2019 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Transfers £'000	At 31 March 2020 £'000
Building a Stronger Britain Together	3,567	1,596	4,945	-	218
Comic Relief	8	(3)	5	-	-
Connect	7	8	15	-	-
Endowment Fund	47	97	15	-	129
Fidelity	18	48	46	-	21
Flood and Storm Donations	22	3	19	-	6
#iwill (YSA) Project	8	1,720	1,677	-	52
John Armitage Charitable Trust	10	15	20	-	5
Ladbrokes	1,971	(75)	440	-	1,456
Mars	5	-	-	-	5
The Mohn Westlake Foundation	-	235	235	-	-
Nationwide Building Society	177	254	419	-	12
National Emergencies Trust	-	2,650	2,650	-	-
Oak Foundation	616	63	641	-	38
Revitalising Trusts	-	28	28	-	-
Royal London	112	399	487	-	23
Surviving Winter	13	1	12	-	3
Tampon Tax	21	3,506	3,517	-	11
Uber	-	110	110	-	-
Total funds	6,602	10,657	15,280	-	1,979

3i - COVID 19

The overarching theme of the grant programme is the alleviation of poverty and its consequences and, within this, the fund has focused its giving on a number of areas such as: food provision, education, domestic violence, the advancement of minorities and disadvantaged groups, community development, homelessness, elderly people and mental health.

Barclays - COVID 19

Donations from Barclays Covid 19 response were to put towards Community Foundation programmes supporting vulnerable communities facing hardship due to the Covid-19 pandemic

Building a Stronger Britain Together

UKCF has partnered with advertising agency M&C Saatchi to deliver several rounds of funding of a major Home Office initiative to build social cohesion and to counter extremism. The programme supports civil society and community organisations who work to create more resilient communities, stand up to extremism in all forms and offer vulnerable individuals a positive alternative, regardless of race, faith, sexuality, age, and gender. The programme has ended and is in the process of being closed down. A transfer has been made from restricted to unrestricted funds in the year to recognise the element of the grant funding which was a contribution towards UKCFs overheads.

Cellnex

Funded by Cellnex, the aim of the programme is to target digital exclusion and the funds have been used to support and work with organisations who are working in this area. All funds were distributed during 2020-2021.

DCMS Match Funding

The overall aim of the Programme is to provide support for local voluntary and community organisations that are helping vulnerable people impacted by the Covid-19 crisis. DCMS provided match funding to UKCF for onward distribution through the Community Foundations. The two key objectives for the Programme are to ensure essential services are provided to vulnerable people through the work of charitable organisations; and to reduce closures of charities that provide essential services to vulnerable groups during the COVID-19 crisis thereby reducing the burden on public services.

Direct Line

Donations from Direct Line were to put towards Community Foundation Covid-19 related programmes in specific local areas.

Duchy of Lancaster

UKCF distributed funds on behalf of Duchy of Lancaster Benevolent Fund (DLBF) by awarding grants to communities affected by COVID-19. These grants were used to help communities in DLBF areas of interest on the basis of where there is the most need as identified by the local Community Foundations. All funds were distributed during 2020-2021.

Endowment Funds

There are three endowment funds held by UKCF which generate income. The largest is funded mainly by the investment income from the Sir George Earle Charitable Foundation, which was originally set up to provide discretionary grants to support current and former employees of the cement manufacturer in cases of financial hardship. The scope has been extended to work with local communities and projects which support older people, particularly with regard to reducing loneliness or isolation, and in specific geographies around historic cement works. The two other funds are to specifically address relief of poverty and advancement of Education.

Fidelity

Funding the Community Foundation Leadership Programme and associated leadership development activities

Flood and Storm Donations

From December 2013 onwards, 11 Community Foundations set up local programmes to assist the victims of the extreme floods and storms. UKCF launched a national programme to support them. As a result, the Office for Civil Society, Wren Living Ltd, Comic Relief and others awarded grants to UKCF to distribute via the participating Community Foundations. This will continue to be disbursed in 2020-21

#iwill (formerly known as OCS-Youth Social Action)

Funded by the National Lottery Community Fund and the Office for Civil Society, and delivered in conjunction with Step Up to Serve. UKCF completed the first phase of this partnership in 2017 and 2018, and has now completed the two year extension covering 2019 and 2020. The programme supported volunteering, skills development and social action opportunities for young people in disadvantaged areas and from backgrounds with below-average levels of participation. UKCF distributed grants of £5-10k for projects through our network of Community Foundations in England.

