

**DERBYSHIRE COMMUNITY FOUNDATION**  
**(A Company Limited by Guarantee)**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**DERBYSHIRE COMMUNITY FOUNDATION**  
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**DERBYSHIRE COMMUNITY FOUNDATION**  
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS  
*FOR THE YEAR ENDED 31 MARCH 2022*

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**Trustees**

Oliver Stephenson, Chair  
William Kerr, Treasurer  
Philip Bloxham  
Paul Broadhead  
Stephen Gordon (appointed 8 November 2021)  
Nick Hodgson  
Peter Pimm  
Louise Pinder  
Sheila Taylor  
David Palmer  
Andrew Cochrane  
Alison Williams  
Jane Gerard-Pearse  
Gurmail Raju (appointed 10 May 2021)

**Company registered number** 02893759

**Charity registered number** 1039485

**Registered office**

Unit 2 Heritage Business Centre  
Derby Road  
Belper  
Derbyshire  
DE56 1SW

**Chief executive officer** Rachael Grime

**Independent auditor**

BHP LLP  
Chartered Accountants  
Statutory Auditors  
One Waterside Place  
Basin Square  
Brimington Road  
Chesterfield  
Derbyshire  
S41 7FH

**Bankers**

Royal Bank of Scotland plc  
34 King Street  
Belper  
Derbyshire  
DE56 1PS

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS  
(CONTINUED)  
*FOR THE YEAR ENDED 31 MARCH 2022*

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<b>Solicitors</b>	Geldards Number One Pride Place Pride Park Derby DE24 8QR
<b>Patron</b>	The Duke of Devonshire KCVO, CBE, DL
<b>President</b>	Brian Ashby Sir Richard FitzHerbert Bt - President Emeritus
<b>Investment managers</b>	Cazenove Capital 1 London Wall Place London EC2Y 5AU  Rathbone Brothers plc Temple Point 1 Temple Row Birmingham B2 5LG  CCLA Senator House 85 Queen Victoria Street London EC4V 4ET

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**DERBYSHIRE COMMUNITY FOUNDATION**  
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**CHAIR'S STATEMENT**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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The chair presents his statement for the year.

The financial year end of 31st March 2022 came at another time of turbulence for the world, in the shape of a new war in Ukraine. The shock of this has adversely affected financial markets, and as a result, the financial performance of the Foundation's investments. Inflation is a topic very much on the agenda. Everyone is witnessing a significant increase in the cost of living. Energy costs and food prices have changed dramatically since 12 months ago. It has been a difficult year for many, as if emerging from the restrictions of a Covid pandemic had not been hard enough.

The end of the pandemic meant that the Trustees of Foundation Derbyshire were able to meet in person again. It has been a slow transition from the regular Zoom meetings of 2020 and 2021, but at the time of writing (autumn 2022) we are now back to the old life of meeting up in the Belper office.

The new world of 2022 has meant that many smaller charitable organisations which have been supported by Foundation Derbyshire have retrenched. The costs of running small charities has grown substantially, and many of them were already on the back foot having been set back by the Covid pandemic. Meanwhile, public charitable giving and individual donations have reduced. It is a difficult time for small charities.

I am pleased to report that Foundation Derbyshire has been able to rise to the challenges of 2022. Specifically, the demand for Foodbanks has continually grown and we have been able maintain support for them especially with generous distributions totalling £92,000 from Derbyshire County Council, specifically for Foodbanks.

It is always pleasing to be able to report on solid progress at the end of a financial year.

- The number of endowed funds under the Foundation's management is now 68.
- A total of £447,000 was granted during the year.
- The value of all the endowed funds is £9.2 million.
- Our Balance Sheet shows the Foundation's total worth in excess of £10 million for a first time.

I am delighted to report that we have received several very generous donations during the year. All donations to Foundation Derbyshire's custodianship are generous, whatever their size, but we have been especially honoured to receive some particular gifts and legacies each of whose value exceeded £100,000. All the donors have a strong link to Derbyshire, whether they live in the county or not (not all do), and have the same desire in common. This is to support those groups who do so much for some of the most challenged people within our City and County. To these donors we say thank you and we look forward to delivering their specific charitable objectives.

Of particular note is the transfer to Foundation Derbyshire of in excess of £1 million from Derbyshire County Council's portfolio of educational trusts. It is especially flattering to be recognised as a trusted custodian of charitable funds by our own County Council.

I would like to welcome to the Board Stephen Gordon, a resident of Chesterfield. It is excellent to have another representative from the north and east of the County.

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**DERBYSHIRE COMMUNITY FOUNDATION**  
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**CHAIR'S STATEMENT (CONTINUED)**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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We are due to say farewell to Louise Pinder at our AGM following 12 magnificent years' trusteeship at the Foundation. We will miss Louise enormously for her wise counsel, and humour. We offer her our best wishes and thanks, on behalf of all at Foundation Derbyshire.

It is my very pleasant duty to thank those who contribute to everything we do at the Foundation. The executive team of Rachael Grime, Sarah Stainthorpe, and Misbah Ramzan make our organisation as great as it is for their diligence, drive and attention to detail. I should also mention the committees and panels; Finance chaired by William Kerr, Grants chaired by Peter Pimm, and Vickers chaired by Helen Bishop. All these teams, and their members, contribute to the mechanics of the Foundation. Their roles are invaluable. Thank you.

I am pleased to advise that we have established an EDI committee this year. Jane Gerard-Pearse, Alison Williams, Peter Pimm and Sheila Taylor have spearheaded this and are helping to ensure that the principles of equity, diversity and inclusion are embedded in the planning and delivery of our activities.

May I thank, as ever, all those who support us in our role as the county's community foundation. I would especially thank the Friends of Foundation Derbyshire who make monthly contributions to us. These gifts are never taken for granted and are always appreciated. It is so good to know that our supporters are there for us, throughout the entire county of Derbyshire.



Oliver Stephenson  
Chairman  
Date: Dec 7, 2022

**TRUSTEES' REPORT**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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The trustees present their annual report together with the audited financial statements of the charitable company for the 1 April 2021 to 31 March 2022. The Annual Report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

***Objectives and activities***

**a. Policies and objectives**

Derbyshire Community Foundation (operating as Foundation Derbyshire) ("the Foundation") is an independent Derbyshire based registered charity. Our vision is to see a culture of giving at the heart of life in Derbyshire, helping to create a county where communities are strong, civil society is valued and all individuals have the opportunity to fulfil their potential and be treated fairly and with respect.

The charitable objects of the Foundation, as defined in its Memorandum and Articles of Association are to support or promote exclusively charitable purposes which in the opinion of Trustees are beneficial to the community, with a preference for those in Derbyshire.

When reviewing the Foundation's charitable objectives and deciding what activities the Foundation should undertake, the Trustees give due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance "Public benefit: running a charity (PB2).

The Trustees are satisfied that these objects meet the appropriate charitable purposes as defined by the Charities Act 2016. Given that public benefit is an intrinsic part of the Foundation's objectives and activities, additional information on its delivery is provided throughout the body of this report.

**TRUSTEES' REPORT (CONTINUED)**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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**Objectives and activities (continued)**

**b. Strategies for achieving objectives**

The Foundation's over arching mission is three-fold:

- To build a multi-purpose endowment that provides a growing and sustainable source of funding that can meet the needs of today and anticipated and unexpected future needs
- To grow philanthropy in Derbyshire by enabling anyone to be a philanthropist; in life, through a legacy, establishing a named fund or through collective giving.
- To make grants creatively and effectively for both our grant recipients and funders, creating the bridge between people who care about and can give to their local community and the wide range of grassroots groups and charities that work to tackle disadvantage, address need & improve the quality of life in our county.

Our current strategic plan has distilled the organisation's Vision and Mission into two key objectives, namely:

1. To build on our position as the county's trusted philanthropic enabler and advisor, a fair and intelligent grant-maker and a professional manager of charitable funds
2. To ensure our grantmaking is:
  - Relevant, supportive & equitable, reflecting & meeting the needs of the communities we serve and targeting priority areas and issues.
  - Pre-emptive as well as responsive and supportive

**c. Activities undertaken to achieve objectives**

The main activity we undertake to deliver our objectives is providing a range of tailor-made grant making services to help donors bring about change by channelling their charitable giving, in a tax efficient way, into Derbyshire. We offer donors:

- the versatility to assist a wide range of causes, including children, older people, sport, arts and culture, the environment and community development;
- the means to improve quality of life and help to build stronger communities across the county in perpetuity;
- a countywide knowledge that helps us to identify those most in need and enable donors to reach grass roots projects that might not otherwise find the funds they need.

By linking local donors with local needs in this way, we are able to deliver public benefit in a sustainable way, by using an endowment based giving model to address both the problems of today and the issues facing future generations.

The Foundation also augments its grantmaking activity and impact by distributing funds on behalf of companies, individuals and other charities, through a variety of grant making programmes.

Our other objective focuses on the quality of our grant making, which is effectively our bridge between the people who care about the local community and the wide range of groups and individuals that need their help. A key element of our strategy for maintaining and strengthening this "bridge" is to listen to and learn from our stakeholders, to ensure that our grantmaking is informed by, relevant to and meets the needs of the communities we serve and enabling people with detailed local knowledge and lived experience to contribute to decision making.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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***Achievements and performance***

**a. Main achievements of the charitable company**

- 177 grants awarded totalling £447k
- Endowed funds totalling £9.22 million as at 31st March 2022
- Over 7,000 grants totalling £18 million have now been awarded since the Foundation was established in 1996
- 68 endowed funds now under Foundation Derbyshire's management

**b. Review of activities**

Following a year of unprecedented grantmaking in response to the Coronavirus pandemic, 2021-22 was a year in which we took stock and began to adjust to the new normal that we all now face.

The groups and organisations that we support continue to face great uncertainty and challenges. Still financially exhausted from the increases in demand and cuts to income that the pandemic inflicted, many groups have either folded or are struggling to cope with the pressures that spiralling inflation and supply chain issues are now causing, both for them and the communities that they serve.

Frontline organisations such as foodbanks and mental health and debt advisory services are seeing the need for their services continuing to increase as the cost of living crisis begins to bite. However, they themselves are facing escalating utility bills and struggling to secure funding for rent, storage and staffing. With reports of public donations also now falling, as rising inflation begins to eat into people's disposable incomes, the outlook for 2022 and 2023 is bleak for an ever-increasing number of people.

In response, and since the beginning of the pandemic in March 2020, we have been working with Derbyshire County Council to deliver their Foodbank and Food Access Project Funding and this continued throughout 2021-22, with a further £92,000 of funding allocated and awarded.

The Foundation has always recognised that it can be difficult for groups to secure grants for day to day expenses (rent, insurance, staffing etc), from other funders but that support for running costs as well as for new and innovative ideas, is vital for a healthy and thriving voluntary sector. We therefore continued to make it a priority to listen to the many groups and projects that we work with and, with the support and flexibility of our named fund holders and donors, have endeavoured to remain relevant and provide the support that's needed (for example extending the spend period of our grants from 12 to 18 months).

During the final quarter of the year, we worked with the Arts Council to deliver their Let's Create Jubilee Fund, awarding £89,000 of grants that supported voluntary and community groups to develop creative and cultural activities as part of the Queen's Platinum Jubilee celebrations in June 2022. The fund was created by Arts Council England (ACE) with funds from the National Lottery.

## **Achievements and performance (continued)**

### **c. Grantmaking**

The essence of the Foundation's activity is to provide public benefit for the residents of Derbyshire and Derby City, through the provision of grant funding. In 2021/22, £447k of funds were distributed throughout Derbyshire, bringing the total value of grants made by the Foundation, since its establishment in 1996, to £18 million.

The total value of grants made during the year was £1.21 million lower than last year's total of £1.66 million. This was due to the fact that the 2020/21 figures included over £1.4 million of Coronavirus Emergency Response funding.

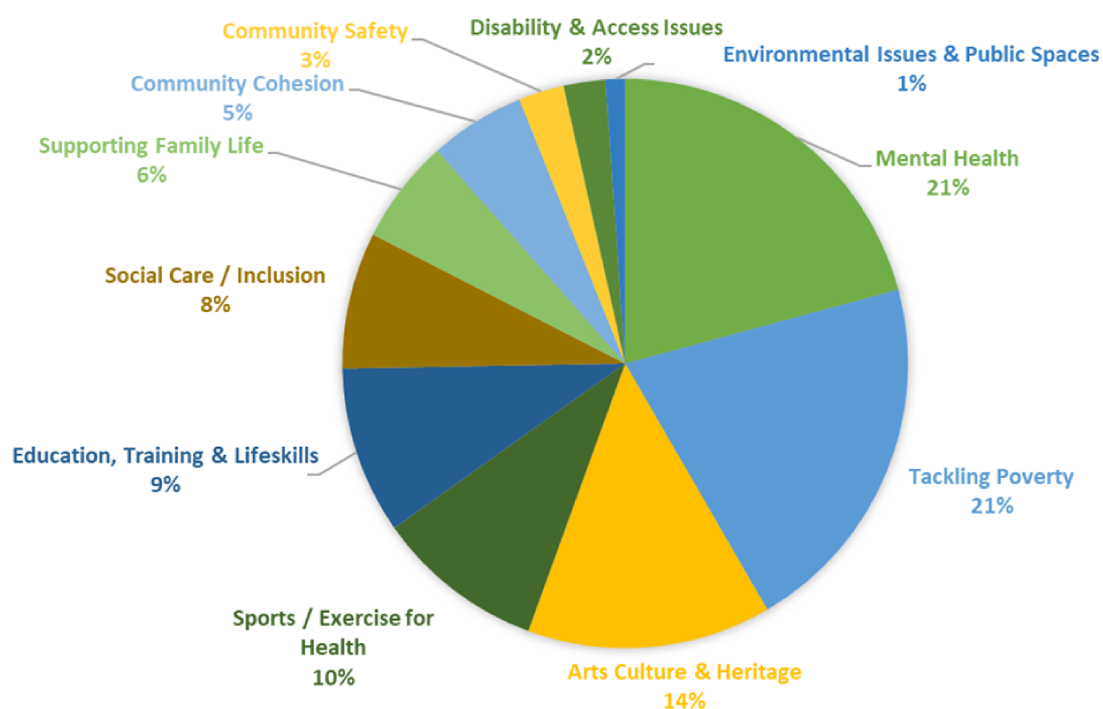
Of the 177 grants awarded during the year, only 13 grants (totalling £113.2k) were in excess of £7,000, evidencing the fact that Foundation Derbyshire is a predominantly small grant maker.

The majority of our grants are awarded through the 68 named funds that have been established by generous individuals, families and organisations who want to make a difference and whose grant making criteria reflects their own charitable objectives and the issues and/or areas of Derbyshire that they care about.

Smaller donations, and gifts from donors that do not want to establish a separate named fund, are held within our General Fund. This Fund has no specific priorities and therefore has the flexibility to respond to emerging issues and fund activities that might not meet the criteria of our donor directed funds.

As a result, our funds support a wide and diverse range of issues and activities, from supporting carers, survivors of domestic abuse and isolated elderly residents to providing the people of Derbyshire with access to music, sport, advice, childcare, transport, counselling and a host of other services.

The breadth of our grantmaking by primary issue is shown in the chart below:



**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Achievements and performance (continued)**

Over four years ago, Foundation Derbyshire identified the following three major ongoing challenges for Derbyshire:

- Improving Mental Health (particularly in young people)
- Caring for an ageing population and
- Tackling poverty and disadvantage.

Not surprisingly, two of these areas (Mental Health and Tackling Poverty) received the most funding during the year (each at 21%). Grants in support of an ageing population are included within most of the primary issue categories but particularly within social care/inclusion, community cohesion, arts culture & heritage and tackling poverty. This, in itself, reflects the intersectionality of so many of the issues and complex needs facing our communities.

Measuring Impact and Understanding Need

Measuring the impact of our grantmaking is a vital part of ensuring that the Foundation continues to be relevant and responsive and not only addresses the need in our county but is able to inspire and inform our donors and funders.

Understanding the challenges and issues within our communities starts at the very beginning of the Foundation's grant application process, when all groups are encouraged to talk to us about their ideas and projects. Our rigorous assessment then enables us to draw out further information on the need that is being met and our bespoke data base (specifically designed for grant making bodies) enables us to generate visual geographic mapping of deprivation levels, down to LSOA\* level

*\*(Lower-layer Super Output Areas are small areas designed to be of a similar population size, with an average of approximately 1,500 residents or 650 households. There are 32,844 Lower-layer Super Output Areas (LSOAs) in England).*

End of grant monitoring provides additional information on the impact of our grantmaking and the difference it has made. As well as reporting on financial spend, this is a group's chance to tell us how the project went and for us to capture case studies. An "Influence the Funder" section asks for feedback from grant recipients on the ongoing challenges that a group and the communities it serves might be facing. In addition, grant recipients are surveyed on a regular basis and representatives from our district Councils for Voluntary Service ("CVS"s) are represented on our Grants Committee, ensuring their knowledge of the local voluntary and community sector informs our decision making and policy.

This on the ground, lived experience and intelligence is also vital when interpreting the statistical data that we gather on application levels, grantmaking by district, primary issues addressed, groups/project size (reserve levels and income) and indices of multiple deprivation ("IMD"). For example, the IMD ranking for any grant can only be based on a single postcode (usually that of the applicant group) and not the myriad individuals and communities that are being supported. Notwithstanding this, hard data plays an invaluable role in flagging areas and issues where additional focus and resource may be needed

All our impact measurement and needs analysis information is reviewed at quarterly Grants Committee and Board meetings and provides an opportunity for staff and Trustees to identify trends, as well as spot early warning signs, emerging communities in need and gaps in our provision.

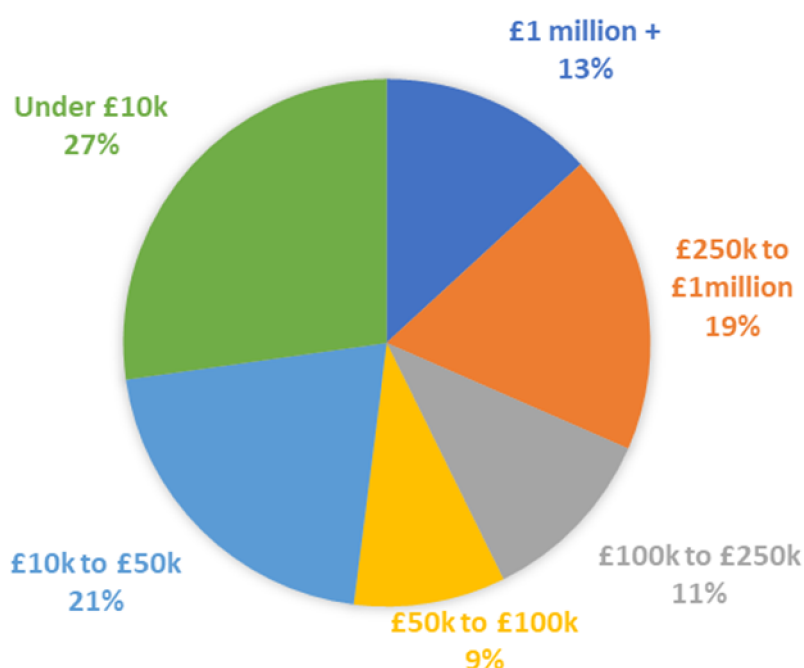
This in turn feeds into our grantmaking strategy and policies, from the philanthropic advice we give to our donors through to how and where we allocate our own resources.

There are estimated to be over 5,000 voluntary and community organisations operating across Derbyshire, including formally registered organisations, such as charities, social enterprises and co-operatives, and a large number of 'below the radar' organisations that are not formally registered or incorporated. Nationally, approximately 50% of organisations are

### **Achievements and performance (continued)**

micro in size (annual income under £10,000) but receive only 1% of national voluntary sector income and it is therefore at this grassroots level where the Foundation's grantmaking can and does make a real difference across Derbyshire.

As can be seen from the below chart, nearly a third of our grantmaking (totalling £122k) in 2021/22 went to groups with an annual income of under £10,000 and 57% of our grantmaking went to groups with annual income of under £100k.



Funding surgeries held across the City and County continue to be a key and effective way of communicating the availability of grants and how to apply for them to potential recipients. Despite the pandemic, during 2021/22 eight community outreach events were organised or attended, including funding surgeries, workshops and presentations for other infrastructure organisations.

### **d. Equity, Diversity & Inclusion**

As part of our strategic planning during the year, the Board committed to ensuring that the values of equity, diversity, inclusion and respect for all inform and are embedded into everything that we do.

Work has been ongoing throughout the year and includes the establishment of an EDI Committee to support the Foundation's Board of Trustees and Staff Team to not only fulfil their EDI obligations but to go beyond the legal requirements and understand, promote and implement greater diversity, equity and inclusion and ensure that everyone feels involved and included in our plans, programmes and activities.

**Achievements and performance (continued)**

**e. Volunteers**

The Foundation aims to maximise the quality of public benefit delivered by involving members of the public in our grant making decisions. The Foundation has recruited a number of grant advisors (volunteers who live in their panel area and are involved in and have a strong understanding of the voluntary and community sector) as members of the Foundation's grants committee, to attend meetings and advise on our grant making policy.

This helps us to ensure that funding is directed where it is most needed and that all bids are considered in accordance with the Foundation's constitutional objectives, the criteria of our funders and donors and the priorities of the communities we are here to support.

The Foundation also manages a number of fund specific panels. Our Panels continued to meet during the year, both virtually and in person, and the Board thanks all Panel members for their ongoing commitment and contribution to the Foundation, during these challenging times.

**f. UKCF**

We continue our membership of the national body for community foundations, UKCF, which continues to lobby at a national government and corporate level, in order to promote the capabilities of our national network.

During the year, we successfully passed the fifth iteration of UKCF's Quality Accreditation Programme (which we have successfully held since it was established in 2009). The accreditation (which lasts for three years until October 2024) evaluates our ongoing practices and development trajectory within core standards of governance, finance, philanthropy, grant making, community participation and organisational development. The programme is unique to UKCF, providing the only accreditation process internationally that is tailored to and designed by community foundations.

**Achievements and performance (continued)**

**g. Fund development activity**

Our grantmaking is made possible by the generosity of local people, corporates, funders and charitable trusts who recognise the invaluable work that is being done at a grassroots level and use our expertise and local knowledge to invest in their local communities and find and fund those groups that need their help the most.

There are now 68 endowed funds under Foundation Derbyshire's management and a further 5, which we administer on a "flow through" basis (i.e. held and spent within a specific period, rather than invested for the long term) on behalf of both businesses and individual donors. An increasing number of our named funds are being established on a "Hybrid" basis and incorporating both endowment and flow through elements. This gives our Donors the "best of both worlds", providing them with more money for grantmaking in the short-term, while also putting something aside for the future.

The Foundation is committed to its role as a trusted philanthropic adviser and therefore focus continued throughout the year on strengthening and developing the service that we offer to our existing donors, to ensure that their experience of giving through the Foundation is rewarding.

Enabling donors to see, first hand, the impact that their philanthropy is having in their local communities is a highly important aspect of this work. Unfortunately, the pandemic meant that we were not in a position to resume our "Seeing is Believing" visits during the year but we continued to provide case studies and monitoring feedback to Donor panels, and produce donor-specific newsletters, all of which continued to be both popular and inspiring.

Social Media continues to play an important role in communicating the work of the Foundation to both existing and potential grant recipients and donors. Around 1,000 subscribers receive our quarterly e-newsletter and we have over 2,500 followers on Twitter and 689 Facebook followers.

The new Foundation Derbyshire website was launched during the year, alongside a new marketing and communications strategy, part of which is focused on developing our digital technology and social media platforms to raise awareness and profile of the work that we do.

Our Friends of Foundation Derbyshire scheme was established in 2018 to enable new and existing supporters, by making a small monthly donation, to help us cover our day to day costs and develop our growth. It continues to be a vital source of funding that enables us to invest in and improve our services and we thank our Friends for their ongoing support and making it possible for us to reach even more of Derbyshire's community groups and projects, that so desperately need our help.

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**DERBYSHIRE COMMUNITY FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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**Achievements and performance (continued)**

**h. Foundation Derbyshire Friends**

Our Friends of Foundation Derbyshire scheme has been established to enable new and existing supporters, by making a small monthly donation, to help us cover our day to day costs and develop our growth.

We thank our Friends for their support and for making it possible for us to reach even more of Derbyshire's community groups and projects, which desperately need our help.

Foundation Derbyshire Friends

Barbara Ball	Jasper Olivier
Joanne & Tim Basford	David Pinder
Edward Cadogan	Louise Potter
Andrew Cochrane	Barbi Rodgers
Emma Curzon	Robert Shields
Alexandra Hayward	Charles Stephenson
Bill & Gillian Hutchinson	Fiona Stephenson
William and Griselda Kerr	Oliver Stephenson
Longcliffe Quarries	Elizabeth Tarling
Matthew Montague Architects	Tony Walker

Foundation Derbyshire Lifetime Friends

Duncan Ashby	Bill & Gillian Hutchinson
James Litchfield	James Litchfield
Peter Ashworth	Derek & Karen Mapp
Helen Bishop	Nick Mirfin
Arthur Blackwood	Lady Marion Morris
Jeremy Bowler	Mel Morris
David Coleman	John Nicholson
Mike Copestake	David & Lucy Palmer
Chris Endsor	Robert Shields
Deborah Fern	Rex Stone
Sir Richard FitzHerbert	Brigadier Edward Wilkinson
Peter Gadsby	John Wilson
Michael Hall	Robin Wood
Roger Hollick	

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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***Financial review***

**a. Results for the year**

Unrestricted Funds

Management fee income of £13.6k was £85.6k lower than 2020/21 (at £99.3k). This was primarily due to one-off fee income earned distributing National Emergencies Trust Coronavirus Funding during the prior year.

£8.3k of unrestricted donations during the year and net administration fees of £171k from endowed funds resulted in an operating surplus of £22k. This left unrestricted reserves at £191.4k as at 31st March 2022 (31st March, 2021: £169.4k).

Restricted Funds

Foodbank funding from Derbyshire County Council and the Arts Council's Let's Create Jubilee grant programme were the main contributors to £156k of Restricted Income during the year.

Grantmaking of £447k was the main contributor to £468.6k of Restricted Fund expenditure during the year.

£347k of distributable income was transferred from endowed funds to restricted funds during the year, in accordance with the Foundation's Total Return policy, to leave the balance unspent at 31 March 2022 of £638k, £34.8k higher than the balance at 31 March 2021.

This end of year restricted fund balance relates to funds which have not fully distributed their grant making capacity and will be available for grant distribution during 2022/23.

Endowment Fund

£1.3 million of new endowed funds were secured during the year (of which £1 million relates to the transfer of a portfolio of educational trusts from Derbyshire County Council). In addition, relatively strong market performance until the final quarter of the financial year, resulted in the Foundation's investments returning an unrealised gain for the year of £397k (2020/21: £1,373k gain). These gains, combined with investment income (interest, dividends and rental income) of £234.4k during the year, were more than enough to cover endowment expenses (investment management costs and expenses relating to our investment property) of £33.6k and £518.2k of distributions (relating to transfers under the Foundation's Total Return Policy) and resulted in a £1.23 million increase in endowed funds during the year to £9.22 million.

**b. Reserves policy**

The reserves policy was revised in 2007 to reflect a target level of a minimum of four months running costs equating to £68,278. This revision reflected the increased timescales and potential costs of winding down the much larger organisation. Free reserves as at 31 March 2022 were £99,717 (2021: £79,088).

**TRUSTEES' REPORT (CONTINUED)**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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**c. Investments policy**

Under the Memorandum and Articles of Association, Derbyshire Community Foundation has the power to invest any funds not immediately required for the furtherance of its objects in such investments, securities or property as may be thought fit.

The investment objectives remain as:-

- (a) The creation of a sufficient financial return to enable the Foundation to carry out its purposes effectively and without interruption, and
- (b) to maintain and, if possible, enhance the value of the Foundation's investment funds whilst they are invested,
- (c) to obtain a reasonable balance between capital growth and income so that the Foundation can meet future as well as current need,
- (d) to avoid investments that the Board of Trustees considers to be unduly risky.

The Trustees have delegated their investment powers to appointed investment managers (currently Rathbones, Cazenove Capital Management and CCLA) on a discretionary basis. In addition, the Office for Civil Society requires that CCLA manage a small portion of the Foundation's endowment (£440.4k as at 31 March 2022) under the Community First programme.

The investment manager is responsible for carrying out all day-to-day investment decisions including acquisition and realisation of investments. The investment manager is required to exercise the power to give effect to the principles as contained in the Foundation's Investment Policy and, in particular, must have regard to the need for diversification and suitability of investments selected.

Whilst the Trustees are not involved in the day-to-day operation of the investment portfolio and do not directly influence attainment of a performance target, they assess performance quarterly.

In addition, the appointment of investment managers is reviewed at least every five years by the Trustees.

Investment policy remains to secure a balance between income and capital growth, with a minimum requirement of a 6% total return to support our agreed spending policy.

As at 30th September, 2022 the value of the Foundation's investment portfolio was £8,589k (as at the balance sheet date of 31 March 2022: £9,274k).

**d. Going concern**

The Trustees have considered the ongoing impact of COVID-19 and increasing levels of inflation on the charity's income, operating cost base and investment portfolios. They have prepared forecasts of income and expenditure to 31 March 2024 and subjected these to sensitivity analysis. These show they have sufficient reserves and cash to continue in operational existence for the foreseeable future. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**TRUSTEES' REPORT (CONTINUED)**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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**e. Principal risks and uncertainties**

The Foundation has developed a Risk Management Register that details the risks to which the charity is exposed in the key areas of governance, finance, personnel, grant making, donor services, management, environment and premises.

Along with the potential impact of those risks, the probability of them occurring and the mitigating action required is also outlined, to assist with:

- a) regulatory compliance;
- b) achieving the charity's aims more effectively;
- c) ensuring that significant risks are known and monitored, thereby enabling trustees to make a more effective contribution; and
- d) improved forward planning.

Major risks to which the Foundation is currently exposed and systems or procedures established to manage those risks are:

1. Loss of revenue / discontinuation of major donation(s)

The Foundation's strategic planning process is on a three year rolling basis and donor care and development is a key element of this process. In addition, the Finance Committee monitors investment performance and reviews appropriateness of Total Return Policy distribution levels on an ongoing basis. Budgets are established at the beginning of each financial year and reviewed quarterly by the Finance Committee, along with cash flow and P&L performance.

2. Stock Market volatility and/or poor performance

The Foundation utilises the services of three investment managers in order to mitigate poor investment management performance and monitors their performance closely (including face to face meetings every 6 months). In addition, the appropriateness of distribution levels is reviewed alongside investment performance information.

3. Inadequate planning/forecasting

An annual Board/Senior Management Strategy session ensures that both staff and Trustees are involved in setting targets and that these are not only relevant but that an appropriate balance between realistic and challenging is maintained.

**TRUSTEES' REPORT (CONTINUED)**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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***Structure, governance and management***

**a. Constitution**

The charitable company is limited by guarantee without having a share capital and the liability of the members is limited to £1 each. The charitable company is governed by its Memorandum and Articles of Association and is a registered charity.

**b. Methods of appointment or election of trustees**

As of the 2010 AGM, at which amendments to the Articles of Association were approved, Trustees serve for a four year term. Trustees must retire at the AGM following their completion of four years' service, but may stand for re-election, subject to a maximum of three consecutive four-year terms.

To ensure that board transparency and effectiveness are not compromised, re-election is subject to satisfactory performance and the achievement of minimum performance standards.

The Board has the power at any time to appoint any person to be a Trustee, either to fill a casual vacancy or as an addition to the existing Trustees, subject to the total number of Trustees at any time not exceeding sixteen. Any Trustee appointed holds office only until the next following AGM, and then becomes eligible for re election.

New Trustees are found from the contacts and networks of existing Trustees. The Board regularly undertakes skills audits, in order to identify skills gaps amongst existing Trustees and to enable it to seek new Trustees with the skills and experience to fill these gaps.

**c. Organisational structure and decision-making policies**

The Board of Trustees administers the charity. The Board meets quarterly and there are sub-committees covering Finance, Grant Making and EDI.

The Chief Executive is appointed by the Trustees and manages the day to day operations of the charity, working within terms of delegation, approved by the Trustees, for operational matters including finance, employment, fund development and grant making related activities.

**d. Policies adopted for the induction and training of trustees**

New Trustees attend an induction meeting, at which they are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committees and decision making processes, the business plan, staffing structure and recent financial performance of the charity.

**TRUSTEES' REPORT (CONTINUED)**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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**Structure, governance and management (continued)**

**e. Governance and management**

The Board of Trustees plays an important part in fulfilling the Foundation's purpose and vision. Our goal continues to be that we maximise public benefit by ensuring that we:

- embrace and reflect the whole community that we serve;
- function effectively within the terms of a modern and relevant code of governance;
- promote the commitment and satisfaction of those who serve on it; and
- help the Foundation achieve its objectives.

A Board skills audit is conducted on a regular basis and is used to inform the Trustee recruitment process. The Board is committed to ensuring that new Trustees have the skills and expertise required for the future growth and development of the Foundation and are reflective of the communities that we serve.

The Foundation now employs a core staff of three part time employees (2.0 FTE) and continues to manage a significant grants budget and increasing number of named endowment funds. To enable us to maintain our efficiency and probity, ongoing work on our infrastructure, including policies, operational standards and management practice, continued as an ongoing priority.

Remuneration of key management personnel is reviewed on an annual basis by the Foundation's Finance Committee and their recommendations are then submitted to the Board for approval.

**f. Employees**

The Trustees would like to formally express their appreciation to all employees and the members of our grant making panels for their contribution to another successful year.

**g. Trustees**

The Trustees who have held office during the year are listed on page 1.

The Board welcomes Stephen Gordon, who was formally appointed at the AGM in December 2021.

In December 2022, Louise Pinder will retire after completing her maximum 12 year term as a Trustee of Foundation Derbyshire. Louise has been a dedicated and passionate supporter of the Foundation and the Board thanks her for her time, commitment and enthusiasm.

The Board thanks all members for their contribution to another successful year for Derbyshire Community Foundation.

**TRUSTEES' REPORT (CONTINUED)**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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**Structure, governance and management (continued)**

**h. Fundraising standards information**

Given the ongoing uncertainties regarding the Coronavirus pandemic, there were no fundraising events organised during the year.

The Foundation does not use professional fund-raisers or commercial participators to carry out fundraising activities on its behalf and does not use direct marketing, telephone, doorstep or on-street fundraising.

The charity has been registered with the Fundraising Regulator since May 2021 and is therefore subject to an undertaking to be bound by a voluntary scheme for regulating fund-raising, or voluntary standard for fund-raising in respect of its activities.

The Foundation has developed a Donor Care policy that sets out the practices and commitment we make to all of our supporters, as part of our fundraising ethos and working practice.

**Plans for future periods**

A new three year strategic plan, to take the organisation through to 2024, was the focus of several Trustee Strategic planning sessions with senior staff at the end of the last financial year. The plan focuses on the delivery of our two key objectives, namely to:

- Build on Foundation Derbyshire's position as the county's trusted philanthropic enabler and advisor, a fair and intelligent grant-maker and a professional manager of charitable funds
- Ensure our grantmaking is:
  - a. Relevant, supportive & equitable - reflecting & meeting the needs of the communities we serve and targeting priority areas and issues.
  - b. Pre-emptive as well as responsive and supportive

The Strategic Plan has been used to establish an action plan and progress against targets is reported to, and reviewed at, quarterly Board meetings.

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**DERBYSHIRE COMMUNITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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**Statement of trustees' responsibilities**

The trustees (who are also the directors of the charitable company 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 the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

**Disclosure of information to auditor**

So far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware, and
- the trustees have taken all the steps that they ought to have taken in order to be aware of any relevant audit information and to establish that the auditor is aware of that information.

**Auditor**

The auditor, BHP LLP, has indicated their willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees and signed on their behalf by:



.....  
**Oliver Stephenson**

Chair

Date: Dec 7, 2022

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBYSHIRE COMMUNITY FOUNDATION**

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**Opinion**

We have audited the financial statements of Derbyshire Community Foundation (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, 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 its incoming resources and application of resources, including its 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBYSHIRE COMMUNITY FOUNDATION**  
**(CONTINUED)**

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**Other information**

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

We have nothing to report in this regard.

**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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the director's report has been prepared in accordance with applicable legal requirements.

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

In the light of our 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.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBYSHIRE COMMUNITY FOUNDATION**  
**(CONTINUED)**

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**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, 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:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the entity through discussions with Trustees and other management, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the entity, including safeguarding legislation, health and safety and data protection laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the entity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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**DERBYSHIRE COMMUNITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBYSHIRE COMMUNITY FOUNDATION**  
**(CONTINUED)**

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To address the risk of fraud through management bias and override of controls, we

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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](http://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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*BHP LLP*

**Jane Marshall (Senior statutory auditor)**

for and on behalf of

**BHP LLP**

Chartered Accountants

Statutory Auditors

One Waterside Place

Basin Square

Brimington Road

Chesterfield

Derbyshire

S41 7FH

Date: Dec 7, 2022

**DERBYSHIRE COMMUNITY FOUNDATION**  
**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income and endowments from:</b>						
Donations and legacies	4	8,332	152,057	1,149,675	1,310,064	1,781,897
Charitable activities	5	13,646	-	-	13,646	99,252
Other trading activities	6	-	4,447	-	4,447	44,377
Investments	7	-	-	234,378	234,378	195,561
<b>Total income and endowments</b>		<b>21,978</b>	<b>156,504</b>	<b>1,384,053</b>	<b>1,562,535</b>	<b>2,121,087</b>
<b>Expenditure on:</b>						
Raising funds	8	12,102	-	33,555	45,657	41,705
Charitable activities	9	159,176	468,629	-	627,805	1,817,330
<b>Total expenditure</b>		<b>171,278</b>	<b>468,629</b>	<b>33,555</b>	<b>673,462</b>	<b>1,859,035</b>
<b>Net (expenditure)/income before net gains on investments</b>						
		<b>(149,300)</b>	<b>(312,125)</b>	<b>1,350,498</b>	<b>889,073</b>	<b>262,052</b>
Net gains on investments		-	-	397,249	397,249	1,372,846
<b>Net (expenditure)/income</b>						
		<b>(149,300)</b>	<b>(312,125)</b>	<b>1,747,747</b>	<b>1,286,322</b>	<b>1,634,898</b>
Transfers between funds	21	171,251	346,939	(518,190)	-	-
<b>Net movement in funds</b>		<b>21,951</b>	<b>34,814</b>	<b>1,229,557</b>	<b>1,286,322</b>	<b>1,634,898</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		169,403	603,502	7,990,073	8,762,978	7,128,080
Net movement in funds		21,951	34,814	1,229,557	1,286,322	1,634,898
<b>Total funds carried forward</b>		<b>191,354</b>	<b>638,316</b>	<b>9,219,630</b>	<b>10,049,300</b>	<b>8,762,978</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

**DERBYSHIRE COMMUNITY FOUNDATION**  
**(A Company Limited by Guarantee)**  
REGISTERED NUMBER: 02893759

**BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Fixed assets</b>			
Tangible assets	14	<b>172,604</b>	173,927
Heritage assets	15	<b>79,526</b>	79,526
Investments	16	<b>9,273,528</b>	7,579,689
Investment property	17	-	300,000
		<b>9,525,658</b>	8,133,142
<b>Current assets</b>			
Debtors	18	<b>67,460</b>	60,256
Cash at bank and in hand		<b>781,002</b>	886,796
		<b>848,462</b>	947,052
Creditors: amounts falling due within one year	19	<b>(249,372)</b>	(238,985)
<b>Net current assets</b>		<b>599,090</b>	708,067
<b>Total assets less current liabilities</b>		<b>10,124,748</b>	8,841,209
Creditors: amounts falling due after more than one year	20	<b>(75,448)</b>	(78,231)
<b>Total net assets</b>		<b>10,049,300</b>	8,762,978
<b>Charity funds</b>			
Endowment funds (includes revaluation reserve of £2,554,370 (2021: £2,394,806))	21	<b>9,219,630</b>	7,990,073
Restricted funds	21	<b>638,316</b>	603,502
Unrestricted funds	21	<b>191,354</b>	169,403
<b>Total funds</b>		<b>10,049,300</b>	8,762,978

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**DERBYSHIRE COMMUNITY FOUNDATION**

**(A Company Limited by Guarantee)**

REGISTERED NUMBER: 02893759

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**BALANCE SHEET (CONTINUED)**

**AS AT 31 MARCH 2022**

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The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

*William Kerr*

[William Kerr \(Dec 7, 2022 15:03 GMT\)](#)

**William Kerr**

Treasurer

Date: Dec 7, 2022

The notes on pages 29 to 54 form part of these financial statements.

**DERBYSHIRE COMMUNITY FOUNDATION**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	24	659,063	181,875
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		234,378	195,561
Purchase of tangible fixed assets		-	(840)
Proceeds from sale of investments		280,421	495,156
Purchase of investments		(1,547,360)	(736,194)
Proceeds from sale of investment property		300,000	-
<b>Net cash used in investing activities</b>		<b>(732,561)</b>	<b>(46,317)</b>
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(2,645)	(5,193)
<b>Net cash used in financing activities</b>		<b>(2,645)</b>	<b>(5,193)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(76,143)</b>	<b>130,365</b>
Cash and cash equivalents at the beginning of the year		898,096	767,731
<b>Cash and cash equivalents at the end of the year</b>	25	<b>821,953</b>	898,096

**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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**1. General information**

The charitable company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Derbyshire Community Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in sterling, which is the functional currency of the charity, and rounded to the nearest £1.

**2.2 Going concern**

The Trustees have considered the impact of COVID-19 on the charity's income, operating cost base and investment portfolios. They have prepared forecasts of income and expenditure to 31 March 2024 and subjected these to sensitivity analysis. These show they have sufficient reserves and cash to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.3 Income**

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charitable company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charitable company, can be reliably measured.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Interest and dividends are included in the financial statements on an accruals basis. Tax recoverable on the above is accounted for on a receivable basis.

Investment income is allocated to restricted or unrestricted funds by reference to the nature of the underlying funds generating the income.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Fundraising costs are those incurred in seeking the voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable company's objectives, as well as any associated support costs.

Grants payable are recognised as expenditure when the commitment is made.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Taxation**

The charitable 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 charitable 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.

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	no depreciation (see note below)
Office equipment	-	20% straight line
Computer equipment	-	20% straight line

No depreciation has been charged on freehold property as in the view of the Trustees, based on the estimated residual value and a useful economical life of 25 years, the annual depreciation charge would be immaterial.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.7 Heritage assets**

Artwork is capitalised at its value on donation or insurance valuation. No depreciation is provided as the residual value is considered to be at least equal to the valuation. Any excess of market value (i.e. insurance value) over the value on donation is credited to the Statement of Financial Activities.

Heritage assets are reviewed for evidence of impairment annually and no provision had been made in either year. In the view of the trustees, this is reasonable when considering the condition of the artwork and its potential for resale and/ or generating income.

**2.8 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

**2.9 Investment property**

The investment property is carried at market value and the valuation is reviewed at the end of each reporting period by Trustees using rental yield calculations and comparing these against commercial rates. Where there is deemed to be a material change to the valuation, a professional valuer is appointed. Where the excess of market value is less than original cost the resultant deficit is taken to the endowment fund.

**2.10 Debtors**

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

**2.11 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.12 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.13 Financial instruments**

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.14 Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**2.15 Pensions**

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charitable company to the fund in respect of the year.

**2.16 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Endowment funds represent those assets which are expendable by the charity. Income arising on the endowment funds is included as endowment income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**2.17 Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 MARCH 2022*

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**3. Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

The following assumptions have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

Valuation of non-investment and investment property - these valuations are subject to a number of judgements which include, but are not limited to, local area assessments, market conditions and state of repair of the property.

Valuation of heritage assets - these valuations are subject to judgements made by insurers and these may change over time with changes to the artwork market. Impairment reviews consider recent exhibitions and the active market for which data may not be readily available.

Allocation of investment income, management costs and gains/ losses - these are allocated to funds by reference to the nature of the underlying funds which generated the income, incurred the costs or made the gain/ loss. Any misallocation could result in a material misstatement of fund balances and impact free reserves reported in these financial statements.

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**4. Income from donations and legacies**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	8,332	152,057	1,149,675	1,310,064	1,781,897
Total 2021	7,275	1,339,799	434,823	1,781,897	

**5. Income from charitable activities**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Admin Fees	13,646	13,646	99,252
Total 2021	99,252	99,252	

**6. Fundraising income**

**Income from fundraising events**

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Events	-	-	42,407
Vickers artwork sales	4,447	4,447	1,970
	4,447	4,447	44,377
Total 2021	44,377	44,377	

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**7. Investment income**

	<b>Endowment funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Rental income	<b>130</b>	<b>130</b>	884
Bank interest and dividends received	<b>234,248</b>	<b>234,248</b>	194,677
	<b>234,378</b>	<b>234,378</b>	195,561
Total 2021	195,561	195,561	

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**FOR THE YEAR ENDED 31 MARCH 2022**

**8. Expenditure by fund**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b><i>Expenditure on raising funds</i></b>					
Fundraising (note 9)	12,102	-	-	12,102	11,734
Investment management fees	-	-	33,555	33,555	29,971
	<b>12,102</b>	<b>-</b>	<b>33,555</b>	<b>45,657</b>	<b>41,705</b>
<b><i>Expenditure on charitable activities</i></b>					
Grants payable/ restricted fund expenditure (note 11)	-	468,629	-	468,629	1,636,553
Support costs (note 9)	152,238	-	-	152,238	173,319
Management and admin (note 9)	6,938	-	-	6,938	7,458
	<b>159,176</b>	<b>468,629</b>	<b>-</b>	<b>627,805</b>	<b>1,817,330</b>
<b>Total 2022</b>	<b>171,278</b>	<b>468,629</b>	<b>33,555</b>	<b>673,462</b>	<b>1,859,035</b>
Total 2021	168,238	1,636,553	54,244	1,859,035	

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**9. Expenditure - fundraising, support costs and management and admin**

	Support costs 2022 £	Management and admin 2022 £	Fundraising 2022 £	Total funds 2022 £	Total funds 2021 £
Wages and salaries	77,154	61	8,640	85,855	84,839
Other staff costs	(498)	9	4	(485)	200
Fundraising costs	-	-	515	515	611
Utilities and insurances	2,436	426	183	3,045	3,815
Office and meeting costs	1,978	346	148	2,472	6,593
Computer costs	9,495	1,662	712	11,869	9,588
Finance costs	4,165	729	312	5,206	2,919
Publicity and communications	6,821	1,194	513	8,528	454
Legal and professional	14,351	2,511	1,075	17,937	29,579
Investment property costs	-	-	-	-	24,273
Depreciation	1,323	-	-	1,323	1,295
Governance costs (note 10)	35,013	-	-	35,013	28,345
<b>Total 2022</b>	<b>152,238</b>	<b>6,938</b>	<b>12,102</b>	<b>171,278</b>	<b>192,511</b>
Total 2021	173,319	7,458	11,734	192,511	

**10. Governance costs**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Auditor's remuneration	14,662	-	-	14,662	9,480
Other costs	250	-	-	250	370
Salaries and national insurance	20,101	-	-	20,101	18,495
<b>Total 2022</b>	<b>35,013</b>	<b>-</b>	<b>-</b>	<b>35,013</b>	<b>28,345</b>
Total 2021	28,345	-	-	28,345	

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**11. Grants payable/ restricted fund expenditure**

	<b>2022 Number</b>	<b>2022 £</b>	<b>2021 Number</b>	<b>2021 £</b>
Grants to Community Groups & Voluntary Organisations	<b>176</b>	<b>447,195</b>	314	1,655,916
Grants to individuals	<b>1</b>	<b>1,600</b>	7	3,500
Withdrawn/ underspent grants	-	<b>(1,441)</b>	-	(37,907)
Other restricted expenditure	-	<b>21,275</b>	-	15,044
<b>Total 2022</b>	<b>177</b>	<b>468,629</b>	321	1,636,553

**12. Auditor's remuneration**

	<b>2022 £</b>	<b>2021 £</b>
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	<b>10,512</b>	9,480
Fees payable to the charitable company's auditor in respect of: All non-audit services not included above	<b>4,150</b>	-

**13. Staff costs**

	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	<b>92,330</b>	94,523
Social security costs	<b>9,111</b>	4,242
Pension and health scheme costs	<b>4,515</b>	4,569
	<b>105,956</b>	103,334

Included within pension and health scheme costs are pension contributions payable of £4,082 (2021: £4,078).

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**13. Staff costs (continued)**

The average number of persons employed by the charitable company during the year was as follows:

	<b>2022 No.</b>	<b>2021 No.</b>
Grant support	<b>2</b>	3
Management	<b>1</b>	1
	<hr/>	<hr/>
	<b>3</b>	4
	<hr/>	<hr/>

The average headcount expressed as full-time equivalents was:

	<b>2022 No.</b>	<b>2021 No.</b>
Allocated to charitable activities	<b>1.00</b>	1.61
Allocated to management, administration and fundraising	<b>0.40</b>	0.40
	<hr/>	<hr/>
	<b>1.40</b>	2.01
	<hr/>	<hr/>

No employee received remuneration amounting to more than £60,000 in either year.

During either year, no trustee received any remuneration or benefits in kind.

The total amount of employee benefits (including employers NI and pension contributions) received by key management personnel were £88,578 (2021: £80,085). The charity considers its key management personnel to be the Chief Executive Officer and Assistant Director of Grants.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**14. Tangible fixed assets**

	Freehold property £	Office equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 April 2021	169,009	1,502	5,115	175,626
At 31 March 2022	169,009	1,502	5,115	175,626
<b>Depreciation</b>				
At 1 April 2021	-	500	1,199	1,699
Charge for the year	-	300	1,023	1,323
At 31 March 2022	-	800	2,222	3,022
<b>Net book value</b>				
At 31 March 2022	169,009	702	2,893	172,604
At 31 March 2021	169,009	1,002	3,916	173,927

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**15. Heritage assets**

**Assets recognised at valuation**

	<b>Artwork 2022 £</b>
Market value at 1 April 2021	<b>79,526</b>
	<hr/>
<b>Market value at 31 March 2022</b>	<b>79,526</b>
	<hr/> <hr/>

Artwork relates to the holding of pieces of art donated by or purchased from artists. The Board reviewed holdings during the year and determined that the valuation of works continued to be appropriate for the current year.

An independent valuation of heritage assets was carried out by Hansons Auctioneers and Valuers Ltd on 10 August 2015.

**Analysis of heritage asset transactions**

	<b>2022 £</b>	<b>2021 £</b>	<b>2020 £</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Donations</b>					
Artwork	-	<b>17,210</b>	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total additions</b>	-	<b>17,210</b>	-	-	-

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**16. Fixed asset investments**

	Listed investments £	Cash £	Total £
<b><i>Cost or valuation</i></b>			
At 1 April 2021	7,568,389	11,300	7,579,689
Additions	1,547,360	-	1,547,360
Disposals	(280,421)	-	(280,421)
Revaluations	397,249	-	397,249
Movement in cash	-	29,651	29,651
At 31 March 2022	<u>9,232,577</u>	<u>40,951</u>	<u>9,273,528</u>
<b><i>Net book value</i></b>			
At 31 March 2022	<u>9,232,577</u>	<u>40,951</u>	<u>9,273,528</u>
At 31 March 2021	<u>7,568,389</u>	<u>11,300</u>	<u>7,579,689</u>

**Investments at market value comprise**

	2022 £	2021 £
Cazenove Charity Multi Asset Fund	3,673,405	3,402,273
CCLA Investment Management Ltd	1,911,569	693,368
Rathbones Investments Management	3,658,736	3,454,758
M&G Investments	29,818	29,290
	<u>9,273,528</u>	<u>7,579,689</u>
Historical cost	<u>6,719,158</u>	<u>5,274,883</u>

The investments consist of monies held in externally managed portfolios in a mixture of UK and foreign investments, and are shown at market value as at 31 March 2022.

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**17. Investment property**

	Investment property - Sutton-in- Ashfield £
At 1 April 2021	300,000
Disposals	(300,000)
At 31 March 2022	-

**18. Debtors**

	2022 £	2021 £
Trade debtors	95	50
Other debtors	65,095	57,273
Prepayments and accrued income	2,270	2,933
	<b>67,460</b>	<b>60,256</b>

**19. Creditors: Amounts falling due within one year**

	2022 £	2021 £
Mortgage repayments due within one year	5,519	5,381
Other taxation and social security	5,609	4,283
Other creditors	6,570	14,953
Accruals and deferred income	27,143	16,908
Grants payable (i.e. awaiting contract return)	204,531	197,460
	<b>249,372</b>	<b>238,985</b>

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**20. Creditors: Amounts falling due after more than one year**

	<b>2022</b>	2021
	<b>£</b>	£
Mortgage repayments due after one year	<b>75,448</b>	78,231

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	<b>2022</b>	2021
	<b>£</b>	£
Payable or repayable by instalments	<b>50,862</b>	55,259
	<b>50,862</b>	55,259

The mortgage is secured by a legal charge over the charitable company's freehold property (Unit 2, Heritage Business Centre, Belper, Derbyshire, DE56 1SW).

**DERBYSHIRE COMMUNITY FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**21. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b><i>Unrestricted funds</i></b>						
General funds	169,403	21,978	(171,278)	171,251	-	191,354
<b><i>Endowment funds (expendable)</i></b>						
Discretionary Funds	316,115	13,425	(1,421)	(19,600)	13,935	322,454
J Vickers Fund	273,692	7,524	(874)	(12,063)	8,593	276,872
Donor Directed Funds	6,855,909	1,363,104	(31,260)	(345,626)	337,777	8,179,904
Community First Funds	454,357	-	-	(50,901)	36,944	440,400
Revaluation reserve - investment property	90,000	-	-	(90,000)	-	-
	<b>7,990,073</b>	<b>1,384,053</b>	<b>(33,555)</b>	<b>(518,190)</b>	<b>397,249</b>	<b>9,219,630</b>
<b><i>Restricted funds</i></b>						
Tom Carey	54,247	-	(39,530)	82,858	-	97,575
Assist Grassroots Grant Revenue	35,255	-	-	4,185	-	39,440
Derbyshire Building Society	27,524	-	-	4,520	-	32,044
SDLF	32,407	-	-	12,294	-	44,701
Rolls-Royce plc Fund	46,822	-	(55,281)	15,145	-	6,686
S.D.C.C.T.E	15,259	-	-	483	-	15,742
Freemasons GR	19,595	-	(19,500)	9,073	-	9,168
Made by Sport	64,994	(60,894)	(4,042)	-	-	58
Grassroots Derbyshire	27,100	-	-	(27,100)	-	-

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**21. Statement of funds (continued)**

***Statement of funds - current year (continued)***

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Coronavirus Response Fund	15,063	92,000	(55,000)	1	-	52,064
Flood Relief Fund	12,481	-	-	-	-	12,481
Ashby Fund	17,294	-	(40,328)	39,823	-	16,789
Golf day	16,074	-	-	-	-	16,074
Jefford- Weller Fund	13,252	250	(11,405)	5,545	-	7,642
Let's Create - Arts Council Fund	-	89,550	(89,340)	-	-	210
Other named funds	206,135	35,598	(154,203)	200,112	-	287,642
	<b>603,502</b>	<b>156,504</b>	<b>(468,629)</b>	<b>346,939</b>	<b>-</b>	<b>638,316</b>
<b>Total of funds</b>	<b>8,762,978</b>	<b>1,562,535</b>	<b>(673,462)</b>	<b>-</b>	<b>397,249</b>	<b>10,049,300</b>

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**21. Statement of funds (continued)**

**Statement of funds - prior year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b><i>Unrestricted funds</i></b>						
General funds	92,219	106,527	(168,238)	138,895	-	169,403
<b><i>Endowment funds (expendable)</i></b>						
Discretionary Funds	271,598	13,125	(1,404)	(17,795)	50,591	316,115
J Vickers Fund	229,365	25,037	(862)	(10,936)	31,088	273,692
Donor Directed Funds	5,530,653	592,222	(51,978)	(338,329)	1,123,341	6,855,909
Community First Funds	376,531	-	-	-	77,826	454,357
Revaluation reserve - investment property	-	-	-	-	90,000	90,000
	6,408,147	630,384	(54,244)	(367,060)	1,372,846	7,990,073

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**21. Statement of funds (continued)**

***Restricted funds***

Tom Carey	61,107	-	(80,792)	73,932	-	54,247
Assist Grassroots Grant Revenue	31,462	-	-	3,793	-	35,255
Derbyshire Building Society	25,029	-	-	2,495	-	27,524
SDLF	25,206	-	-	7,201	-	32,407
Rolls-Royce plc Fund	32,666	-	-	14,156	-	46,822
S.D.C.C.T.E	15,259	-	-	-	-	15,259
Freemasons GR	3,279	-	-	16,316	-	19,595
Made by Sport	-	64,994	-	-	-	64,994
Grassroots Derbyshire	18,698	-	-	8,402	-	27,100
Coronavirus Response Fund	140,219	1,243,273	(1,392,208)	23,779	-	15,063
Flood Relief Fund	35,612	-	(2,631)	(20,500)	-	12,481
Ashby Fund	19,684	-	(38,984)	36,594	-	17,294
Golf day	16,074	-	-	-	-	16,074
Jefford- Weller Fund	11,550	250	(7,824)	9,276	-	13,252
Other named funds	191,869	75,659	(114,114)	52,721	-	206,135
	<u>627,714</u>	<u>1,384,176</u>	<u>(1,636,553)</u>	<u>228,165</u>	<u>-</u>	<u>603,502</u>
<b>Total of funds</b>	<u>7,128,080</u>	<u>2,121,087</u>	<u>(1,859,035)</u>	<u>-</u>	<u>1,372,846</u>	<u>8,762,978</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**21. Statement of funds (continued)**

Purpose of endowment funds

Discretionary Funds grants are allocated at the Trustees' discretion to meet current community needs.

J Vickers Fund was established with a donation from the estate of the late Jonathan Vickers and distributions are used to fund and administer the Jonathan Vickers Fine Art Award.

Donor Directed Funds are where the donor chooses which projects to support by establishing grantmaking criteria and may also be involved in the grantmaking decisions.

Community First Funds are the Donor Directed Community First Funds held on trust in perpetuity separately from the charitable company's own assets.

Purpose of restricted funds

Tom Carey fund is a named donor directed endowment fund that provides support to new and existing community activity in the Abbey ward of Derby City.

Assist Grassroots Grant Revenue is a named donor directed fund established to support groups providing opportunities for people to gain new skills, qualifications or work experience.

Derbyshire Building Society fund was established in 2004 as part of the Society's wider ongoing commitment to support and improve life within our county.

SDLF fund supports community and voluntary groups offering opportunities for people to gain new skills, which will ultimately allow people to enter or re-enter the world of employment.

Rolls-Royce plc Fund is one of the Foundation's founding funds and was established to provide long term support to local groups and activities in Derbyshire. Every year the Foundation works alongside Rolls-Royce to develop a grant theme, responding to local needs, topics and concerns.

SDCCTE is a named fund established to provide core cost funding for the Foundation.

Freemasons GR fund has been established by the Freemasons of Derbyshire Provincial Grand Charity to support community life and tackle disadvantage across Derbyshire by supporting community and voluntary groups and charities.

Made by Sport - administered on behalf of Made by Sport to support clubs and community organisations that intentionally use sport or exercise to develop young people's lives.

Grassroots Derbyshire - supports groups and projects that work to enhance the quality of life for people living in Derbyshire communities

Coronavirus Response Fund was launched at the end of March 2020 to provide support to community groups and organisations working to tackle the impact of the Coronavirus in Derbyshire and Derby City.

Flood Relief Fund was launched by Foundation Derbyshire in November 2019 in response to the floods that affected parts of Derbyshire and Derby City. The Fund was used to help individuals, families and communities that were affected by the flood waters.

**DERBYSHIRE COMMUNITY FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

Ashby Fund - aims to improve the quality of life for Derbyshire residents and to tackle inequalities and disadvantages faced in local communities, with a preference for groups operating in rural areas or projects focusing on heritage and arts & culture.

Golf Day relates to the fundraising proceeds from the Foundation's annual charity golf day.

The Jefford Weller Fund supports individuals and groups who are working with homelessness and housing issues in Derbyshire.

Other named funds are the grant revenue pots of the remaining discretionary and donor directed named endowment funds, which are held as part of the Foundation's endowment and flow through funds managed by the Foundation.

Transfers between funds

Transfers into restricted funds, totalling £346,939 and unrestricted funds of £171,251 relate primarily to distributable income for grant making and administration that was transferred in accordance with the Foundation's Total Return Policy in relation to the management of the investment portfolio. These transfers were made from the Foundation's Endowment Fund into General Funds and the grant revenue pots of the 64 discretionary and donor directed named endowment funds, which have been established with the Foundation.

**22. Summary of funds**

**Summary of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
General funds	169,403	21,978	(171,278)	171,251	-	191,354
Endowment funds	7,990,073	1,384,053	(33,555)	(518,190)	397,249	9,219,630
Restricted funds	603,502	156,504	(468,629)	346,939	-	638,316
	<b>8,762,978</b>	<b>1,562,535</b>	<b>(673,462)</b>	<b>-</b>	<b>397,249</b>	<b>10,049,300</b>

**Summary of funds - prior year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	92,219	106,527	(168,238)	138,895	-	169,403
Endowment funds	6,408,147	630,384	(54,244)	(367,060)	1,372,846	7,990,073
Restricted funds	627,714	1,384,176	(1,636,553)	228,165	-	603,502
	<b>7,128,080</b>	<b>2,121,087</b>	<b>(1,859,035)</b>	<b>-</b>	<b>1,372,846</b>	<b>8,762,978</b>

**DERBYSHIRE COMMUNITY FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**23. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	172,604	-	-	172,604
Fixed asset investments	-	-	9,273,528	9,273,528
Heritage assets	-	-	79,526	79,526
Current assets	343,570	638,316	(133,424)	848,462
Creditors due within one year	(249,372)	-	-	(249,372)
Creditors due in more than one year	(75,448)	-	-	(75,448)
<b>Total</b>	<b>191,354</b>	<b>638,316</b>	<b>9,219,630</b>	<b>10,049,300</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	173,927	-	-	173,927
Fixed asset investments	-	-	7,579,689	7,579,689
Investment property	-	-	300,000	300,000
Heritage assets	-	-	79,526	79,526
Current assets	312,692	603,502	30,858	947,052
Creditors due within one year	(238,985)	-	-	(238,985)
Creditors due in more than one year	(78,231)	-	-	(78,231)
<b>Total</b>	<b>169,403</b>	<b>603,502</b>	<b>7,990,073</b>	<b>8,762,978</b>

**DERBYSHIRE COMMUNITY FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**24. Reconciliation of net movement in funds to net cash flow from operating activities**

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	1,286,322	1,634,898
<b>Adjustments for:</b>		
Depreciation charges	1,323	1,295
Net (losses)/gain on investments	(397,249)	(1,372,846)
Dividends, interests and rents from investments	(234,378)	(195,561)
(Increase)/decrease in debtors	(7,204)	(15,676)
Increase/(decrease) in creditors	10,249	146,975
Donation of heritage assets	-	(17,210)
<b>Net cash provided by operating activities</b>	<b>659,063</b>	<b>181,875</b>

**25. Analysis of cash and cash equivalents**

	2022 £	2021 £
Cash in hand	781,002	886,796
Cash held in the investment portfolio	40,951	11,300
<b>Total cash and cash equivalents</b>	<b>821,953</b>	<b>898,096</b>

**26. Analysis of changes in net debt**

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	886,796	(105,794)	781,002
Debt due within 1 year	(5,381)	(138)	(5,519)
Debt due after 1 year	(78,231)	2,783	(75,448)
	<b>803,184</b>	<b>(103,149)</b>	<b>700,035</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**27. Pension commitments**

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable by the charitable company to the fund and amounted to £4,082 (2021: £4,078). Contributions totalling £511 (2021: £573) were payable to the fund at the balance sheet date and are included in creditors.

**28. Operating lease commitments**

At 31 March 2022 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2022</b>	2021
	<b>£</b>	£
Not later than 1 year	<b>650</b>	650
Later than 1 year and not later than 5 years	<b>1,463</b>	2,113
	<b>2,113</b>	2,763

The following lease payments have been recognised as an expense in the Statement of financial activities:

	<b>2022</b>	2021
	<b>£</b>	£
Operating lease rentals	<b>650</b>	595

**29. Related party transactions**

During the year donations made by trustees to the charitable company totalled £27,577 (2021: £17,726). In addition, £7,797 (2021: £1,882) was paid to Arha Labs Limited for website and design services, a company part owned by Trustee Alison Williams.

# Derbyshire Community Foundation 2022 - Companies House copy

Final Audit Report

2022-12-07

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Status:	Signed
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