John Armitage Charitable Trust

Additional funding for the Community Foundation Leadership Programme and associated leadership development activities.

Ladbrokes

A five-year grant-making programme focussed on community sport and physical/mental health, in particular for young men. The fund aims to provide a five-year spend down fund of around £440k pa. The programme was paused for 2020-21 due to the coronavirus pandemic and will be resumed with two years spend in 2021-22.

Made by Sport

MBS funded this programme to award grants to charities focused on grassroots sport for development, with a particular focus on clubs in crisis, specifically with the intention to save organisations from closure and to get them back on their feet following the pandemic. This is being distributed by the Community Foundation Network.

Mars

Established in August 2017, the money was distributed to groups and individuals across the UK to help overcome disadvantage and build stronger communities, focussing on making grants with the objective of active healthy lifestyles. A transfer has been made from restricted to unrestricted funds in the year to recognise the element of the grant funding which was a contribution towards UKCFs overheads.

MLM

This programme aims to support local communities and projects, with a focus on skills and employability

Nationwide Building Society

UK Community Foundations has been working with Nationwide Building Society to provide grant funding for projects that are providing housing services to people in need and supporting homeless people into homes. Grants were made in the North East of England, Central England, Wales, Scotland and Northern Ireland.

National Emergencies Trust (NET)

UKCF are the main distribution partner of the National Emergencies Trust for the Covid-19 appeal programme. The overall aim of the programme is to effectively and efficiently support local voluntary and community organisations that are helping vulnerable people impacted by the covid-19 crisis. The NET EDI Infrastruture Funding is for grant making to BAME led infrastructure groups. The NET Government Fund specifically relates to funds receieved from the Big Night In Fundraiser.

Oak Foundation

The Transformation & Growth Fund will fund voluntary and community organisations serving those at risk of homelessness. The fund is a capacity building programme to increase organisations' resilience and sustainability to support people in vulnerable housing situations.

Revitalising Trusts

DCMS provide this grant to support the Revialising Trusts Programme which is run in partnership with the Charity Commission.

Royal London

The Royal London Foundation partners with UKCF to deliver the Corporate Social Responsibility strategy that awards unrestricted funding of up to £5k to local organisations, with an annual turnover under £500k and a local community impact, in particular supporting people with a chronic or long-term condition.

Sick Man's Friend

Funds received from Sick Man's Friend Society were to put towards Community Foundation Covid-19 related programmes.

Surviving Winter

The Surviving Winter campaign is funded by donations from the public to raise money for pensioners affected by fuel poverty. Grants are made by our member organisations.

Tampon Tax

Funded via DCMS through the VAT levied on sanitary products, UKCF is making grants across the UK, investing in a wide variety of projects that benefit women and girls, and that make a tangible and long-term difference to health, well-being and confidence.

The Worshipful Company of Weavers

A donation was received from the Worshipful Company of Weavers to put towards the Covid-19 related programmes in specific Community Foundation local areas.

16. Endowment Funds

	At April 2020 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Net Gains / (Losses) £'000	At 31 March 2021 £'000
Sir George Earle Charitable Fund	3,725	-	-	768	4,493
Education Fund	18	51	-	4	73
Relief of Poverty Fund	272	406	-	1	679
Central Fund	2	-	-	-	2
Total Endowment Funds	**4,017**	**457**	**-**	**773**	**5,247**

	At April 2019 £'000	Income / Other gains £'000	Expenditure / Other losses £'000	Net Gains / (Losses) £'000	At 31 March 2020 £'000
Sir George Earle Charitable Fund	3,846	-	-	(122)	3,725
Education Fund	-	21	-	(3)	19
Relief of Poverty Fund	-	272	-	(0)	272
Central Fund	-	2	-	-	2
Total Endowment Funds	**3,846**	**296**	**-**	**(125)**	**4,017**

As part of the Revitalising Trusts Programme with the Charity Commission, the Sir George Earle Charitable Fund was transferred to UKCF in 2018-19 and multiple other smaller value funds have been transferred to UKCF during 2019-20 & 2020-21. Investment income from these funds are spent in accordance with their initial restrictions prior to transfer to UKCF. More detail on the restrictions relating to the Sir George Earle Fund can be found in note 15. Income from the new funds in 2020-21 must be spent respectively on Education, Relief of Poverty or more broadly for the Central Fund.

17. Analysis of net assets between funds

	Unrestricted £'000	Restricted £'000	Endowment £'000
Net current assets	908	2,025	200
Investments	-	-	5,047
Net assets at 31 March 2021	908	2,025	5,247

	Unrestricted £'000	Restricted £'000	Endowment £'000
Net current assets	660	1,979	200
Investments	-	-	3,817
Net assets at 31 March 2020	660	1,979	4,017

18. **Comparative Statement of Financial Activities (31 March 2020)**

	2020			
INCOME AND ENDOWMENTS FROM:	**Unrestricted Fund £'000**	**Restricted Funds £'000**	**Endowment Funds £'000**	**Total £'000**
Grants	39	7,902	-	7,941
NET Grants	-	2,650	-	2,650
Donations	85	-		85
Subscriptions	338	-	-	338
Other	883	-	-	883
Total income	1,345	10,552	-	11,897
Endowment transfer	-	-	296	296
Investment income	-	97	-	97
Management Fees from endowment	40	8	-	48
Total income and endowments	1,385	10,657	296	12,337
EXPENDITURE ON:				
Raising funds	82	-	-	82
ICT services	220	-	-	220
Member services	908	-	-	908
Projects and programmes	43	167	-	210
Grant payments	-	12,463	-	12,463
NET Grant payments	-	2,650	-	2,650
Total expenditure	1,253	15,280	-	16,533
Net income/(expenditure)	**132**	**(4,623)**	**296**	**(4,195)**
Transfers between funds	-	-	-	-
Other recognised gains/(losses):				-
Investment gains/(losses)	-	-	(125)	(125)
Actuarial (losses)/gains on defined benefit pension schemes	-	-	-	-
Net movement on funds	**132**	**(4,623)**	**171**	**(4,320)**
Reconciliation of funds				
Total Funds Brought Forward	528	6,602	3,846	10,976
Total Funds Carried Forward:	**660**	**1,979**	**4,017**	**6,656**

REFERENCE AND ADMINISTRATION DETAILS

Status:	The organisation is a charitable company limited by guarantee, incorporated on 7 October 1991 and registered as a charity on 11 October 1991.
Governing document:	The organisation was established under a memorandum of association on 7 October 1991 and amended on 2 December 1993, 17 July 1996, 21 October 1998, 19 January 2000, 27 April 2001, 23 April 2003, 17 November 2010, 19 March 2013, 16 November 2016 and 10 December 2020 which established the objects and powers of the organisation and is governed under its articles of association.
Company number:	2651777
Charity number:	1004630
Registered Office and Operations address:	Unit 1.04, 9 Brighton Terrace, London, SW9 8DJ.
Honorary Officers:	Chair – Andrew Tuggey CBE DL (from 22 October 2020) Acting Chair – Victoria Miles (from 30 September to 22 October 2020) Chair – Dr Jerome Booth (from 24 July 2019 to 30 September 2020) Treasurer - Colin Seccombe MBE
Members of the Board:	Toby Anstruther Dr Jerome Booth, Chair (to 30 September 2020) Michelle Cooper MBE (from 22 October 2020) Jan Garrill (to 22 October 2020) Niamh Goggin (to 15 June 2020) John Gordon (from 28 July 2020) Andrew McCracken (from 22 October 2020 to 10 December 2020) Victoria Miles DL, Vice-Chair (to 22 October 2020) John Nickson (to 22 October 2020) Professor Paul Palmer (to 22 October 2020) Kevin Richmond (from 22 October 2020)

	Arthur Roberts (to 22 October 2020) Timothy David Rossington (from 22 October 2020) Colin Seccombe MBE, Treasurer Stephen Singleton David Mark Spofforth (from 22 October 2020) Andrew Tuggey CBE DL (from 24 June 2020) Thomas Van Oss (from 22 October 2020) Martha Wilkinson (to 22 October 2020)
Chief Executive:	Fabian French (to 9 April 2020) Rosemary Macdonald (from 1 March 2020)
Company Secretary:	Ian Smith
Bankers:	CAF Bank Ltd, Kings Hill, West Malling, Kent ME19 4TA
Investment Bankers:	CCLA, Senator House, 85 Queen Victoria Street, London EC4V 4ET
Auditors:	Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG