Point North Community Foundation

England & Wales · Charity number 1047625

Details

Other names	COUNTY DURHAM COMMUNITY FOUNDATION, COUNTY DURHAM FOUNDATION
Status	Registered
Legal form	Charitable company
Company number	03072153
Registered	1995-06-29
Register	View on the Charity Commission register

Contact

Address	Point North Community Foundation Victoria House 2 Whitfield Court St. Johns Road Meadowfield Industrial Estate DURHAM
Phone	01913786340
Email	info@pointnorth.org.uk
Website	www.pointnorth.org.uk

Activities

Objects: 2.1. The Charity is established for the support or promotion of:2.1.1. any charitable purposes for the relief of poverty (including training for employment or work) or any other charitable purpose for the benefit of the community with a preference to the community in the area of the County of Durham and Tees Valley and the North East2.1.2. such other exclusively charitable purpose in the United Kingdom and elsewhere which are in the opinion of the Trustees of benefit to the community including but not limited to the community in the area of the County of Durham and Tees Valley and the North East.2.2. This Article 2 may be amended by special resolution but only with the prior written consent of the Commission.

Activities: County Durham Community Foundation promotes lasting charitable giving, by bringing together donors with their chosen causes, through well targeted grants that make a genuine difference to the lives of local people within the communities of County Durham & Darlington.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Services, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** IN PARTICULAR THE COUNTY OF DURHAM AND ITS IMMEDIATE NEIGHBOURHOOD
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£16,093,279	£6,480,312	£31,829,103	10
2024-03-31	£6,374,107	£8,195,646	£23,525,491	10
2023-03-31	£4,471,202	£6,018,678	£23,634,514	11
2022-03-31	£5,610,190	£4,266,625	£25,930,403	10
2021-03-31	£6,044,697	£5,461,201	£23,155,729	9

Trustees

Name	Role	Appointed
Alison Dunn		2025-04-09
Emma Ruth O'Rourke		2022-11-07
Gillian Chinhengo		2024-03-18
Joanna Margaret Barker MBE		2023-03-27
Judith Hartley		2025-03-26
Sarah Thorpe		2025-03-26
Timothy Mallon		2025-03-26

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Linked charities

- THE JOHN T SHUTTLEWORTH ROPNER MEMORIAL TRUST (1047625-1)
- THE HYLTON HOUSE FUND (1047625-2)
- THE STANHOPE CASTLE SCHOOL CHARITABLE TRUST (1047625-3)
- KING EDWARD VII MEMORIAL FUND (1047625-4)
- DARLINGTON EDUCATION FUND (1047625-5)
- WILLIAM EDWIN NEESHAM EDUCATIONAL TRUST FUND (1047625-6)
- EAST HOWLE SCHOOL FUND (1047625-7)
- THE JOHN HEWISON PRIZE FUND (1047625-8)
- JOHNSTON EDUCATIONAL FOUNDATION (1047625-9)

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Point North Community Foundation

England & Wales - Charity number 1047625

Accounts

Registered number: 03072153
Charity number: 1047625

Point North Community Foundation

(A company limited by guarantee)

Annual report

31 March 2025

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COMPANIES HOUSE

Point North Community Foundation

Contents

	Page
Reference and administrative details	1 - 2
Chairman's statement	3
Trustees' report	4 - 27
Trustees' responsibilities statement	28
Independent auditor's report to the members of Point North Community Foundation	29 - 32
Statement of financial activities	33
Income and expenditure account	34
Balance sheet	35
Statement of cash flows	36
Notes to the financial statements	37 - 57

Point North Community Foundation

Reference and administrative details
Year ended 31 March 2025

Trustees

Joanna Barker MBE, Chair
James Fenwick, Chair (resigned 17 March 2025)
Rebecca Armstrong
Emily Burns (resigned 5 August 2024)
Gillian Chinhengo
Ann Dolphin OBE
Alison Dunn (appointed 17 March 2025)
Emma Glover (resigned 27 September 2024)
Stephen Hall, Vice Chair
Judith Hartley MBE (appointed 17 March 2025)
Ray Hudson (resigned 11 November 2024)
Peter Locke (resigned 19 February 2025)
Timothy Mallon (appointed 17 March 2025)
Emma O'Rourke
Sarah Thorpe (appointed 17 March 2025)

Company registered number

03072153

Charity registered number

1047625

Registered office

Victoria House
Whitfield Court
St John's Road
Meadowfield Industrial Estate
Durham
DH7 8XL

Chief Executive Officer

Michelle Cooper MBE

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Reference and administrative details (continued)
Year ended 31 March 2025

Principal banker

National Westminster Bank plc
12 Market Place
Durham
DH1 3NG

Investment manager

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Patrons

Harry Banks OBE DL
Mark l'Anson MBE
Lady Sarah Nicholson DL

Point North Community Foundation

Chair's statement
Year ended 31 March 2025

This has been another active and important year for Point North and the communities we support.

The total value of grants awarded exceeded £5.7 million, our highest to date, apart from the exceptional circumstances of 2023/24. While the majority supported communities in County Durham, an increasing number responded to need in the Tees Valley and across the wider North East, as directed by our donors.

We also marked the loss of two individuals who helped shape this organisation: our Patron, Alasdair MacConachie OBE, and our President, Sir Paul Nicholson KCVO, DL. Sir Paul was instrumental in co-founding Point North in 1995 and remained a committed supporter throughout his life. Both will be deeply missed.

I want to thank all those who have supported our work this year, particularly our donors and fundholders. Continued support from businesses such as the Banks Group, Darlington Building Society, EMG Solicitors and OnPath reflects a deep commitment to our region. Their trust and partnership are central to what we achieve.

I also wish to express my appreciation to James Fenwick, who served as our Chair for eight years, and to those Trustees who stood down during the year.

I warmly welcome the new Trustees and staff who have joined us in 2025. Their experience and energy will help ensure Point North remains responsive, resilient, and ready to serve our communities in the years ahead.

Joanna M. Barker

Joanna Barker, MBE
Chair

Date: 4 August 2025

Point North Community Foundation

Trustees' report
Year ended 31 March 2025

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 April 2024 to 31 March 2025. 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 requirement 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 to the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

About Us

As an independent grantmaking charity, we exist to fight poverty and enrich lives in our region, prioritised as County Durham, the Tees Valley and then the wider North East.

By working closely with regional partners, communities, stakeholders, and supporters, we raise funds and direct them to the people, places, and projects where they can make the most difference to the most people.

We use the United Nations' Sustainable Development Goals (SDGs) to structure our grantmaking to help us focus on fighting poverty and enriching lives in our region.

Fighting Poverty	Enriching Lives
SDG 1 No Poverty Addressing the urgent and immediate impacts of poverty.	**SDG 3 Good Health & Well-being** Improving people's mental and physical health and well-being.
	SDG 10 Reduced Inequalities Seeking to reduce systemic inequalities that disproportionately affect people in poverty, so everyone has an equal chance at a brighter tomorrow.
	SDG 11 Sustainable Cities & Communities Encouraging social cohesion, supporting job readiness, skills development, and community participation, so that our communities may be more resilient.
	SDG 13 Climate Action Mitigating the impact of climate change on our communities through learning, education and practical interventions.

Table 1: Our SDGs

Vision and Mission

We aim to be **the place** people come when they want to **make a lasting difference** in their community.
To achieve this, we **connect** and **collaborate** with businesses and individuals who are motivated to create a **better today** and a **brighter tomorrow** for local people.

Values

Our values are embedded in our internal strategy and serve as our guiding reference point for day-to-day decisions.

- **Trustworthy:** we are reliable, honest, and transparent in our work. You can count on us to do what we say we will, always.
- **Respectful:** we respect each other, our donors, and our communities. We are inclusive in our approach.
- **Passionate:** we truly care about making a difference to the lives of the people in our communities and our planet.
- **Adaptable:** we are flexible in our approach.
- **Ambitious:** we want good things for local people.
- **Vocal:** we are the voice for the communities and causes we serve.

Our commitment to Flexible Funding

Point North is proud to be a signatory of the IVAR Flexible Funders initiative, committing to funding that is open, proportionate, and rooted in trust.

We aim to make the grant application process as supportive and straightforward as possible, while removing barriers that prevent the implementation of great ideas that can make a real difference in communities.

Throughout this report, you'll see how these principles have shaped our work, from co-designing funding with community partners (p. 8) to amplifying the impact of grants (p. 10-11) and streamlining application processes using emerging technology, allowing groups to focus on delivery rather than bureaucracy (p. 8).

Stakeholder satisfaction

As part of our commitment to transparency and continuous improvement, we survey applicants, partners and donors to better understand their experiences with Point North.

The findings from our 2024 Net Promoter Score (NPS) help set our priorities each year to simplify processes, strengthen relationships and ensure that our approach is rooted in trust, respect and relevance. The NPS score is measured with a single question and reported with a number ranging from -100 to +100, interpreted as follows:

- Above 0 is good
- Above 20 is favourable
- Above 50 is excellent
- Above 80 is world-class

Group	2024/25	2023/24	Difference
Grant recipients: those who received a grant in the last 12 months	90	84	+6
Grant applicants: those who applied in the last 12 months but were unsuccessful	43	-14	+57
Donors and supporters: active in the last 12 months	66	63	+3

Public Benefit

Our aims and achievements are outlined in this report and have been undertaken to further our charitable purposes for the public benefit.

The Board of Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales. The Trustees have considered this guidance in deciding what activities Point North should undertake and are satisfied that they have met the organisation's charitable purposes.

Overview

In 2024/25, Point North awarded over £5,722,920 in grants, supporting 987,004 people across our region: County Durham, the Tees Valley, and the wider North East.

This year marked a pivotal moment in our organisation, with the launch of our new name and identity and the start of our 30th year and a focus on expanding the geography of our grantmaking. In a year that saw an intentional growth in Tees Valley, 69% of our grantmaking remained within our core heritage area of County Durham.

While our name and appearance changed, our mission remains the same: fighting poverty and enriching lives.

Our strategic priorities this year were to: improve visibility and clarity of our work; remove barriers to accessing and giving support; embrace innovation; and strengthen our partnerships to reach further and work smarter.

We rebranded to ensure we are more relatable, accessible and to give greater clarity on our purpose and geography, improved our grant processes, and adopted AI tools to improve how we serve groups and donors alike.

This report highlights how we:

- Deliver flexible, trusted funding that meets both urgent needs and long-term ambitions.
- Improve grant access and experience for community groups.
- Deepen our collaboration with public, private and cultural partners.
- Mark our 30th year with new ideas, collaboration and action.

A smarter and simpler approach

We undertook a rebrand to help us communicate more clearly and transparently, connecting with a broader and more diverse group of donors from across the region and beyond.

Alongside this, we undertook a review of our operations to make it easier for community groups to find and apply for funding, and for donors to understand the impact of their support.

54% of successful applicants found the applications forms easy to complete, and our Net Promoter Score (NPS) among all grant applicants is categorised as 'Excellent'.

79% of unsuccessful applicants say they had a positive experience and would reapply, a marked increase on previous years.

We have led a partnership with Plinth to pioneer the use of Artificial Intelligence (AI) in our grantmaking. This gives our growing team the tools they need to work more efficiently and consistently.

Plinth has significantly enhanced our processes, ensuring our assessments remain fair and rigorous. It also enables us to produce tailored reports for donors, providing precise insight into the impact of their contributions.

These approaches reflect our IVAR commitment to proportionate information requests, fair decision-making, and efficient, accessible processes.

Partnerships in action

Partnerships remain central to our approach. We are proud to serve as a trusted partner to Durham County Council, including our role in co-designing the Household Support Fund to ensure assistance reaches those who need it most.

Together, we consulted community groups to understand what people require most, and how support should be delivered, whether that involves helping families remain in their homes, maintaining essential utilities, or assisting people through unexpected crises.

By collaborating with local charities and community organisations, we are upholding our IVAR commitments of valuing local expertise, co-designing solutions with those closest to the issues and adapting flexibly to need. As a result, the fund remains flexible, reduces barriers, and supports practical interventions that others might overlook. As a result, we awarded £1,911,593 from this fund in 2024/25, benefiting 25,592 people.

Fighting Poverty & Enriching Lives

All this progress sits alongside our core purpose: fighting poverty and enriching lives.

In 2024/25, we awarded £5,722,920 in grants across the region, with 987,004 beneficiaries.

Our funding supported projects that address both immediate needs and longer-term opportunities, aligned with the United Nations' Sustainable Development Goals (SDGs):

- **37% (by amount awarded, £) towards No Poverty (SDG1),** focused on creating a better today for those facing urgent challenges such as access to food, fuel, or secure housing.
- **34% (by amount awarded, £) towards Good Health and Well-being (SDG3),** enriching lives and restoring opportunities that poverty can otherwise take away, from health and well-being to talent, creativity and the simple enjoyment of life.
- **13% (by amount awarded, £) towards Reduced Inequalities (SDG10),** funding initiatives that address barriers faced by underrepresented or marginalised groups, ensuring fairer access to opportunities and services.
- **14% (by amount awarded, £) towards Sustainable Cities and Communities (SDG11),** supporting local projects that strengthen community infrastructure, preserve heritage, and build places where people feel connected and safe.
- **2% (by amount awarded, £) towards Climate Action (SDG13),** investing in community-led projects that protect the environment, promote sustainability, and help communities adapt to climate challenges.

While our total grantmaking this year is lower than the exceptional levels recorded in 2023/24, there is a clear reason for this change. The previous year saw £7.15 million awarded, driven mainly by several government-led funds established during the pandemic to support the most vulnerable in our communities through unprecedented times. The extension of these funds during the subsequent energy crisis enabled us to provide critical support to community groups facing extraordinary pressures.

Those specific funding streams are reducing or have now concluded. However, the underlying challenges remain unchanged. Local community groups continue to be essential lifelines for people experiencing rising costs and deepening inequality. As demand grows and operating costs rise, these groups remain stretched and in greater need of our support than ever.

Marking 30 years: celebrating the past and building for the future

As we look ahead, 2025 marks Point North's 30th anniversary, a milestone that brings both pride and reflection.

We have chosen to integrate this anniversary into our ongoing activities and mission, using it as an opportunity to deepen partnerships, encourage creativity, and reach new communities.

Throughout the year, we will use our 30th year as a catalyst to build on our long-standing partnership with the High Sheriff of County Durham. We will launch a campaign that combines legacy, innovation, and a match funding programme to raise additional funds for the High Sheriff fund supporting young people.

This year also sees our first official community fundraising challenge. In summer 2025, we invited people across the region to raise funds by completing 38.7 miles of physical activity during July—whether through running, walking, cycling, swimming, skating, or any other preferred activity. We chose this distance to highlight a key issue: 38.7% of children in County Durham and the Tees Valley are growing up in poverty.

And, in November, our continued collaboration with cultural organisation Lumiere will see a Point North installation at the light art biennial. To mark our 30th anniversary, we are funding a new piece of artwork inspired by the theme "A Brighter Tomorrow."

Community groups supported by Point North will contribute their ideas and experiences as part of the community participation programme. Following its exhibition, elements of the artwork will be auctioned by Lumiere to raise additional funds for our work, extending the impact of creativity into tangible support for communities.

This year we'll use the milestone of our 30th anniversary to learn from the past three decades and recommit to the work still ahead - inviting more donors and supporters to join us in creating a better today and a brighter tomorrow.

Fighting Poverty & Enriching Lives: Key data

- £5,722,920 awarded through 969 grants to groups and individuals to fight poverty and enrich lives.
- Average grant size to groups is £7,279.
- The average grant size to individuals is £560
    - 49% of these grants allocated towards alleviating the immediate stress of poverty.
    - 51% towards creating opportunities for the future, such as developing life skills, achieving greater educational success and enhancing employability.

Grants made to groups	Amount	Beneficiaries
771	£5,611,928	986,644

Table 2: Grants made to groups in 2024/25

Grants made to individuals	Amount	Beneficiaries*
198	£110,992	360

Table 3: Grants made to individuals in 2024/25; *, a grant to one individual may benefit more than one person.

The number of individual grants awarded decreased this year, from 336 to 198, reflecting a conscious shift in how we deliver crisis support.

A core principle of our approach is listening to the people closest to the challenges. In consultation with trusted community partners, we chose to redirect more of the Household Support Fund to local organisations already embedded within their communities, enabling them to distribute crisis support directly to individuals.

This allows us to make better use of our partnerships and strengthen the role of local expertise in decision-making. Although fewer grants were awarded directly by Point North, the number of individual beneficiaries increased, demonstrating the wider ripple effect of placing support in the right hands.

A grant, for instance, made to a parent may help secure school uniforms, beds, or transportation for their children, thereby multiplying the impact across a household.

Fighting Poverty & Enriching Lives: Our evolving geography

Our grantmaking remains rooted in County Durham, our core heritage area, where 69% of funding was awarded in 2024/25.

At the same time, we have seen a significant and intentional increase in our provision within the Tees Valley, with grants in this region rising both in value and as a proportion of our total funding. The value of grants awarded increased by 17%, and the number of beneficiaries rose by 75% compared to last year.

As the official community foundation for both Tees Valley and County Durham, we aim to expand support across this broader geography without diminishing our commitment to the communities we have long served. With improved processes, enhanced relationships and deeper donor engagement, we are achieving this without simply reallocating resources to a different geography.

While the total amount awarded in the wider North East was lower than the previous year, the number of beneficiaries more than doubled, from 64,779 to 133,068. This reflects our continued focus on using funds where they can make the most meaningful difference to the greatest number of people. By working closely with trusted local organisations and grassroots groups, we can deliver high-impact outcomes, even when funding levels are modest.

The rise in the "Elsewhere" category reflects not only an increasing number of corporate donors with a local headquarters, but also regional or national operations who have chosen to work with us to structure their giving.

While they trust us as their local community foundation, they often ask us to manage funding that supports a broader footprint, including areas outside our core geography.

Geography	Amount Awarded	Beneficiaries	% by Amount Awarded
County Durham	£3,952,588	620,738	69
Tees Valley	£639,777	106,688	11
Tyne & Wear	£250,835	133,068	4.5
Elsewhere	£879,720	126,510	15.5
TOTAL	**£5,722,920**	**987,004**	**100**

Table 4: Geography of grantmaking in 2024/25

Fighting Poverty: A Better Today

Fighting Poverty is our first and foremost aim.

Grants awarded to fight poverty address the most pressing and immediate needs, supporting individuals facing food insecurity, unsafe housing, or financial hardship. But their impact goes further.

While grants are categorised by their primary aim, their true impact often extends far beyond that initial intent. This year, our data shows that 70% of grants awarded under the No Poverty SDG 1 also had a measurable effect beyond poverty alleviation.

Specifically, 29% also contributed to SDG 3 Good Health & Well-being and 40% helped reduce inequalities (SDG 10 Reduced Inequalities) by opening opportunities that would not otherwise have been accessible.

This ripple effect is not accidental. It is the result of trusting and supporting local groups, removing unnecessary restrictions, and designing funding that gives autonomy to those who best understand the needs of their communities.

By taking thoughtful risks and being open in our funding approach, in line with our organisational philosophy and our IVAR commitments, we can support immediate needs while also enabling longer-term change.

A grant made to alleviate hardship today can set in motion outcomes that benefit people and communities well into the future.

SDG	No. Grants	Amount Awarded	Beneficiaries	% of Grants Awarded
No Poverty	256	£2,098,168	46,334	26

Table 5: SDG categorisation in 2024/25

Fighting Poverty: A Better Today, key data

- 26% of our total grants by number of grants were focused on fighting poverty, but this increased to 37% of our total grants by amount (£) awarded.
- 67% of the grants made as part of the No Poverty SDG reached the 20% most deprived areas in the region, benefiting 35,183 people.
- 70% of the grants made as part of the No Poverty SDG also had a measurable impact on health, well-being, or inequality, benefitting 16,134 people.

Enriching Lives: A Brighter Tomorrow

Enriching Lives focuses on creating opportunities and developing resilience to give people a path beyond poverty.

Responding to what is presented to us today isn't enough. We must also look to the future, creating opportunities, developing resilient communities, and improving health, wealth, and well-being for future generations.

Good Health & Well-being make up the majority of our grants, which are directed at enriching lives. These include projects that improve physical and mental health, support young people as they develop and grow, or offer 1-2-1 support to vulnerable individuals.

SDG	No. Grants	Amount Awarded	Beneficiaries	% of Grants Awarded
Good Health & Well-being	425	£1,947,897	451,446	44
Reduced Inequalities	188	£752,608	269,777	19.5
Sustainable Cities & Communities	92	£819,147	185,051	9.5
Climate Action	8	£105,100	34,396	1

Table 6: SDG categorisation in 2024/25

Enriching lives: a brighter tomorrow, key data

- 74% of our total grants given were focused on Enriching Lives, meaning they address the consequences of poverty by focusing on four SDGs: Good Health & Well-being, Reduced Inequalities, Sustainable Cities & Communities and Climate Action.
- 56% of these grants reached our region's most deprived 20%, benefiting 696,507 people.

Major Programmes

The funding programmes listed below reflect how Point North's work has evolved during the 2024/25 period.

Following our rebrand, we have expanded our reach across the North East while maintaining strong support in County Durham.

The OnPath Community Funds, formerly known as the Banks Renewables Fund, demonstrate how evolving partnerships can enhance impact when managed with care and collaboration.

This year, we invested significant effort in ensuring a smooth transition, keeping the OnPath team engaged and connected to our shared mission. While fewer, larger grants were awarded, the total value of funding increased, reflecting both the trust built through this relationship and our focus on delivering targeted, meaningful support to local communities.

The Community Grants Funding Programme grew significantly this year, awarding 24.5% more grants than in 2023/24 and reaching over 36,000 additional people. In addition to sustaining vital services, the programme supported a broader range of life-enriching activities, from community events and performances to local celebrations, bringing people together and strengthening connections across neighbourhoods.

Programmes like the Organisational Sustainability Programme have helped community groups sustain vital services, while initiatives such as the Welcome Spaces fund have responded to the cost-of-living crisis by supporting places of connection and support.

Working alongside partners like Durham County Council and Darlington Building Society has enabled us to continue funding vital projects while ensuring flexibility and responsiveness. Together, these programmes demonstrate our commitment to fighting poverty and enriching lives, while continually seeking better ways to serve communities.

Household Support Fund (HSF)	£1,911,593	71 grants	25,952 beneficiaries
A government-backed fund to support vulnerable people through the cost-of-living crisis.			
Community Grants Funding Programme	£640,025	132 grants	65,763 beneficiaries
Sustaining health, well-being and opportunities for local communities.			
OnPath Community Funds	£501,247	70 grants	106,828 beneficiaries
Funds fighting poverty and enriching lives within 3 miles of wind farms or renewable energy locations owned by OnPath.			
Welcome Spaces (WS)	£329,000	79 grants	7,457 beneficiaries
Enabling local community groups to open their buildings to the public or run existing activities that serve the same purpose, such as coffee mornings or lunch clubs.			
Quixwood Moor Wind Farm Community Benefits Fund	£326,165	8 grants	1,550 beneficiaries
This fund invests in community well-being, rural regeneration, and environmental protection, while supporting initiatives in education, employment, and social welfare.			
Organisational Sustainability Programme	£240,800	30 grants	21,876 beneficiaries
Our Organisational Sustainability Fund helps essential community groups cover core costs, ensuring they can keep delivering vital services.			
Darlington Building Society	£119,158	27 grants	19,382 beneficiaries
This fund supports charities and voluntary-led organisations in continuing their work and developing new services that positively impact local communities.			

Table 7: Major funds in 2024/25

Highest Value by Account Type	Donations	Donor
Corporate Donor	£9,500,000	Banks Group[1]
Individual Donor	£150,000	Varley Family
Related Party Donor	£620,998	UK Community Foundations (UKCF)
Public sector Donor	£2,490,395	Durham County Council (HSF & WS)

Table 8: Highest valued donations in 2024/25; 1, Further information can be seen in Note 21 of these accounts.

Material Grants to Institutions

The following institutions received material grants in the context of the organisation's total grantmaking.

Group	Amount Awarded (£)	No of grants
Preston & Abbey Community Trust	270,620	2
Durham Christian Partnership	255,000	1
East Durham Partnership	241,500	3
Durham County Carers Support	211,500	2
East Durham Community Development Trust	196,000	2
County Durham Furniture Help Scheme	151,500	2
Building Self-Belief CIO	121,010	9
Darlington Hippodrome	91,820	2
PACT House Stanley	80,748	4
Burnhope Community Centre	75,532	6
Handcrafted Projects	68,500	2
VONNE	62,000	2
Foundation For Good (FFG)	52,550	8
Groundwork North East and Cumbria	50,827	6
Beyond Limits	50,600	6
Solan Connor Fawcett Family Cancer Trust	45,840	6
Sandford Village Hall Association	45,000	1
Wheels2Work (County Durham)	43,747	5
The Junction Foundation	42,704	2
Bullion Community Resource Centre	40,921	6
Nouveau Well-being CIC (trading as Nuvo Well-being)	40,235	6

Shildon Alive	39,785	4
Lifeline Community Action (LCA)	39,600	5
Darlington Mind	39,000	1
Seaham Youth Centre	37,962	5
Gateway into the Community	37,500	1
Tyneside Cinema	37,500	1
Clart About Ltd	32,620	5
Dawdon Youth & Community Centre	32,500	2
Karbon Homes	32,000	2
Cheesy Waffles Youth Project	31,577	4
Grantshouse Development Company Limited	31,550	1
Woodhouse Close Church Community Centre	31,500	2
Laurel Avenue Community Association	31,119	4
RT Community Projects Ltd	30,498	5
Pelton Fell Community Partnership	30,321	7
Great Lumley Methodist Church	30,225	3
Friends Of Stonehouse Park (FOSP)	30,000	1
Glassford Community Group	30,000	1
Lesmahagow Development Trust	29,995	1
Integrating Children	29,823	2
Stonehouse Gala Group	29,275	1
North Eastern Prison After Care Service	28,500	4
Sported Foundation	28,383	1
The Cornforth Partnership	27,500	2
Climate Action Strathaven (CAS)	25,000	1

Table 9: Institutions receiving material grants in 2024/25

New Funds

The funds listed below were established during the last financial year, for which we are incredibly grateful.

Fund Name	Opening amount £)
Varley Family Foundation	150,000
Mayors Opportunity Fund	77,336
Northern Gas Networks	50,000
Christine Carter Creative Fund	40,000
CEO Sleepout	39,260
Hathaway Roofing	20,000
Aggression Sessions	30,000
SWEF Fund	10,000

Table 10: New Funds 2024/25

Structure, governance, and management

Charity Name

Point North Community Foundation, trading as Point North.

Charity Status

Point North Community Foundation is a Company Limited by Guarantee, No. 3072153 and is governed by its Memorandum and Articles of Association, as amended 3 April 2024.

It is registered with the Charity Commission, Charity No. 1047625

It is also an enrolled environmental body with ENTRUST No. 581043.

Political neutrality

We conduct our affairs in a non-political way and do not align ourselves with any political party or policy.

Trustees

Trustees are individuals who form our governing body (Board of Trustees, Board) and act as Directors of the Company. Trustees of the Board are nominated for election by members of the Company and current Directors are due for re-election on a three-year cycle at the Annual General Meeting.

All Trustee members are expected to commit to and uphold our values and objectives; act with integrity and avoid/declare personal conflicts of interest; give adequate time and energy to the duties of being a Trustee; use their skills and experience to the benefit of Point North; attend and contribute to meetings and events. Members of the Board act in a voluntary capacity.

Point North has powers to appoint a President and Patrons.

Meetings

The Board meets quarterly and has a maximum of 10 members; it is representative of a wide range of professionals who live, work, or have an interest in County Durham and Tees Valley and the wider North East region, including members from the public, private, and voluntary sectors.

The Board is responsible for developing, implementing, and managing our strategy. It also appoints working groups and committees to manage specific activities where necessary and appropriate.

Board members are actively involved in our day-to-day operations. None of the Board members has a direct beneficial interest in any of the funds.

The Board appoints a Chief Executive (Michelle Cooper) to oversee our strategic direction. A senior management team supports our Chief Executive in managing the day-to-day operations. To facilitate effective operations, the Chief Executive has been delegated authority, within the terms of the delegation approved by the Trustees, for matters including finance, employment, and project management-related activities.

During this financial year, the full Board held four meetings, which received reports from three constituted committees.

In addition to the Trustees serving on committees, we are grateful for the support of David Martin and Duncan Barrie, independent members appointed by the Board with special expertise.

Resources and Policies Committee

The Resources and Policies Committee is tasked with overseeing the management of our resources (finances and people). It oversees our financial and operational performance and ensures organisational strategies and plans are in place to meet our strategic objectives. It is also responsible for maintaining oversight of our policies, risk management systems and internal control systems.

Audit and Risk Committee

Our records are subject to audit by one other regulatory funding body in addition to our statutory auditor; however, the ENTRUST audit will cease after August 2025.

During the year, the Audit and Risk Committee continued to oversee the management of our financial, operational, and compliance systems and protocols, advising on their effectiveness and efficiency, and monitoring risk management processes.

Nominations and Remuneration Committee and Trustee appointment

Discussions about Board membership have been held within the context of full Board meetings. The committee also reviewed staff pay and benefits during the year.

Risk management

We take responsibility for assessing risk seriously and have a risk register which is updated at least quarterly by our senior management team. Key changes to the risk register are highlighted to the Board through bi-monthly Chief Executive reports as well as being reviewed regularly by the Board and committees.

Our risk management framework is overseen by the Audit and Risk Committee, with the Resources and Policies Committee responsible for implementing strategies to minimise and manage risk.

Trustees have identified the principal risks to which the charity is exposed and established appropriate controls and procedures to mitigate risks.

The main risks we face are:

- Failure to attract new funds and grow in line with the business plan
- Impact of the lasting effects of the cost-of-living crisis on our operations and the funding environment in the future
- Loss of key staff
- Impact of IT failure, cyber-attack or fraud

We continue to place a high priority on managing relationships and associated data in line with the increased regulatory frameworks that all charities face. These include the General Data Protection Regulations, fundraising regulations, safeguarding procedures, and acceptance of gifts.

Organisational structure

We have a team comprising 8.8 full-time equivalent members of staff (across 10 employees), which is managed by Michelle Cooper, Chief Executive.

The organisation operates a flexible, hybrid, 9-day fortnight approach to working patterns with staff spending time in the office each week and some time working remotely.

All Board, staff, and volunteers undertake an induction programme and are given a handbook, which includes our policies and procedures. These policies are reviewed regularly by the Board through their committee structure.

The remuneration of staff is reviewed for affordability by the Resources and Policies Committee, with decisions on salary levels taken by the Nominations and Remuneration Committee. Senior staff salaries are set, taking due regard for local relevant benchmarks, and reviewed annually. No member of staff is linked to a performance-related pay programme.

During the year, one member of staff received remuneration of more than £80,000 (2024: One £70,000) and one more than £60,000 (2024: One £60,000).

Associations and affiliations

We are part of a national network of 47 independent community foundations across the UK. Our umbrella body, UK Community Foundations (UKCF), provides ongoing help and support to community foundations. It also represents local community foundations at the national and international levels, negotiating and managing national grantmaking and funding opportunities. We pay an annual membership fee to be part of the network.

For more information on UKCF visit www.ukcommunityfoundations.org.

Accreditation and standards

We have UKCF Quality Accreditation (QA6) issued in April 2025.

We renewed our Cyber Essentials Plus certification in 2025, a UK government-backed certification that demonstrates an organisation's commitment to cybersecurity by requiring a thorough assessment of its security measures.

We secured the North East Combined Authority's Good Work Pledge. The pledge is based on five criteria: valuing and rewarding the workforce, promoting health and well-being, effective communication and representation, developing a balanced workforce and fostering social responsibility and better work. Alongside this we are also a Real Living Wage employer.

Trustees and staff are encouraged to take advantage of conferences, seminars, and training on matters related to our business. This is in addition to ongoing 'in-house' training sessions and bespoke personal development plans. During the year, staff have undertaken online training modules in a variety of topics.

Fundraising

We are registered with the Fundraising Regulator, which is the independent regulator of charitable fundraising. All our fundraising activities aim to meet the requirements of the Charity Commission, the Fundraising Regulator, and the Information Commissioner's Office.

We are committed to following best practice in fundraising and follow the Code of Fundraising Practice issued by the Fundraising Regulator.

Most of our income-generating activities are undertaken by our own staff or on our behalf through introductions made by ambassadors and professional advisors. We also connect to potential donors and partners through networking and by raising our profile through communications. We do not share information about donors or supporters without their express permission.

We do not use telephone or doorstep fundraising, and we do not employ professional fundraisers or commercial participants to raise funds on our behalf. We do, however, use direct marketing and work with carefully selected partners to help us raise funds in line with our values. Some fundraising may be done for us by third parties, for example, community groups who have supported our Disaster Relief funds, or funds where a donor wishes to raise money from friends or family in memory of a loved one. We encourage all volunteer fundraisers to comply with fundraising regulations and are developing additional training and guidance to support them.

We strive to uphold our reputation and maintain the highest professional standards. We are proud of the trusted relationships we have with donors, supporters, and the public, and we aim to treat everyone fairly and with respect.

Feedback is important to us, as it helps us monitor and improve our practices. During the year, no compliance issues with the Code of Fundraising Practice have been reported. We maintain records of all complaints received, and during the year, we received no complaints on our fundraising activities.

Our Commitments and Approach

Equity, Diversity and Inclusion

Our approach to equity, diversity, and inclusion is structured around six commitments that apply across the organisation and our interactions with stakeholders.

Dignity and Respect: We treat everyone fairly and with respect, acknowledging individual uniqueness.

Challenging Discrimination: We actively combat all forms of discrimination and unequal treatment.

Overcoming Disadvantage: We address the needs of disadvantaged people to ensure everyone has equal opportunities.

Inclusive Culture: We strive to create a welcoming culture that attracts and retains a diverse range of people.

Reflecting Our Communities: Our services are designed to be accessible and reflect our communities.

Value Lived Experience: We seek out, value and act upon the voice of lived experience.

As part of our day-to-day work and embedded within our standard way of working, we:

Promote Equity: Ensure fairness, inclusion, and respect in everything we do.

Prevent Prejudice: Maintain a culture free from bullying, harassment, and discrimination.

Are Open: Consult and engage with people to enhance our understanding of the needs and obstacles faced by our communities.

Support Complaints: Take all complaints of discrimination seriously and provide appropriate support.

Uphold Legal Rights: Protect the rights of individuals under relevant UK laws.

Recruit Fairly: Ensure transparent and accessible recruitment and development processes.

In practice over the last 12 months, this has meant:

- Adapting our recruitment processes for both staff and Board appointments to remove unnecessary barriers to application. We focused on the individual and their potential contribution, rather than exhaustive checklists of skills or experience. We also introduced optional pre-application meetings to give candidates the opportunity to get to know us and for us to get to know them before they decide to apply.
- Seed funding the establishment of North East Anti-Racism Coalition, in response to the community unrest in Tees Valley in August 2024.
- Supporting The Junction Multibank with a grant to buy their own transport, enabling them to reach people and communities across the region ensuring more people can benefit from the essential support of the Multibank.
- Increased unrestricted grantmaking wherever possible, giving community groups the flexibility to respond to real and changing needs.

In the coming 12 months, development and improvements will include:

- Further website development to make it simpler for website users to find what they need.
- Upgrade internal CRM system to simplify grant applications and management of relationships.
- Integration between internal grant systems and the e-comms platform to enable personalisation for grant applicants and donors.
- Integration between financial and internal grant systems improving efficiency.

Climate Action

Our commitment to reducing our environmental impact continues to shape both our operations and funding.

We remain a signatory of the SME Climate Commitment, aiming to reach net zero emissions by 2040 or sooner. Many of our grants now include a 'greening' allowance to help community groups reduce their environmental footprint or build skills in sustainability. We continue to support the Going Green Together programme, delivered by VONNE and funded by The National Lottery Community Fund.

This year, we also began using AI to enhance our grant application assessment process through our partnership with Plinth. While this technology has helped us streamline processes and reduce duplication, we are also mindful of its environmental impact.

We are actively exploring how we can mitigate and offset the carbon footprint associated with digital and AI infrastructure as we modernise how we work.

Over the last 12 months, we have:

- Reduced the carbon footprint of our website by 82% - from 2.58g CO_2 per visit to under 0.46g CO_2 per visit using sustainable web design principles
- Prioritised local and ethical suppliers across our operations
- Used environmentally responsible printing practices, recycled paper and recycled materials.

In the next 12 months, we will:

- Further improve the carbon footprint of our website through optimisation of assets and 100% sustainable hosting.
- Explore additional opportunities to offset carbon impact of our AI and digital infrastructure.
- Actively participate in the North East Carbon Marketplace: a new regional platform allowing organisation to invest in local carbon-saving projects with social value.
- Collaborate with the North East Community Forest to support woodland creation.

Carbon Calculator for one office location

UK energy use for 1 April 2024 – 31 March 2025

	FY2024/25 Scope 1 and 2, tCO_2e	FY2023/24 Scope 1 and 2, tCO_2e	FY2022/23 Scope 1 and 2, tCO_2e	Base Year FY2019/20 Scope 1 and 2, tCO_2e
Durham	3.0	4.0	3.30	5.38

Table 11: Carbon Tracker.

We reduced our office emissions to 3.0 tCO_2e in 2024/25, reflecting the impact of hybrid working, a 9-day fortnight, and improved recycling, following a temporary increase the previous year as more staff returned after the COVID-19 pandemic.

Scope 1 (direct emissions) emissions are those from activities owned or controlled by the organisation.

Scope 2 (energy indirect) emissions are those released into the atmosphere that are associated with the consumption of purchased electricity, heat, steam and cooling.

Financial review

Financial statements

The format of the Annual Accounts and certain accounting policies have been prepared in accordance with the requirements of the Charities SORP, 'Accounting and Reporting by Charities', in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

On this basis, the endowment fund on 31 March 2025 stood at £27,765,644 (2024: £19,552,958), an increase of £8,212,686 driven by a donation by the Banks Group but also the continuation of drawing down from funds during this time to support charitable activities.

The Statement of Financial Activities shows the movement in our unrestricted and restricted funds for the year. The year-end balances on the restricted funds are available in their entirety for future grantmaking and other direct charitable expenditure.

Short-term deposit rates fixed in prior years minimised the impact of a reduction in available market rates, reflected in a total receipt of bank interest of £206,591 (2024 £217,754). The cost base of the organisation was below budget due to expected projects and headcount costs being lower than anticipated. This resulted in an operating surplus of £90,926.

The financial forecast, prepared on a prudent basis, indicates a modest operating deficit on unrestricted funds for the upcoming year. This position is acceptable as the organisation has a strong track record of opportunities for income, and some elements of the expenditure are considered as long-term investments to support and grow the organisation and factored into the current level of reserves holding.

Our main funders are:

- Public sector departments (grants and administration)
- Private fund holders (endowment, grants and administration)
- Wind farm operators (grants and administration); and
- Charitable trusts

Reserves policy

Our reserves policy is reviewed annually. The policy considers the requirement to carry a level of reserves under two themes.

The first theme is the operating reserves range. This is defined as the expenditure required to operate the organisation for a period between three (3) and six (6) months.

The second theme is the opportunity reserves range. At the current time, the Board of Trustees has identified key areas that need to be covered by the opportunity reserves range. These areas are

- the continued development of our positioning in the region where we operate
- the continued development of resources including technology to enhance and bring efficiencies to the work of Point North
- the provision of financial resource to mitigate the risk of clawback, that is contractually an element in some programmes that the organisation does and could choose to deliver
- support of activities aligned to our work in fighting poverty and enriching lives

The Board reviewed its reserves levels considering the two themes and designated £609,000 of general reserves as part of its annual budget plan.

The Board is confident that reserves are sufficient to continue as a going concern.

Charity Funds held as at the end of March 2025

- Endowment Funds £27,765,644
- Restricted Funds £3,076,941
- Unrestricted Funds £986,518
- Total Funds £31,829,103

Investment policy

The Articles of Association provide wide powers of investment, and our assets are invested by our appointed investment managers to provide an annual income for grantmaking.

We hold material endowment investments, which continued to be managed by investment managers CCLA Investment Management in 2024/25.

Investment responsibilities are overseen by the Resources and Policies Committee. The Board monitors investment performance closely at each Board meeting.

Under the current investment policy, our overall investment objective is to develop an endowment fund that underpins its mission of providing sustainable support to local communities in the long term. The aim is to achieve a balance between meeting current needs and growing the overall size of the endowment to meet future need.

We recognise the need to achieve a balance between risk and return, whilst investing within the remit of our ethical policies.

The investment objectives are currently:

- To hold and invest donors' funds in a prudent manner
- To generate a sufficient return net of fees to enable the level of annual distribution agreed by the Board each year (currently set at 4% to distribute, plus c1.5% to cover costs).

Investment principles:

- Long-term investor
- Medium to high risk tolerance
- Operate in accordance with our statement of ethical investment principles.
- Invest in a diversified portfolio of investments.
- Investments will principally be in equities, gilts and cash (including collective investment vehicles in these categories). We are open to recommendations to invest in other classes of assets, but we do not currently expect to invest in direct property holdings or derivative instruments.

Investment performance

At the year end, the endowment portfolio stood at £27,765,644 (2024: £19,552,958).

Global market conditions had a significant impact on the investment portfolio in Q4 2024/25. Overall, CCLA experienced a poor year returning an overall performance to 31 March 2025 of –2.1%, versus prior year of +12.1%. Overall, the last 3 years performance being +8.8%.

Performance of investments in CCLA' Ethical Investment Fund was slightly better at only –1.46% than those in their main Charities Official Investment Fund at –1.98% which is where most of our funds are invested.

The Board agreed that during the year 2024/25, four per cent (4%) of the endowment value of the majority of funds was drawn down for grantmaking activity, and a further amount of c1.5% was used as a contribution towards organisational running costs. This level of drawdown remains in line with our practice for several years and represents what the Board believes is a sustainable long-term level of distribution. A small number of endowment funds are held under the Community First scheme (a match funding scheme that was available a few years ago). These funds are subject to their own drawdown rules that are akin to those executed by the Board for funds totally in its control. The amount drawn down for running costs is allocated to individual funds according to the endowment fee structure introduced in April 2016, which makes allowance for the relative complexity of funds.

Point North continues to use Flagstone (an online portal that is a cash savings platform giving access to a wide number of deposit accounts from different providers) as a tool for supporting the management of cash holdings. The tool enhances our ability of the organisation to access a wide range of interest-bearing deposit accounts, without having to open an account with each provider. The benefit of this is evident in the level of bank interest earned in the year of £206,591 (2024 £217,754). Using this facility means that a higher level of the organisation's cash is covered under the Financial Services Compensation Scheme than if it were not available to the organisation.

A 12-month gilt purchased in February 2024 matured and was reinvested for 25/26, maintaining Point North's own investment risk but also maximising long-term rate opportunity.

Linked charities

Point North is sole Trustee of the following charities where we have been granted a linking direction under section 96(6) of the Charities Act 1993. This allows us to prepare a single annual report and aggregated set of accounts for these charities. It does not constitute an amalgamation of the charities, which remain separate and legally distinct.

Linked charities are:

- Darlington Education Trust, which supports pupils of the ten secondary schools and colleges of the Borough of Darlington
- East Howle School Fund, which promotes the education of persons in the parish of Ferryhill
- Durham Johnston Educational Foundation, which promotes the education of persons who attend or have attended secondary schools within Durham City
- King Edward VII Memorial Fund, which supports local hospices and hospitals
- The Hylton House Fund, which provides financial assistance to individuals with cerebral palsy and related disabilities, their families and carers
- The John T Shuttleworth Ropner Memorial Trust, which provides financial assistance to individuals in need of convalescence or respite care
- John Hewison Prize Fund, which promotes the education of individuals attending Durham Community Business College
- The Stanhope Castle School Charitable Trust, which supports young people (under 25) who are, or have been, in the care of, or provided accommodation by, or under the supervision of the local authority in County Durham, Tees Valley (formerly Cleveland), Gateshead, South Tyneside or Sunderland
- William Neesham Educational Trust Fund, which promotes the education of individuals attending Durham Community Business College

Details of these funds can be seen in Note 13 of these accounts.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustee's report is approved has confirmed that:

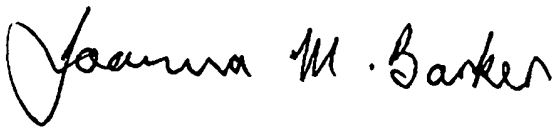
- so far as that Trustee is aware, there is no relevant audit information of which the charitable Company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and UNW will therefore continue in office.

We take the opportunity to thank UNW LLP for their advice and assistance in the course of auditing the accounts.

Approved by order of the members of the board of Trustees on 4 August 2025 and signed on their behalf by:



Joanna Barker MBE
(Chair)

Point North Community Foundation

Statement of Trustees' responsibilities
Year ended 31 March 2025

The Trustees (who are also the Directors of Point North Community Foundation 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. 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, of the charitable company 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

Approved by order of the members of the Board of Trustees on 4 August 2025 and signed on its behalf by:

Joanna M. Barker

Joanna Barker MBE
(Chair)



Independent auditor's report to the members of Point North Community Foundation

Opinion

We have audited the financial statements of Point North Community Foundation (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the income and expenditure account, 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 2025 and of its surplus 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 Point North Community Foundation (continued)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.



Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 28, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

We obtain and update our understanding of the company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the company is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

Based on our understanding of the company, we identified that the principal risks of non-compliance with laws and regulations related to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), pension legislation and UK tax legislation. In addition, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines and litigation. We considered the extent to which non-compliance with laws and regulations might have a material effect on the financial statements and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We also evaluated managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting

inappropriate journal entries to manipulate financial results, management bias in accounting estimates, as well as improper revenue recognition which includes fraudulent posting of journal entries to revenue.

Audit procedures performed by the engagement team included:

- Inquiry of management and those charged with governance regarding actual and potential litigation or claims, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing meeting minutes to identify reported frauds and any potential non-compliance with laws and regulations;
- Identifying journal entries based on risk criteria and testing the identified entries to supporting documentation, in particular journal entries with unusual account combinations; and
- Challenging assumptions and judgments made by management in their significant accounting estimates and evaluating whether there was any evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

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.

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.

Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

4 August 2025

Point North Community Foundation

Statement of financial activities
Year ended 31 March 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income and endowments from:						
Donations and legacies	2	**185,654**	-	-	**185,654**	129,277
Charitable activities	3	-	**5,502,985**	**9,605,343**	**15,108,328**	5,584,290
Investments	4	**206,591**	**592,706**	-	**799,297**	745,385
Total income and endowments		**392,245**	**6,095,691**	**9,605,343**	**16,093,279**	6,458,952
Expenditure on:						
Raising funds	5	**218,351**	-	-	**218,351**	168,301
Charitable activities	5	**539,041**	**5,722,920**	-	**6,261,961**	8,027,345
Total expenditure		**757,392**	**5,722,920**	-	**6,480,312**	8,195,646
Net income / (expenditure) before net gains/(losses) on investments		**(365,147)**	**372,771**	**9,605,343**	**9,612,967**	(1,736,694)
Net (losses)/gains on investments		-	-	**(1,309,355)**	**(1,309,355)**	1,627,671
Net income / (expenditure) before transfers		**(365,147)**	**372,771**	**8,295,988**	**8,303,612**	(109,023)
Transfers between funds	12	**191,269**	**(107,967)**	**(83,302)**	-	-
Net movement in funds		**(173,878)**	**264,804**	**8,212,686**	**8,303,612**	(109,023)
Reconciliation of funds:						
Total funds brought forward		**1,160,396**	**2,812,137**	**19,552,958**	**23,525,491**	23,634,514
Total funds carried forward		**986,518**	**3,076,941**	**27,765,644**	**31,829,103**	23,525,491

The notes on pages 37 to 57 form part of these financial statements.

Point North Community Foundation

Summary income and expenditure account
Year ended 31 March 2025

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Gross income in the reporting period	**392,245**	**6,095,691**	**6,487,936**	6,374,107
Less: Total expenditure	**(757,392)**	**(5,722,920)**	**(6,480,312)**	(7,876,490)
Net income/ (expenditure) for the reporting period	**(365,147)**	**372,771**	**7,624**	(1,502,383)

Transfers of £83,302 (2024: £185,352) were made from the endowment fund to the restricted and unrestricted funds during the year. The total net income is £90,926 (2024: £1,317,031 expenditure).

The notes on pages 37 to 57 form part of these financial statements.

Point North Community Foundation

Balance sheet
At 31 March 2025

	Note		2025 £		2024 £
Fixed assets					
Tangible assets	8		**3,506**		5,165
Investments	9		**28,031,957**		19,967,925
			28,035,463		19,973,090
Current assets					
Debtors	10	**123,309**		166,280	
Short term investments	16	**2,441,486**		2,744,913	
Cash at bank and in hand	16	**1,871,114**		2,024,250	
		4,435,909		4,935,443	
Creditors: amounts falling due within one year	11	**(642,269)**		(1,383,042)	
Net current assets			**3,793,640**		3,552,401
Total net assets			**31,829,103**		23,525,491
Charity funds					
Endowment funds	12		**27,765,644**		19,552,958
Restricted funds	12		**3,076,941**		2,812,137
Unrestricted funds	12		**986,518**		1,160,396
Total funds			**31,829,103**		23,525,491

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 on 04 August 2025 and signed on their behalf by:

Joanna M. Barker

Joanna Barker MBE
(Chair)

The notes on pages 37 to 57 form part of these financial statements.

Company registered number: 03072153

Point North Community Foundation

Statement of cash flows
Year ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	15	**8,119,592**	(1,997,348)
Cash flows from investing activities:			
Dividends, interests and rents from investments		**799,297**	745,385
Purchase of tangible fixed assets		**(2,065)**	(5,376)
Proceeds from sale of investments		**798,647**	1,213,585
Purchase of investments		**(10,172,034)**	(621,566)
Net cash (used in)/provided by investing activities		**(8,576,155)**	**1,332,028**
Change in cash and cash equivalents in the year		**(456,563)**	**(665,320)**
Cash and cash equivalents at the beginning of the year		**4,769,163**	5,434,483
Cash and cash equivalents at the end of the year	16	**4,312,600**	4,769,163

The notes on pages 37 to 57 form part of these financial statements

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Point North 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 prepared in pounds sterling and are rounded to the nearest £1.

1.2 Company status

The company is a company limited by guarantee, incorporated and domiciled in England. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.3 Going concern

The Foundation has financial reserves held in cash and endowment, together with long term contracts with a number of stakeholders across different sectors in the region. The Foundation has strong free reserves of £983,012. As a consequence, the Trustees believe that the Foundation is well placed to manage its business risks successfully despite the current very uncertain economic outlook as the world continues to live against a number of significant situations. After making enquiries, the Trustees have a reasonable expectation that the foundation will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

1. Accounting policies (continued)

1.4 Income

All income is recognised once the 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.

For legacies, entitlement is taken as the earlier of the date on which either the company is aware that probate has been granted, the estate has been finalised and notification made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate.

Investment income is recorded on the accruals basis and is allocated to individual endowment funds on the basis of the fund value at the end of each quarter. Interest earned on current accounts is allocated to administration funds. Flow-through funds receive no interest except where the fund is required to be held in a separate account

Grants, including government 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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 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. All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Charitable activities include direct costs incurred on the company's grant-making operations and support costs incurred in running the charitable operations.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Support costs are those costs incurred directly in support of expenditure on the objects of the company, including those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements. Where they are not attributable to a single activity they are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

1. Accounting policies (continued)

1.5 Expenditure (continued)

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	- 33% straight line

1.7 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 fair 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 shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities.

1.8 Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1.9 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.

1.10 Cash and cash equivalents

Cash and cash equivalents 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.

Short term cash deposits includes investments with a maturity of three months or more from the date of acquisition or opening of the deposit or similar account.

1.11 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 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.

1.12 Pensions

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

1. Accounting policies (continued)

1.13 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 company and which have not been designated for other purposes.

The general fund makes a charge on the other funds as follows:

- Flow-through funds: as agreed with the donor
- Endowment funds and other trust funds: between 1% and 2% of the fund balance per annum

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

Endowment funds are funds which are held for the permanent benefit of the charity. There is no power to convert capital into income.

1.14 Critical accounting estimates and areas of judgment

Estimates and judgments 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.

In preparing these financial statements the Trustees do not consider there were any significant estimates or areas of judgment that were required in applying the company's accounting policies as set out above.

2. Income from donations and legacies

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	185,654	**185,654**	129,277
Total 2024	129,277	129,277	

3. Income from charitable activities

	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	5,502,985	9,605,343	**15,108,328**	5,584,290
Total 2024	5,499,445	84,845	5,584,290	

4. Investment income

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Investment income	-	592,706	**592,706**	527,631
Bank interest	206,591	-	**206,591**	217,754
	206,591	592,706	**799,297**	745,385
Total 2024	217,754	527,631	745,385	

5. Expenditure on charitable activities

	Direct costs 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Provision of grants	5,722,920	539,041	**6,261,961**	8,027,345
Total 2024	7,457,487	569,858	8,027,345	

Analysis of direct costs

The direct costs above are grants awarded to community groups and other bodies during the year (taken from data submitted by grant applicants when applying for funding). They can be categorised as follows:

	2025 £	2024 £
Arts, culture and heritage	**206,099**	343,638
Community sector development	**330,737**	361,270
Community support, development and safety	**826,993**	1,294,736
Disaster response/relief	**12,200**	12,537
Education and training	**382,974**	339,600
Environment	**129,571**	88,886
Fairness, equality and inclusion	**2,620,223**	3,499,121
Health and wellbeing	**1,030,801**	1,179,352
Housing and homelessness	**29,400**	37,698
Sports and recreation	**153,922**	300,649
	5,722,920	7,457,487

Analysis of support costs

	Raising funds £	Grant making £	Governance £	2025 £
Office costs	8,740	37,865	8,508	**55,113**
Staff costs (inc. indirect staff costs)	142,422	276,156	93,321	**511,899**
Other costs	67,189	67,234	55,957	**190,380**
Total	**218,351**	**381,255**	**157,786**	**757,392**

No expenses were reimbursed to any Trustees during the year (2024: £nil). No Trustees received any remuneration.

The costs of grant making and governance is equal to support costs included within charitable activities (£539,041), with expenditure on raising funds (£218,351) categorised separately on the statement of financial activities.

	Raising funds £	Grant making £	Governance £	2024 £
Office costs	9,965	42,801	9,931	62,697
Staff costs (inc. indirect staff costs)	120,383	291,883	71,873	484,139
Other costs	37,953	106,676	46,694	191,323
Total	168,301	441,360	128,498	738,159

6. Net income/(expenditure)

This is stated after charging:

	2025 £	2024 £
Depreciation of tangible fixed assets	**3,274**	7,342
Auditor's remuneration	**18,000**	18,000
Operating lease rentals	**19,320**	23,184
	40,594	48,526

7. Staff costs

	2025 £	2024 £
Wages and salaries	**373,405**	354,724
Social security costs	**31,537**	29,885
Other pension costs	**24,191**	20,551
	429,133	405,160

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

	2025 No.	2024 No.
Raising funds	**3**	2
Charitable activities	**4**	6
Governance	**3**	2
	10	10

The average headcount expressed as full-time equivalents was:

	2025 No.	2024 No.
Raising funds	**2.9**	2.0
Charitable activities	**2.9**	6.4
Governance	**3.0**	1.4
	8.8	9.8

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	**1**	-
In the band £70,001 - £80,000	**-**	1
In the band £80,001 - £90,000	**1**	-

The key management personnel of the charity comprise the senior management team, being the Chief Executive, Chief Finance Officer and Head of Grants, with total employee benefits (including pension costs) of £231,255 (2024: £207,264).

The Foundation is an accredited Real Living Wage Employer.

8. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2024	**38,406**
Additions	**2,065**
Disposals	**(1,014)**
At 31 March 2025	**39,457**
Depreciation	
At 1 April 2024	**33,241**
Charge for the year	**3,274**
On disposals	**(564)**
At 31 March 2025	**35,951**
Net book value	
At 31 March 2025	**3,506**
At 31 March 2024	5,165

9. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2024	**19,967,925**
Additions	**10,172,034**
Disposals	**(767,401)**
Revaluations	**(1,340,601)**
At 31 March 2025	**28,031,957**
Net book value	
At 31 March 2025	**28,031,957**
At 31 March 2024	19,967,925

10. Debtors

	2025 £	2024 £
Other debtors	**239**	-
Prepayments and accrued income	**123,070**	166,280
	123,309	166,280

11. Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	**18,968**	12,081
Other taxation and social security	**8,893**	-
Other creditors	**567,018**	1,284,074
Accruals and deferred income	**47,390**	86,887
	642,269	1,383,042

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Unrestricted funds						
General Funds	**1,160,396**	**392,245**	**(757,392)**	**191,269**	**-**	**986,518**
Endowment funds						
Endowment Funds	**19,552,958**	**9,605,343**	**-**	**(83,302)**	**(1,309,355)**	**27,765,644**
Restricted funds						
Restricted Funds	**2,812,137**	**6,095,691**	**(5,722,920)**	**(107,967)**	**-**	**3,076,941**
Total of funds	**23,525,491**	**16,093,279**	**(6,480,312)**	**-**	**(1,309,355)**	**31,829,103**

The following significant transfers were made between funds in the year:

£592,706 (2024: £527,631) was transferred from restricted funds to endowment funds in respect of the reallocation of expendable endowment funds.

£395,167 (2024: £639,954) was transferred from endowment to restricted funds in respect of grant making activities and the annual drawdown.

£273,226 (2024: £282,654) was transferred from endowment funds, and £254,966 (2024: £340,952) was transferred from restricted funds, to unrestricted funds to contribute towards administration costs.

£325,000 was transferred from unrestricted funds to restricted funds to support grant making across three different programmes.

12. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
General Funds	929,487	347,031	(738,159)	622,037	-	1,160,396
Endowment funds						
Endowment Fund	18,344,950	84,845	(319,156)	(185,352)	1,627,671	19,552,958
Restricted funds						
Restricted Fund	4,360,077	6,027,076	(7,138,331)	(436,685)	-	2,812,137
Total of funds	23,634,514	6,458,952	(8,195,646)	-	1,627,671	23,525,491

13. Restricted and endowment funds

The following fund categories combine restricted and endowment funds:

Trusts
Funds held where there is a linking direction under section 96(6) of the Charities Act 1993 (formerly uniting direction).

Community First
Funds that were established during the UK Government's matched endowment programme.

Community Panel
Funds where a community panel is the main grant decision making body for the funds.

Donor-Advised
Funds where the grant-making decision rests with the donor.

Field of Interest
Funds where the grant-making decision rests with the Foundation.

For funds with balances over £100,000, or funds where the fund agreement requires it, the funds' financial positions are listed separately.

Restricted funds

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2024
	£	£	£	£	£	£
Trusts	154,724	71,197	(126,076)	-	(20,283)	79,562
Community First	316,592	148,116	(49,817)	-	(103,922)	310,969
Community Panel	497,640	2,141,988	(1,459,790)	-	19,258	1,199,096
Donor-Advised	657,281	3,201,978	(2,890,022)	-	(238,905)	730,332
Field of Interest	1,185,900	532,412	(1,197,215)	-	235,885	756,982
Total	2,812,137	6,095,691	(5,722,920)	-	(107,967)	3,076,941

Expendable endowments

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2024
	£	£	£	£	£	£
Trusts	2,653,825	-	-	(120,843)	(14,660)	2,518,322
Community First	2,756,131	-	-	(121,263)	(137,276)	2,497,592
Community Panel	2,922,092	4,791	-	(133,607)	(14,905)	2,778,371
Donor-Advised	6,911,459	9,598,227	-	(735,202)	71,148	15,845,632
Field of Interest	4,309,451	2,325	-	(198,440)	12,391	4,125,727
Total	19,552,958	9,605,343	-	(1,309,355)	(83,302)	27,765,644

Trusts

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2024
	£	£	£	£	£	£
Darlington Education Trust	1,149,968	28,750	(67,800)	(48,799)	(17,056)	1,045,063
Durham Johnston Educational Foundation	176,098	4,442	(6,000)	(7,540)	(1,897)	165,103
Hylton House Trust	177,180	4,475	(9,950)	(7,598)	(1,891)	162,216
John T Shuttleworth Ropner Memorial Trust	849,847	22,036	(33,537)	(37,398)	(6,985)	793,963
Stanhope Castle Charitable Trust	280,528	7,220	(5,644)	(12,254)	(4,918)	264,932
Other Trusts under £100k	174,928	4,274	(3,145)	(7,254)	(2,196)	166,607
Total	2,808,549	71,197	(126,076)	(120,843)	(34,943)	2,597,884

Community First

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2024
	£	£	£	£	£	£
2D Legacy Fund	224,991	6,003	-	(9,956)	(3,819)	217,219
Banks Family Community First	90,761	2,304	-	(3,820)	(1,370)	87,875
Banks Foundation Community First	474,290	10,785	(32,382)	(17,887)	(5,455)	429,351
Banks Pegswood Moor Community Benefits Fund	154,714	3,897	-	(6,463)	(2,236)	149,912
Point North Community First Match Fund	225,297	21,926	-	(36,365)	(144,816)	66,042
Darlington Education Community First Trust Fund	826,024	3,750	-	(6,219)	(12,047)	811,508
Jackie Maddison Community First Trust	144,036	3,631	-	(6,023)	(2,161)	139,483
Nicholson Family Community First	136,576	2,608	-	(4,325)	(2,100)	132,759
Pete & Jackie Maddison Community First Fund	99,739	-	(1,787)	-	(1,550)	96,402
Willington and Parkside Fund	270,648	7,114	-	(11,798)	(2,667)	263,297
Other Community First	425,647	86,098	(15,648)	(18,407)	(62,977)	414,713
Total	3,072,723	148,116	(49,817)	(121,263)	(241,198)	2,808,561

Community Panel

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2024
	£	£	£	£	£	£
Banks Kype Muir Community Fund	254,834	-	43,362	-	(298,196)	-
County Durham & Darlington NHS Health Improvement Fund	2,293,482	59,220	(79,756)	(100,520)	(30,897)	2,141,529
Kype Muir Community Fund 1	(10,365)	201,330	(202,413)	-	291,418	279,970
Kype Muir Community Fund 2	-	411,870	(186,725)	-	(24,094)	201,051
NHS Cancer Alliance 2025	-	150,000	-	-	-	150,000
NTR Quixwood Moor Wind Farm Community Fund	331,525	54,515	(326,165)	-	-	59,875
Poor Moor Trust Fund	403,312	9,963	(25,000)	(17,174)	(3,680)	367,421
Walkway Windfarm Fund	143,912	8,704	-	(6,718)	(2,878)	143,020
Other Community Panel	3,032	1,251,177	(683,093)	(9,195)	72,680	634,601
Total	3,419,732	2,146,779	(1,459,790)	(133,607)	4,353	3,977,467

Donor-Advised

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2024
	£	£	£	£	£	£
Banks Family Fund	1,748,710	40,717	(202,564)	(69,108)	(26,485)	1,491,270
Banks Family Grassroots (Durham)	300,271	7,507	-	(12,741)	(4,369)	290,668
Banks Renewabes Ltd Fund	-	9,565,571	-	(414,110)	-	9,151,461
Greencoat Kype Extension	-	144,430	(38,220)	-	-	106,210
John Simpson Greenwell Memorial Fund	387,375	9,505	(32,317)	(16,134)	(5,297)	343,132
Karbon Homes Grassroots Fund	286,436	7,357	(7,310)	(12,486)	(4,300)	269,697
Miller Wood Bonsall Fund	271,284	6,955	-	(11,805)	(4,113)	262,321
Peter and Jayne Cook Fund	183,150	4,772	(2,000)	(8,100)	(2,917)	174,905
Point North Admin Endowment Find	503,024	13,527	-	(22,960)	(16,593)	476,998
Other Donor-Advised	3,888,490	2,999,864	(2,607,611)	(167,758)	(103,683)	4,009,302
Total	7,568,740	12,800,205	(2,890,022)	(735,202)	(167,757)	16,575,964

Field of Interest

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2024
	£	£	£	£	£	£
Anonymous 2019 Fund	231,932	6,257	-	(10,619)	(6,931)	220,639
County Durham Educational Trust (CDET) Fund	327,669	8,847	-	(15,020)	(9,501)	311,995
Darlington & District Youth & Community Association Fund	161,172	4,346	-	(7,377)	(4,892)	153,249
Durham County Waste Management Fund	171,661	4,630	-	(7,859)	(5,194)	163,238
Durham Relief In Need	-	-	(13,736)	-	67,318	53,582
Enriching Lives Match Fund Income	-	-	-	-	100,000	100,000
Ferryhill Station, Mainsforth & Bishop Middleham Aid in Sick	149,255	3,735	(9,169)	(6,340)	(1,636)	135,845
Francis James Bell Fund	167,975	4,253	(10,257)	(7,219)	(1,827)	152,925
Future Initialtives Fund	521,730	-	(21,000)	-	(234,026)	266,704
Skills Development Bursary Fund	218,421	4,239	-	(7,147)	(4,750)	210,763
Sir Paul & Lady Nicholson Fund	636,291	16,323	(31,507)	(27,705)	(17,781)	575,621
Vardy Fund	264,775	7,146	-	(12,128)	(7,842)	251,951
Welcome Spaces	-	-	(239,732)	-	250,000	10,268
Other Field of Interest	2,644,470	474,961	(871,814)	(97,026)	125,338	2,275,929
Total	5,495,351	534,737	(1,197,215)	(198,440)	248,276	4,882,709

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total funds 2025 £
Tangible fixed assets	3,506	-	-	**3,506**
Fixed asset investments	-	266,313	27,765,644	**28,031,957**
Current assets	1,058,265	3,377,644	-	**4,435,909**
Creditors due within one year	(75,253)	(567,016)	-	**(642,269)**
	986,518	3,076,941	27,765,644	**31,829,103**

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £
Tangible fixed assets	5,165	-	-	5,165
Fixed asset investments	-	414,967	19,552,958	19,967,925
Current assets	1,254,199	3,681,244	-	4,935,443
Creditors due within one year	(98,968)	(1,284,074)	-	(1,383,042)
	1,160,396	2,812,137	19,552,958	23,525,491

15. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	**8,303,612**	(109,023)
Adjustments for:		
Depreciation charges	**3,274**	7,342
Losses/(gains) on investments	**1,309,355**	(1,627,671)
Dividends, interests and rents from investments	**(799,297)**	(745,385)
Loss on disposal of fixed assets	**450**	-
Decrease in debtors	**42,971**	196,055
(Decrease)/increase in creditors	**(740,773)**	281,334
Net cash provided by/(used in) operating activities	**8,119,592**	(1,997,348)

16. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	**1,871,114**	2,024,250
Short term deposits	**2,441,486**	2,744,913
Total cash and cash equivalents	**4,312,600**	4,769,163

17. Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	**2,024,250**	**(153,136)**	**1,871,114**
Liquid investments	**2,744,913**	**(303,427)**	**2,441,486**
	4,769,163	**(456,563)**	**4,312,600**

18. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £24,191 (2024: £20,551). Contributions totalling £nil (2024: £nil) were payable to the fund at the balance sheet date.

19. Operating lease commitments

At 31 March 2025 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025	2024
	£	£
Within 1 year	**19,320**	23,184
Between 1 and 5 years	**4,830**	28,980
	24,150	52,164

20. Related party transactions

A number of grants were paid to organisations where Point North Trustees are also Trustees. The grants follow normal approval process and the Trustees concerned are not involved.

During the year grants totalling £18,920 (2024: £10,000) were paid to Durham Youth CIO, an organisation of which Emily Burns, Trustee, is a Director and Rebecca Armstrong, Trustee, is an advisor.

During the year grants totalling £1,998 (2024: £5,000) were paid to Creative Youth Oppurtunities CIC, an organisation of which Rebecca Armstrong, Trustee, is a Trustee.

During the year grants totalling £7,200 (2024: £12,760) were paid to Great North Air Ambulance, an organisation of which Rebecca Armstrong, Trustee, is an advisor.

During the year grants totalling £13,000 (2024: £1,870) were paid to Pioneering Care Partnership, an organisation of which Annie Dolphin, Trustee, is a member.

During the year grants totalling £12,940 (2024: £2,893) were paid to Sherburn Hill Hub, an organisation of which Rebecca Armstrong, Trustee,is an advisor.

During the year grants totalling £nil (2024: £3,840) were paid to West Rainton and Leamside Partnership, an organisation of which Emily Burns, Trustee, is a Trustee.

During the year grants totalling £nil (2024: £5,000) were paid to Winston Village Hall, an organisation of which Annie Dolphin, Trustee, is a Trustee and secretary.

During the year grants totalling £nil (2024: £33,377) were paid to Teesdale Day Clubs, an organisation of which Annie Dolphin, Trustee, is treasurer and Trustee.

During the year grants totalling £nil (2024: £2,450) were paid to Durham Miners Association, an organisation of which Ray Hudson, Trustee, is an advisor.

During the year grants totalling £nil (2024: £15,000) were paid to Go The Distance, an organisation of which Emily Burns, Trustee, is an advisor.

During the year grants totalling £nil (2024: £5,000) were paid to 1st Murton Scouts, an organisation of which Rebecca Armstrong, Trustee, is a committee member for funding, as well as squirrel and beaver leader, and whos husband is chair of the board.

During the year donations totalling £263,771 (2024: £144,986) were received by the Foundation from the Trustees or organisations that Trustees had declared an interest in.

21. Post balance sheet events

On the 10th April 2025, the donation received from The Banks Group during 2025, and invested in line with the agreement made, was transferred to The Harry and Janice Banks Foundation, in line with the donor's wishes, at their market rate.

Point North Community Foundation

England & Wales - Charity number 1047625

Accounts

Registered number: 3072153
Charity number: 1047625

Point North Community Foundation (previously County Durham Community Foundation)

(A company limited by guarantee)

Annual report

31 March 2024

Point North Community Foundation (previously County Durham Community Foundation)

(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1 - 2
Chairman's statement	3 - 4
Trustees' report	5 - 27
Trustees' responsibilities statement	28
Independent auditor's report	29 - 32
Statement of financial activities	33
Income and expenditure account	34
Balance sheet	35
Statement of cash flows	36
Notes to the financial statements	37 - 56

Point North Community Foundation (previously County Durham Community Foundation)

(A company limited by guarantee)

Reference and administrative details
Year ended 31 March 2024

Trustees

James Fenwick, Chairman
Rebecca Armstrong
Joanna Barker MBE
Emily Burns
Gillian Chinhengo (appointed 18 March 2024)
Ann Dolphin OBE
Emma Glover
Stephen Hall, Vice Chair
Ray Hudson
Peter Locke
Emma O'Rourke

Company registered number

3072153

Charity registered number

1047625

Registered office

Victoria House
Whitfield Court
St John's Road
Meadowfield Industrial Estate
Durham
DH7 8XL

Chief Executive Officer

Michelle Cooper MBE

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Reference and administrative details (continued)
Year ended 31 March 2024

Principal banker

National Westminster Bank plc
12 Market Place
Durham
DH1 3NG

Investment manager

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

President

Sir Paul Nicholson KCVO Kt

Patrons

Harry Banks OBE DL
Mark l'Anson MBE
Alasdair MacConachie OBE DL
Lady Sarah Nicholson DL

Point North Community Foundation (previously County Durham Community Foundation)

(A company limited by guarantee)

Chairman's statement
Year ended 31 March 2024

In this past financial year, Point North Community Foundation ('Point North') has awarded £7,157,961 in grants to individuals, families and communities across County Durham and beyond.

This extraordinary figure is considerably higher than our 'usual' annual grant making but the last four years have been anything but usual.

Communities are still feeling the shockwaves of the seismic global events of recent times. The pandemic may be over, and the energy crisis may be easing, but our team continues to see the impact of these events on vulnerable people across the region.

Over the course of the year, we awarded £6,965,803 to 798 groups, making a difference to 874,649 people. Our grants to individuals and families assisted some 336 people, supported the vulnerable, and helped talented individuals reach their full potential.

The level of grant making achieved last year was only possible because Point North worked in partnership with various organisations on specific programmes and through the generosity of our supporters.

For example, in partnership with Durham County Council, the Welcome Spaces fund enabled us to respond swiftly and effectively to rising energy costs and supported an estimated 12,841 beneficiaries over the winter months with grants of £286,500.

A partnership with Durham's light art biennial, Lumiere Durham, enabled us to direct some £100,000 into community outreach programmes, giving more than 1,800 local people the chance to be involved in creating five artworks for the event.

This partnership introduced Point North to new donors passionate about arts, culture, and community participation for the first time. These included Durham-based Atom bank, which has since gone on to establish its own named fund with us, trusting us with the Atom Futures Fund, which supports young people from low-income backgrounds or those in the care system to apply to Russell Group universities.

We have also continued to receive significant support from local businesses. For example, the Banks Group significantly assisted local communities through the Banks Community Fund, making grants of £598,196 to enrich the lives of some 200,000 people living in and around its windfarms. Following the sale of the Banks Group's renewable division to OnPath this year, we are looking forward to partnering with them on these funds in the future.

We are delighted that our long-established relationship with the Banks Group will continue, and we are preparing to establish two brand new funds with them in 2024/2025.

Our wider portfolio of windfarm funds, working alongside EDF, REG, and RWE, has funded projects including a community allotment, sports clubs, brass bands, and village hall maintenance, which have benefitted 123,189 local people.

EMG Solicitors supported 10 projects last year and is working towards establishing a £1m endowment fund that will benefit local people for many years to come.

Darlington Building Society used its 5% net profit pledge to grant £101,699 to community initiatives last year and has renewed it for another year.

As we approach our 30th anniversary in 2025, we are taking some strategic steps to prepare Point North for the next 30 years. This encompasses upgrades to our internal systems to improve our grant making and grant reporting processes and changes to our brand, name, website and marketing activity.

Point North Community Foundation (previously County Durham Community Foundation)

(A company limited by guarantee)

Chairman's statement
Year ended 31 March 2024

We remain committed to helping the most vulnerable in our communities. We will continue to address the issue of “poverty of opportunity” in our grant making by tackling social exclusion, promoting quality education, supporting skills development, and nurturing more resilient and sustainable communities.

I would like to extend my heartfelt thanks to our donors and supporters, the staff, and my fellow trustees for their continuing commitment to Point North. I should also like to thank our President, Sir Paul Nicholson, and our Patron, Lady Sarah Nicholson, for their exceptional dedication to the Foundation since its establishment in 1995.



James Fenwick
Chair

Date: 5 August 2024

Point North Community Foundation (previously County Durham Community Foundation)

(A company limited by guarantee)

Trustees' report
Year ended 31 March 2024

The Trustees present their annual report together with the audited financial statements of the company for the year 1 April 2023 to 31 March 2024. 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 requirement 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 to the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

About Us

As an independent grant making charity, we exist to fight poverty and enrich lives in County Durham, the Tees Valley and the wider North East.

By working closely with regional partners, communities, stakeholders, and supporters, we raise funds and direct them to the people, places, and projects where they can make the most difference to the most people.

We use the United Nation's Sustainable Development Goals (SDGs) to structure our grant making to help us focus on fighting poverty and enriching lives in our region.

Fighting Poverty	**Enriching Lives**
SDG 1 No Poverty Addressing the urgent and immediate impacts of poverty.	**SDG 3 Good Health & Wellbeing** Improving people's mental and physical health and wellbeing.
	SDG 10 Reduced Inequalities Seeking to reduce systemic inequalities that disproportionately affect people in poverty, so everyone has an equal chance at a brighter tomorrow.
	SDG 11 Sustainable Cities & Communities Encouraging social cohesion; supporting job readiness, skills development and community participation so that our communities may be more resilient.
	SDG 13 Climate Action Mitigating the impact of climate change on our communities through learning, education and practical interventions.

Table 1: Our SDGs

Internally, we use Impact Pillars mapped against these SDGs to enable us to direct funding into strategic themes. All funding awarded in grants has been assigned a thematic impact category from one of the following:

- Community Programme
- Fighting Poverty
- Organisational Sustainability

- Opportunities for Life
- Climate action
- Success against the odds (interventions to help individuals in need reach goals)

Vision and Mission

We aim to be **the place** people come when they want to **make a lasting difference** in their community.

To achieve this, we **connect** and **collaborate** with businesses and individuals who are motivated to create a **better today** and a **brighter tomorrow** for local people.

Values

Our values are embedded in our internal strategy and our reference point for day-to-day decisions.

- **Trustworthy:** we are reliable, honest, and transparent in our work. You can count on us to do what we say we will, always.
- **Respectful:** we respect each other, our donors, and our communities. We are inclusive in our approach.
- **Passionate:** we truly care about making a difference to the lives of the people in our communities and our planet.
- **Adaptable:** we are flexible in our approach.
- **Ambitious:** we want good things for local people.
- **Vocal:** we are the voice for the communities and causes we serve.

Public Benefit

Our aims and achievements are set out within this report and have been undertaken to further our charitable purposes for the public benefit.

The Board of Trustees has complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales. The Trustees have considered this guidance in deciding what activities Point North should undertake and are satisfied that they have met the organisation’s charitable purposes.

Achievements and Performance

Fighting Poverty & Enriching Lives in 2023/24

This year our core grant making focus can best be described as **'responding and rebuilding.'**

We've seen the highest grant making figures in our 29-year history, with £7,157,961 awarded, representing a 104% increase on our typical pre-pandemic figures.

After four years of unprecedented global and national events, from the pandemic to a cost-of-living crisis, we've seen many communities slip further into poverty, and people who were once just making ends meet now find themselves having to make impossible choices with the rising cost of energy and essential items.

The community groups and voluntary organisations we support have rallied to meet this growing need, expanding their services and now supporting people with a broad range of issues, signposting other available support, and upskilling staff or volunteers to be experts across a range of social care and community issues.

However, they themselves are still trying to find post-pandemic stability while grappling with rising costs and demand.

Step one for us was to support groups as much as possible with their core project or operating costs. These groups are the backbone of many communities across County Durham and the North East - to lose them would be to see hundreds or thousands of people slip through the cracks.

Funds with a core focus on organisational stability have enabled us to grant £731,723 to local community groups to shore up current services, expand their remit and build resilience for the future.

Step two was to respond to the immediate and urgent needs of people experiencing the hardships of poverty right now—those who are facing circumstances that mean they cannot afford regular meals or healthier foods; they may be unable to meet their essential bills (such as rent or energy costs) or get to and from work or school.

National and local government programmes and crisis response funds recognised this ongoing need. An extension to the Government's Household Support Fund and a continuation of the Warm Spaces (renamed Welcome Spaces this year) have allowed us to be there for vulnerable households recovering from the pandemic's impact and making impossible choices in negotiating rising costs. With the Household Support Fund, we supported 283,677 people by awarding £2,400,924 to groups responding to the urgent needs of their community.

In partnership with Durham County Council, the Welcome Spaces fund was a direct response to rising energy costs and allowed community spaces to extend their opening hours, expand their services, or open new ones. With grants of £286,500, 12,841 people could visit these spaces over winter to have a hot drink, use the internet, complete essential tasks, or, as we learnt from our groups, simply connect with others and feel 'part of something'.

Grants from our Poverty Hurts Appeal continued to benefit local people, with £315,994 granted to 49 projects, benefitting 18,358 people experiencing hardship.

Finally, step three was to rebuild, supporting groups and communities to look beyond the urgency of today and consider creating opportunities for tomorrow. Poverty steals opportunities from tomorrow, and part of our remit is to reclaim those opportunities so that everyone has an equal chance at a full life. Funds which give young people the chance to fulfil their potential in sport, music or their chosen field have benefitted 8,507 people with grants of £229,680, including young people representing their country in hockey and gymnastics – removing barriers to excellence for talented individuals.

Fighting Poverty & Enriching Lives: Key data

- £7.15 million awarded through 1,134 grants to fight poverty and enrich lives.
- £176,176 raised through the Poverty Hurts Appeal, bringing the cumulative total raised to £1.14 million.
- Average grant size to groups of £8,729 (£4,687 more than 2022/23), reflecting our commitment to supporting groups to survive and thrive.
- The average grant size to individuals is £572 (£177 more than 2022/23), with 45% of these grants going towards alleviating the stress of poverty and 44% going towards creating opportunities for the future, in particular supporting young people to excel in their sport or education.

Grants made to groups	Total amount	Beneficiaries
798	£6,965,803	874,649

Table 2: Grants made to groups in 2023/24

Grants made to individuals	Total amount	Beneficiaries
336	£192,158	336

Table 3: Grants made to individuals in 2023/24

Fighting Poverty & Enriching Lives: Responding to our communities and stakeholders

One-quarter of the grants we made in this financial year supported projects or communities outside of County Durham, reflecting the growing nature of our work and the interests of our donors.

While our core work will always be in County Durham, we have seen a slowly shifting geography, which we intend to embrace in the coming 12 months.

This has been driven by the needs and interests of our donors, looking to support projects or communities from the Tweed to the Tees, with many having an affinity with the North East as a region.

Geographic Spend	Amount Awarded	Beneficiaries	% of grants
County Durham	£5,402,152	610,959	75
Tees Valley	£546,841	60,954	8
Tyne & Wear	£729,202	64,779	10
Elsewhere	£479,765	137,957	7
TOTAL	£7,157,961	874,649	100

Table 4: Geography of grant making in 2023/24

Fighting Poverty: A Better Today

Fighting Poverty is our first and foremost aim. We respond to the urgent needs faced by our communities today, such as ensuring everyone has enough to eat and a safe, warm home.

Poverty steals opportunities, diminishes hope and makes it almost impossible to plan for the future.

We must make an immediate difference to the most vulnerable in our community, giving a moment's respite from the day-to-day stresses of poverty before we can look to the future.

SDG	Grants made	Total amount	Beneficiaries	% of grants
No Poverty	406	£2,929,824	324,953	41%

Table 5: SDG categorisation in 2023/24

Fighting Poverty: A Better Today, key data

- 41% of our total grants this year were focused on fighting poverty.
- 56% of the grants made as part of the No Poverty SDG reached the 20% most deprived areas in the region.

Enriching Lives: A Brighter Tomorrow

Enriching Lives focuses on creating opportunities and developing resilience to give people a path beyond poverty.

Responding to what is presented to us today simply isn't enough. We must also look to the future, creating opportunities, developing resilient communities, and improving health, wealth, and wellbeing for future generations.

Good Health and Wellbeing make up most of our grants directed at enriching lives. These include projects that improve physical and mental health, support young people as they develop and grow, or offer 1-2-1 support to vulnerable individuals.

SDG	Grants made	Total amount	Beneficiaries	% of grants
Good Health & Wellbeing	297	£3,028,880	454,597	42%
Reduced Inequalities	30	£657,681	£13,443	9%
Sustainable Cities & Communities	33	£525,305	80,590	7%
Climate Action	3	£16,271	1,066	<1%

Table 6: SDG categorisation in 2023/24

Enriching lives: a brighter tomorrow, key data

- This year, 42% of our total grants were focused on Good Health & Wellbeing, a third of which benefitted 49,160 children and young people with projects improving mental health, education or developing participation in sports and recreation.
- 32% of these grants reached our region's most deprived 20%, benefitting 202,238 people.

Major Programmes

These major programmes have made up the majority of our grant making this year; here, we can see the need to balance both immediate and long-term thinking and respond to the needs of our communities.

In our region, poverty is tightening its grip on the most vulnerable. Our Household Support Fund and Welcome Spaces are essential to making today better for hundreds of thousands of people. As these government-led funds reach their end, our challenge is to ensure they are replaced and people aren't left behind.

Programmes focused on improving health outcomes demonstrate one of the major impacts of poverty – the negative impacts on people's physical and mental health. People in our region are more likely than the rest of England to have long-term health conditions, and programmes such as Chester le Street Primary Care Network Community Investment Fund actively create health interventions for those most at risk.

Programmes improving the quality of life, such as the Department of Culture, Media and Sport funded Know Your Neighbourhood, Banks Renewables and Community Grants Funding Programme, create brighter futures for many. Whether this is about sustaining health and wellbeing through sports, arts, culture or community cohesion, focusing on job readiness, financial literacy, economic stability or taking a community approach to climate action and supporting the natural environment, these programmes support the richness of life.

Household Support Fund	£2,424,779	43 grants	283,677 beneficiaries
A government-backed fund to support vulnerable people through the cost-of-living crisis.			
Know Your Neighbourhood	£1,323,759	16 grants	2,781 beneficiaries
A Government funded programme, Know Your Neighbourhood runs from January 2023 until March 2025 to develop a collective understanding of what works to improve well-being and pride-in-place through volunteering and community initiatives tackling loneliness.			
Banks Renewables (OnPath)	£471,580	97 grants	196,375 beneficiaries
Funds fighting poverty and enriching lives within 3 miles of wind farms or renewable energy locations owned by Bank Renewables until December 2023, and OnPath from December 2023 onwards.			
Community Grants Funding Programme	£445,993	106 grants	29,664 beneficiaries
Sustaining health, wellbeing and opportunities for local communities.			
Poverty Hurts	£315,945	49 grants	18,358 beneficiaries
Supporting people with the rising cost of food, energy and other essential items to avoid putting undue pressure on household budgets.			
Welcome Spaces	£283,500	117 grants	12,601 beneficiaries
Supporting the community sector to run welcome spaces – an evolution of Warm Spaces. Enabling local community groups opening their buildings to people or running existing activities that served the same purpose, for example, coffee mornings or lunch clubs.			
Chester le Street Primary Care Network Community Investment Fund	£194,137	10 grants	2,212 beneficiaries
Supporting community groups and organisations based in Chester le Street, with funding provided by the seven GP Practices in the area, it focuses on dealing with emerging issues in the community as a result of the continuing threat of coronavirus, as well as supporting longer term projects in the area that target positive health and wellbeing.			

Table 7: Major funds in 2023/24

Highest Value by Account Type	**Amount**	**Donor**
Corporate Donor	£500,000	*Anon*
Individual Donor	£312,500	Harry J Banks
Related Party Donor	£630,169	UK Community Foundations (UKCF)
Public sector Donor	£2,424,779	Durham County Council

Table 8: Highest valued funds in 2023/24

Material Grants to Institutions

The following institutions received material grants in the context of the organisation's total grant making.

Group	Amount Awarded (£)	No of grants
Durham Christian Partnership	636,000	1
East Durham Community Development Trust	622,744	3
County Durham Furniture Help Scheme	201,975	2
Durham County Carers Support	195,500	2
Age UK County Durham	185,500	1
Building Self-belief CIO	163,623	9
Foundation of Light	157,470	3
East Durham Partnership	152,500	3
Bridge Creative Enterprise CIC	142,731	4
YMCA Teesdale	137,472	7
Handcrafted Projects	107,299	7
Sacriston Community Association	105,635	5
Durham Community Action	105,289	2
Refuse CIC	102,251	2
Stanley Area Youth Consortium	100,463	1
Teesdale Community Resources	97,090	7
Karbon Homes	85,200	2
Bullion Community Resource Centre	75,800	7
Artichoke Trust	70,656	1
Northern Shape T/A Equal Arts	69,500	1
UTASS	68,615	4
Teesdale Day Clubs (CIO)	66,235	2
PACT House Stanley	50,426	6
Sacriston Youth Project	47,480	6
NE Youth Ltd	46,789	2
Darlington Mind	41,289	2
Wheels2Work (County Durham)	40,100	4
Burnhope Community Centre	39,469	3
If U Care Share Foundation	38,740	4
Preston & Abbey Community Trust	37,725	1
Veterans Skills Academy CIC	37,500	1
Sunderland Music Arts and Culture Trust	37,500	1
Bedlington Terriers FC 2022 CIC	37,500	1
Live Well North East CIO	37,274	5
Shildon Alive	37,000	3

Group	Amount Awarded (£)	No of grants
Pelton Fell Community Partnership	35,930	8
Trust Jack Foundation	30,928	1
Pelton Community Association	28,298	3
Focus Easington (Charity) Limited	27,620	5
Clart About Ltd	26,420	3
Beyond Limits	25,397	4

Table 9: Institutions receiving grants in 2023/24

In addition to the grants made in furtherance of our own objectives, during the year we transferred £309k to Durham Cathedral, being the balance of endowments funds held for specific purposes connected to the Cathedral, which they will manage going forwards.

New Funds

The funds listed below were established during the last financial year, for which we are incredibly grateful.

Fund Name	Fund Type	Opening amount (£)
Acumen Development Trust Legacy	Flow Through	44,166
Atom Futures	Flow Through	5,625
Eldon Charitable County Durham Fund	Grants Revenue	14,400
Household Support Fund	Flow Through	2,411,561
NHS Waiting Well	Flow Through	72,087
Poverty Truth Commission Fund	Flow Through	45,000
Ward Hadaway	Grants Revenue	11,891
Welcome Spaces	Flow Through	283,500

Table 10: New funds in 2023/24

Future planning: Point North

In our planning for the future, we now know it's more important than ever for us to keep up the momentum and direct funds to the places where they can make the most difference for the most people.

Our commitment to fighting poverty and enriching lives has never been stronger; the past four years have shown us the breadth and depth of the support we must provide.

We continue to listen to what our communities need from us and where our donors want to make a difference. At the heart of it all is ensuring we can continue to create a better today and a brighter tomorrow for everyone in our region.

To achieve this, we must grow our donor base and increase our income so that we can distribute more funds to communities. We must also grow our reputation and reach and make it easier for people to find us, connect with us and give to causes they care about.

Over the coming year, a core part of our strategy is to evolve and modernise our systems, communications, and brand.

In 2024, we completed our rebrand to Point North Community Foundation, simply Point North. Our refreshed look includes a new website and an upgraded CRM system.

With the benefit of our refreshed look and improved internal systems, we will:

Connect

We will use our rebrand as the catalyst for widening our reach and attracting new donors and fundholders who want to make a difference in their communities. The rebrand presents an opportunity to tell our story to date, to remind those who know us of our values and mission, and to ourselves to those who don't yet know us.

Simplify

Our new systems and processes have allowed us to create simplified and more efficient pathways for donors and grant recipients to engage with us and get what they need. Our aim is to reduce the friction in any interaction, continually working and evolving to make working with Point North simple, effective and fruitful.

Advocate

We will continue to use our expertise, voice and connections to advocate for the needs of our communities on a regional and national level. Our rebrand and improved internal systems support this aim, giving quicker and easier access to data, evidencing need and galvanising the public around significant regional issues.

Our unwavering commitment to the communities we serve remains unchanged. Although we'll look different, our core values and approach will remain. We will continue to put communities first and work with our supporters and donors to fight poverty and enrich lives across our region.

In support of this aim and in recognition of the changing funding landscape, particularly with the uncertainty of government funding programmes, we have approved £347,500 from Point North's reserves to go directly towards grant making in 2024/25.

It's essential that while we plan and work towards a brighter tomorrow, we also improve people's lives today. Allocating reserves in this way allows us to react to the needs of our communities and is a strong statement of intent from Point North that—along with our donors and supporters—we will be there for communities no matter the challenges facing them.

Our Commitments and Approach

Equity, Diversity and Inclusion

Our approach to equity diversity and inclusion is structured around six commitments applicable across the organisation and our interactions with our stakeholders.

Dignity and Respect: We treat everyone fairly and with respect, acknowledging individual uniqueness.

Challenging Discrimination: We actively combat all forms of discrimination and unequal treatment.

Overcoming Disadvantage: We address the needs of disadvantaged people to ensure everyone has equal opportunities.

Inclusive Culture: We strive to create a welcoming culture that attracts and retains a diverse range of people.

Reflecting Our Communities: Our services are designed to be accessible and reflect our communities.

Value Lived Experience: We seek out, value and act upon the voice of lived experience.

As part of our day-to-day work and embedded within our standard way of working, we:

Promote Equity: Ensure fairness, inclusion, and respect in everything we do.

Prevent Prejudice: Maintain a culture free from bullying, harassment, and discrimination.

Are Open: Consult and engage with people to enhance our understanding of the needs and obstacles faced by our communities.

Support Complaints: Take all complaints of discrimination seriously and provide appropriate support.

Uphold Legal Rights: Protect the rights of individuals under relevant UK laws.

Recruit Fairly: Ensure transparent and accessible recruitment and development processes.

In practice over the last 12 months this has meant:

- Improving website accessibility with the installation of Userway accessibility tools.
- Open recruitment process for our latest post, without specific restrictions on qualifications and supplying questions before interviews.
- Moving to a 9-day fortnight to give all our team the time and space to recuperate and rest.

In the coming 12 months, development and improvements will include:

- A new website and improved internal systems to simplify the application process for grant applicants.
- Neurodiversity Training delivered by a neurodivergent trainer to upskill our team in creating environments that are more inclusive.
- Integration between financial and internal grant systems improving efficiency.

Climate Action

Our commitment to taking action to reduce our impact on the environment extends across our organisation and through to our grant making.

Many of our grants now include a ‘greening’ allowance, an additional sum of money to support grant recipients in making their projects or organisations greener or learning and upskilling their staff to do so in the future.

We have also continued our support of the Going Green Together programme of work, a programme also funded by The National Community Lottery and delivered by Voluntary Organisations Network North East, Vonne.

We are a signatory of the SME Climate Commitment with the aim of reaching net zero emissions by 2040 or as soon as possible.

In the last 12 months, this has included:

- Moving our website hosting to a green hosting service, we are now hosted by a data centre using sustainable energy.
- Reduction in the number of commute days through the implementation of a 9-day fortnight and non-working days
- Increase in the use of electric vehicles for commuting
- Greater segregation of office waste for recycling

In the coming 12 months, this will include:

- Developing and launching a new website using a sustainable web design approach to reduce the carbon produced for each visit to our website from 2.58g of CO2 per visit to <1.5g per visit.
- Continuing to identify and buy from local or ethical suppliers to reduce carbon footprint on our business activity
- Ensuring where printed materials are required, we will work with environmentally friendly providers using suitable inks and papers

Carbon Calculator for one office location

UK energy use for 1 April 2023 – 31 March 2024

	FY2023/24 **Scope 1 and 2, tCO_2e**	**FY2022/23** **Scope 1 and 2, tCO_2e**	**Base Year FY2019/20** **Scope 1 and 2, tCO_2e**
Durham	4.0	3.30	5.38

We have seen the carbon footprint of our office operations increase by 0.7 tCO_2e in this financial year as the first full, non-pandemic year back in the office and with in-person meetings, events and activities increasing when compared with FY2022/23.

When compared with our pre-Covid 19 benchmark of FY2019/20 we see a 25% decrease in emissions for our Durham location, based on 10 FTEs.

Scope 1 (direct emissions) emissions are those from activities owned or controlled by the organisation.

Scope 2 (energy indirect) emissions are those released into the atmosphere that are associated with the consumption of purchased electricity, heat, steam and cooling.

Notes about methodology:

- We have adopted an operational control approach to establishing the boundary. The methodology adopted in line with the Greenhouse Gas Protocol[1] and the BEIS Environmental Reporting Guidelines[2]. The calculations were completed on the SmartCarbon™ Calculator[3] using the UK Government emissions factors[4].

- CO_2e is the universal unit of measurement to indicate the global warming potential (GWP) of Greenhouse Gases (GHGs), expressed in terms of the GWP of one unit of carbon dioxide. There are seven main GHGs that contribute to climate change, as covered by the Kyoto Protocol: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3). Different activities emit different gases. Using CO_2e allows all greenhouse gases to be measured on a like-for-like basis.

- For National grid electricity consumption, We have included factors for the transmission and distribution of electricity (T&D) losses, which occur between the power station and site(s). The emissions from T&D has been accounted for in Scope 3. As with other Scope 3 impacts, reporting T&D is voluntary but is recommended standard practice by UK Government[2].

Financial review

Financial statements

The format of the Annual Accounts and certain accounting policies have been prepared in accordance with the requirements of the Charities SORP, 'Accounting and Reporting by Charities', in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

On this basis, the endowment fund on 31 March 2024 stood at £19,552,958 (2023: £18,344,950), an increase of £1,208,008 reflecting much more positive investment performance, particularly in the second half of the year but also included the continuation of drawdown during this time to support charitable activities.

The Statement of Financial Activities shows the movement in the year on our unrestricted and restricted funds. The year end balances on the restricted funds are available in their entirety for future grant making and other direct charitable expenditure.

The increase in short term deposit rates was utilised accordingly in the year reflecting a total receipt of bank interest of £217,754 (2023 £81,089). The cost base of the organisation was below budget due to expected projects and headcount costs being lower than anticipated. This resulted in an unrestricted operating surplus of £230,909.

The financial forecast, prepared on a very prudent basis, shows a modest operating deficit on unrestricted funds for the coming year. This position is acceptable as the organisation has a strong track record of opportunities for income and some elements of the expenditure are considered as long-term investments to support and grow the organisation and factored into the current level of reserves holding.

Our main funders are:

- Public sector departments (grants and administration)
- Private fund holders (endowment, grants and administration)
- Landfill and wind farm operators (grants and administration); and
- Charitable trusts

Reserves policy

Our reserves policy is reviewed annually. The policy considers the requirement to carry a level of reserves under two themes.

The first theme is the operating reserves range. This is defined as the expenditure required to operate the organisation for a period between three (3) and six (6) months.

The second theme is the opportunity reserves range. At the current time, the Board of Trustees has identified key areas that need to be covered by the opportunity reserves range. These areas are

- the continued development of our positioning in the region it operates
- the provision of financial resource to mitigate the risk of clawback that is contractually an element in some programmes that the organisation does and could choose to deliver
- inclusion in projects such as aiding the establishment of a Poverty Truth Commission, or other such activities aligned to our work in fighting poverty and enriching lives

The Board reviewed its reserves levels and designated £483,500 of general reserves to support running costs as part of its annual budget plan to allow Point North to run for up to 6 months if the income stream was severely impacted.

The Board is confident that reserves are sufficient to continue as a going concern.

Charity Funds held as at the end March 2024

- Endowment Funds £19,552,958
- Restricted Funds £2,812,137
- Unrestricted Funds £1,160,396
- Total Funds £23,525,491

Board approval has been granted for the utilisation of £347,500 of unrestricted funds for grant making purposes in 2024/25.

Investment policy

The Articles of Association provide wide powers of investment and our assets are invested by its appointed investment managers to provide an annual income for grant making.

Point North holds material endowment investments, which continued to be managed by investment managers CCLA Investment Management in 2023/24.

The Investment Committee’s responsibilities are overseen by Resources and Policies Committee. The Board monitors investment performance closely at each Board meeting.

Under the current investment policy, our overall investment objective is to develop an endowment fund that underpins its mission of providing sustainable support to local communities in the long-term. The aim is to achieve a balance between meeting current needs and growing the overall size of the endowment to meet future need.

We recognise the need to achieve a balance between risk and return, whilst investing within the remit of our ethical policies.

The investment objectives are currently:

- To hold and invest donors' funds in a prudent manner
- To generate a sufficient return net of fees to enable the level of annual distribution agreed by the Board each year (currently set at 4% to distribute, plus c1.5% to cover costs).

Investment principles:

- Long-term investor
- Medium to high risk tolerance
- Operate in accordance with our statement of ethical investment principles
- Invest in a diversified portfolio of investments
- Investments will principally be in equities, bonds and cash (including collective investment vehicles in these categories). Point North is open to recommendations to invest in other classes of asset, but do not currently expect to invest in direct property holdings or derivative instruments

Investment performance

At the year end, the endowment portfolio stood at £19,552,958 (2023: £18,344,950).

The Charity's investment managers, CCLA, had a more positive year returning an overall performance to 31 March 2024 of +12.1%, versus prior year of -0.9%. Overall, the last 3 years performance being +23.9%. The first half of the year saw little growth +0.3% with the second half having a more positive performance at 8% and 3.6% in Q3 and Q4 respectively.

Performance of investments in their Ethical Investment Fund was slightly higher at 13.1% than those in their main Charities Official Investment Fund at 12.2% which is where most of our funds are invested.

The Board agreed that during the year 2023/24, four per cent (4%) of the endowment value of the majority of funds was drawn down for grant making activity, and a further amount of c1.6% was used as a contribution towards organisational running costs. This level of drawdown remains in line with our practice for several years and represents what the Board believes is a sustainable long-term level of distribution. A small number of endowment funds are held under the Community First scheme (a match funding scheme that was available a few years ago). These funds are subject to their own drawdown rules that are akin to those executed by the Board for funds totally in its control. The amount drawn down for running costs is allocated to individual funds according to the endowment fee structure introduced in April 2016, which makes allowance for the relative complexity of funds.

The organisation continues to use Flagstone (an online portal that is a cash savings platform giving access to a wide number of deposit accounts from different providers) as a tool for supporting the management of cash holdings. The tool enhances the ability of the organisation to access a wide range of interest-bearing deposit accounts, without having to open an account with each provider. The benefit of this is evident in the level of bank interest earned in the year of £217,754 (2023 £81,089). Using this facility means that a higher level of the organisation's cash is covered under the Financial Services Compensation Scheme than if it was not available to the organisation.

During the year additional investment opportunities were approved by the board including the investment of available funds into UK Government backed bonds. A 12 month gilt was purchased in February 2024 further lowering our investment risk but also maximising long term rate opportunity.

Structure, governance, and management

Charity name

Point North Community Foundation, formerly known as County Durham Community Foundation and locally known as CDCF or the Foundation.

The name changed to Point North Community Foundation on the 31 July 2024.

Charity status

Point North Community Foundation is a Company Limited by Guarantee, No. 3072153 and is governed by its Memorandum and Articles of Association, as amended 7 April 2024.

It is registered with the Charity Commission, Charity No. 1047625

It is also an enrolled environmental body with ENTRUST No. 581043.

Political neutrality

We conduct our affairs in a non-political way and do not align ourselves to any political party or policy.

Trustees

Trustees are individuals who form our governing body (Board of Trustees, Board) and act as Directors of the Company. Trustees of the Board are nominated for election by members of the Company and current Directors are due for re-election on a three-year cycle at the Annual General Meeting.

All Trustee members are expected to commit to and uphold our values and objectives; act with integrity and avoid/declare personal conflicts of interest; give adequate time and energy to the duties of being a trustee; use their skills and experience to the benefit of Point North; attend and contribute to meetings and events.

Members of the Board act in a voluntary capacity.

We have powers to appoint a President and Patrons.

Meetings

The Board meets quarterly and has a maximum of 14 members; it is representative of a wide range of professionals who live, work, or have an interest in County Durham and Tees Valley and the wider North East region, including members from the public, private, and voluntary sectors.

The Board is responsible for the development, implementation, and management of our strategy. It also appoints working groups and committees to manage specific activities where necessary and appropriate.

Board members have considerable day-to-day involvement in our affairs. None of the Board members have a direct beneficial interest in any of the funds.

A Chief Executive (Michelle Cooper) is appointed by the Board to oversee our strategic direction. A senior management team supports our Chief Executive in managing the day-to-day operations. To facilitate effective operations, the Chief Executive has delegated authority, within the terms of delegation approved by the Trustees, for matters including finance, employment, and project management related activity.

During this financial year, there were four meetings of the full Board, which received reports from three constituted committees.

In addition to the Trustees serving on committees, we are grateful for the support of members appointed by the board with special expertise; David Martin, Duncan Barrie, and Paul Chandler.

Resources and Policies Committee

The Resources and Policies Committee is tasked with overseeing the management of our resources (finances and people). It oversees our financial and operational performance and ensures organisational strategies and plans are in place to meet our strategic objectives. It is also responsible for maintaining oversight of our policies, risk management systems and internal control systems.

Audit and Risk Committee

Our records are subject to audit by several regulatory and funding bodies in addition to our statutory auditor. These include ENTRUST and the European Social Fund.

During the year the Audit and Risk Committee continued to oversee the management of our financial, operational, and compliance systems and protocols, to advise on the effectiveness and efficiency of those systems and protocols, and to monitor risk management processes.

Nominations/ Remuneration Committee and Trustee appointment

Discussions about Board membership have been held within the context of full Board meetings. The committee also reviewed staff pay and benefits during the year.

Risk management

We take responsibility for assessing risk seriously and have a risk register which is updated at least quarterly by our senior management team. Key changes to the risk register are highlighted to the Board through bi-monthly Chief Executive reports as well as being reviewed regularly by the Board and committees.

Our risk management framework is overseen by the Audit and Risk Committee with the Resources and Policies Committee responsible for the implementation of strategies to minimise and manage risk.

Trustees have identified the principal risks to which the charity is exposed and established appropriate controls and procedures to mitigate risks.

The main risks we face are:

- Failure to attract new funds and grow in line with the business plan
- Impact of the lasting effects of the pandemic and the cost-of-living crisis on our operations and the funding environment in the future
- Loss of key staff
- Impact of IT failure, cyber-attack or fraud

We continue to place a high priority on managing relationships and associated data in line with the increased regulatory frameworks that all charities face. These include the General Data Protection Regulations, fundraising regulations, safeguarding procedures, and acceptance of gifts.

Trustees have appropriate controls and procedures in place to mitigate the risks including the following:

- Employing staff with appropriate training, skills, and experience where necessary
- Reviewing insurance provision annually including cyber insurance, and retaining the services of a specialist company to provide year-round support for cyber security
- Having a comprehensive investment policy, and to review investment allocations and performance on a regular basis
- Establish and review policies and procedures regularly
- Hold regular meetings between the Chair and the Chief Executive to discuss and review workload, aims and achievements

Organisational structure

We have a team comprising 9.8 full time equivalent members of staff (across 11 employees) which is managed by Michelle Cooper, Chief Executive.

The organisation operates a flexible, hybrid, 9-day fortnight approach to working patterns with staff spending time in the office each week and some time working remotely.

All Board, staff, and volunteers undertake an induction programme and are given a handbook, which includes Point North's policies and procedures. These policies are reviewed regularly by the Board through their committee structure.

The remuneration of staff is reviewed for affordability by the Resources and Policies Committee, with decisions on salary levels taken by the Nominations and Remuneration Committee. Senior staff salaries are set taking due regard to local relevant benchmarks and reviewed annually. No member of staff is linked to a performance related pay programme.

During the year one member of staff received remuneration of more than £80,000 (2023: One more than £70,000).

Associations and affiliations

We are part of a national network of 47 independent community foundations across the UK. Our umbrella body, UKCF, provides on-going help and support to community foundations. It also represents local community foundations at a national and international level and negotiates and manages national grant making and funding opportunities. We pay an annual membership fee to be part of the network.

For more information on UKCF visit www.ukcommunityfoundations.org.

Accreditation and standards

We have UKCF Quality Accreditation (QA5) issued in October 2021 and will undergo QA6 in 2024.

Trustees and staff are encouraged to take advantage of conferences, seminars, and training on matters related to our business. This is in addition to ongoing 'in-house' training sessions and bespoke personal development plans. During the year, online training modules have been undertaken by staff in a variety of topics.

Fundraising

We are registered with the Fundraising Regulator, which is the independent regulator of charitable fundraising. All our fundraising aims to meet the requirements of the Charity Commission, the Fundraising Regulator and the Information Commissioner’s Office.

We are committed to following best practice in fundraising and follow the Code of Fundraising Practice issued by the Fundraising Regulator.

Most of our income generation activity is undertaken by our own staff or on our behalf through introductions made by ambassadors and professional advisors. We also connect to potential donors and partners through networking and by raising our profile through communications. We do not share information about donors or supporters without their express permission.

We do not use direct marketing, telephone, or doorstep fundraising and do not employ professional fundraisers or use commercial participators to raise funds on our behalf. Some fundraising may be done for us by third parties, for example community groups who have supported our Disaster Relief funds, or funds where a donor wishes to raise money from friends or family in memory of a loved one. We encourage all volunteer fundraisers to comply with fundraising regulations and are working to develop additional training and guidance to support them.

We work hard to maintain our reputation and high professional standards. We are proud of the trusted relationships we have with donors, supporters and the public and aim to treat everyone fairly and with respect.

Feedback is important to us to help monitor and improve our practices. During the year there have been no reported compliance issues with the Code of Fundraising Practice. We maintain records of all complaints received and during the year received no complaints on our fundraising activities.

Linked charities

Point North is sole Trustee of the following charities where we have been granted a linking direction under section 96(6) of the Charities Act 1993. This allows the Foundation to prepare a single annual report and aggregated set of accounts for these charities. It does not constitute an amalgamation of the charities, which remain separate and legally distinct.

Linked charities are:

- Darlington Education Trust, which supports pupils of the ten secondary schools and colleges of the Borough of Darlington
- East Howle School Fund, which promotes the education of persons in the parish of Ferryhill
- Durham Johnston Educational Foundation, which promotes the education of persons who attend or have attended secondary schools within Durham City
- King Edward VII Memorial Fund, which supports local hospices and hospitals
- The Hylton House Fund, which provides financial assistance to individuals with cerebral palsy and related disabilities, their families and carers
- The John T Shuttleworth Ropner Memorial Trust, which provides financial assistance to individuals in need of convalescence or respite care
- John Hewison Prize Fund, which promotes the education of individuals attending Durham Community Business College
- The Stanhope Castle School Charitable Trust, which supports young people (under 25) who are, or have been, in the care of, or provided accommodation by, or under the supervision of the local authority in County Durham, Tees Valley (formerly Cleveland), Gateshead, South Tyneside or Sunderland
- William Neesham Educational Trust Fund, which promotes the education of individuals attending Durham Community Business College

Details of these funds can be seen in Note 13 of these accounts.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this Trustee's report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and UNW will therefore continue in office.

We take the opportunity to thank UNW LLP for their advice and assistance in the course of auditing the accounts.

Approved by order of the members of the board of trustees on 5 August 2024 and signed on their behalf by:



James Fenwick
(Chairman)

Point North Community Foundation (previously County Durham Community Foundation)

(A company limited by guarantee)

Statement of trustees' responsibilities
Year ended 31 March 2024

The trustees (who are also the directors of County Durham Community Foundation 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. 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, of the charitable company 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

Approved by order of the members of the Board of Trustees on 5 August 2024 and signed on its behalf by:



James Fenwick
(Chairman)

Independent auditor's report to the members of County Durham Community Foundation

Opinion

We have audited the financial statements' of Point North Community Foundation (previously County Durham Community Foundation) (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, the income and expenditure account, 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 2024 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.



Other information

The other information comprises the information included in the annual report other than the financial statements' and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements' does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements' or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements' themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a Strategic report.



Responsibilities of trustees

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:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the directors and other management (as required by Auditing Standards) and from inspection of the company's legal correspondence and we discussed with the directors and other management the policies and procedures in place regarding compliance with the laws and regulations. We communicated identified laws and regulations throughout our audit team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

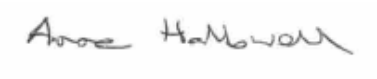
Secondly, the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; health and safety, employment law, data protection, environmental law and certain aspects of company legislation, recognising the nature of the company's activities. Auditing Standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we did not become aware of any actual or suspected non-compliance material to the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

5 August 2024

Point North Community Foundation (previously County Durham Community Foundation)

(A company limited by guarantee)

Statement of financial activities
Year ended 31 March 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:						
Donations and legacies	2	**129,277**	**-**	**-**	**129,277**	213,213
Charitable activities	3	**-**	**5,499,445**	**84,845**	**5,584,290**	3,634,176
Investments	4	**217,754**	**527,631**	**-**	**745,385**	623,813
Total income and endowments		**347,031**	**6,027,076**	**84,845**	**6,458,952**	4,471,202
Expenditure on:						
Raising funds		**168,301**	**-**	**-**	**168,301**	220,073
Charitable activities	5	**569,858**	**7,138,331**	**319,156**	**8,027,345**	5,798,605
Total expenditure		**738,159**	**7,138,331**	**319,156**	**8,195,646**	6,018,678
Net (expenditure) / income before net gains/(losses) on investments		**(391,128)**	**(1,111,255)**	**(234,311)**	**(1,736,694)**	(1,547,476)
Net gains/(losses) on investments		**-**	**-**	**1,627,671**	**1,627,671**	(748,413)
Net (expenditure/income) before transfers		**(391,128)**	**(1,111,255)**	**1,393,360**	**(109,023)**	(2,295,889)
Transfers between funds	12	**622,037**	**(436,685)**	**(185,352)**	**-**	-
Net movement in funds		**230,909**	**(1,547,940)**	**1,208,008**	**(109,023)**	(2,295,889)
Reconciliation of funds:						
Total funds brought forward		**929,487**	**4,360,077**	**18,344,950**	**23,634,514**	25,930,403
Total funds carried forward		**1,160,396**	**2,812,137**	**19,552,958**	**23,525,491**	23,634,514

The notes on pages 37 to 56 form part of these financial statements.

Point North Community Foundation (previously County Durham Community Foundation)

(A company limited by guarantee)

Summary income and expenditure account
Year ended 31 March 2024

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Gross income in the reporting period	**347,031**	**6,027,076**	**6,374,107**	4,285,791
Less: Total expenditure	**(738,159)**	**(7,138,331)**	**(7,876,490)**	(6,008,678)
Net expenditure for the reporting period	**(391,128)**	**(1,111,255)**	**(1,502,383)**	(1,722,887)

Transfers of £622,037 were made to the unrestricted funds from the restricted and endowment funds during the year (2023: £502,559) resulting in total net expenditure of £1,317,031 (2023: net expenditure of £1,461,652).

The notes on pages 37 to 56 form part of these financial statements.

Point North Community Foundation (previously County Durham Community Foundation)

(A company limited by guarantee)

Balance sheet
At 31 March 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	8		**5,165**		7,131
Investments	9		**19,967,925**		18,932,273
			19,973,090		18,939,404
Current assets					
Debtors	10	**166,280**		362,335	
Short term cash deposits		**2,744,913**		4,163,734	
Cash at bank and in hand		**2,024,250**		1,270,749	
		4,935,443		5,796,818	
Creditors: amounts falling due within one year	11	**(1,383,042)**		(1,101,708)	
Net current assets			**3,552,401**		4,695,110
Net assets			**23,525,491**		23,634,514
Charity funds					
Endowment funds	12		**19,552,958**		18,344,950
Restricted funds	12		**2,812,137**		4,360,077
Unrestricted funds	12		**1,160,396**		929,487
Total funds			**23,525,491**		23,634,514

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 on 05 August 2024 and signed on their behalf by:



James Fenwick, Chairman
(Chair of Trustees)

Company registered number: 3072153

The notes on pages 37 to 56 form part of these financial statements.

Point North Community Foundation (previously County Durham Community Foundation)

(A company limited by guarantee)

Statement of cash flows
Year ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	15	**(1,997,348)**	(1,932,601)
Cash flows from investing activities:			
Dividends, interests and rents from investments		**745,385**	623,813
Purchase of tangible fixed assets		**(5,376)**	(6,310)
Proceeds from sale of investments		**1,213,585**	880,287
Purchase of investments		**(621,566)**	(615,530)
Net cash provided by investing activities		**1,332,028**	**882,260**
Change in cash and cash equivalents in the year		**(665,320)**	**(1,050,341)**
Cash and cash equivalents at the beginning of the year		**5,434,483**	6,484,824
Cash and cash equivalents at the end of the year	16	**4,769,163**	5,434,483

The notes on pages 37 to 56 form part of these financial statements

Notes to the financial statements
Year ended 31 March 2024

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Point North Community Foundation (previously County Durham 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 prepared in pounds sterling and are rounded to the nearest £1.

1.2 Company status

The company is a company limited by guarantee, incorporated and domiciled in England. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.3 Going concern

The Foundation has financial reserves held in cash and endowment, together with long term contracts with a number of stakeholders across different sectors in the region. The Foundation has strong free reserves of £1,155,231. As a consequence, the trustees believe that the Foundation is well placed to manage its business risks successfully despite the current very uncertain economic outlook as the world continues to live against a number of significant situations (including the conflict in Ukraine, emerging from a global pandemic and the impact of Brexit). After making enquiries, the trustees have a reasonable expectation that the foundation will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

1. Accounting policies (continued)

1.4 Income

All income is recognised once the 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.

For legacies, entitlement is taken as the earlier of the date on which either the company is aware that probate has been granted, the estate has been finalised and notification made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate.

Investment income is recorded on the accruals basis and is allocated to individual endowment funds on the basis of the fund value at the end of each quarter. Interest earned on current accounts is allocated to administration funds. Flow-through funds receive no interest except where the fund is required to be held in a separate account

Grants, including government 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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 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. All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Charitable activities include direct costs incurred on the company's grant-making operations and support costs incurred in running the charitable operations.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Support costs are those costs incurred directly in support of expenditure on the objects of the company, including those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements. Where they are not attributable to a single activity they are apportioned between those activities on a basis consistent with the use of resources.

All expenditure is inclusive of irrecoverable VAT.

1. Accounting policies (continued)

1.5 Expenditure (continued)

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	- 33% straight line

1.7 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 fair 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 shown in the heading ‘Net gains/(losses) on investments’ in the statement of financial activities.

1.8 Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1.9 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.

1.10 Cash and cash equivalents

Cash and cash equivalents 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.

Short term cash deposits includes investments with a maturity of three months or more from the date of acquisition or opening of the deposit or similar account.

1. Accounting policies (continued)

1.11 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 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.

1.12 Pensions

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

1.13 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 company and which have not been designated for other purposes.

The general fund makes a charge on the other funds as follows:

- Flow-through funds: as agreed with the donor
- Endowment funds and other trust funds: between 1% and 2% of the fund balance per annum

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

Endowment funds are funds which are held for the permanent benefit of the charity. There is no power to convert capital into income.

1.14 Critical accounting estimates and areas of judgment

Estimates and judgments 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.

In preparing these financial statements the trustees do not consider there were any significant estimates or areas of judgment that were required in applying the company's accounting policies as set out above.

2. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	129,277	**129,277**	213,213
Total 2023	213,213	213,213	

3. Income from charitable activities

	Restricted funds 2024 £	Endowment funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	5,499,445	84,845	**5,584,290**	3,634,176
Total 2023	3,448,765	185,411	3,634,176	

4. Investment income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investment income	-	527,631	**527,631**	542,724
Bank interest	217,754	-	**217,754**	81,089
	217,754	527,631	**745,385**	623,813
Total 2023	81,089	542,724	623,813	

5. Expenditure on charitable activities

	Direct costs 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Provision of grants	7,457,487	569,858	**8,027,345**	5,798,605
Total 2023	5,326,666	471,939	5,798,605	

Analysis of direct costs

The direct costs above are grants awarded to community groups and other bodies during the year (taken from data submitted by grant applicants when applying for funding). They can be categorised as follows:

	2024 £	2023 £
Arts, culture and heritage	**343,638**	181,912
Community sector development	**361,270**	430,537
Community support, development and safety	**1,294,736**	840,851
Disaster response/relief	**12,537**	3,620
Education and training	**339,600**	470,616
Environment	**88,886**	180,687
Fairness, equality and inclusion	**3,499,121**	1,013,214
Health and wellbeing	**1,179,352**	1,979,745
Housing and homelessness	**37,698**	84,184
Sports and recreation	**300,649**	141,300
	7,457,487	5,326,666

Analysis of support costs

	Raising funds £	Grant making £	Governance £	2024 £
Office costs	9,965	42,801	9,931	**62,697**
Staff costs (inc. indirect staff costs)	120,383	291,883	71,873	**484,139**
Other costs	37,953	106,676	46,694	**191,323**
Total	**168,301**	**441,360**	**128,498**	**738,159**

No expenses were reimbursed to any trustees during the year (2023: £nil). No trustees received any remuneration.

The costs of grant making and governance is equal to support costs included within charitable activities (£569,858), with expenditure on raising funds (£168,301) categorised separately on the statement of financial activities.

	Raising funds £	Grant making £	Governance £	2023 £
Office costs	9,532	39,746	18,963	68,241
Staff costs (inc. indirect staff costs)	150,759	220,157	64,606	435,522
Other costs	59,782	86,987	41,480	188,249
Total	220,073	346,890	125,049	692,012

6. Net income/(expenditure)

This is stated after charging:

	2024 £	2023 £
Depreciation of tangible fixed assets	**7,342**	7,435
Auditor's remuneration - audit	**18,000**	14,000
Operating lease rentals	**23,184**	23,184
	48,526	44,619

7. Staff costs

	2024	2023
	£	£
Wages and salaries	**354,724**	323,813
Social security costs	**29,885**	33,668
Other pension costs	**20,551**	21,250
	405,160	378,731

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

	2024	2023
	No.	No.
Raising funds	**2**	3
Charitable activities	**6**	6
Governance	**2**	2
	10	11

The average headcount expressed as full-time equivalents was:

	2024	2023
	No.	No.
Raising funds	**2.0**	2.9
Charitable activities	**6.4**	6.4
Governance	**1.4**	1.6
	9.8	10.9

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
	No.	No.
In the band £70,001 - £80,000	**1**	1

The key management personnel of the charity comprise the senior management team, being the Chief Executive, Chief Finance Officer and Head of Grants, with total employee benefits (including pension costs) of £188,152 (2023: £198,016).

The Foundation is an accredited Real Living Wage Employer.

Notes to the financial statements
Year ended 31 March 2024

8. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2023	**34,235**
Additions	**5,376**
Disposals	**(1,205)**
At 31 March 2024	**38,406**
Depreciation	
At 1 April 2023	**27,104**
Charge for the year	**7,342**
On disposals	**(1,205)**
At 31 March 2024	**33,241**
Net book value	
At 31 March 2024	**5,165**
At 31 March 2023	7,131

9. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2023	**18,932,273**
Additions	**621,566**
Disposals	**(1,191,963)**
Revaluations	**1,606,049**
At 31 March 2024	**19,967,925**
Net book value	
At 31 March 2024	**19,967,925**
At 31 March 2023	18,932,273

10. Debtors

	2024 £	2023 £
Prepayments and accrued income	**166,280**	362,335

11. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	**12,081**	21,048
Other creditors	**1,284,074**	973,994
Accruals and deferred income	**86,887**	106,666
	1,383,042	1,101,708

	2024 £	2023 £
Deferred income at 1 April 2023	**-**	17,247
Amounts released from previous periods	**-**	(17,247)
	-	-

Notes to the financial statements
Year ended 31 March 2024

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
General Funds	**929,487**	**347,031**	**(738,159)**	**622,037**	**-**	**1,160,396**
Endowment funds						
Endowment Funds	**18,344,950**	**84,845**	**(319,156)**	**(185,352)**	**1,627,671**	**19,552,958**
Restricted funds						
Restricted Funds	**4,360,077**	**6,027,076**	**(7,138,331)**	**(436,685)**	**-**	**2,812,137**
Total of funds	**23,634,514**	**6,458,952**	**(8,195,646)**	**-**	**1,627,671**	**23,525,491**

The following significant transfers were made between funds in the year:

£527,631 (2023: £542,724) was transferred from restricted funds to endowment funds in respect of the reallocation of the expendable endowment fund.

£639,954 (2023: £187,752) was transferred from endowment to restricted funds in respect of grant making activities and the annual drawdown.

£282,654 (2023: £298,270) was transferred from endowment funds, and £340,952 (2023: £212,376) was transferred from restricted funds, to unrestricted funds to contribute towards administration costs.

£730,124 (2023: £812,192) was transferred from the Future Initiatives Fund to other restricted funds for match funding and contributions to major programmes.

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12. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
General Funds	824,638	294,302	(692,012)	502,559	-	929,487
Endowment funds						
Endowment Fund	19,179,187	185,411	(10,000)	(261,235)	(748,413)	18,344,950
Restricted funds						
Restricted Fund	5,926,578	3,991,489	(5,316,666)	(241,324)	-	4,360,077
Total of funds	25,930,403	4,471,202	(6,018,678)	-	(748,413)	23,634,514

13. Restricted and endowment funds

The following fund categories combine restricted and endowment funds:

Trusts
Funds held where there is a linking direction under section 96(6) of the Charities Act 1993 (formerly uniting direction).

Community First
Funds that were established during the UK Government's matched endowment programme.

Community Panel
Funds where a community panel is the main grant decision making body for the funds.

Donor-Advised
Funds where the grant-making decision rests with the donor.

Field of Interest
Funds where the grant-making decision rests with the Foundation.

For funds with balances over £100,000, or funds where the fund agreement requires it, the funds' financial positions are listed separately.

Restricted funds

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2024
	£	£	£	£	£	£
Trusts	144,930	72,151	(103,657)	-	41,300	154,724
Community First	468,112	102,932	(90,151)	-	(164,301)	316,592
Community Panel	1,473,510	1,559,893	(2,571,259)	-	35,496	497,640
Donor-Advised	693,899	3,142,345	(3,205,148)	-	26,185	657,281
Field of Interest	1,579,626	1,149,755	(1,168,116)	-	(375,365)	1,185,900
Total	4,360,077	6,027,076	(7,138,331)	-	(436,685)	2,812,137

Expendable endowments

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2024
	£	£	£	£	£	£
Trusts	2,511,347	-	-	221,893	(79,415)	2,653,825
Community First	2,407,852	-	-	226,839	121,440	2,756,131
Community Panel	2,742,359	7,211	-	245,593	(73,071)	2,922,092
Donor-Advised	6,698,429	70,283	(319,156)	575,961	(114,058)	6,911,459
Field of Interest	3,984,963	7,351	-	357,385	(40,248)	4,309,451
Total	18,344,950	84,845	(319,156)	1,627,671	(185,352)	19,552,958

Trusts

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2024
	£	£	£	£	£	£
Darlington Education Trust	1,079,121	29,208	(32,000)	89,827	(16,188)	1,149,968
Durham Johnston Educational Foundation	161,909	4,492	(2,250)	13,813	(1,866)	176,098
Hylton House Trust	170,178	4,559	(11,308)	14,021	(270)	177,180
John T Shuttleworth Ropner Memorial Trust	808,018	22,214	(35,774)	68,312	(12,923)	849,847
Stanhope Castle Charitable Trust	277,511	7,349	(22,225)	22,601	(4,708)	280,528
Other Trusts under £100k	159,540	4,329	(100)	13,319	(2,160)	174,928
Total	2,656,277	72,151	(103,657)	221,893	(38,115)	2,808,549

Notes to the financial statements
Year ended 31 March 2024

Community First

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2024
	£	£	£	£	£	£
2D Legacy Fund	210,641	5,885	(5,897)	18,624	(4,262)	224,991
Banks Family Community First	82,897	2,259	-	7,147	(1,542)	90,761
Banks Foundation Community First	452,058	10,574	(15,760)	33,460	(6,042)	474,290
Banks Pegswood Moor Community Benefits Fund	146,292	3,820	(5,001)	12,089	(2,486)	154,714
CDCF Community First Match Fund	205,387	-	-	-	19,910	225,297
Darlington Education Community First Trust Fund	788,970	21,496	(39,000)	68,024	(13,466)	826,024
Jackie Maddison Community First Trust	145,627	3,677	(14,500)	11,634	(2,402)	144,036
Nicholson Family Community First	124,084	3,560	-	11,266	(2,334)	136,576
Pete & Jackie Maddison Community First Fund	95,597	2,557	(4,760)	8,090	(1,745)	99,739
Willington and Parkside Fund	244,529	6,975	-	22,071	(2,927)	270,648
Other Community First	379,882	42,129	(5,233)	34,434	(25,565)	425,647
Total	2,875,964	102,932	(90,151)	226,839	(42,861)	3,072,723

Notes to the financial statements
Year ended 31 March 2024

Community Panel

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2024
	£	£	£	£	£	£
Banks Kype Muir Community Fund	245,359	194,940	(156,263)	-	(29,202)	254,834
County Durham & Darlington NHS Health Improvement Fund	2,165,962	60,033	(109,180)	184,616	(7,949)	2,293,482
ESF Community Grants	(66,154)	16,054	42,797	-	(3,062)	(10,365)
NTR Quixwood Moor Wind Farm Community Fund	197,383	220,350	(86,208)	-	-	331,525
Poor Moor Trust Fund	369,927	10,425	(6,000)	32,571	(3,611)	403,312
Walkway Windfarm Fund	123,850	10,871	-	11,668	(2,477)	143,912
Other Community Panel	1,179,542	1,054,431	(2,256,405)	16,738	8,726	3,032
Total	4,215,869	1,567,104	(2,571,259)	245,593	(37,575)	3,419,732

Donor-Advised

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2024
	£	£	£	£	£	£
Banks Family Fund	1,497,153	353,699	(179,379)	126,699	(49,462)	1,748,710
Banks Family Grassroots (Durham)	278,522	7,623	(5,183)	23,438	(4,129)	300,271
CDCF Administration Endowment Fund	451,410	13,028	-	40,069	(1,483)	503,024
Durham Cathedral's Chorister Bursary Fund	180,390	1,342	(179,405)	629	(2,956)	-
John Simpson Greenwell Memorial Fund	386,332	9,645	(33,034)	29,661	(5,229)	387,375
Karbon Homes Grassroots Fund	273,744	7,469	(13,499)	22,972	(4,250)	286,436
Miller Wood Bonsall Fund	250,929	6,781	(3,500)	20,852	(3,778)	271,284
Peter and Jayne Cook Fund	177,457	4,655	(11,000)	14,313	(2,275)	183,150
Other Donor-Advised	3,896,391	2,808,386	(3,099,304)	297,328	(14,311)	3,888,490
Total	7,392,328	3,212,628	(3,524,304)	575,961	(87,873)	7,568,740

Field of Interest

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2024
	£	£	£	£	£	£
Anonymous 2019 Fund	218,348	6,324	-	19,448	(12,188)	231,932
BAT Skills Development Bursary Fund	209,357	4,258	-	13,094	(8,288)	218,421
County Durham Educational Trust (CDET) Fund	308,197	8,933	-	27,475	(16,936)	327,669
Darlington & District Youth & Community Association Fund	151,810	4,394	-	13,515	(8,547)	161,172
Durham County Waste Management Fund	161,675	4,680	-	14,393	(9,087)	171,661
Ferryhill Station, Mainsforth & Bishop Middleham Aid in Sick	151,103	3,778	(15,635)	11,619	(1,610)	149,255
Francis James Bell Fund	152,573	4,213	-	12,955	(1,766)	167,975
Future Initiatives Fund	751,854	500,000	-	-	(730,124)	521,730
Sir Paul and Lady Nicholson Fund	539,972	116,083	(10,633)	47,246	(56,377)	636,291
Vardy Fund	249,209	7,219	-	22,201	(13,854)	264,775
Other Field of Interest	2,670,491	497,224	(1,141,848)	175,439	443,164	2,644,470
Total	5,564,589	1,157,106	(1,168,116)	357,385	(415,613)	5,495,351

14. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024	Restricted funds 2024	Endowment funds 2024	Total funds 2024
	£	£	£	£
Tangible fixed assets	5,165	-	-	**5,165**
Fixed asset investments	-	414,967	19,552,958	**19,967,925**
Current assets	1,254,199	3,681,244	-	**4,935,443**
Creditors due within one year	(98,968)	(1,284,074)	-	**(1,383,042)**
	1,160,396	2,812,137	19,552,958	**23,525,491**

14. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Tangible fixed assets	7,131	-	-	7,131
Fixed asset investments	-	587,323	18,344,950	18,932,273
Current assets	1,050,070	4,746,748	-	5,796,818
Creditors due within one year	(127,714)	(973,994)	-	(1,101,708)
	929,487	4,360,077	18,344,950	23,634,514

15. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net expenditure for the period (as per Statement of Financial Activities)	**(109,023)**	(2,295,889)
Adjustments for:		
Depreciation charges	**7,342**	7,435
(Gains)/losses on investments	**(1,627,671)**	748,413
Dividends, interests and rents from investments	**(745,385)**	(623,813)
Decrease/(increase) in debtors	**196,055**	(207,822)
Increase in creditors	**281,334**	439,075
Net cash used in operating activities	**(1,997,348)**	(1,932,601)

16. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	**2,024,250**	1,270,749
Short term deposits	**2,744,913**	4,163,734
Total cash and cash equivalents	**4,769,163**	5,434,483

17. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	**1,270,749**	**753,501**	**2,024,250**
Debt due within 1 year	**-**	**-**	**-**
Debt due after 1 year	**-**	**-**	**-**
Liquid investments	**4,163,734**	**(1,418,821)**	**2,744,913**

18. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £20,551 (2023: £21,250). Contributions totalling £nil (2023: £nil) were payable to the fund at the balance sheet date.

19. Operating lease commitments

At 31 March 2024 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Within 1 year	**23,184**	23,184
Between 1 and 5 years	**28,980**	52,164
	52,164	75,348

20. Related party transactions

A number of grants were paid to organisations where Point North trustees are also trustees. The grants follow normal approval process and the trustees concerned are not involved.

During the year grants totalling £10,000 (2023: £29,600) were paid to Durham Youth CIO, an organisation of which Emily Burns, trustee, is a director and Rebecca Armstrong, trustee, is an advisor. Additionally £5,000 was returned for a grant previously paid out.

During the year grants totalling £3,840 (2023: £6,842) were paid to West Rainton and Leamside Partnership, an organisation of which Emily Burns, trustee, is a trustee.

During the year grants totalling £5,000 (2023: £44,323) were paid to Creative Youth Opportunities CIC, an organisation of which Rebeccas Armstrong, trustee, is a trustee.

During the year grants totalling £1,872 (2023: £1,000) were paid to Pioneering Care Partnership, an organisation of which Ann Dolphin, trustee, is a member. Additionally they received a receipt against an invoice for consultancy work on Steering Group.

During the year grants totalling £2,993 (2023: £2,000) were paid to Sherburn Hill Hub, an organisation of which Rebecca Armstrong, trustee, is an advisor.

During the year grants totalling £5,000 (2023: £nil) were paid to Winston Village Hall, an organisation of which Annie Dolphin, trustee, is a trustee and secretary.

During the year grants totalling £33,377 (2023: £nil) were paid to Teesdale Day Clubs, an organisation of which Annie Dolphin, trustee, is treasurer and Trustee Chair of performer panels.

During the year grants totalling £2,450 (2023: £nil) were paid to Durham Miners Association, an organisation of which Ray Hudson, trustee, is an advisor.

During the year grants totalling £15,000 (2023: £nil) were paid to Go The Distance, an organisation of which Emily Burns, trustee, is an advisor.

During the year grants totalling £5,000 (2023: £nil) were paid to 1st Murton Scouts, an organisation of which Rebecca Armstrong, trustee, is a committee Member for funding, as well as squirrel and beaver leader, and whos husband is chair of the board.

During the year grants totalling £12,760 (2023: £nil) were paid to Great North Air Ambulance, an organisation of which Rebecca Armstrong, trustee, is an advisor.

During the year donations totalling £358,625 (2023: £2,580) were received by the Foundation from the trustees or organisations that trustees had declared an interest in.

During the year, Point North received £2,500 for case study work from Durham University, an organisation of which Ray Hudson, trustee, is an Emeritus Professor and Alumnus.

21. Post balance sheet events

On the 31 July 2024, the charitable company changed it's name from County Durham Community Foundation to Point North Community Foundation.

Point North Community Foundation

England & Wales - Charity number 1047625

Accounts

Registered number: 3072153
Charity number: 1047625

County Durham Community Foundation

(A company limited by guarantee)

Trustees' Report and Financial Statements

Year ended 31 March 2023

County Durham Community Foundation

(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1 - 2
Chairman's statement	3
Trustees' report	4 - 21
Trustees' responsibilities statement	22
Independent auditor's report	23 - 25
Statement of financial activities	26
Income and expenditure account	27
Balance sheet	28
Statement of cash flows	29
Notes to the financial statements	30 - 49

County Durham Community Foundation

(A company limited by guarantee)

Reference and administrative details
Year ended 31 March 2023

Trustees

James Fenwick, Chairman
Rebecca Armstrong
Joanna Barker (appointed 27 March 2023)
Duncan Barrie (resigned 25 November 2022)
Emily Burns
Paul Chandler (resigned 25 November 2022)
Ann Dolphin OBE
Emma Glover (appointed 7 November 2022)
Stephen Hall, Vice Chair
Ray Hudson
Peter Locke (appointed 27 March 2023)
Emma O'Rourke (appointed 7 November 2022)
Colin Proudfoot (resigned 21 July 2022)

Company registered number

3072153

Charity registered number

1047625

Registered office

Victoria House
Whitfield Court
St John's Road
Meadowfield Industrial Estate
Durham
DH7 8XL

Chief Executive Officer

Michelle Cooper MBE

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Principal banker

National Westminster Bank plc
12 Market Place
Durham
DH1 3NG

Investment manager

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

President

Sir Paul Nicholson KCVO Kt

Patrons

Harry Banks OBE DL
Mark l'Anson MBE
Alasdair MacConachie OBE DL
Lady Sarah Nicholson DL

County Durham Community Foundation

(A company limited by guarantee)

Chairman's statement
Year ended 31 March 2023

The past year has brought us yet another series of unprecedented events which have further underscored the crucial role played by the County Durham Community Foundation (the Foundation) in supporting local communities.

In a year marked by the lingering effects of the Covid-19 pandemic, the escalating cost of living, and an energy crisis, existing issues have been exacerbated, amplifying the challenges faced by the most vulnerable members of society.

Our team remains resolute in addressing the needs of individuals and communities in County Durham, Tees Valley, and the wider North East with programmes that react to the urgent needs of today, and which help solve the problems of tomorrow.

Over the course of the year, we have awarded £4.43 million to 567 groups which has made a difference to more than 360,000 people.

Our grants to individuals or families have assisted some 360 people, supporting those facing extreme hardship during the cost-of-living crisis as well as enabling budding athletes to fulfil their dreams.

The extraordinary success of the Poverty Hurts Appeal in raising almost £1 million (£966,341) has shown the incredible compassion there is towards the most vulnerable in our region. We are deeply grateful to our existing fundholders, local businesses, and the public, whose collective contributions through Poverty Hurts have impacted over 35,000 individuals in our region.

With funding programmes like Poverty Hurts, we galvanise our donors and the public to join us in alleviating poverty. Programmes such as the Warm Spaces Fund (in partnership with Durham County Council and East Durham Trust) have allowed us to respond swiftly and effectively to rising energy costs supporting an estimated 16,988 beneficiaries over the winter months.

While our commitment to combating poverty remains unwavering, our grant-giving efforts also seek to address the issue of "poverty of opportunity" that we see across the region. This entails funding projects that address inequalities, promote quality education, support skills development, and foster resilient communities for a sustainable future.

As always, this is all only possible thanks to our dedicated and generous supporters. For example, The Banks Group continue to have a profound impact on the community through the Banks Community Fund, which has awarded grants amounting to £144,552. Numerous projects associated with this fund are dedicated to enhancing or preserving community buildings, thus playing a pivotal role in ensuring the long-term viability of our community gathering spaces.

We have been able to increase our grant-giving to “green” projects and organisations thanks to Esh Construction. Their Greener Communities Fund this year has supported community projects which have installed greener technology and equipment, reduced carbon emissions, improved green spaces and wildlife habitats, and provided green skills training.

I should like to thank the staff and my fellow trustees for their commitment to the Foundation and to our mission to fight poverty and enrich the lives of everyone in our communities. I should also like to extend thanks to our President, Sir Paul Nicholson, and our Patron, Lady Sarah Nicholson, for their deep and unwavering dedication to the Foundation since its establishment in 1995.

James Fenwick
Chair
Date: 31 July 2023

County Durham Community Foundation

(A company limited by guarantee)

Trustees' report
Year ended 31 March 2023

The Trustees present their annual report together with the audited financial statements of the company for the year 1 April 2022 to 31 March 2023. 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).

Objectives and activities

About us and our objectives

The County Durham Community Foundation (the Foundation) is an independent grant-making charity and part of the national community foundation network, UK Community Foundations (UKCF). We aim to fight poverty and enrich lives in County Durham, and immediate neighbours and the broader North East.
We do this by being both a conduit and a collaborator, working in partnership with local communities, stakeholders, supporters, and institutions to raise funds and direct them to places they can make the most difference to local people.

We make it simple and safe for donors (individuals, businesses, or families) to maximise their charitable giving and work alongside the experts in local communities to ensure those funds go towards fighting poverty and enriching lives.

Our grant-making strategy is structured around five of 17 UN Sustainable Development Goals (SDGs). Prioritising fighting poverty in the first instance, followed by addressing the poverty of opportunity, which comes as a consequence of poverty itself.

No Poverty: we fund projects that address the urgent and immediate impact of poverty.

Good Health and Well-being: we support projects that improve people's mental and physical health and well-being.

Reduce Inequalities: we fund projects that actively seek to reduce systemic inequalities that disproportionately affecting people in poverty, so everyone has an equal chance to thrive.

Sustainable Cities & Communities: we support initiatives that encourage social cohesion; support job readiness, skills development; and community participation so that our communities may be more resilient.

Climate Action: we seek out projects that attempt to mitigate the impact of climate change on our communities; this could include climate awareness and education programmes through to greener transport options.

With these five priorities, we move closer to a more sustainable and equitable future for everyone in County Durham, Tees Valley and the wider North East.

Vision

Together with our supporters and partners, we create opportunities, reduce inequalities, and renew optimism. By working together, we will embed sustainable change in our communities that ends poverty and enriches lives for everyone. We are the place supporters and community leaders come to when they want to make a difference.

Objectives and activities (continued)

Mission

By understanding the hopes, needs and challenges of our communities we can attract, connect, and partner with supporters who are motivated by making a lasting difference and want to give with maximum impact.

Values

Our values are embedded in our internal strategy and our reference point for day-to-day decisions.

- **Trustworthy**: *we are reliable, honest, and transparent in our work. You can count on us to do what we say we will, always.*
- **Respectful**: *we respect each other, our donors, and our communities. We are inclusive in our approach.*
- **Passionate**: *we truly care about making a difference to the lives of the people in our communities and our planet.*
- **Adaptable**: *we are flexible in our approach.*
- **Ambitious**: *we want good things for local people.*
- **Vocal**: *we are the voice for the communities and causes we serve.*

Public benefit

The Foundation's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit.

The Board of Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales. The Trustees have considered this guidance in deciding what activities the Foundation should undertake and are satisfied that they have met the organisation's charitable purposes.

Achievements and performance 2022/23

This year we united our supporters, regional organisations, fundholders, media, and the general public around our £1m Poverty Hurts Appeal, an appeal which, after two years of responding urgently to the pandemic, sought to expose the pain and prevalence of poverty in our communities. We asked everyone to come together to alleviate poverty, address poverty of opportunity, and enrich lives for everyone in County Durham, the Tees Valley and the wider North East.

Our supporters and fundholders responded with foresight, pragmatism, and generosity. Seeing the cost-of-living crisis impacting communities yet to recover from the pandemic, our supporters gave us the trust and freedom to repurpose a range of funds for the Poverty Hurts Appeal. The grants from which went towards addressing the impact of poverty in all its forms and helped meet both the immediate need and provides long-term support.

This generosity from our fundholders and supporters was matched by the public. In partnership with the Northern Echo, with the support from the High Sheriff, and by collaborating with major organisations across the region, we galvanised the biggest individual giving campaign in the Foundation's history.

Together, we raised £966,341 and as we file this document over £670,000 is back in the community addressing the impacts of poverty today and supporting people to build a brighter tomorrow.

In the financial statements, grant expenditure is accounted for on an accruals basis, meaning grant expenditure is recognised in the year when the offer is made. The exception is where the offer is conditional upon certain performance conditions being met, in this case the grant commitment is treated as a contingent liability and is not included as an expense. In the Trustee's report, the tables in the following section are on a grants awarded basis which refers to the grants paid in the year. This can include amounts accrued for in prior years.

Highlights of the year:

- £4.43 million of grants awarded through 1,276 grants to fight poverty and enrich lives
- £966,341 raised through the Poverty Hurts Appeal
- Continued to grow the organisation's grant making footprint in County Durham, Tees Valley and the wider North East
- Strengthened grant making practices through use of the sustainable development goals and commitment to IVAR's (Institute for Voluntary Action Research) Flexible Funding commitments

Grant making

The average grant size this financial year was £3,475 for community groups. This is c£2,500 less than the average grant value last year, due mainly to the number of micro-grants (170) of £1,000 or less awarded over the winter period in Winter Warmth grants (an initiative to provide warm hubs for people affected by the cost of living and fuel crises).

The average grant size for grants to individuals this financial year was £395. Forty-seven (47) per cent of funding to individuals was made to help alleviate the stress of poverty and to support the purchase of essential household items, and twenty-seven (27) per cent was awarded to young individuals excelling in a sport or chosen field.

Achievements and performance 2022/23 (continued)

The tables below refer to grants awarded. Grants committed in the year £5.3m

Applicant	Amount	No. of grants	Average size grant
Group	£4,292,885	916	4,687
Individual	£142,278	360	395
Grand total	**£4,435,163**	**1,276**	**3,476**

Table 1: Grants awarded to groups and individuals

Reach

Following direct consultation to gauge the needs of community groups and the trends in the sector, the Foundation regrouped funds into workable and more accessible programmes, meeting the aims of existing donor wishes but reflecting need in the community.

Six (6) 'Impact Pillars' were developed to direct funding into strategic themes and from April 2022, all funding awarded in grants has been assigned a thematic impact category from one of the following:

- Community (general programme)
- Organisational sustainability (helping groups thrive and survive)
- Fighting poverty
- Opportunities for life (skills and training)
- Climate action
- Success against the odds (interventions to help individuals in need reach goals)

Impact pillar	Awarded	%
Community programme	£1,764,607	40
Organisation sustainability	£879,195	20
Fighting poverty	£814,162	18
Opportunities for life	£667,401	15
Climate	£298,793	7
Success against the odds	£11,005	>1
	£4,435,163	**100**

Table 2: Awarded per Impact Pillar

Sixty-six (66) per cent of all this financial year's funding reached the 30% most disadvantaged areas (as per the Index of Multiple Deprivation), with 40% of funding reaching the 20% most deprived areas.

Eighty-four (84) per cent of all Poverty Hurts Funding awarded within the 30% most deprived areas, and those grants awarded within the least deprived areas were predominantly issued to groups in Durham City, the Dales, and those in receipt of Banks Capital Regeneration funding.

Every grant awarded during 2022/23 was also assigned an issue theme i.e. what each grant aims to improve. Table 3 shows that the most significant percentage (27%) of funding was awarded to projects supporting health and wellbeing.

Achievements and performance 2022/23 (continued)

Theme	Awarded
Health and wellbeing	£1,213,309
Fairness, equality and inclusion	£1,143,341
Community support	£712,093
Community sector development	£418,531
Education and training	£407,385
Environment	£186,450
Sports and recreation	£163,869
Arts, culture and heritage	£91,159
Housing and homelessness	£80,813
Disaster response	£18,212
Grand total	**£4,435,163**

Table 3: Grants awarded by theme

The estimated number of beneficiaries of grants awarded (taken from data supplied at the application stage) in 2022/23 is more than 360,000.

Sixty-eight (68) per cent of grants (by value) awarded to projects within County Durham. There were fewer grants awarded in Tees Valley than the previous year due to a reduction in revenue funds (previously Covid-19 recovery funding) covering the Tees Valley area, with a consequentially higher rejection figure this year; predominantly of previously supported groups for that area.

Groups and individuals

Location	Value of Grants	No. of Grants	% By Value
County Durham	£3,013,150	858	68%
Tees Valley (including Darlington)	£873,201	183	20%
Other North East	£234,810	178	5%
Other (outside North East but in England)	£154,934	39	3%
Other Scotland	£159,068	18	4%
Overall	**£4,435,163**	**1,276**	**100%**

Table 4: Awarded per geographic area

This year's emphasis has been on helping organisations remain operational and well-resourced, supporting communities and individuals through the cost of living and fuel crises - fifty-three per cent of funding supported grassroots organisations with a turnover of less than £100,000.

The framework around the sustainable development goals (SDG) has also continued to help reflect where and why grants have been most needed. New work within our embedded Impact framework has enabled us to quantify positive actions in addressing the UN goals. Funding to community groups this year was allocated against the following SDGs:

Primary SDG	Awarded
Good health & wellbeing	£1,613,128
Sustainable cities & communities	£907,530
Reduced inequalities	£890,632
No poverty	£804,563
Climate action	£219,310
Overall	**£4,435,163**

Table 5: Awarded per SDG

Achievements and performance 2022/23 (continued)

The golden thread underpinning the work of the Foundation is to fight poverty and enrich lives; this applies to every grant made. Poverty affects the Foundation's communities at every level - whether that be the emergency impact of poverty, such as food or fuel poverty or the longer-term effects of poverty that limit people's futures.

Regarding the primary SDG 'No Poverty', this quantifies the level of funding awarded to projects specifically tackling poverty within this context.

Major grant programmes

This year the ongoing cost of living crisis has affected every community and every group that supports disadvantaged people. At the beginning of the financial year, the Foundation was able to repurpose unrestricted funds previously allocated to post Covid-19 infrastructure support to develop a funding programme focussing on organisational sustainability for those in County Durham specifically.

Major fund spends include:

Poverty Hurts - £590,000 awarded/ 104 grants

The repurposing of unrestricted funds and the launch of the Poverty Hurts Appeal generated significant applications and, more specifically, sympathetic and relevant requests for funding.

To support action that reduces the effects of poverty in 2022/23.

Community Grant Programme - £437,341 awarded/ 91 grants

The fund comprises contributions from various private endowments, annual fund holders, and new supporters. The pooling of these provides an easily accessed and broad-ranging programme to support diverse activities in the community.

The Community Grant Programme is an essential resource of funding to local community groups. Its impact is significant; grantee feedback is that this programme allows them the freedom to deliver what they do rather than shifting their focus to meeting trending revenue funds.

Organisational Sustainability - £301,842 awarded/ 29 grants

The organisational sustainability programme provided £301,842 to support 29 community groups sustain their work, increase their capacity, and improve their future sustainability, mainly through the cost of living and energy crises.

Many organisations evidenced a significant increase in demand for their services; this fund aimed to help meet that need.

Banks Community Fund - £144,552 awarded/ 26 grants

This fund comprises various community benefit funds, including eight from wind farms, three from country park reserves and one from a landfill site, and the Banks Group's donor-advised funds. It supports community organisations close to an ongoing development or in an area of interest for the Banks Group.

Most projects improve or maintain community buildings to provide long-term support for community activities. Historically some of the funding came from the landfill tax credit scheme and is subject to ENTRUST regulations.

Achievements and performance 2022/23 (continued)

Wind Farms - £178,876 awarded/ 58 grants

The Foundation now manage 15 wind farm funds on behalf of developers (not including those under management for Banks Group). This funding stream allows us to award grants that, without exception, are typically less than three miles from the turbines.

Warm Spaces - £171,000+ awarded/ 153 grants

Due to the significant rises in energy costs, there were concerns that County Durham residents would struggle to heat their homes over the winter months of 2022/23. The Fund supported the community sector to run warm spaces, forming a Warm Space Network, with local community groups opening their buildings to people or running existing activities that served the same purpose, for example, coffee mornings or lunch clubs.

More than £171,000 was awarded to 153 grants to help deliver the programme of support to an estimated 16,988 beneficiaries, with a significant impact on communities, bringing new assets into use and developing sustainable direction for groups and projects.

Sherburn House Charity - £116,870 awarded/ 264 grants

Sherburn House Charity focuses on providing relief to people in need living between the River Tweed and River Tees. The Charity has historic roots and a significant grant making presence in the region to support both community groups and individuals in need.

These grants are modest sums of money to support individuals experiencing hardship and poverty.

Durham County Council Arts, Sports, and Culture - £85,600 awarded/ 35 grants

We have continued working in partnership with Durham County Council to deliver community grant programmes to support local sports clubs and groups engaging in arts, sports, and cultural activities.

UKCF National programmes - £275,021 awarded/ 24 grants

During the year, the Foundation continued participating in national grant making programmes for UKCF:

Know Your Neighbourhood Fund runs from January 2023 until March 2025 to develop a collective understanding of what works to improve well-being and pride-in-place through volunteering and community initiatives tackling loneliness. The Foundation made grants totalling £135,333 to nine groups.

#iWill to support social action activities that create opportunities for young people aged 10-20 to develop their potential and capacity to contribute to their community significantly. Social action involves activities such as campaigning, fundraising, and volunteering and has enormous potential to create enjoyable opportunities and skills development for young people and, in turn, benefit local people and places. Grants totalling £139,688 went to a total of 15 groups.

Achievements and performance 2022/23 (continued)

Material grants to institutions

The following institutions received material grants in the context of the organisation's total expenditure:

Organisation	Awarded	No. of grants
VONNE	£69,031	2
Just For Women Centre	£65,892	7
RT Community Projects Ltd	£58,883	6
Laurel Avenue Community Association	£48,716	7
Sandford Village Hall Association	£47,982	1
Hartlepower CIC	£44,500	1
Sacriston Youth Project	£44,490	6
PACT House Stanley	£43,450	7
Durham Community Action	£41,750	4
East Durham Community Development Trust Ltd	£40,100	4
Age UK North Yorkshire & Darlington	£40,015	4
Creative Youth Opportunities	£39,331	4
Teesdale Community Resources	£38,872	5
Shotton Partnership 2000 Ltd	£38,324	6
Bullion Community Resource Centre	£38,200	4
Moving On Durham	£38,158	5
Wheels2Work (County Durham)	£37,400	3
Waddington Street Centre	£35,500	3
The Other Perspective cic	£35,229	1
Live Well North East C.I.C.	£34,990	2
Building Self-belief CIO	£34,570	8
Durham Area Youth (CIO)	£31,600	9
YMCA North Tyneside (working with YMCA Teesdale)	£30,742	8
King's Church Darlington	£30,400	7
WM Morrison Darlington Enterprise Trust	£29,863	2

Table 6: Institutions receiving grants

New funds

The funds listed below were established during the last financial year, for which we are incredibly grateful.

- Poverty Hurts Endowment Fund
- Belmont Fund
- Greening Grants
- NHS Welfare Support
- #iWill
- Sustainability Fund
- Thorne Derrick
- PHP Social Prescribing
- Know Your Neighbourhood
- Warm Spaces

Future planning: Community Comes First

Our role is to enable and empower voluntary organisations and groups in our local communities. Their expertise and insight maximise the impact of the grants we make and, in turn, make monumental differences in the lives of people in County Durham and beyond, including Tees Valley as a result of being the authorised community foundation in the area due to our membership of UKCF.

It's our responsibility to advocate for the local, expert knowledge within our communities, enable their work, and empower them to evolve and develop their services and impact.

Advocate

We will use our voice and influence to evidence the need for a local approach to fighting poverty and enriching lives, demonstrating exactly how the voluntary groups in our region maximise the impact of every pound because they know where it is best spent.

This coming year we'll launch a report in partnership with Health Equity North which outlines a series of recommendations for national government, coming down to one simple thing: trust and fund local charities to fight poverty now and support the next generation to thrive.

Enable

We will enable the work of our local voluntary and charitable organisations by making our grant application process more accessible and more inclusive, giving people multiple ways to work with us, complete grant applications, and access much-needed funds.

We aim to get money in and then get it out - to where it can make a difference to people in our communities. To that end, we will build on the support we've seen for our most recent Poverty Hurts Appeal - in which £966,341 was raised. This appeal has connected with thousands of people due to partnerships with local media and huge support from our existing fundholders.

Our aim in the year ahead is to continue to tell the stories of our communities, demonstrating the impact of poverty on people today and how it impacts on their tomorrow. We will galvanise our supporters, partners, and stakeholders to join us in our fight against poverty and the poverty of opportunity.

Empower

We will work closely with our community' voluntary organisations and groups to empower them to do what is needed now and help them build resilience for tomorrow.

For example, repurposing funds to support core costs during the cost-of-living crisis means our community organisations can keep providing essential support to their communities.

Through our "greening" strategy we are supporting the groups we work with to embed sustainable practices without compromising on the work they need to deliver, empowering groups to develop their skills, in and understanding of, sustainability.

Structure, governance and management

Charity name

County Durham Community Foundation, also locally known as CDCF or the Foundation.

Charity status

County Durham Community Foundation is a Company Limited by Guarantee, No. 3072153 and is governed by its Memorandum and Articles of Association, as amended 7 December 2015.

It is registered with the Charities Commission, Charity No. 1047625

It is also an enrolled environmental body with ENTRUST No. 581043.

Trustees

Trustees are individuals who form the Foundation's governing body (Board of Trustees) and act as Directors of the Company. Trustees of the Board are nominated for election by members of the Company and current Directors are due for re-election on a three-year cycle at the Annual General Meeting.

All Trustee members are expected to commit to and uphold the values and objectives of the Foundation; act with integrity and avoid/declare personal conflicts of interest; give adequate time and energy to the duties of being a trustee; use their skills and experience to the benefit of the Foundation; attend and contribute to meetings and events.

The Foundation has powers to appoint a President and Patrons.

Meetings

The Board of Trustees manages the Foundation. It meets quarterly and has a maximum of 14 members; it is representative of a wide range of professionals who live, work, or have an interest in County Durham and Tees Valley (and the wider North East region), including members from the public, private, and voluntary sectors.

The Board is responsible for the development, implementation, and management of the organisation's strategy. It also appoints working groups and sub committees to manage specific activities where necessary and appropriate.

Members of the Board act in a voluntary capacity. Board members have considerable day-to-day involvement in the Foundation's affairs. None of the Board members have a direct beneficial interest in any of the funds.

A Chief Executive is appointed by the Trustees to oversee the strategic direction of the Foundation. A senior management team supports the Chief Executive in managing the day-to-day operations of the organisation. To facilitate effective operations, the Chief Executive, Michelle Cooper, has delegated authority, within the terms of delegation approved by the Trustees, for matters including finance, employment, and project management related activity.

During this financial year, there were four meetings of the full Board, which received reports from three constituted committees.

Structure, governance and management (continued)

In addition to the Trustees serving on committees, we are grateful for the support of members appointed by the board with special expertise; David Martin, Duncan Barrie, Gillian Chinhengo and Paul Chandler.

Resources and Policies Committee

The Resources and Policies Committee is tasked with overseeing the management of the Foundation's resources (finances and people). It oversees the organisation's financial and operational performance and ensures organisational strategies and plans are in place to meet the strategic objectives of the organisation. It is also responsible for maintaining oversight of the organisation's policies, risk management systems and internal control systems.

Audit Committee

The Foundation's records are subject to audit by several regulatory/funding bodies in addition to our statutory auditor. These include ENTRUST and the European Social Fund.

During the year the Audit Committee continued to oversee the management of the Foundation's financial, operational, and compliance systems and protocols, to advise on the effectiveness and efficiency of those systems and protocols, and to monitor risk management processes.

Nominations/ Remuneration committee and trustee appointment

Discussions about Board membership have been held within the context of full Board meetings. The committee also reviewed staff pay on two occasions during the year.

Political neutrality

The Foundation conducts its affairs in a non political way and does not align itself to any political party or policy.

Organisational structure

A team comprising 10.9 full time equivalent members of staff (across 13 employees) is managed by Michelle Cooper, Chief Executive.

The organisation operates a hybrid approach to working patterns with staff spending time in the office each week and some time working remotely.

All Board, staff, and volunteers undertake an induction programme and are given a handbook, which includes the Foundation's policies and procedures. These policies are reviewed regularly by the Board through their subcommittee structure.

The remuneration of staff is reviewed for affordability by the Resources and Policies Committee, with decisions on salary levels taken by the Nominations/Remuneration Committee. Senior staff salaries are set taking due regard to local relevant benchmarks and reviewed annually. No member of staff is linked to a performance related pay programme.

During the year one member of staff received remuneration of more than £70,000 (2022: one £60,000).

Structure, governance and management (continued)

Associations and affiliations

The Foundation is part of a national network of 47 independent community foundations across the UK. The Foundation's umbrella body, UK Community Foundations (UKCF) provides on-going help and support to foundations. UKCF represents local foundations at a national and international level and negotiates and manages national grant making and funding opportunities. The Foundation pays an annual membership fee to be part of the network. For more information on UKCF visit www.ukcommunityfoundations.org.

Accreditation and standards

The Foundation has the UKCF Quality Accreditation (QA5) issued in October 2021. The accreditation process is independently assessed and is recognised by national funders and the voluntary sector as a mark of excellence for community foundations.

Trustees and staff are encouraged to take advantage of conferences, seminars, and training on matters related to the Foundation's business. This is in addition to ongoing 'in house' training sessions and bespoke personal development plans. During the year, online training modules have been undertaken by staff in a variety of topics.

Risk management

The Foundation takes responsibility for assessing risk seriously and has a risk register which is updated monthly by management. Key changes to the risk register are highlighted and reviewed regularly by the Board of Trustees and committees.

The risk management framework is overseen by the Audit Committee with the Resources and Policies Committee responsible for the implementation of strategies to minimise and manage risk.

Trustees have identified the principal risks to which the charity is exposed and established appropriate controls and procedures to mitigate risks.

The main risks facing the Foundation are:

- Failure to attract new funds and grow in line with the business plan
- Impact of the cost-of-living crisis on the operation of the organisation and the funding environment in the future
- Loss of key staff
- Impact of IT failure, cyber-attack or fraud

The Foundation also continues to place a high priority on managing relationships and associated data in line with the increased regulatory frameworks that all charities face. These include the General Data Protection Regulations, fundraising regulations, safeguarding procedures, and acceptance of gifts.

Structure, governance and management (continued)

Trustees have appropriate controls and procedures in place to mitigate the risks including the following:

- Employing staff with appropriate training, skills, and experience where necessary
- Reviewing insurance provision annually including cyber insurance, and retaining the services of a specialist company to provide year-round support for cyber security
- Having a comprehensive investment policy, and to review investment allocations and performance on a regular basis
- Establish and review policies and procedures regularly
- Hold regular meetings between the Chair and the Chief Executive to discuss and review workload, aims and achievements

Fundraising

The Foundation is registered with the Fundraising Regulator, which is the independent regulator of charitable fundraising. All our fundraising aims to meet the requirements of the Charity Commission, the Fundraising Regulator and the Information Commissioner's Office.

We are committed to following best practice in fundraising and follow the Code of Fundraising Practice issued by the Fundraising Regulator.

Most of our income generation activity is undertaken by our own staff or on our behalf through introductions made by ambassadors and professional advisors. We also connect to potential donors and partners through networking and by raising our profile through communications. We do not share information about donors or supporters without their express permission.

We do not use direct marketing, telephone, or doorstep fundraising and do not employ professional fundraisers or use commercial participators to raise funds on our behalf. Some fundraising may be done for us by third parties, for example community groups who have supported our Disaster Relief funds, or funds where a donor wishes to raise money from friends or family in memory of a loved one. We encourage all volunteer fundraisers to comply with fundraising regulations and are working to develop additional training and guidance to support them.

The Foundation works hard to maintain its reputation and high professional standards. We are proud of the trusted relationships we have with donors, supporters and the public and aim to treat everyone fairly and with respect.

Feedback is important to us to help monitor and improve our practices. During the year there have been no reported compliance issues with the Code of Fundraising Practice. The Foundation also maintains records of all complaints received and during the year received no complaints on its fundraising activities.

Equity, diversity and inclusion

Central to our Equity, Diversity, and Inclusion practice is ensuring the grant application process doesn't indirectly exclude the people it exists to support. A thorough audit of the grant application process in 2021/22 enabled us to identify the barriers members of our community may face in working with us and our team take a community-first approach in all they do. Meaning we remove barriers at every stage to enable the community to thrive.

For example, we understand that relying on written materials and formal communication by email can feel less accessible for some groups, as a result our team work closely with applicants to support them through the process. We offer multiple ways to connect with our team including face-to-face funding surgeries in the communities we seek to serve. An upcoming research project with those who have applied for grants will provide additional insight into their interactions with us and the areas in which we can adopt more inclusive practices.

Our organisation's EDI champion has now completed a NCFE Level 2 Award in Equality and Diversity and will deliver staff training throughout the coming 12 months.

Climate change

Last financial year the Foundation commenced with data collection to measure its carbon footprint, with a view to implement measures and plan improvements for the future. The base year for calculations was set to the year prior to the pandemic, 2019.

UK Energy use for 1 April 2022 to 31 March 23 with pre-Covid-19 comparator data:

	Base Year 2019-2020 Scope1,2, tCO2e	FY2022 – 2023 Scope 1 and 2, tCO2e
Durham office	5.38	3.30

Data calculated using Smart Carbon calculator (www.smartcarboncalculator.com)

Scope 1 (direct emissions) emissions are those from activities owned or controlled by the organisation.

Scope 2 (energy indirect) emissions are those released into the atmosphere that are associated with the consumption of purchased electricity, heat, steam and cooling.

The Foundation has appointed an internal 'Climate Champion' who in 2022/23 completed their NCFE CACHE Level 2 Certificate in understanding climate change and environmental awareness. They have been leading work to reduce the Foundation's carbon emissions. This includes improvements to the building to save energy and office recycling initiatives to drive behaviour changes. For example, blister packaging, glasses, and electrical waste collected in mass and recycled. In addition, the Foundation had a small bin per team member, lined with a plastic bag. These have now replaced with fewer, larger bins in the office and kitchen resulting in 1,200 fewer bin bags going into landfill.

Financial review

Financial statements

The format of the Annual Accounts and certain accounting policies have been prepared in accordance with the requirements of the Charities SORP, 'Accounting and Reporting by Charities', in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

On this basis, the endowment fund on 31 March 2023 stood at £18,344,950 (2022: £19,179,187), a reduction of £834,237 reflecting overall investment volatility, especially in quarter one, and the continuation of drawdown during this time to support charitable activities addressing the cost-of-living crisis.

The Statement of Financial Activities shows the movement in the year on the Foundation's unrestricted and restricted funds. The year end balances on the restricted funds are available in their entirety for future grant making and other direct charitable expenditure.

The increase in short term deposit rates was utilised accordingly in the year reflecting a total receipt of bank interest of £81,089. The cost base of the organisation remained at budgeted levels. This resulted in an unrestricted operating surplus of £104,849.

The financial forecast, prepared on a very prudent basis, shows a modest operating deficit on unrestricted funds for the coming year. This position is acceptable as the organisation has a strong track record of opportunities for income and some elements of the expenditure are considered as long-term investments to support and grow the organisation and factored into the current level of reserves holding.

Our main funders are:

- Public sector departments (grants and administration)
- Private fund holders (endowment, grants and administration)
- Landfill and wind farm operators (grants and administration); and
- Charitable trusts

Reserves policy

During 2022/23 the Foundation's reserves policy was reviewed and amended. The updated policy considers the requirement to carry a level of reserves under two themes.

The first theme is the operating reserves range. This is defined as the expenditure required to operate the organisation for a period between three (3) and six (6) months.

The second theme is the opportunity reserves range. At the current time, the Board of Trustees have identified key areas that need to be covered by the opportunity reserves range. These areas are:

- the continued development of the Foundation's positioning in the region it operates
- The provision of financial resource to mitigate the risk of clawback that is contractually an element in some programmes that the organisation does and could choose to deliver
- inclusion in projects such as aiding the establishment of a Poverty Truth Commission, or other such activities aligned to the Foundation's work in fighting poverty and enriching lives

The Board reviewed its reserves levels and designated £510,000 of general reserves to support running costs as part of its annual budget plan to allow the Foundation to run for up to 6 months if the income stream was severely impacted.

The Board is confident that reserves are sufficient to continue as a going concern.

Charity Funds held as at the end March 2023

Endowment Funds	£18,344,950
Restricted Funds	£4,360,077
Unrestricted Funds	£929,487
Total Funds	£23,634,514

The unrestricted funds balance at 31 March 2023 of £929,487 less fixed assets of £7,131 giving £922,356 as a general reserve available to meet future administrative and general development.

Investment policy

The Articles of Association provide wide powers of investment and the Foundation's assets are invested by its appointed investment managers to provide an annual income for grant making.

The Foundation holds material endowment investments, which were managed by investment managers CCLA Investment Management in 2022/23.

The Investment Committee's responsibilities are overseen by Resources and Policies Committee. The Board monitors investment performance closely at each Board meeting.

Under the current investment policy, the Foundation's overall investment objective is to develop an endowment fund that underpins its mission of providing sustainable support to local communities in the long-term. The aim is to achieve a balance between meeting current needs and growing the overall size of the endowment to meet future need.

The Foundation recognises the need to achieve a balance between risk and return, whilst investing within the remit of its ethical policies.

The investment objectives are currently:

- To hold and invest donors' funds in a prudent manner
- To generate a sufficient return net of fees to enable the level of annual distribution agreed by the Board each year (currently set at 4% to distribute, plus c1.5% to cover costs).

Investment principles:

- Long-term investor
- Medium to high risk tolerance
- Operate in accordance with the Foundation's statement of ethical investment principles
- Invest in a diversified portfolio of investments
- Investments will principally be in equities, bonds and cash (including collective investment vehicles in these categories). The Foundation is open to recommendations to invest in other classes of asset, but do not currently expect to invest in direct property holdings or derivative instruments

Investment performance

At the year end, the endowment portfolio stood at £18,344,950 (2022: £19,179,187).

The Charity's investment managers, CCLA, had a challenging year returning an overall performance to 31 March 2023 of -0.9%, the last 3 years performance being +36.9%. The year has been exceptionally challenging with the first quarter at -5.5% but the latter quarters having a positive performance to offset.

Performance of investments in their Ethical Investment Fund matched those in their main Charities Official Investment Fund which is where most of our funds are invested. This was in the top quartile of results from any UK based investment manager for charitable investments.

The Board agreed that during the year 2022/23, four per cent (4%) of the endowment value of the majority of funds was drawn down for grant making activity, and a further amount of c1.6% was used as a contribution towards organisational running costs. This level of drawdown is line with our practice for several years and represents what the Board believes is a sustainable long-term level of distribution. A small number of endowment funds are held under the Community First scheme (a match funding scheme that was available a few years ago). These funds are subject to their own drawdown rules that are akin to those executed by the Board for funds totally in its control. The amount drawn down for running costs is allocated to individual funds according to the endowment fee structure introduced in April 2016, which makes allowance for the relative complexity of funds.

The organisation continues to use Flagstone (an online portal that is a cash savings platform giving access to a wide number of deposit accounts from different providers) as a tool for supporting the management of cash holdings. The tool has enhanced the ability of the organisation to access a wide range of interest-bearing deposit accounts, without having to open an account with each provider. Using this facility means that a higher level of the organisation's cash is covered under the Financial Services Compensation Scheme than if it was not available to the organisation.

Linked charities

The Foundation is sole Trustee of the following charities where we have been granted a linking direction under section 96(6) of the Charities Act 1993. This allows the Foundation to prepare a single annual report and aggregated set of accounts for these charities. It does not constitute an amalgamation of the charities, which remain separate and legally distinct.

Linked charities are:

- Darlington Education Trust, which supports pupils of the ten secondary schools and colleges of the Borough of Darlington
- East Howle School Fund, which promotes the education of persons in the parish of Ferryhill
- Johnston Educational Foundation, which promotes the education of persons who attend or have attended secondary schools within Durham City
- King Edward VII Memorial Fund, which supports local hospices and hospitals
- The Hylton House Fund, which provides financial assistance to individuals with cerebral palsy and related disabilities, their families and carers
- The John T Shuttleworth Ropner Memorial Trust (Charity number 227186), which provides financial assistance to individuals in need of convalescence or respite care
- John Hewison Prize Fund, which promotes the education of individuals attending Durham Community Business College
- The Stanhope Castle School Charitable Trust, which supports young people (under 25) who are, or have been, in the care of, or provided accommodation by, or under the supervision of the local authority in County Durham, Tees Valley (formerly Cleveland), Gateshead, South Tyneside or Sunderland
- William Neesham Educational Trust Fund, which promotes the education of individuals attending Durham Community Business College

Details of these funds can be seen in Note 13 of these accounts.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this Trustee's report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and UNW will therefore continue in office.

We take the opportunity to thank UNW LLP for their advice and assistance in the course of auditing the accounts.

Approved by order of the members of the board of trustees on 31 July 2023 and signed on their behalf by:

James Fenwick
(Chairman)

Statement of trustees' responsibilities
Year ended 31 March 2023

The trustees (who are also the directors of County Durham Community Foundation 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. 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, of the charitable company 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

Approved by order of the members of the Board of Trustees on 31 July 2023 and signed on its behalf by:

James Fenwick
(Chairman)



Independent auditor's report to the Members of County Durham Community Foundation

Opinion

We have audited the financial statements of County Durham Community Foundation (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, the income and expenditure account, 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 2023 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.



Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a Strategic report.



Responsibilities of trustees

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:
[Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.]

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. 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.

Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

31 July 2023

County Durham Community Foundation

(A company limited by guarantee)

Statement of financial activities
Year ended 31 March 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:						
Donations and legacies	2	**213,213**	**-**	**-**	**213,213**	117,917
Charitable activities	3	**-**	**3,448,765**	**185,411**	**3,634,176**	4,783,209
Investments	4	**81,089**	**542,724**	**-**	**623,813**	549,183
Total income and endowments		**294,302**	**3,991,489**	**185,411**	**4,471,202**	5,450,309
Expenditure on:						
Raising funds		**220,073**	**-**	**-**	**220,073**	165,872
Charitable activities		**471,939**	**5,316,666**	**10,000**	**5,798,605**	4,100,753
Total expenditure		**692,012**	**5,316,666**	**10,000**	**6,018,678**	4,266,625
Net (expenditure) / income before net gains/(losses) on investments		**(397,710)**	**(1,325,177)**	**175,411**	**(1,547,476)**	1,183,684
Net (losses)/gains on investments		**-**	**-**	**(748,413)**	**(748,413)**	1,590,990
Net (expenditure/income) before transfers		**(397,710)**	**(1,325,177)**	**(573,002)**	**(2,295,889)**	2,774,674
Transfers between funds	12	**502,559**	**(241,324)**	**(261,235)**	**-**	-
Net movement in funds		**104,849**	**(1,566,501)**	**(834,237)**	**(2,295,889)**	2,774,674
Reconciliation of funds:						
Total funds brought forward		**824,638**	**5,926,578**	**19,179,187**	**25,930,403**	23,155,729
Total funds carried forward		**929,487**	**4,360,077**	**18,344,950**	**23,634,514**	25,930,403

The notes on pages 30 to 49 form part of these financial statements.

County Durham Community Foundation

(A company limited by guarantee)

Summary income and expenditure account
Year ended 31 March 2023

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Gross income in the reporting period	**294,302**	**3,991,489**	**4,285,791**	4,741,245
Less: Total expenditure	**(692,012)**	**(5,316,666)**	**(6,008,678)**	(4,266,625)
Net expenditure/(income) for the reporting period	**(397,710)**	**(1,325,177)**	**(1,722,887)**	474,620

Transfers of £502,559 were made to the unrestricted funds from the restricted and endowment funds during the year (2022: £616,066 transferred to the unresticted funds from the restricted and endowment funds) resulting in total net expenditure of £1,461,652 (2022: net income of £930,187).

The notes on pages 30 to 49 form part of these financial statements.

County Durham Community Foundation

(A company limited by guarantee)

Balance sheet
At 31 March 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	8		**7,131**		8,256
Investments	9		**18,932,273**		19,945,443
			18,939,404		19,953,699
Current assets					
Debtors	10	**362,335**		154,513	
Short term cash deposits		**4,163,734**		4,811,603	
Cash at bank and in hand		**1,270,749**		1,673,221	
		5,796,818		6,639,337	
Creditors: amounts falling due within one year	11	**(1,101,708)**		(662,633)	
Net current assets			**4,695,110**		5,976,704
Net assets			**23,634,514**		25,930,403
Charity funds					
Endowment funds	12		**18,344,950**		19,179,187
Restricted funds	12		**4,360,077**		5,926,578
Unrestricted funds	12		**929,487**		824,638
Total funds			**23,634,514**		25,930,403

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 on 31 July 2023 and signed on their behalf by:

James Fenwick, Chairman
(Chair of Trustees)

Company registered number: 3072153

The notes on pages 30 to 49 form part of these financial statements.

County Durham Community Foundation

(A company limited by guarantee)

Statement of cash flows
Year ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	15	**(1,932,601)**	518,440
Cash flows from investing activities:			
Dividends, interests and rents from investments		**623,813**	549,183
Purchase of tangible fixed assets		**(6,310)**	(6,386)
Proceeds from sale of investments		**880,287**	901,411
Purchase of investments		**(615,530)**	(1,061,106)
Net cash provided by investing activities		**882,260**	**383,102**
Change in cash and cash equivalents in the year		**(1,050,341)**	**901,542**
Cash and cash equivalents at the beginning of the year		**6,484,824**	5,583,282
Cash and cash equivalents at the end of the year	16	**5,434,483**	6,484,824

The notes on pages 30 to 49 form part of these financial statements

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

County Durham 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 prepared in pounds sterling and are rounded to the nearest £1.

1.2 Company status

The company is a company limited by guarantee, incorporated and domiciled in England. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.3 Going concern

The Foundation has financial reserves held in cash and endowment, together with long term contracts with a number of stakeholders across different sectors in the region. The Foundation has strong free reserves of £922,536. As a consequence, the trustees believe that the Foundation is well placed to manage its business risks successfully despite the current very uncertain economic outlook as the world continues to live against a number of significant situations (including the conflict in Ukraine, emerging from a global pandemic and the impact of Brexit). After making enquiries, the trustees have a reasonable expectation that the foundation will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

1. Accounting policies (continued)

1.4 Income

All income is recognised once the 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.

For legacies, entitlement is taken as the earlier of the date on which either the company is aware that probate has been granted, the estate has been finalised and notification made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate.

Investment income is recorded on the accruals basis and is allocated to individual endowment funds on the basis of the fund value at the end of each quarter. Interest earned on current accounts is allocated to administration funds. Flow-through funds receive no interest except where the fund is required to be held in a separate account

Grants, including government 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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 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. All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Charitable activities include direct costs incurred on the company's grant-making operations and support costs incurred in running the charitable operations.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Support costs are those costs incurred directly in support of expenditure on the objects of the company, including those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements. Where they are not attributable to a single activity they are apportioned between those activities on a basis consistent with the use of resources.

All expenditure is inclusive of irrecoverable VAT.

1. Accounting policies (continued)

1.5 Expenditure (continued)

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	- 33% straight line

1.7 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 fair 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 shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities.

1.8 Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1.9 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.

1.10 Cash and cash equivalents

Cash and cash equivalents 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.

Short term cash deposits includes investments with a maturity of three months or more from the date of acquisition or opening of the deposit or similar account.

1.11 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 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.

1. Accounting policies (continued)

1.12 Pensions

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

1.13 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 company and which have not been designated for other purposes.

The general fund makes a charge on the other funds as follows:

- Flow-through funds: as agreed with the donor
- Endowment funds and other trust funds: between 1% and 2% of the fund balance per annum

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

Endowment funds are funds which are held for the permanent benefit of the charity. There is no power to convert capital into income.

1.14 Critical accounting estimates and areas of judgment

Estimates and judgments 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.

In preparing these financial statements the trustees do not consider there were any significant estimates or areas of judgment that were required in applying the company's accounting policies as set out above.

2. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	213,213	**213,213**	117,917
Total 2022	117,917	117,917	

3. Income from charitable activities

	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	3,448,765	185,411	**3,634,176**	4,783,209
Total 2022	4,074,145	709,064	4,783,209	

4. Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income	-	542,724	**542,724**	531,190
Bank interest	81,089	-	**81,089**	17,993
	81,089	542,724	**623,813**	549,183
Total 2022	17,993	531,190	549,183	

5. Expenditure on charitable activities

	Direct costs 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Provision of grants	5,326,666	471,939	**5,798,605**	4,100,753
Total 2022	3,719,576	381,177	4,100,753	

Analysis of direct costs

The direct costs above are grants paid to community groups and other bodies during the year (taken from data submitted by grant applicants when applying for funding). They can be categorised as follows:

	2023 £	As restated 2022 £
Arts, culture and heritage	**181,912**	354,739
Community sector development	**430,537**	202,092
Community support, development and safety	**840,851**	521,156
Disaster response/relief	**3,620**	5,000
Education and training	**470,616**	174,307
Environment	**180,687**	215,897
Fairness, equality and inclusion	**1,013,214**	958,121
Health and wellbeing	**1,979,745**	919,702
Housing and homelessness	**84,184**	59,388
Sports and recreation	**141,300**	309,174
	5,326,666	3,719,576

The classification of direct costs has been simplified as the trustees believe this gives the users of the financial statements the appropriate level of information. The prior year figures have also been reclassified into these simplified categories.

Analysis of support costs

	Raising funds £	Grant making £	Governance £	2023 £
Office costs	9,532	39,746	18,963	**68,241**
Staff costs (inc. indirect staff costs)	150,759	220,157	64,606	**435,522**
Other costs	59,782	86,987	41,480	**188,249**
Total	**220,073**	**346,890**	**125,049**	**692,012**

No expenses were reimbursed to any trustees during the year (2022: £nil). No trustees received any remuneration.

The costs of grant making and governance is equal to support costs included within charitable activities, with expenditure on raising funds categorised separately on the statement of financial activities.

	Raising funds £	Grant making £	Governance £	2022 £
Office costs	9,164	42,769	8,502	60,435
Staff costs (inc. indirect staff costs)	132,853	233,517	35,104	401,474
Other costs	23,855	39,170	22,115	85,140
Total	165,872	315,456	65,721	547,049

6. Net income/(expenditure)

This is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets	**7,435**	8,790
Auditor's remuneration - audit	**14,000**	11,500
Operating lease rentals	**25,055**	23,184

7. Staff costs

Staff costs were as follows:

	2023	2022
	£	£
Wages and salaries	**323,813**	331,409
Social security costs	**33,668**	31,210
Other pension costs	**21,250**	20,342
	378,731	382,961

Settlements of £nil were paid during the year (2022: £15,000).

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

	2023	2022
	No.	No.
Raising funds	**3**	2
Charitable activities	**6**	7
Governance	**2**	1
	11	10

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
	No.	No.
In the band £60,001 - £70,000	**-**	1
In the band £70,001 - £80,000	**1**	-

The key management personnel of the charity comprise the senior management team, with total employee benefits (including pension costs) of £198,016 (2022: £135,951). The prior year accounts disclosed only remuneration of the Chief Executive and Chief Operating Officer, whereas the current year includes the full senior management team.

The Foundation is an accredited Real Living Wage Employer.

8. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2022	**38,125**
Additions	**6,310**
Disposals	**(10,200)**
At 31 March 2023	**34,235**
Depreciation	
At 1 April 2022	**29,869**
Charge for the year	**7,435**
On disposals	**(10,200)**
At 31 March 2023	**27,104**
Net book value	
At 31 March 2023	**7,131**
At 31 March 2022	8,256

9. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2022	**19,945,443**
Additions	**615,530**
Disposals	**(851,850)**
Revaluations	**(776,850)**
At 31 March 2023	**18,932,273**
Net book value	
At 31 March 2023	**18,932,273**
At 31 March 2022	19,945,443

10. Debtors

	2023 £	2022 £
Other debtors	**-**	143
Prepayments and accrued income	**362,335**	154,370
	362,335	154,513

11. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	**21,048**	4,877
Other taxation and social security	**-**	8,086
Other creditors	**973,994**	587,917
Accruals and deferred income	**106,666**	61,753
	1,101,708	662,633

	2023 £	2022 £
Deferred income at 1 April 2022	**17,247**	20,494
Resources deferred during the year	**-**	7,000
Amounts released from previous periods	**(17,247)**	(10,247)
	-	17,247

12. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
General Funds	**824,638**	**294,302**	**(692,012)**	**502,559**	**-**	**929,487**
Endowment funds						
Endowment Fund	**19,179,187**	**185,411**	**(10,000)**	**(261,235)**	**(748,413)**	**18,344,950**
Restricted funds						
Restricted Funds	**5,926,578**	**3,991,489**	**(5,316,666)**	**(241,324)**	**-**	**4,360,077**
Total of funds	**25,930,403**	**4,471,202**	**(6,018,678)**	**-**	**(748,413)**	**23,634,514**

The following significant transfers were made between funds in the year:

£542,724 (2022: £531,190) was transferred from restricted funds to endowment funds in respect of the reallocation of the expendable endowment fund.

£187,752 (2022: £702,730) was transferred from endowment to restricted funds in respect of grant making activities and the annual drawdown.

£298,270 (2022: £284,027) was transferred from endowment funds, and £212,376 (2022: £332,039) was transferred from restricted funds, to unrestricted funds to contribute towards administration costs.

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12. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
General Funds	619,711	135,910	(547,049)	616,066	-	824,638
Endowment funds						
Endowment Fund	17,334,700	709,064	-	(455,567)	1,590,990	19,179,187
Restricted funds						
Restricted Funds	5,201,318	4,605,335	(3,719,576)	(160,499)	-	5,926,578
Total of funds	23,155,729	5,450,309	(4,266,625)	-	1,590,990	25,930,403

13. Restricted and endowment funds

The following fund categories combine restricted and endowment funds:

Trusts
Funds held where there is a linking direction under section 96(6) of the Charities Act 1993 (formerly uniting direction).

Community First
Funds that were established during the UK Government's matched endowment programme.

Community Panel
Funds where a community panel is the main grant decision making body for the funds.

Donor-Advised
Funds where the grant-making decision rests with the donor.

Field of Interest
Funds where the grant-making decision rests with the Foundation.

For funds with balances over £100,000, or funds where the fund agreement requires it, the funds' financial positions are listed separately.

Restricted funds

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2023
	£	£	£	£	£	£
Trusts	194,678	74,546	(105,489)	-	(18,805)	144,930
Community First	454,895	122,393	(64,312)	-	(44,864)	468,112
Community Panel	2,032,727	1,818,788	(2,693,812)	-	315,807	1,473,510
Donor-Advised	973,311	571,371	(797,942)	-	(52,841)	693,899
Field of Interest	2,270,967	1,404,391	(1,655,111)	-	(440,621)	1,579,626
Total	5,926,578	3,991,489	(5,316,666)	-	(241,324)	4,360,077

Expendable endowments

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2023
	£	£	£	£	£	£
Trusts	2,630,687	-	-	(102,717)	(16,623)	2,511,347
Community First	2,567,867	-	-	(98,886)	(61,129)	2,407,852
Community Panel	2,914,652	6,613	-	(117,769)	(61,137)	2,742,359
Donor-Advised	6,950,457	143,945	(10,000)	(270,747)	(115,226)	6,698,429
Field of Interest	4,115,524	34,853	-	(158,294)	(7,120)	3,984,963
Total	19,179,187	185,411	(10,000)	(748,413)	(261,235)	18,344,950

Trusts

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2023
	£	£	£	£	£	£
Darlington Education Trust	1,131,060	29,163	(31,600)	(40,729)	(8,773)	1,079,121
Durham Johnston Educational Foundation	181,219	4,653	(15,562)	(6,497)	(1,904)	161,909
Hylton House Trust	181,642	5,759	(9,893)	(6,648)	(682)	170,178
John T Shuttleworth Ropner Memorial Trust	870,862	23,121	(37,098)	(32,289)	(16,578)	808,018
Stanhope Castle Charitable Trust	291,920	7,355	(6,218)	(10,272)	(5,274)	277,511
Other Trusts under £100k	168,662	4,495	(5,118)	(6,282)	(2,217)	159,540
Total	2,825,365	74,546	(105,489)	(102,717)	(35,428)	2,656,277

Community First

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2023
	£	£	£	£	£	£
2D Legacy Fund	225,481	5,934	(8,831)	(8,042)	(3,901)	210,641
Banks Family Community First	85,153	2,284	-	(3,138)	(1,402)	82,897
Banks Foundation Community First	467,897	10,688	(6,300)	(14,667)	(5,560)	452,058
Banks Pegswood Moor Community Benefits Fund	154,923	3,851	(4,996)	(5,204)	(2,282)	146,292
CDCF Community First Match Fund	225,587	-	(200)	-	(20,000)	205,387
Darlington Education Community First Trust Fund	809,629	21,738	(200)	(29,890)	(12,307)	788,970
Jackie Maddison Community First Trust	149,138	3,706	-	(5,012)	(2,205)	145,627
Nicholson Family Community First	135,543	3,599	(7,974)	(4,941)	(2,143)	124,084
Pete & Jackie Maddison Community First Fund	110,020	2,577	(11,927)	(3,487)	(1,586)	95,597
Willington and Parkside Fund	260,047	7,017	(10,401)	(9,411)	(2,723)	244,529
Other Community First	399,344	60,999	(13,483)	(15,094)	(51,884)	379,882
Total	3,022,762	122,393	(64,312)	(98,886)	(105,993)	2,875,964

Community Panel

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2023
	£	£	£	£	£	£
Banks Kype Muir Community Fund	237,966	173,162	(153,548)	-	(12,221)	245,359
County Durham & Darlington NHS Health Improvement Fund	2,398,460	62,350	(288,042)	(87,076)	80,270	2,165,962
ESF Community Grants	(88,053)	84,640	(50,581)	-	(12,160)	(66,154)
NTR Quixwood Moor Wind Farm Community Fund	202,903	-	(5,520)	-	-	197,383
Poor Moor Trust Fund	399,239	10,747	(18,000)	(18,363)	(3,696)	369,927
Walkway Windfarm Fund	120,647	10,127	-	(4,511)	(2,413)	123,850
Other Community Panel	1,676,217	1,484,375	(2,178,121)	(7,819)	204,890	1,179,542
Total	4,947,379	1,825,401	(2,693,812)	(117,769)	254,670	4,215,869

Donor-Advised

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2023
	£	£	£	£	£	£
Banks Family Fund	1,684,132	42,708	(86,475)	(59,646)	(83,566)	1,497,153
Banks Family Grassroots (Durham)	342,404	7,924	(6,500)	(11,066)	(54,240)	278,522
CDCF Administration Endowment Fund	429,410	62,786	-	(15,507)	(25,279)	451,410
Durham Cathedral's Chorister Bursary Fund	193,209	5,193	(7,728)	(7,252)	(3,032)	180,390
John Simpson Greenwell Memorial Fund	400,254	10,027	(4,600)	(14,003)	(5,346)	386,332
Karbon Homes Grassroots Fund	290,866	7,771	(9,698)	(10,852)	(4,343)	273,744
Miller Wood Bonsall Fund	257,490	6,770	-	(9,455)	(3,876)	250,929
Peter and Jayne Cook Fund	187,227	4,846	(5,000)	(6,769)	(2,847)	177,457
Other Donor-Advised	4,138,776	567,291	(687,941)	(136,197)	14,462	3,896,391
Total	7,923,768	715,316	(807,942)	(270,747)	(168,067)	7,392,328

Field of Interest

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2023
	£	£	£	£	£	£
Anonymous 2019 Fund	232,615	6,547	-	(9,141)	(11,673)	218,348
BAT Skills Development Bursary Fund	219,052	4,410	-	(6,159)	(7,946)	209,357
County Durham Educational Trust (CDET) Fund	328,038	9,241	-	(12,906)	(16,176)	308,197
Darlington & District Youth & Community Association Fund	161,809	4,552	-	(6,358)	(8,193)	151,810
Durham County Waste Management Fund	172,308	4,848	-	(6,772)	(8,709)	161,675
Ferryhill Station, Mainsforth & Bishop Middleham Aid in Sick	154,797	3,915	(500)	(5,467)	(1,642)	151,103
Francis James Bell Fund	164,105	4,364	(8,000)	(6,095)	(1,801)	152,573
Future Initiatives Fund	1,128,077	500,000	(64,031)	-	(812,192)	751,854
Sir Paul and Lady Nicholson Fund	573,417	115,873	-	(22,167)	(127,151)	539,972
Vardy Fund	265,421	7,472	-	(10,435)	(13,249)	249,209
Other Field of Interest	2,986,852	778,022	(1,582,580)	(72,794)	560,991	2,670,491
Total	6,386,491	1,439,244	(1,655,111)	(158,294)	(447,741)	5,564,589

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023	Restricted funds 2023	Endowment funds 2023	Total funds 2023
	£	£	£	£
Tangible fixed assets	7,131	-	-	**7,131**
Fixed asset investments	-	587,323	18,344,950	**18,932,273**
Current assets	1,050,070	4,746,748	-	**5,796,818**
Creditors due within one year	(127,714)	(973,994)	-	**(1,101,708)**
	929,487	4,360,077	18,344,950	**23,634,514**

14. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	8,256	-	-	8,256
Fixed asset investments	-	766,256	19,179,187	19,945,443
Current assets	891,098	5,748,239	-	6,639,337
Creditors due within one year	(74,716)	(587,917)	-	(662,633)
	824,638	5,926,578	19,179,187	25,930,403

15. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**(2,295,889)**	2,774,674
Adjustments for:		
Depreciation charges	**7,435**	8,790
Losses/(gains) on investments	**748,413**	(1,590,990)
Dividends, interests and rents from investments	**(623,813)**	(549,183)
(Increase)/decrease in debtors	**(207,822)**	49,290
Increase/(decrease) in creditors	**439,075**	(174,141)
Net cash provided by/(used in) operating activities	**(1,932,601)**	518,440

16. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	**1,270,749**	1,673,221
Short term deposits	**4,163,734**	4,811,603
Total cash and cash equivalents	**5,434,483**	6,484,824

17. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	**1,673,221**	**(402,472)**	**1,270,749**
Liquid investments	**4,811,603**	**(647,869)**	**4,163,734**

18. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £21,250 (2022: £20,342). Contributions totalling £nil (2022: £nil) were payable to the fund at the balance sheet date.

19. Operating lease commitments

At 31 March 2023 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Within 1 year	**23,184**	23,184
Between 1 and 5 years	**52,164**	5,796
	75,348	28,980

20. Related party transactions

A number of grants were paid to organisations where CDCF trustees are also trustees. The grants follow normal approval process and the trustees concerned are not involved.

During the year grants totalling £nil (2022: £36,500) were paid to the Association of Teesdale Day Clubs, and a charity of which Ann Dolphin, trustee, is a trustee.

During the year grants totalling £1,000 (2022: £nil) were paid to Pioneering Care Partnership, an organisation of which Ann Dolphin, trustee, is a member.

During the year grants totalling £5,981 (2022: £nil) were paid to Refuse CIC, an organisation of which Paul Chandler, trustee, is a member of the advisory board.

During the year grants totalling £6,842 (2022: £nil) were paid to West Rainton and Leamside Partnership, an organisation of which Emily Burns, trustee, is a trustee.

During the year £nil (2022: £134) was paid to Sparkle Developments Ltd, a company of which Rebecca Armstrong is a director, as part of a normal business related transaction.

During the year grant totalling £29,600 (2022: £5,000) were paid to Durham Youth CIO, an organisation of which Emily Burns, trustee, is a director and Rebecca Armstrong, trustee, is an advisor.

During the year grants totalling £44,323 (2022: £1,000) were paid to Creative Youth Opportunities CIC, an organisation of which Rebecca Armstrong, trustee, is a trustee.

During the year grants totalling £2,000 (2022: £nil) were paid to Sherburn Hill Hub, an organisation of which Rebecca Armstrong, trustee, is an advisor.

During the year grants totalling £nil (2022: £2,398) was paid to CreativePop CIC, an organisation of which Rebecca Armstrong, trustee, is a director.

During the year grants totalling £7,340 (2022: £nil) were paid to Furniture Reclamation and Delivery Enterprise, a company of which Peter Locke, trustee is a director.

During the year donations totalling £52,580 (2022: £1,200) were received by the Foundation from the trustees or organisations that trustees had declared an interest in.

Point North Community Foundation

England & Wales - Charity number 1047625

Accounts

Registered number: 3072153
Charity number: 1047625

County Durham Community Foundation

(A company limited by guarantee)

Trustees' Report and Financial Statements

Year ended 31 March 2022

County Durham Community Foundation

(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1 - 2
Chairman's statement	3 - 4
Trustees' report	5 - 25
Trustees' responsibilities statement	26
Independent auditor's report	27 - 30
Statement of financial activities	31
Income and expenditure account	32
Balance sheet	33
Statement of cash flows	34
Notes to the financial statements	35 - 57

County Durham Community Foundation

(A company limited by guarantee)

Reference and administrative details
Year ended 31 March 2022

Trustees

James Fenwick, Chairman
Rebecca Armstrong (appointed 10 May 2021)
Duncan Barrie
Emily Burns
Paul Chandler, Vice Chair
Ann Dolphin OBE
Stephen Hall
Ray Hudson
Colin Proudfoot (resigned 21 July 2022)

Company registered number

3072153

Charity registered number

1047625

Registered office

Victoria House
Whitfield Court
St John's Road
Meadowfield Industrial Estate
Durham
DH7 8XL

Company Secretary

Margaret Vaughan (resigned 30 June 2022)

Chief Executive Officer

Michelle Cooper MBE

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Principal banker

National Westminster Bank plc
12 Market Place
Durham
DH1 3NG

Investment manager

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

President

Sir Paul Nicholson KCVO Kt

Patrons

Harry Banks OBE DL
Mark I'Anson MBE
Alasdair MacConachie OBE DL
Lady Sarah Nicholson DL

County Durham Community Foundation

(A company limited by guarantee)

Chairman's statement
Year ended 31 March 2022

The pace of activity continued over the past year at County Durham Community Foundation (the Foundation), as we maintained our focus on helping local communities navigate the severe impacts of Covid-19. We were delighted to welcome the return last summer of our Chief Executive, Michelle Cooper, after a period of serious illness, and she has led us through this time of extraordinary change as we fight poverty and enrich lives through a broad range of funding programmes. As ever, this has only been possible because of our loyal and generous supporters.

During the year, we awarded £4.75 million to groups and individuals across the region in another strong year for grant making. Since the Foundation was launched in 1995, we have awarded grants totalling circa £54 million, that have changed lives for the better.

Our grant awards last year went to 649 groups across County Durham, Tees Valley and the wider North-East, significantly assisting communities during the hardship created by the pandemic. We funded projects that tackled poverty and hunger, delivered quality education, and helped build stronger communities. In addition, we awarded more grants than ever to individuals and families living in extreme hardship, with 393 people helped by the Foundation. Demand for our programmes remains high, with a notable increase in enquiries from communities in Tees Valley. As ever, the more supporters we attract, the more of a difference we can make.

Two of the larger sources of awarding for the year both came through the NHS: with just over £1.4 million from NHS Charities Together, and funding from NHS Community Mental Health and Learning Disability to deliver a grant programme totalling £830k of grants. In addition, our valued long-term supporter, The Banks Group, continued its substantial community giving. The Let's Create Fund, amounting to £143,000, opened to projects celebrating the Queen's Jubilee, and Made by Sport boosted smaller sporting groups across County Durham, Tyne and Wear and Tees Valley with a pot of circa £160,000. Meanwhile, the Durham County Council, Volunteer Support Fund helped groups across the region revitalise their volunteer teams post pandemic.

While the larger funding programmes have provided a substantial boost to grassroots support in the region, some of our smaller programmes have also made significant impacts by responding to community need in a timely fashion. Arqiva were very supportive following the Bilsdale transmitter fire which had left many older or vulnerable people without the much-needed companionship of their television and radio. Similarly, our Storm Fund was launched shortly after the devastation caused by Storm Arwen and the Poverty Hurts Fund gave groups extra assistance to help people facing a tough winter due to the rise in the cost of living.

The Poverty Hurts Fund Appeal led to an overwhelming response from both local businesses and individuals, for which we were very grateful. It also marked a change of strategy for the Foundation as we sought to open up giving to the wider public and to fundraise in order to meet the growing local need. In total, circa £64,000 was raised.

Of course, our grant making does not happen in isolation, and we have begun to join networks of organisations to discuss climate change and what can be done to help those who will be disproportionately affected by it. We have also undertaken further work around Equality, Diversity and Inclusion and were pleased to be one of only three Foundations to be awarded an 'A' grade from the Foundation Practice Rating for transparency, accountability, and diversity (in a survey of 100 grant making charities from across the UK).

In addition, we have signed up to the Flexible Funders project with the Institute for Voluntary Action Research to try and make our grant making process as open and transparent as possible. This project will help to ensure that we do not burden the groups we fund with lengthy or unnecessary application processes whilst also making certain that we do not compromise best practice.

Over the past year, we have continued to review how we can serve the communities in County Durham and Tees Valley most effectively and also how we can best connect with new supporters. Exciting work continues in this field, and we look forward to reporting on this further in due course.

Chairman's statement (continued)
Year ended 31 March 2022

In conclusion, I should like to thank my fellow trustees and the staff at the Foundation for their ongoing efforts to deliver the very best for our communities. I should also like to thank our President, Sir Paul Nicholson, and our tireless Patron, Lady Sarah Nicholson, both of whom have remained passionately committed to the Foundation since its launch.



James Fenwick
(Chairman)
Date: 1 August 2022

Trustees' report
Year ended 31 March 2022

The trustees present their annual report together with the audited financial statements of the company for the year 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 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

About County Durham Community Foundation

Established in 1995, County Durham Community Foundation is an independent grant-making charity and part of a national community foundation network, UK Community Foundations (UKCF), whose secretariat assists and aids the development of individual foundations. It has no influence on the formation of our policies or our operational procedures, which are determined by the Board in conjunction with the senior staff.

County Durham Community Foundation works with local communities to fund projects that enrich lives and fight poverty. The Foundation connects people who love to give with local causes that really matter. We are an independent grant-making foundation: working with individuals, families and local businesses who want to put something back into their community, either in their lifetime, or through leaving a legacy.

Since its foundation in 1995, County Durham Community Foundation has awarded grants of almost £54million (by summer 2022) through over 12,000 grants to groups and over 6,700 grants to individuals predominantly across County Durham and wider North East, on behalf of our donors.

Similar to having a charitable trust but without the legal and administrative costs, donors can choose a number of ways to channel their charitable giving, by setting up named funds for causes close to their hearts.

Objects of the charity

The original aim of the Foundation was to provide grants to approved projects within County Durham and Darlington (and in specified circumstances across the wider North East and the rest of the country), which would be achieved through the growth of its endowment fund to provide long term income. Increasingly, reflecting the wishes of donors, the Foundation's core grant making footprint extends across the whole of the North East. The Board of Trustees is currently undertaking a review of the charity's objects in light of this.

The Foundation supports and promotes charitable objectives in these areas and has focused on combating social disadvantage and poverty by creating new opportunities in its grant distribution. It receives donations and manages funds for individuals, companies, trusts, Government and other partnership bodies who want to support the local community.

Objectives and activities (continued)

Vision

Bringing people together to achieve their potential, fulfil their aspirations and build thriving communities.

Working with our supporters, we want to create opportunities that support strong communities and enriched lives all around us. Supporters see us as the 'place to go' to make their giving go further.

Mission

The Foundation promotes lasting charitable giving, by bringing together donors with their chosen causes, through well targeted grants that make a genuine difference to the lives of local people.

Our mission is to understand the communities we serve, their hopes, needs and challenges: whilst attracting and connecting with supporters who share our passion for giving with maximum impact.

Our values

Our aim, in partnership with stakeholders and supporters, is to fight poverty and enrich lives and our values are about how we do this. In the past year we have captured the following values and meanings as a team, to hold ourselves accountable to our high standards. Our values are embedded in our internal strategy and our reference point for day-to-day decisions.

- **Trustworthy:** *We are reliable, honest and transparent in our work. You can count on us to do what we say we will, always.*
- **Respectful:** *We respect each other, our donors and our communities. We are inclusive in our approach.*
- **Pasionate:** *We truly care about making a difference to the lives of the people in our communities and our planet.*
- **Adaptable:** *We are flexible in our approach in service of our mission.*
- **Ambitious:** *In service of our mission. We want good things for local people.*
- **Vocal:** *We are the voice for the communities and causes we serve.*

Achievements and performance

Following a decision to pause establishing a new three-year strategic plan (due to the focus on emergency awarding during the pandemic) work has progressed on the strategic plan during the year. This work culminated in the Board signing off on a new strategic plan in Spring 2022. This plan is ambitious, capturing a desire to strengthen the organisation's geographical footprint, align grant making programmes against identified local needs, and strengthen and renew the branding of the organisation to ensure the organisation is well positioned to be an attractive proposition for new and existing supporters.

Achievements and performance (continued)

Highlights of 2021 - 2022

- £4.75 million of grants awarded through 1,042 grants.
- Continued to grow the organisation's grant making footprint in the Tees Valley and wider North East.
- Continued to partner with local NHS bodies and Cumbria Community Foundation on significant grant programmes to support the whole of NE.
- Evolved the staff team to hybrid working balancing the needs of staff and the organisation.
- Strengthened grant making practices through use of Sustainable Development Goals (SDGs) and commitment to the Institute For Voluntary Action Research (IVAR).
- Remained a financially resilient organisation strengthening the reserves position.

Grant making

Over the course of the year, 1,042 grants (2021: 1,253) were awarded totalling £4.75m in grants. Of these £4.58m was awarded to 649 community groups (2021: £4.85 million) and £173k to 393 individuals (2021: £101k), through 72 funding programmes.

The average grant size this year was £7,059 for community groups, which is around £3,000 higher than the average grant value last year. This is due mainly to the large multi-year NHS Charities Together grants that were awarded during the year (the largest NHS Charities Together award was £250,000 for three years).

The average grant size for grants to individuals this year was £440. 56% of funding to individuals was made to help alleviate the stress of poverty - supporting the purchase of essential household items or providing respite for carers or for those with life-limiting illnesses.

There was a significantly higher rate of applications from individuals this year. The rolling out of the biennial Dover Art Prize saw the highest numbers yet applying to the bursary (200 applications) and as a result there was a higher individual grant rejection rate. Five awards totalling £17,500 were made.

Reach of our grant making

62% (2021: 58%) of all this year's funding reached the 30% most disadvantaged areas (as per index of multiple deprivation) with 38% (2021: 49%) of funding reaching the 20% most deprived areas. Funding also targeted health, wellbeing, and engagement within communities, and this has been tracked through the UN's SDGs within our grant making systems. Using the SDGs in this way, has helped shape our understanding of the impact of our grant making during the year but also informs our thinking for future years.

Achievements and performance (continued)

The main thematic areas funded, through grants awarded to community groups, during the year 2021- 2022 include:

Programme Theme	**Awarded**
Health & Wellbeing	£2,109,599
Funder specific	£623,316
Wind farm	£554,538
Community Grants	£354,273
Sport funding	£232,674
Arts & Culture	£188,672
Place-based Funding	£158,973
Volunteering	£87,222
Poverty	£69,500
Respite	£62,500
COVID funding	£59,509
Education & training	£40,469
Emergency (disaster) Funding	£25,500
Environment	£9,644
Employment	£5,000
Grand Total	**£4,581,389**

The estimated number of beneficiaries of grants awarded (taken from data supplied at application stage) in 2021- 2022 is more than 860,000. Two grants, one that support Lumiere 2021 and the other South Shields Museum contributed 200,000 to the total estimated beneficiaries. Without these, estimated beneficiary numbers are comparable to the previous year's figures.

63% of grants (by number) were awarded to projects within County Durham and Darlington. There were fewer grants awarded in Tees Valley than in the previous year due mainly to reduction in the Covid NETS funding received for Tees Valley in 2020/21. Consequently, there were a higher number of rejections in 2021/22; these predominantly related to previously supported groups. The following table shows the geographic allocation of funds:

Groups and individuals **Location**	**No. of Grants**	**Value of Grants**	**% By Value**
Durham	574	£2,566,270	54%
Tees Valley (including Darlington)	178	£880,028	19%
Other North East	246	£922,739	19%
Other (outside North East but in England)	27	£295,731	6%
Other Scotland	17	£89,486	2%
Overall	**1,042**	**£4,754,254**	**100%**

All grants awarded in 2021-2022, have been allocated to a particular societal and/or community issue captured on applications from individuals and groups.

As anticipated, due to the NHS Charities Together revenue funding, more than a quarter of grants to groups were made with the issue cited as mental health, health, and wellbeing. The following tables show the key issues/requests for funding that were supported with grant awards:

Achievements and performance (continued)

Issue on application (Individuals) Awarded	Awarded
Mental health, health, & wellbeing	£25,297
Community support & development	£23,450
Culture & heritage	£21,360
Sport and recreation	£18,108
Education, learning and training	£16,285
Housing & homelessness	£14,170
Supporting family life	£14,159
Disadvantage	£13,814
Community safety	£11,205
Equality & diversity	£4,340
Caring responsibilities	£4,234
Environment & improving surroundings	£3,999
Economy	£1,044
Counselling & mentoring	£900
Employment	£500
Grand Total	**£172,865**

Issue on application (Groups)	
Mental health, health, & wellbeing	£1,762,007
Community support & development	£585,183
Equality & diversity	£352,503
Culture & heritage	£338,629
Crime & safety	£320,352
Sport and recreation	£291,664
Environment & improving surroundings	£224,936
Disadvantage	£197,125
Education, learning and training	£167,045
Employment	£75,373
Counselling & mentoring	£63,200
Homelessness	£50,217
Rural issues	£47,316
Social inclusion & fairness	£42,012
Caring responsibilities	£31,500
Supporting family life	£26,577
Emergency/rescue services	£4,750
Substance abuse and addiction	£1,000
Grand Total	**£4,581,389**

This year, we have also been able to capture richer data about the groups we fund through changes to our CRM system that better reflect diversity definitions. From this we can determine that 14% of funding awarded this year was awarded to organisations leading or delivering projects around equality, diversity and inclusion as defined by gender, disability, and ethnic minorities and ethnic groups.

The framework around SDGs has also continued to help reflect where and why grants have been most needed. New work within our newly embedded Impact Framework will help us to quantify positive actions in addressing the UN goals. Funding this year was allocated against the following SDGs to community groups:

SDG No.	SDG (Sustainable Development Goals)	Awarded
1	No poverty	£179,398
2	Zero Hunger	£56,714
3	Good Health & Wellbeing	£2,917,027
4	Quality Education	£113,406
5	Gender Equality	£33,568
7	Affordable & Clean Energy	£14,210
8	Decent Work & Economic Growth	£107,495
9	Industry Innovation & Infrastructure	£160,802
10	Reduced Inequalities	£721,111
11	Sustainable Cities & Communities	£386,333
12	Responsible Consumption & Production	£4,914
13	Climate Action	£44,416
14	Life Below Water	£1,500
15	Life on Land	£13,360
	Grand Total	**£4,754,254**

Achievements and performance (continued)

All of our grants support our core themes of fighting poverty and enriching lives. The communities we serve have long-standing issues of deprivation that underpin their fabric, and we exist to help prevent, ease and reduce daily hardships and crisis, and to fund community projects that bring opportunity and positive experiences. Often, a single grant will meet both themes, by connecting people in need with the community projects that understand and become a crucial point of contact and support for an individual and their family. We aim to fight poverty in all its forms, be that lack of educational opportunity, or food insecurity; and similarly, there are many routes to enriching lives, through sport, art, culture or simply by helping people come together to talk and share their experiences.

An important distinction for the table above, is to note that grants recorded with No Poverty as their primary SDG, refer only to the most severe crisis work that we support. But without this work, next steps are impossible and these funds are always oversubscribed, with people presenting with ever more complex needs. As each year passes, we find more and more that everything begins with poverty, sometimes overtly, and sometimes in a less obvious way. By taking this as our starting point, we aim to support a broader and deeper programme of grants that enrich lives in our communities.

Major grant programmes

This year has seen grant making make a gradual return to planned activity and projects from a period of emergency awarding during the lockdowns. A priority shift in funding from COVID to health improvement has been evident in the increased availability of funds allocated to improving physical health and wellbeing and positive mental health.

Notable revenue funds during the year include £1.4 million of funding for large, progressive health grants to community groups in North East and North Cumbria from Captain Sir Tom's fundraising for NHS Charities Together during COVID lockdown in 2020. More than £830,000 in grant funding has also been distributed through NHS Community Mental Health and Learning Disabilities Connector Grants, from NHS County Durham Clinical Commissioning Group.

External strategic funding contributed to another high annual awarding which required significant management alongside existing programmes and donor funds to ensure that there was continuity in our core work and grant making.

Major fund spends include:

NHS Charities Together
Funding from NHS Charities Together provided £1.4 million of funding to support large, progressive, partnership health grants to community groups in North East and North Cumbria. The funding supported eight organisations to lead on large, multi partner multi year grants. £983,995 has been contingently awarded. The phased payments of which are contingent upon project progress reports being submitted by the grantee and accepted by the grantor (the Foundation). On acceptance of the report the grants become committed and treated as a liability. The Foundation will receive the funds to pay the awards in advance of the expenditure on submission of monitoring updates to the programme funder.

NHS Community Mental Health & Learning Disability Connector Grants
NHS Community Mental Health & Learning Disability Connector Grants programme provided £830,000 in funding for community groups providing mental health and wellbeing support in County Durham. Grants of up to £25,000 were awarded to support grassroots groups become more sustainable or test new/different ways of working. Over 70 applications were submitted across three funding rounds, with 46 grants awarded by the panel.

Achievements and performance (continued)

Banks Community Fund
This fund is made up of various community benefit funds including eight from wind farms, three from country reserves and one from a landfill site, as well as the Banks Group's own donor advised funds. It supports community organisations that are close to an ongoing development or in an area of interest for the Banks Group. Most of the projects improve or maintain community buildings to provide long term support for community activities. Historically some of the funding came from the landfill tax credit scheme and so is subject to the regulations of ENTRUST. Over the course of the year, the Banks Community Fund awarded grants totalling £250,497 through 68 awards of which £94,851 (19 awards) came from the landfill tax credit fund.

Community Grant Programme
During the year £349,109 was awarded (2021: £153,606) from this grant programme during the year, supporting 79 local community groups. The amount awarded through Community Grant Programme is double that of the previous year, with organisations returning to delivering projects post-lockdown. The fund is comprised of the contributions from various private endowment and annual fund holders, and from new supporters, whose funds are pooled to provide an easily accessed and broad-ranging programme to support diverse activity in the community. The Community Grant Programme is an essential resource of funding to local community groups. Its impact is significant; feedback from grantees is that this programme allows them the freedom to deliver what they do, rather than shifting their focus to meeting trending revenue funds.

Wind Farms
The Foundation's management of wind farm community benefit funds continued for another year. We now manage 15 wind farm funds on behalf of developers (not including those under management for Banks Group). This stream of funding has become increasingly important for the Foundation, allowing us to award grants that, without exception, are located typically less than three miles from the turbines. Over the course of the year, 58 grants have been provided through wind farms to a value of £185,613 (2021: £233,840).

Sherburn House Charity
The focus of Sherburn House Charity is to provide relief to people in need living between the River Tweed and River Tees. The Charity has historic roots and a significant grant making presence in the region to support both community groups and individuals in need. £135,000 was awarded in 319 grants (2021: £177,780 capturing a £50,000 underspend on the previous year). These grants are modest sums of money to support individuals who were experiencing particular hardship and poverty.

Durham County Council Arts, Sports, and Culture
We have continued to work in partnership with Durham County Council to deliver community grants programmes to support local sports clubs and local groups engaging in arts, sports, and cultural activities. In the year, 32 grants were awarded totalling £98,164 (a £40,000 increase on the previous year).

Stanley Fund
Stanley Community Fund, a place-based giving programme, progressed over its second year in partnership with Stanley Town Council, Stanley Action Area Partnership and two Foundation donors. The Foundation was able to award £93,962 of 10 larger, longer-term grants to key community groups in Stanley with further funding secured for future years.

ESF (European Social Fund) Community Grants
The Foundation continued to deliver ESF funded community grants in County Durham during the year. Several grants were paused during lockdown, but activities were able to recommence towards the latter part of the year. The focus of the programme is to fund groups engage with those who are a long way from employment and who need support to develop skills and confidence. Over the course of the contract over £510,000 in grants will be awarded to groups in County Durham, of which £128,173 was awarded in 2021-2022.

Achievements and performance (continued)

Volunteer Support Fund
The Volunteer Support Fund was provided by Durham County Council to support and strengthen voluntary and community organisations in the aftermath of COVID lockdowns by providing funding to help them re-energise their volunteering capabilities to support overall organisational resilience. £87,222 was awarded via 20 grants to help them develop a structured and well-managed approach to volunteering, to support in the recruitment and retention of volunteers and to support volunteers to increase their skills and enhance their volunteering experience.

UKCF (UK Community Foundations) National programmes
During the year, the Foundation has continued to participate in national grant-making programmes on behalf of UKCF. The £347,522 awarded to 96 groups included:

- Made By Sport Fund to increase participation in sporting activities with £159,280 awarded to 69 groups
- Let's Create Jubilee Fund to support community cultural activities for the Queen's Jubilee with £137,982 awarded to 22 groups
- GVC funding £20,260 to 5 groups focussing on community sport and physical/mental health for young men.

Achievements and performance (continued)

Material grants to institutions

The following institutions received material grants in the context of the organisation's total expenditure:

Organisation	No. of grants	Awarded
County Durham & Darlington Foundation NHS Trust Charity (lead partner)	2	£244,450
Middlesbrough and Stockton Mind	1	£238,000
Wearside Women in Need	1	£230,720
Family Action	1	£183,952
Your Voice Counts	1	£183,000
Coping with Cancer North East	1	£142,700
WestPark Levy Trust	3	£127,227
North Cumbria Clinical Commissioning Group (lead partner for voluntary sector partnership)	1	£105,752
Community Foundation (Tyne & Wear and Northumberland) for Growth and Resilience Programme	1	£100,000
Barnardos	1	£98,571
Artichoke Trust	3	£90,000
Handcrafted Projects	4	£71,563
Just For Women Centre	6	£54,874
PACT House Stanley	3	£46,623
Durham City Youth Project	4	£39,843
Darlington Mind	1	£38,000
Association of Teesdale Day Clubs	4	£36,500
Durham Cathedral	2	£35,734
Teesdale Community Resources	5	£35,068
Bullion Community Resource Centre	3	£34,300
Jack Drum Arts	3	£32,431
Investing in Children CIC	2	£31,021
Upper Teesdale Agricultural Support Services (UTASS)	4	£30,850
Ferryhill LADDER Centre	3	£30,048
If U Care Share Foundation	2	£30,000
SHAID (Single Homeless: Action Initiative Derwentside)	2	£30,000
Real Lives Real Choices	2	£29,992
Sacriston Youth Project	5	£29,702
Bridge Creative Enterprise CIC	2	£27,428
Integrating Children	2	£26,045
Darlington Borough Council	2	£25,985
Veterans Woodcraft CIC	1	£24,830
Tin Arts Limited	2	£24,823
RT Community Projects Ltd	1	£24,757
Journey Enterprises Ltd	1	£24,572
The Rape and Sexual Abuse Counselling Centre	1	£24,295
Waddington Street Centre	1	£24,138
YMCA North Tyneside	1	£24,040
Wheatley Hill Community Association	5	£24,025
Muscletone Gym and Fitness CIC	1	£23,472
Building Self-belief CIO	4	£23,150
East Durham Community Development Trust Ltd	2	£21,500
Endeavour Woodcrafts CIC	4	£20,678

Achievements and performance (continued)

Fund development

The funds listed below were established during the course of the last financial year, for which we are extremely grateful.

Endowment Funds added
- Durham Hope Fund
- Eldon Charitable Fund
- Poor Moor Trust Fund

Revenue Funds Added
- Arqiva Bilsdale Recovery Fund
- Community Connector NHS
- Derwentside Mind Legacy Fund
- GVC Co Durham
- GVC Tees Valley
- Let's Create Jubilee Co. Durham
- Let's Create Jubilee Tees Valley
- Made by Sport Co Durham
- Made by Sport Tees Valley
- Made by Sport Tyne, Wear and Northumberland
- NHS Charities Together
- Poverty Hurts Co Durham
- Poverty Hurts Tees Valley
- Robson Laidler Fund
- Ward Family Fund

Endowment
£709k of new donations were added to the endowment fund for long-term grant-making during the year. The Foundation is actively participating in the national programme being driven by the Charity Commission, UKCF and supported by community foundations to unlock dormant trust assets.

Revenue
Thanks to anonymous unrestricted donations, we continue to be able to support local companies. The new donors got behind the Poverty Hurts appeal and supported the Foundation's grant awarding. It has been heartening during 2021-2022 to see some of the relationships deepen as these new donors got behind the Poverty Hurts appeal and supported the Foundation's grant awarding.

Achievements and performance (continued)

Events

As in-person events began to resume, the Foundation was delighted to support some events to raise profile, resume networking and work on strategic relationship building. Our CEO was once again a judge for the North-East Charity Awards; the Foundation supported the Volunteer category of the County Durham Together Awards; we took a table and advert for the Tees Valley BME Awards; and we supported the contribution to the Community Award at the Darlington Stronger Communities Awards.

Lumiere

Our table at the Lumiere Gala dinner was used to connect with businesses we match funded for the Learning and Participation programme of the festival and has led to some positive conversations with potential donors.

High Sheriff Awards

For the first time in three years, we were able to hold the awards in person, with 150 guests attending Ushaw Historic House, Chapels & Gardens to see £17,000 awarded to local youth groups and one outstanding individual, Corey Daglish. Robert and Pauline Harle took a very proactive approach to Robert's role as High Sheriff and visited all nominees, becoming brilliant ambassadors for the Foundation. We hope to continue this successful partnership with our new High Sheriff, Shona Harper-Wilkes.

Online events

Noting that not all supporters are willing to attend events yet, the Foundation hosted a trial online event named Looking Back, to share what has been achieved over the past year. Two representatives from groups we have funded gave very moving presentations, while Michelle outlined headlines from our grant making, emphasised our use of the global goals (UN SDGs) as a compass for impact and shared moving feedback from the sector about the need for the Poverty Hurts Appeal. Prior to this online event, the Foundation partnered with The Funding Network to hold the first Northern Funder event. Three groups pitched and £45,000 was pledged by the donors who attended. We see this as a new and exciting way of involving supporters and helping groups share their incredible work.

Communications

Rebranding

Work continues with Creative Alchemist to strengthen our mission and message and, ultimately, create a new brand and sub-brand for a supporters' club.

Annual Review

A concise Annual Review was once again produced, complete with moving case studies, strong photography, and an impact roadmap to show how we worked with supporters and communities to fund changing needs through a pandemic.

Media Coverage

In the autumn, the Foundation opted to take on a media package with Wear and Tees Business, with coverage in the four seasonal editions, sponsorship packages at two events, additional editorial opportunities and web and newsletter advertising. Alongside, good relations continue with the Northern Echo around press announcements and the Foundation continues to receive good coverage.

Achievements and performance (continued)

Website

We were named as one of only three foundations to score an 'A' in a recent website assessment looking at transparency, accountability and diversity. Under the Foundation Practice Rating, led by Friends Provident Foundation, we were praised for 'excellent practice'. After the review, we worked with web developers to enhance usability and accessibility for our website and have future plans to develop the site further subject to the planned rebrand.

Poverty Hurts Appeal

The 2021 Autumn Appeal was a first for the Foundation in terms of bold branding around a theme and strategic fundraising. We met 99% of our objectives, and the Appeal had some exciting successes. Notably, £64,000 was raised, a new endowment fund holder was secured, and press coverage was significant. However, it was the power and simplicity of the #PovertyHurts messaging that has really resonated with people, opening up conversations that were often hard to start when asking to talk about the generic 'work of a community foundation'. As a result, we have developed a strategy that simplifies and strengthens our message to our core mission of fighting poverty and enriching lives by working intelligently, in partnership - with our local communities, our supporters and with like-minded stakeholders.

Leadership

The Foundation is a member of the following strategic boards that affect the Sector including:

- **County Durham:**
  Voluntary and community sector (VCS) Better Together Group
  Voluntary and community sector (VCS) Working Group
  County Durham Economic Partnership Board

- **Darlington:**
  Darlington 3rd Sector

- **North East:**
  North East Charity Awards Judging Panel
  Voluntary, community and social enterprise (VCSE) partnership steering group

- **National:**
  UKCF Board
  UKCF Quality assurance 5 (QA5) Moderation Committee

Fundraising and Communications

We are registered with the Fundraising Regulator and track its best practice recommendations. We work on a continuous improvement basis to ensure all policies are relevant and up to date with latest recommendations.

Any complaints received are investigated in line with the charity complaints policy. During the year no complaints were received (2021 Nil).

Future activities

The impact of Covid-19 in the North East has been devastating. The health inequalities that existed before, as highlighted in the 'Marmot Review' (February 2020) and more recently 'Overcoming-Health- Inequalities (All-Party Parliamentary Group (APPG); Left Behind Communities, January 2022) have worsened considerably based on feedback from the groups we fund.

Achievements and performance (continued)

In the wake of huge loss of life, and loss of quality of life, our job is to redouble our efforts to help communities recover and thrive again. Our three-year strategy outlines our plans to build a stronger pipeline and to work with our existing supporters to raise our impact to meet local need in County Durham, Tees Valley and wider North East. Impact will be driven by more grants that empower the groups embedded in local communities to keep making a difference.

We need to be vocal, and data-driven, so have budgeted for a unique and timely piece of research by the prestigious Northern Health Science Alliance into health inequalities post-Covid, which will include recommendations for how we can all act now to prevent the damage impacting generations to come. Our aim is to demonstrate that we can all work together to fight poverty and to present the practical solutions needed.

Meanwhile, we are striving to make our grant programmes even more accessible, by joining 100 other organisations working with the Institute for Voluntary Action Research (IVAR) to use best practice as progressive funders. This involves eight commitments to make grant applications and reporting simple and straightforward, so that the groups we fund can spend less time in front of a computer and more time doing what they do best.

Even as our communities reel from the devastation of the pandemic, climate change is looming ever larger. Our focus on people, place and planet has begun an ambitious effort to do all that we can to help those who will be hardest hit, and to support groups to think green. We have joined climate support groups, part-funded a climate job role, signed the SME Climate pledge, designed a grant strategy that supports the cost of 'greening' a community project, and launched an internal committee to guide us and undertake further training. Our work in this area is just starting, but we are excited to do our part.

Financial Review

The format of the Annual Accounts and certain accounting policies have been prepared in accordance with the requirements of the Charities SORP, 'Accounting and Reporting by Charities', in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

On this basis the endowment fund at 31 March 2022 stood at £19,179,187 (2021: £17,334,700), an increase of £1,844,487. New endowment donations for the year were £709,064.

Overall funds increased by £2,774,674 during the year made up of £184,487 endowment increase, £725,260 restricted funds increase and £204,927 unrestricted funds increase.

The Statement of Financial Activities shows the movement in the year on the Foundation's unrestricted and restricted funds. The year end balances on the restricted funds are available in their entirety for future grant making and other direct charitable expenditure.

Our main funders are:

- Public sector departments (grants and administration);
- Private fund holders (endowment, grants and administration);
- Landfill and wind farm operators (grants and administration); and
- Charitable trusts.

During 2021-2022 the organisation benefited financially from being contracted to deliver a number of funding streams relating to health and wellbeing, primarily the NHS Charities Together funding and NHS Community Connector funding. This resulted in strong levels of unrestricted income being received. The

cost base of the organisation remained at budgeted levels. This resulted in an unrestricted operating surplus of £204,927. Looking ahead a robust financial forecast has been prepared for the coming year, taking into account all confirmed income streams and an expenditure base that factors in the need to enhance the existing grant making/CRM computer system and continues to invest in growing the awareness of the organisation through strengthened branding and engagement in key networks and locations. The financial forecast, prepared on a very prudent basis, shows a modest operating deficit on unrestricted funds for the coming year. This position is acceptable as the organisation has a strong track record of attracting new business and some elements of the expenditure are considered as long-term investments to support and grow the organisation and factored into the current level of reserves holding.

Reserves policy

During 2021 the Foundation's reserves policy was reviewed and amended. The updated policy considers the requirement to carry a level of reserves under two themes.

The first theme is the operating reserves range. This is defined as the expenditure required to operate the organisation for a period between 3 and 6 months.

The second theme is the opportunity reserves range. At the current time the Board of Trustees have identified three key areas that need to be covered by the opportunity reserves range. These three areas are considered to be:

- the need to upgrade the organisation's technology platform in the foreseeable future (grant making, donor management etc) that is key to the organisation;
- the continued development of the organisation's positioning in the region;
- the provision of a financial resource to mitigate the risk of clawback that is contractually an element in some contracts that the organisation could chose to deliver.

As at end of March 2022, based on this policy, the organisation had available unrestricted reserves of £824,638 which was slightly higher than the reserves range as defined by the organisation's reserves policy which gives a range of £376,000 to £702,000. In light of the continuing unsettled global economic outlook the trustees feel that the reserves holding at this level is acceptable.

The cash balance at 31 March 2022 stands at £1,674,183 (2021: £1,936,816) and short term deposits stand at £4,811,603 (2021: £3,646,769).

In addition, the Foundation has access to £19,945,443 of investments that "in extremis" could be used to support the closure of the organisation.

Excluding the ESF Community Grants programme which is managed on a defrayed payment basis, there is no fund in deficit.

Investment policy and objectives

The Articles of Association provides wide powers of investment and the Foundation's assets are invested by the investment managers to provide an annual income for grant making.

The Community Foundation holds material endowment investments, which were managed by investment managers CCLA Investment Management in 2021-2022. Investment performance is overseen by the Resources and Policies Committee. The Board monitors investment performance closely at each Board meeting. During late spring 2022, in line with the organisation's investment policies, the Board commissioned an external review of the investment manager's performance. The outcomes of this review will be actioned by the Board during summer 2022.

Under the current investment policy the Foundation's overall investment objective is to develop an endowment fund that underpins its mission of providing sustainable support to local communities in the long term. We aim to achieve a balance between meeting current needs and growing the overall size of the endowment to meet future need. We recognise the need to achieve a balance between risk and return, whilst investing within the remit of the Foundation's ethical policies.

The investment objectives for the year:-

- To hold and invest donors' funds in a prudent manner.
- To generate a sufficient return net of fees to enable the level of annual distribution agreed by the Board each year (currently set at 4% to distribute, plus c1.5% to cover costs).

Investment principles:

- The Foundation is a long-term investor.
- We have a medium to high risk tolerance.
- We will operate in accordance with the Foundation's statement of ethical investment principles.
- We will invest in a diversified portfolio of investments.
- Investments will principally be in equities, bonds and cash (including collective investment vehicles in these categories). We are open to recommendations to invest in other classes of asset, but do not currently expect to invest in direct property holdings or derivative instruments.

Investment performance

At the year end, the endowment portfolio stood at £19,945,443 (2021: £18,194,758).

The Charity's investment managers, CCLA, delivered an overall total return for the 12 months to 31st March 2022 of +11.62%, slightly below their benchmark comparator of +11.72%. Performance of investments in their Ethical Investment Fund matched those in their main Charities Official Investment Fund which is where most of our funds are invested. This was in the top quartile of results from any UK based investment manager for charitable investments. The Board agreed that during the year 2021-2022, 4% of the endowment value of the majority of funds was drawn down for grant making activity, and a further amount of c1.6% was used as a contribution towards organisational running costs. This level of drawdown is in line with our practice for several years and represents what the Board believes is a sustainable long term level of distribution. A small number of endowment funds are held under the Community First scheme (a match funding scheme that was available a few years ago); these funds are subject to their own drawdown rules that are akin to those executed by the Board for funds totally in its control. The amount drawn down for running costs is allocated to individual funds according to the endowment fee structure introduced in April 2016, which makes allowance for the relative complexity of funds.

The organisation continues to use Flagstone (an online portal that is a cash savings platform giving access to a wide number of deposit accounts from different providers) as a tool for supporting the management of cash holdings. The tool has enhanced the ability of the organisation to access a wide range of interest bearing deposit accounts, without having to open an account with each provider. Using this facility means that a higher level of the organisation's cash is covered under the Financial Services Compensation Scheme than if it was not available to the organisation.

Other charities

County Durham Community Foundation is sole Trustee of the following charities where we have been granted a linking direction under section 96(6) of the Charities Act 1993:

- John T Shuttleworth Ropner Memorial Trust (charity number 227186), which provides financial assistance to individuals in need of convalescence or respite care;
- King Edward VII Memorial Fund (charity number 231287), which supports local hospices and hospitals;

- Hylton House Fund (charity number 252762), which provides financial assistance to individuals with cerebral palsy and related disabilities, their families and carers;
- Darlington Education Trust (charity number 514784) which supports pupils of the ten secondary schools and colleges of the Borough of Darlington;
- Stanhope Castle School Charitable Trust (charity number 1040989), which supports young people (under 25) who are, or who have been, in the care of, or provided accommodation by, or under the supervision of the local authority in County Durham, Tees Valley (formerly Cleveland), Gateshead, South Tyneside or Sunderland;
- East Howle Trust (charity number 1077104) which promotes the education of individuals in the parish of Ferryhill;
- Durham Community Business College Trust (consisting of John Hewison Prize Fund (512807) and William Neesham Education Fund (1012239) which promotes the education of individuals who have attended or are attending Durham Community Business College
- Durham Johnston Educational Foundation (charity number 527394) which promotes the education of individuals who attend or have attended secondary schools within Durham City.

Details of these funds can be seen in Note 14 of these accounts.

Structure, governance and management

Constitution

The Foundation is a company limited by guarantee no. 3072153 and is governed by its Memorandum and Articles of Association, as amended on 7 December 2015. It is a registered charity No 1047625 and an enrolled environmental body with ENTRUST (no. 581043).

Trustees

The Foundation has powers to appoint a President and Patrons. The managing body is the Board of Trustees, who also act as directors of the Company. Trustees are elected or appointed by members at the Annual General Meeting, trustees of the Board are nominated for election by members of the company and current Directors are due for re-election on a three-year cycle at the Annual General Meeting.

Board of Management

The Board of Management is the Board of trustees, which manages the Foundation. It meets quarterly and has a maximum of 14 members; it is representative of a wide range of professionals who live, work or have an interest in County Durham and Tees Valley (and the wider NE region), including members from the public, private and voluntary sectors. The Board is responsible for the development, implementation and management of the organisation's strategy. It also appoints working groups and sub committees to manage specific activities where necessary and appropriate.

Members of the Board act in a voluntary capacity. Board members have considerable day to day involvement in the Foundation's affairs. None of the Board members have a direct beneficial interest in any of the funds.

A Chief Executive is appointed by the trustees to oversee the strategic direction of the organisation. A Chief Operating Officer supports the Chief Executive in managing the day to day operations of the Foundation. To facilitate effective operations, the Chief Executive, Michelle Cooper, has delegated authority, within the terms of delegation approved by the trustees, for matters including finance, employment and project management related activity.

Structure, governance and management (continued)

During this financial year, there were four meetings of the full Board (three held virtually and one in person), which received reports from three constituted sub committees. The Foundation's Grants committee was formally dissolved in July 2019, with the Board assuming responsibility for developing and implementing grant related activity.

The trustees who have served during the year are listed below with membership of sub committees indicated:

Rebecca Armstrong	
Duncan Barrie	Audit (Chair)
Emily Burns	
Paul Chandler	Resources and Policies (Chair), Nominations/RemCo, Board Vice Chair
Ann Dolphin	Audit, Nominations/RemCo
James Fenwick	Board Chairman, Nominations/RemCo
Stephen Hall	Resources and Policies
Ray Hudson	
Colin Proudfoot	Resources and Policies

In addition to the trustees serving on sub committees we are grateful for the support of David Martin (a former trustee) who, during the year, served on the Audit Committee. Trustees have also joined short term task and finish groups during the year to consider such areas as grant strategy and organisational values.

Resources and Policies Committee

The Resources and Policies Committee is tasked with overseeing the management of the Foundation's resources (finances and people), overseeing the organisation's financial and operational performance and to ensure organisational strategies and plans are in place to meet the strategic objectives of the organisation and to maintain an oversight of the organisation's policies, risk management systems and internal control systems. The committee met five times during the year.

Nominations/ Remuneration committee and trustee appointments

The Nominations Committee (which also acts as a Remco) met four times during the year. Discussions about Board membership have been held within the context of full Board meetings. The committee also reviewed staff pay during the year.

Audit Committee

The Foundation's records are subject to audit by a number of regulatory/funding bodies in addition to our statutory auditor. These currently include ENTRUST and the European Social Fund.

During the year the Audit Committee continued to oversee the management of the Foundation's financial, operational and compliance systems and protocols, to advise on the effectiveness and efficiency of those systems and protocols, and to monitor risk management processes. The Audit Committee met three times in the year.

Structure, governance and management (continued)

Equality, Diversity and Inclusion

The Foundation embraces diversity and attaches great importance to equality of opportunity in the way in which it relates to all of its donors, applicants for funding and support, its employees, Board members, volunteers and all other colleagues. The Foundation recognises that this is an area that continues to require focus. A Board trustee has been appointed who holds a specific interest and knowledge in this area. An outcome of grant awarding during Covid-19 to support communities in Tees Valley has meant that the breadth of diversity in our grant awarding has grown. We are engaging with groups who bring a wider diversity to our grant making to understand barriers to grant applications and how to best support their communities. During the year a member of staff has been appointed as an internal EDI champion. The staff team have undertaken training and engaged in a number of events and webinars to further their understanding on this complex area. One outcome of this training is that the learning gained is informing how grant programmes are constructed and application processes operated.

Climate Change

The organisation commenced with the data collection to measure its carbon footprint, with a view to implement measures (the areas that can be controlled by the organisation) and plan improvements for the future. The base year for calculations was set to the year prior to the pandemic, with the previous and most recent years still including measures in place for hybrid working following relaxation of covid rules, therefore the true measurement for comparison to the base year will be in the year following.

We have begun the early steps of measuring our carbon footprint, both pre and post the height of the Covid-19 pandemic so that we understand our impact on the environment and can begin to minimise this by evolving our working practices. Accurate comparison will take time, due to the unusual circumstances caused by the pandemic, and staff working from home. We believe the next financial year will be key in us understanding the full picture of where we are and where we need to go. However, we are pleased to have begun this process and see it as important work for any responsible organisation.

UK GHG emissions and energy use data for period 01 April 2019 to 31 March 2022

	Base Year		**Previous Year**		**Most Recent**	
	April 2019 - March 2020		**April 2020 - March 2021**		**April 2021 - March 2022**	
	Scope 1 & 2 tCo2e	Scope 1, 2 & 3 tCo2e	Scope 1 & 2 tCo2e	Scope 1, 2 & 3 tCo2e	Scope 1 & 2 tCo2e	Scope 1, 2 & 3 tCo2e
Durham Office	**5.38**	**24.54**	**4.38**	**4.70**	**3.71**	**9.24**

Scope 1 (direct emissions) emissions are those from activities owned or controlled by the organisation.

Scope 2 (energy indirect) emissions are those released into the atmosphere that are associated with the consumption of purchased electricity, heat, steam and cooling.

Scope 3 (other indirect) emissions are a consequence of actions that occur at sources not owned or controlled.

Structure, governance and management (continued)

Membership

The organisation maintains a list of members; membership is open only to trustees and is terminated if the member concerned ceases to be a trustee.

Insurance

The Foundation has the following insurance that covers Board members and decisions of the Board:

- Public Liability
- Employer's Liability
- Trustee Indemnity
- Professional Indemnity

Political neutrality

The Foundation conducts its affairs in a non-partisan way and does not align itself to any political party or policy.

Public benefit

The Foundation's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Board of trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales. The trustees have considered this guidance in deciding what activities the Foundation should undertake and are satisfied that they have met the organisation's charitable purposes.

Organisational structure

A team, currently (July 2022) comprising six full-time and three part-time members of staff, managed by Michelle Cooper, Chief Executive, work together to manage the day-to-day running of the organisation and implement the organisation's strategy. During the early part of 2021-2022 the staff team predominantly worked remotely. As at July 2021 the organisation adopted a hybrid approach to working patterns with staff spending some time in the office each week and some time working remotely, with staff being able to work all the time in the office if that best suited their personal circumstances.

All Board, staff and volunteers undertake an induction programme and are given a handbook, which includes the Foundation's policies and procedures. These policies are reviewed regularly by the Board through their sub committee structure.

The remuneration of staff is reviewed for affordability by the Resources and Policies Committee, with decisions on salary levels taken by the Nominations/Remuneration Committee. Senior staff salaries are set taking due regard to local relevant benchmarks and reviewed annually. No member of staff is linked to a performance related pay programme. During the year one member of staff (2021: 1) received remuneration more than £60,000.

The Foundation is an accredited Living Wage Employer.

Structure, governance and management (continued)

Volunteering

The pandemic limited the opportunities for volunteers to support the staff team in the office. One volunteer was able to support the organisation prepare for Quality Accreditation stage 5 (QA5) during the year.

Apart from our trustees who give up huge amounts of time to help us manage the organisation, we have numerous grant making panels that contribute to important decisions on how money should be spent.

Quality standards

During 2021 all Community Foundations, who are part of UKCF network, participated in Quality Accreditation (QA5). This process happens typically every three to four years and last happened in 2018. QA5 involved each Community Foundation submitting evidence of how it met 14 standards relating to key topics such as governance, grant making and philanthropy. We were pleased to be awarded 12 standard at a "good" level and 2 at an "excellent" level. The accompanying report has provided some areas for the organisation to focus on in the future to continue to enhance and improve its activities.

The Foundation is keen to encourage Board members and staff to take advantage of conferences, seminars and training on matters related to the Foundation's business. This is in addition to ongoing 'in house' training sessions and bespoke personal development plans which are discussed regularly in supervision sessions and appraisals. During the year online training modules have been undertaken by staff in a variety of topics including GDPR refresher.

Linking direction (formerly uniting direction)

We have been granted a linking direction under section 96(6) of the Charities Act 1993, which unites Hylton House Fund, Stanhope Castle School Charitable Trust, John T Shuttleworth Ropner Memorial Trust, King Edward VII Memorial Fund, Darlington Education Trust, Durham Community Business College Trust, East Howle Trust and Durham Johnston Educational Foundation with the Foundation for registration and accounting purposes. This allows us to prepare a single annual report and aggregated set of accounts for these charities. It does not constitute an amalgamation of the charities, which remain separate and legally distinct. The Foundation is Sole Trustee for these charities.

Risk management

The Foundation takes responsibility for assessing risk seriously and has a thorough operational risk register and assessment policy. The risk management framework is overseen by the Audit Committee with the Resources and Policies Committee responsible for the implementation of strategies to minimise and manage risk. Key changes to the risk register are highlighted and reviewed regularly by other sub committees, and the Board receives an overview of key risks.

As a grant making charity, we also undertake an analysis of risk associated with applications for funding as part of our assessment procedures, which are detailed in a grant risk assessment framework. The Foundation also has a Donation Acceptance Policy to support the Board of trustees and management consider the appropriateness and suitability of all offered donations (gifts).

When considering the risks impacting the organisation the trustees have been very mindful of a number of situations which are out of the direct control of the organisation. These include the impact of the world emerging from a global pandemic, Brexit and the conflict in Ukraine.

Structure, governance and management (continued)

Key risks identified:
- Sustainability of business model
- Loss of key staff
- Cyber security

An action plan and management controls are included in each risk framework. We consider that the risk to the sustainability of the business model continues to lessen in severity during the year. The risk relating to the resilience of the staff team has felt to have improved during the year. The team has welcomed new recruits due to a number of planned staff departures and acceptance that the current recruitment environment is challenging for certain roles. The Board remains alert to the need to ensure that well-being of staff remains a high priority during 2022-2023. The organisation holds cyber insurance and have appointed a specialist company to provide year-round support for cyber security.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this Trustee's report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and UNW will therefore continue in office.

We take the opportunity to thank UNW LLP for their assistance in the course of auditing the accounts.

Approved by order of the members of the board of trustees on 1 August 2022 and signed on their behalf by:

James Fenwick
(Chairman)

County Durham Community Foundation

(A company limited by guarantee)

Statement of Trustees' responsibilities
Year ended 31 March 2022

The trustees (who are also the directors of County Durham Community Foundation 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, of the charitable company 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

Approved by order of the members of the Board of Trustees on 1 August 2022 and signed on its behalf by:



James Fenwick
(Chairman)

Independent Auditor's Report to the Members of County Durham Community Foundation

Opinion

We have audited the financial statements of County Durham Community Foundation (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the income and expenditure account, 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.



Other information

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

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

We have nothing to report in this regard.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a Strategic report.



Responsibilities of trustees

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:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the trustees and other management (as required by Auditing Standards) and from inspection of the charitable company's legal correspondence
and we discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations. We have communicated identified laws and regulations within our audit team and remained alert to any indications of non compliance throughout the audit.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charitable company is subject to many other laws and regulations where the consequences of non compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines and litigation. We identified the following areas as those most likely to have such an effect; health and safety, employment law, data protection, environmental law, and certain aspects of company legislation, recognising the nature of the charitable company's activities. Auditing Standards limit the required audit procedures to identify non compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we have not become aware of any actual or suspected non-compliance material to the financial statements.

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

intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne
Date: 1 August 2022

County Durham Community Foundation

(A company limited by guarantee)

Statement of financial activities
Year ended 31 March 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:						
Donations and legacies	2	**117,917**	**-**	**-**	**117,917**	155,416
Charitable activities	3	**-**	**4,074,145**	**709,064**	**4,783,209**	5,334,792
Investments	4	**17,993**	**531,190**	**-**	**549,183**	554,489
Total income and endowments		**135,910**	**4,605,335**	**709,064**	**5,450,309**	6,044,697
Expenditure on:						
Raising funds	5	**165,872**	**-**	**-**	**165,872**	167,324
Charitable activities	5	**381,177**	**3,719,576**	**-**	**4,100,753**	5,293,877
Total expenditure		**547,049**	**3,719,576**	**-**	**4,266,625**	5,461,201
Net (expenditure) / income before net gains/(losses) on investments		**(411,139)**	**885,759**	**709,064**	**1,183,684**	583,496
Net gains on investments		**-**	**-**	**1,590,990**	**1,590,990**	3,112,493
Net income / (expenditure) before transfers		**(411,139)**	**885,759**	**2,300,054**	**2,774,674**	3,695,989
Transfers between funds	13	**616,066**	**(160,499)**	**(455,567)**	**-**	-
Net result before other recognised gains and losses		**204,927**	**725,260**	**1,844,487**	**2,774,674**	3,695,989
Net movement in funds		**204,927**	**725,260**	**1,844,487**	**2,774,674**	3,695,989
Reconciliation of funds:						
Total funds brought forward		**619,711**	**5,201,318**	**17,334,700**	**23,155,729**	19,459,740
Total funds carried forward		**824,638**	**5,926,578**	**19,179,187**	**25,930,403**	23,155,729

The notes on pages 35 to 57 form part of these financial statements.

County Durham Community Foundation

(A company limited by guarantee)

Summary income and expenditure account
Year ended 31 March 2022

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Gross income in the reporting period	**135,910**	**4,605,335**	**4,741,245**	5,801,895
Less: Total expenditure	**(547,049)**	**(3,719,576)**	**(4,266,625)**	(5,451,201)
Net expenditure/(income) for the reporting period	**(411,139)**	**885,759**	**474,620**	350,694

Transfers of £619,711 were made to the unrestricted funds from the restricted and endowment funds during the year (2021: £1,205,500 transferred to the resticted and unrestricted funds from the endowment funds) resulting in total net income/(expenditure) of £930,187 (2021: £1,556,194).

The notes on pages 35 to 57 form part of these financial statements.

County Durham Community Foundation

(A company limited by guarantee)

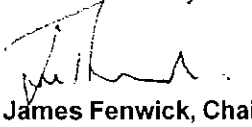
Balance sheet
At 31 March 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	8		**8,256**		10,660
Investments	9		**19,945,443**		18,194,758
			19,953,699		18,205,418
Current assets					
Debtors	10	**154,513**		203,803	
Short term cash deposits		**4,811,603**		3,646,769	
Cash at bank and in hand		**1,673,221**		1,936,513	
		6,639,337		5,787,085	
Creditors: amounts falling due within one year	11	**(662,633)**		(836,774)	
Net current assets			**5,976,704**		4,950,311
Net assets			**25,930,403**		23,155,729
Charity funds					
Endowment funds	13		**19,179,187**		17,334,700
Restricted funds	13		**5,926,578**		5,201,318
Unrestricted funds	13		**824,638**		619,711
Total funds			**25,930,403**		23,155,729

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 on 1 August 2022 and signed on their behalf by:



James Fenwick, Chairman
(Chair of Trustees)

Company registered number: 3072153

The notes on pages 35 to 57 form part of these financial statements.

County Durham Community Foundation

(A company limited by guarantee)

Statement of cash flows
Year ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	16	**518,440**	277,205
Cash flows from investing activities:			
Dividends, interests and rents from investments		**549,183**	554,489
Purchase of tangible fixed assets		**(6,386)**	(8,168)
Proceeds from sale of investments		**901,411**	587,265
Purchase of investments		**(1,061,106)**	(759,031)
Net cash provided by investing activities		**383,102**	**374,555**
Change in cash and cash equivalents in the year		**901,542**	**651,760**
Cash and cash equivalents at the beginning of the year		**5,583,282**	4,931,522
Cash and cash equivalents at the end of the year	17	**6,484,824**	5,583,282

The notes on pages 35 to 57 form part of these financial statements

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

County Durham 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 prepared in pounds sterling and are rounded to the nearest £1.

1.2 Company status

The company is a company limited by guarantee, incorporated and domiciled in England. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.3 Going concern

The Foundation has financial reserves held in cash and endowment, together with long term contracts with a number of stakeholders across different sectors in the region.

The organisation's endowment holding saw an increase in value during the year. The organisation derives both grant making funds and unrestricted funds to support the organisation from its endowment.

The year saw the organisation record a strong unrestricted operating surplus on the back of delivering a number of substantial funding contracts.

Looking ahead a robust financial forecast has been prepared for the coming year, taking into account all confirmed income streams and an expenditure base that factors in the need to enhance the existing grant making/CRM computer system and continues to invest in growing the awareness of the organisation through strengthened branding and engagement in key networks and locations. The financial forecast, prepared on a very prudent basis, shows a modest operating deficit on unrestricted funds for the coming year. This position is acceptable as the organisation has a strong track record of attracting new business and some elements of the expenditure are considered as long-term investments to support and grow the organisation and factored into the current level of reserves holding.

Given the future uncertainty about some grant programmes and the uncertainty about future performance of the investment market the trustees are content at the current time to hold reserves at strong levels to provide prudent security against uncertain operating conditions over the next few years.

As a consequence, the trustees believe that the Foundation is well placed to manage its business risks successfully despite the current very uncertain economic outlook as the world continues to live against a number of significant situations (including the conflict in Ukraine, emerging from a global pandemic and the impact of Brexit). After making enquiries, the trustees have a reasonable expectation that the foundation will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

1. Accounting policies (continued)

1.4 Income

All income is recognised once the 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.

For legacies, entitlement is taken as the earlier of the date on which either the company is aware that probate has been granted, the estate has been finalised and notification made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate.

Investment income is recorded on the accruals basis and is allocated to individual endowment funds on the basis of the fund value at the end of each quarter. Interest earned on current accounts is allocated to administration funds. Flow-through funds receive no interest except where the fund is required to be held in a separate account

Grants, including government 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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 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. All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Charitable activities include direct costs incurred on the company's grant-making operations and support costs incurred in running the charitable operations.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Support costs are those costs incurred directly in support of expenditure on the objects of the company, including those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements. Where they are not attributable to a single activity they are apportioned between those activities on a basis consistent with the use of resources.

All expenditure is inclusive of irrecoverable VAT.

1. Accounting policies (continued)

1.5 Expenditure (continued)

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	- 20%-33% straight line
Fixtures and fittings	- 33% straight line

1.7 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 fair 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 shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities.

1.8 Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1.9 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.

1.10 Cash and cash equivalents

Cash and cash equivalents 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.

1.11 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 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.

1. Accounting policies (continued)

1.12 Pensions

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

1.13 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 company and which have not been designated for other purposes.

The general fund makes a charge on the other funds as follows:

- Flow-through funds: as agreed with the donor
- Endowment funds and other trust funds: between 1% and 2% of the fund balance per annum

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

Endowment funds are funds which are held for the permanent benefit of the charity. There is no power to convert capital into income.

1.14 Critical accounting estimates and areas of judgment

Estimates and judgments 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.

In preparing these financial statements the trustees do not consider there were any significant estimates or areas of judgment that were required in applying the company's accounting policies as set out above.

2. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	117,917	**117,917**	153,012
Government grants	-	-	2,404
	117,917	**117,917**	155,416
Total 2021	155,416	155,416	

3. Income from charitable activities

	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	4,074,145	709,064	**4,783,209**	5,334,792
Total 2021	5,091,990	242,802	5,334,792	

4. Investment income

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment income	-	531,190	**531,190**	526,485
Bank interest	17,993	-	**17,993**	28,004
	17,993	531,190	**549,183**	554,489
Total 2021	28,004	526,485	554,489	

5. Expenditure on charitable activities

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Provision of grants	3,719,576	381,177	**4,100,753**	5,293,877
Total 2021	4,931,762	362,115	5,293,877	

Analysis of direct costs

The direct costs above are grants paid to community groups and other bodies during the year (taken from data submitted by grant applicants when applying for funding). They can be categorised as follows:

	2022 £	2021 £
Anti social behaviour	**14,852**	52,081
Arts, culture and heritage	**354,739**	102,503
Caring responsibilites	**38,734**	95,982
Community support and development	**521,156**	675,290
Counselling / advice / mentoring	**91,600**	195,992
Crime and safety	**20,935**	35,670
Disability and access issues	**214,019**	168,613
Disadvantage	**195,344**	519,050
Domestic violence	**71,439**	78,520
Economy	**4,688**	31,072
Education and training	**174,307**	20,681
Employment, labour, learning and training	**65,934**	207,257
Emergency and rescue servies	**4,750**	11,843
Environment and improving surroundings	**215,897**	164,538
Financial exclusion and literacy	**15,895**	15,235
Health and wellbeing	**570,620**	1,058,433
Homeless and housing	**59,388**	121,857
IT / technology	**-**	28,166
Language, culture and racial integration	**2,700**	49,852
Mental health	**595,170**	685,705
Offending / at risk of offending	**-**	24,710
Refugees/Asylum seekers	**12,900**	-
Rural issues	**47,316**	107,405

Sexual abuse / violence / exploitation	**29,417**	9,091
Social inclusion	**40,342**	140,903
Sport and recreation	**309,174**	172,105
Stigma and discrimination	**5,604**	225
Substance abuse and addiction	**1,000**	30,406
Supporting family life	**38,656**	115,220
Violence and exploitation	**11,620**	-
Volunteering	**600**	23,563
Adjustments	**(9,220)**	(10,206)
	3,719,576	4,931,762

Adjustments include grant withdrawals, and any adjustments made to the original grant awarded depending upon the needs of the recipient as circumstances changes.

Analysis of support costs

	Raising Funds	Grant Making	Governance	2022
Office Costs	9,164	42,769	8,502	60,435
Staff Costs	132,853	233,517	35,104	401,474
Other Cost	23,855	39,170	22,115	85,141
Total	165,872	315,456	65,721	547,050

No expenses were reimbursed to any trustees during the year (2021: £nil). No trustees received any remuneration.

	Raising Funds	Grant Making	Governance	2021
Office Costs	9,431	35,776	8,681	53,888
Staff Costs	141,032	220,112	37,510	398,654
Other Cost	16,861	42,427	17,609	76,897
Total	167,324	298,315	63,800	529,439

6. Net Income/(expenditure)

This is stated after charging:

	2022	2021
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	**8,790**	8,287
Auditor's remuneration - audit	**11,500**	10,080
Operating lease rentals	**23,184**	23,184

7. Staff costs

Staff costs were as follows:

	2022	2021
	£	£
Wages and salaries	**331,409**	320,057
Social security costs	**31,210**	31,664
Other pension costs	**20,342**	19,680
	382,961	371,401

Settlements of £15,000 were paid during the year (2020: £nil).

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

	2022	2021
	No.	No.
Raising funds	**2**	4
Charitable activities	**7**	5
Governance	**1**	1
	10	10

7. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £60,001 - £70,000	**1**	1

The key management personnel of the charity comprise the Chief Executive and Chief Operating Officer, with total employee benefits (including pension costs) of £135,951 (2021: £134,830).

The Foundation is an accredited Living Wage Employer.

8. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2021	**31,739**
Additions	**6,386**
At 31 March 2022	**38,125**
Depreciation	
At 1 April 2021	**21,079**
Charge for the year	**8,790**
At 31 March 2022	**29,869**
Net book value	
At 31 March 2022	**8,256**
At 31 March 2021	10,660

9. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2021	**18,194,758**
Additions	**1,061,106**
Disposals	**(873,092)**
Revaluations	**1,562,671**
At 31 March 2022	**19,945,443**
Net book value	
At 31 March 2022	**19,945,443**
At 31 March 2021	18,194,758

Certain investments held at CCLA are related to Community First funds, set up under a national scheme which are all managed through CCLA. All investments are held primarily for investment return.

The historical cost of investments is £10,051,337 (2021: £9,666,438).

10. Debtors

	2022 £	2021 £
Other debtors	**143**	-
Prepayments and accrued income	**154,370**	203,803
	154,513	203,803

11. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	**4,877**	3,044
Other taxation and social security	**8,086**	16,317
Other creditors	**587,917**	747,881
Accruals and deferred income	**61,753**	69,532

11. Creditors: Amounts falling due within one year (continued)

	2022 £	2021 £
	662,633	836,774

	2022 £	2021 £
Deferred income at 1 April 2021	**20,494**	25,000
Resources deferred during the year	**7,000**	20,494
Amounts released from previous periods	**(10,247)**	(25,000)
	17,247	20,494

12. Contingent liabilities - grants

As part of the NHS Charities Together programme, £983,995 has been contingently awarded. The phased payments of which are contingent upon project progress reports being submitted by the grantee and accepted by the grantor (the Foundation). On acceptance of the report the grants become committed and treated as a liability. The Foundation will receive the funds to pay the awards in advance of the expenditure on submission of monitoring updates to the programme funder.

13. 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 £
Unrestricted funds						
General Funds	**619,711**	**135,910**	**(547,049)**	**616,066**	**-**	**824,638**
Endowment funds						
Endowment Fund	**17,334,700**	**709,064**	**-**	**(455,567)**	**1,590,990**	**19,179,187**
Restricted funds						
Restricted Funds	**5,201,318**	**4,605,335**	**(3,719,576)**	**(160,499)**	**-**	**5,926,578**
Total of funds	**23,155,729**	**5,450,309**	**(4,266,625)**	**-**	**1,590,990**	**25,930,403**

The following significant transfers were made between funds in the year:

£531,190 (2021: £526,485) was transferred from restricted funds to endowment funds in respect of the reallocation of the expendable endowment fund.

£702,730 (2021: £1,464,602) was transferred from endowment funds to restricted funds in respect of grant making activities.

£284,027 (2021: £267,383) was transferred from endowment funds, and £332,039 (2021: £370,776) was transferred from restricted funds, to unrestricted funds to contribute towards administration costs.

13. 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 £
Unrestricted funds						
General Funds	327,571	183,420	(529,439)	638,159	-	619,711
Endowment funds						
Endowment Fund	15,194,905	242,802	(10,000)	(1,205,500)	3,112,493	17,334,700
Restricted funds						
Restricted Funds	3,937,264	5,618,475	(4,921,762)	567,341	-	5,201,318
Total of funds	19,459,740	6,044,697	(5,461,201)	-	3,112,493	23,155,729

14. Restricted and endowment funds

The following fund categories combine restricted and endowment funds:

Trusts
Funds held where there is a linking direction under section 96(6) of the Charities Act 1993 (formerly uniting direction).

Community First
Funds that were established during the UK Government's matched endowment programme.

Community Panel
Funds where a community panel is the main grant decision making body for the funds.

Donor-Advised
Funds where the grant-making decision rests with the donor.

Field of Interest
Funds where the grant-making decision rests with the Foundation.

For funds with balances over £100,000, or funds where the fund agreement requires it, the funds' financial positions are listed separately.

Restricted funds

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2022
	£	£	£	£	£	£
Trusts	168,417	75,242	(86,033)	-	37,052	194,678
Community First	485,844	75,039	(80,713)	-	(25,275)	454,895
Community Panel	1,403,037	2,700,404	(2,027,497)	-	(43,217)	2,032,727
Donor-Advised	795,805	402,059	(434,255)	-	209,702	973,311
Field of Interest	2,348,215	1,352,591	(1,091,078)	-	(338,761)	2,270,967
Total	5,201,318	4,605,335	(3,719,576)	-	(160,499)	5,926,578

Expendable endowments

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2022
	£	£	£	£	£	£
Trusts	2,485,350	-	-	220,416	(75,079)	2,630,687
Community First	2,356,707	-	-	225,868	(14,708)	2,567,867
Community Panel	2,374,231	405,887	-	218,160	(83,626)	2,914,652
Donor-Advised	6,339,645	204,667	-	582,745	(176,600)	6,950,457
Field of Interest	3,778,767	98,510	-	343,801	(105,554)	4,115,524
Total	17,334,700	709,064	-	1,590,990	(455,567)	19,179,187

Trusts

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2022
	£	£	£	£	£	£
Darlington Education Trust	1,033,395	29,920	(2,000)	82,936	(13,191)	1,131,060
Durham Community Business College	46,307	1,221	(4,404)	3,703	(706)	46,121
Durham Johnston Educational Foundation	164,492	4,718	(500)	14,309	(1,800)	181,219
East Howle Trust	48,874	1,392	(3,100)	4,219	(572)	50,813
Hylton House Trust	173,715	4,869	(11,419)	14,768	(291)	181,642
John T Shuttleworth Ropner Memorial Trust	848,453	23,643	(57,281)	71,722	(15,675)	870,862
King Edward VII Memorial Trust	69,635	1,958	(5,000)	5,940	(805)	71,728
Stanhope Castle Charitable Trust	268,896	7,521	(2,329)	22,819	(4,987)	291,920
Total	2,653,767	75,242	(86,033)	220,416	(38,027)	2,825,365

Community First

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2022
	£	£	£	£	£	£
2D Legacy Fund	221,922	6,005	(16,102)	17,821	(4,165)	225,481
Banks Family Community First	82,693	2,403	(8,350)	7,319	1,088	85,153
Banks Foundation Community First	421,118	11,224	(4,161)	34,146	5,570	467,897
Banks Pegswood Moor Community Benefits Fund	141,923	3,888	-	11,536	(2,424)	154,923
CDCF Community First Match Fund	263,835	-	-	-	(38,248)	225,587
Darlington Education Community First Trust Fund	744,818	22,892	(38,000)	69,719	10,200	809,629
Jackie Maddison Community First Trust	137,195	3,682	-	10,603	(2,342)	149,138
Nicholson Family Community First	121,564	3,782	(3,154)	11,507	1,844	135,543
Pete & Jackie Maddison Community First Fund	96,438	2,604	4,950	7,727	(1,699)	110,020
Willington and Parkside Fund	245,998	7,044	(11,020)	20,872	(2,847)	260,047
Other Community First	365,047	11,515	(4,876)	34,618	(6,960)	399,344
Total	2,842,551	75,039	(80,713)	225,868	(39,983)	3,022,762

Community Panel

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2022
	£	£	£	£	£	£
Banks Kype Muir Community Fund	167,593	158,732	(84,486)	-	(3,873)	237,966
Banks Moor House Community Benefits Fund	96,744	30,000	(24,959)	-	(408)	101,377
Community Connector Fund NHS	-	922,000	(649,544)	-	(92,000)	180,456
County Durham & Darlington Community Safety Fund	26,119	-	-	-	-	26,119
County Durham & Darlington NHS Health Improvement Fund	2,169,264	63,274	-	191,942	(26,020)	2,398,460
ENTRUST Funds	313,888	-	(92,606)	-	(11,345)	209,937
ESF Community Grants	(86,688)	128,306	(108,287)	-	(21,384)	(88,053)
Let's Create Jubilee County Durham Fund	-	37,502	(69,451)	-	31,949	-
Let's Create Jubilee Tees Valley Fund	-	74,016	(68,531)	-	(5,485)	-
NHS Charities Together	(4,000)	881,919	(446,436)	-	-	431,483
NTR Quixwood Moor Wind Farm Community Fund	111,703	91,200	-	-	-	202,903
Poor Moor Trust Fund	-	400,557	-	(701)	(617)	399,239
Walkway Windfarm Fund	103,975	9,149	-	9,603	(2,080)	120,647
Westpark Levy Funds	125,444	-	(125,444)	-	-	-
Other Community Panel	753,226	309,636	(357,753)	17,316	4,420	726,845
Total	3,777,268	3,106,291	(2,027,497)	218,160	(126,843)	4,947,379

Donor-Advised

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2022
	£	£	£	£	£	£
Banks Family Fund	1,576,622	43,329	(44,636)	131,444	(22,627)	1,684,132
Banks Family Grassroots (Durham)	316,691	8,062	(2,820)	24,459	(3,988)	342,404
Banks Foundation Fund	116,130	3,086	(800)	9,363	(1,527)	126,252
Bob Young Grassroots Fund	105,965	3,021	-	9,169	(1,749)	116,406
CDCF Administration Endowment Fund	361,203	60,937	-	30,641	(23,371)	429,410
Durham Cathedral's Chorister Bursary Fund	188,782	5,290	(14,042)	16,050	(2,871)	193,209
Durham Cathedral's Music Outreach Fund	148,277	3,830	(21,692)	11,619	(2,149)	139,885
Durham Hope Fund	-	80,113	(4,000)	(142)	35,720	111,691
Eldon Charitable Fund	-	50,282	(2,000)	1,552	44,628	94,462
Esh Charitable Trust's Grassrotts Fund	120,120	3,634	-	11,026	(7,361)	127,419
Ingenious Darlington Building Society Fund	95,102	52,749	(81,370)	8,339	31,474	106,294
John Simpson Greenwell Memorial Fund	372,997	10,202	(8,810)	30,946	(5,081)	400,254
Karbon Homes Grassroots Fund	272,085	7,913	(8,997)	24,005	(4,140)	290,866
Kevan Jones Grassroots Fund	127,538	3,705	(1,000)	11,240	(4,587)	136,896
Miller Wood Bonsall Fund	234,318	6,619	-	20,082	(3,529)	257,490
Northern Powergrid Fund	128,623	3,736	(5,144)	11,334	(2,102)	136,447
Northumbrian Water Community Fund	130,241	8,471	(4,754)	11,449	(2,438)	142,969
Peter & Jayne Cook Fund	170,005	4,938	-	14,981	(2,697)	187,227
Tallent Automotive Limited Fund	151,215	4,094	(7,000)	12,418	(2,279)	158,448
Tonks Family Fund	129,955	3,776	-	11,451	(2,121)	143,061
William Leech Grassroots (Durham) Fund	135,752	3,944	-	11,964	(2,205)	149,455
Other Donor-Advised	2,253,829	234,995	(227,190)	169,355	18,102	2,449,091
Total	7,135,450	606,726	(434,255)	582,745	33,102	7,923,768

Field of Interest

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2022
	£	£	£	£	£	£
Anonymous 2019 Fund	217,974	6,635	-	20,128	(12,122)	232,615
Arqiva Bilsdale Recovery Fund	-	50,000	(23,285)	-	(5,000)	21,715
BAT Skills Development Bursary Fund	220,791	4,472	-	13,566	(19,777)	219,052
Cellnex UK Community Fund	-	49,500	-	-	(5,000)	44,500
Community Action Fund	114,501	2,958	(122,469)	-	114,476	109,466
County Durham Educational Trust (CDET) Fund	307,143	9,356	-	28,386	(16,847)	328,038
Community Action COVID-19 Fund	-	-	(54,403)	-	150,000	95,597
COVID-19 Fund	364,503	-	(5,000)	-	(56,886)	302,617
COVID-19 NET DURHAM Fund	18,653	-	(18,653)	-	-	-
COVID-19 NET TEES VALLEY Fund	36,734	-	(27,865)	-	-	8,869
Darlington & District Youth & Community Association Fund	151,704	4,615	-	13,999	(8,509)	161,809
David Brown Fund	143,356	4,362	-	13,230	(8,055)	152,893
Durham County Waste Management Fund	161,527	4,915	-	14,910	(9,044)	172,308
Ferryhill Station, Mainsforth & Bishop Middleham Aid in Sick	140,999	3,970	(660)	12,043	(1,555)	154,797
Francis James Bell Fund	157,391	4,518	(10,000)	13,961	(1,765)	164,105
Future Initiatives Fund	1,096,491	500,000	(9,101)	-	(459,313)	1,128,077
Growth and Resilience Fund	100,000	-	(100,000)	-	-	-
GVC County Durham	-	30,250	(13,260)	-	(3,025)	13,965
GVC Tees Valley	-	30,250	(7,000)	-	(3,025)	20,225
Hall Benefaction Fund	104,862	3,189	-	9,670	(5,956)	111,765
Heritage through the Arts Fund	116,389	3,397	-	10,306	(1,367)	128,725
I'Anson Family Fund	117,267	3,424	(1,000)	10,383	(3,676)	126,398
Ingenious Darlington Enterprise Association Fund	102,980	3,130	-	9,497	(5,853)	109,754
Ingenious Darlington Enterprise Association Grassroots Fund	106,989	3,253	-	9,867	(6,072)	114,037
Ingenious Darlington Stainsby Murray Fund	108,115	3,286	-	9,970	(6,133)	115,238
Poverty Hurts County Durham	-	12,036	(15,000)	-	15,494	12,530
Povert Hurts Tees Valley	-	13,507	(4,000)	-	16,681	26,188
Sir Paul and Lady Nicholson Fund	494,753	64,742	(250)	42,178	(28,006)	573,417
Vane Family Fund	94,749	2,881	-	8,737	(5,391)	100,976

Vardy Fund	248,681	7,570	-	22,966	(13,796)	265,421
Other Field of Interest	1,400,430	624,885	(679,132)	80,004	(54,793)	1,371,394
Total	6,126,982	1,451,101	(1,091,078)	343,801	(444,316)	6,386,491

15. 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	8,256	-	-	**8,256**
Fixed asset investments	-	766,256	19,179,187	**19,945,443**
Current assets	891,098	5,748,239	-	**6,639,337**
Creditors due within one year	(74,716)	(587,917)	-	**(662,633)**
	824,638	5,926,578	19,179,187	**25,930,403**

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	10,660	-	-	10,660
Fixed asset investments	-	860,058	17,334,700	18,194,758
Current assets	697,944	5,089,141	-	5,787,085
Creditors due within one year	(88,893)	(747,881)	-	(836,774)
	619,711	5,201,318	17,334,700	23,155,729

16. 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)	**2,774,674**	3,695,989
Adjustments for:		
Depreciation charges	**8,790**	8,287
Gains on investments	**(1,590,990)**	(3,112,493)
Dividends, interests and rents from investments	**(549,183)**	(554,489)
Loss on the sale of fixed assets	**-**	189
Decrease/(increase) in debtors	**49,290**	(61,636)
Increase/(decrease) in creditors	**(174,141)**	301,358
Net cash provided by operating activities	**518,440**	277,205

17. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	**1,673,221**	1,936,513
Cash equivalents	**4,811,603**	3,646,769
Total cash and cash equivalents	**6,484,824**	5,583,282

18. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	**1,936,513**	**(263,292)**	**1,673,221**
Liquid investments	**3,646,769**	**1,164,834**	**4,811,603**

19. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £20,342 (2021: £19,680). Contributions totalling £nil (2021: £nil) were payable to the fund at the balance sheet date.

20. Operating lease commitments

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

	2022	2021
	£	£
Within 1 year	**23,184**	23,184
Between 1 and 5 years	**5,796**	5,796
	28,980	28,980

21. Related party transactions

During the year £134 (2021: £Nil) was paid to Sparkle Developments Ltd, a company of which Rebecca Armstrong, trustee, is a director, as part of a normal business related transaction.

During the year four grants totalling £36,500 (2021: £38,338) were paid to the Association of Teesdale Day Clubs, a charity of which Ann Dolphin, trustee, is a trustee.

During the year no new grants (2021: £8,000) were paid to Refuse CIC, an organisation of which Paul Chandler, trustee, is a member of the advisory board.

During the year one grant totalling £5,000 (2021: £8,660) was paid to Durham Youth CIO, an organisation of which Emily Burns, trustee, is a director.

During the year no new grants (2021: £8,240) were paid to West Rainton and Leamside Partnership, an organisation of which Emily Burns, trustee, is a trustee.

During the year one grant totalling £1,000 (2021: £9,000) was paid to Creative Youth Opportunities CIC, an organisation of which Rebecca Armstrong, trustee, is a trustee.

During the year one grant totalling £2,398 (2021: £4,940) was paid to CreativePOP CIC, an organisation of which Rebecca Armstrong, trustee, is a director.

During the year donations totalling £1,200 (2021: £1,000) were received by the Foundation from the trustees or organisations that trustees had declared an interest in.

Point North Community Foundation

England & Wales - Charity number 1047625

Accounts

Registered number: 3072153
Charity number: 1047625

County Durham Community Foundation

(A company limited by guarantee)

Annual report

31 March 2021

County Durham Community Foundation

(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1 - 2
Chairman's statement	3 - 4
Trustees' report	5 - 21
Trustees' responsibilities statement	22
Independent auditor's report	23 - 26
Statement of financial activities	27
Income and expenditure account	28
Balance sheet	29
Statement of cash flows	30
Notes to the financial statements	31 - 52

County Durham Community Foundation

(A company limited by guarantee)

Reference and administrative details of the company, its trustees and advisers
Year ended 31 March 2021

Trustees

James Fenwick, Chairman
Rebecca Armstrong (appointed 10 May 2021)
Duncan Barrie
Emily Burns (appointed 11 May 2020)
Paul Chandler, Vice Chair
Peter Cook DL (resigned 2 November 2020)
Ann Dolphin OBE
Stephen Hall
Ray Hudson
Colin Proudfoot

Company registered number

3072153

Charity registered number

1047625

Registered office

Victoria House
Whitfield Court
St John's Road
Meadowfield Industrial Estate
Durham
DH7 8XL

Company Secretary

Margaret Vaughan

Chief Executive Officer

Michelle Cooper

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Principal banker

National Westminster Bank plc
12 Market Place
Durham
DH1 3NG

Investment manager

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

President

Sir Paul Nicholson KCVO Kt

Patrons

Harry Banks OBE DL
Mark I'Anson MBE
Alasdair MacConachie OBE DL
Lady Sarah Nicholson DL

County Durham Community Foundation

(A company limited by guarantee)

Chairman's statement
Year ended 31 March 2021

In an extraordinary year dominated by the Covid-19 pandemic, County Durham Community Foundation (the Foundation) proved itself well-positioned to support local communities through three lockdowns and the resulting economic hardship. Under the strong and decisive leadership of Michelle Cooper, for which she has now been awarded a MBE, our small team rallied strongly to leverage new funding opportunities, support community groups and provide extensive emergency grant-making.

During the year we were able to award grants totalling £4.9 million (compared to £3.4 million the previous year) to groups and individuals across the region. This takes the total amount awarded since the Foundation was established in 1995 to just under £49 million by 31 March 2021, and during summer 2021 the £50 million milestone has been achieved.

Our grant awards to more than 870 North-East grassroots charitable organisations supported communities across our region dealing with the effects of the pandemic: economic hardship, food and digital poverty, domestic abuse, suicide and a decline in mental health. The demand for hardship funding to support individuals and families in great need also grew considerably and, in total, 380 individuals were assisted through Foundation grants.

Our grant-making received significant support from the National Emergencies Trust (NET), which used the Community Foundation network to distribute £90 million in emergency funding across the country. In total, we delivered over £1.5 million of funding from NET across County Durham and Tees Valley which, together with other funding, brought our total awarding in Tees Valley to £1.7 million over the year. This has led to the Foundation building new relationships and networks in this area, as well as strengthening existing ones, which was particularly important given the disproportionate effects of the pandemic on BAME communities and the growing demographic of these communities in Tees Valley. Although historically much of Tees Valley has sat outside of the Foundation's core grant delivery area, the Foundation felt it completely appropriate to deliver the NET funding into this region when requested, as Teesside (not including Darlington) is not covered by a local community foundation affiliated to UKCF.

Another crucial element of support came from our fundholders, many of whom agreed to release restrictions on their drawdowns to facilitate flexible grant-making. In the long term, the Foundation remains underpinned by its endowment fundholders, and we continue to seek opportunities to grow the Foundation's endowment through individual donations and taking on dormant charitable endowment trusts, re-purposing the funds in line with Charity Commission guidelines to meet today's needs. Over the year, the Foundation took on the residual assets of Derwentside Mind and these will be deployed to support the communities of Derwentside in the future.

We also continue to value and build relationships with companies, public sector partners and owners of windfarms in the region. These relationships are vital in providing long-term year-on-year funds for grant-making. During the year, the Foundation has partnered with the NHS and Cumbria Community Foundation to deliver the Winter Resilience programme (£1.1 million) and commenced the delivery of NHS Charities Together Fund (£1.4 million).

A particular highpoint of the year was the continued success of the ground-breaking Stanley Community Fund, a place-based giving programme which brings stakeholders together for greater impact. The programme has been supported by Stanley Town Council, Durham Constabulary, the Department for Digital, Culture, Media and Sport and Stanley Action Area Partnership. A second round of grants was issued in the year, bringing the total to £190,000 over two years. We now believe place-based giving could become even more pertinent in the years ahead, and the Stanley Community Fund has given us a considerable opportunity to learn and grow effective methods of delivering this.

The pandemic has been a challenge and has highlighted that, whether we are in a time of comparative peace or mid-crisis, we must work together to build good health, wellbeing, and strong communities and to reduce inequality. The Sustainable Development Goals (SDGs) of the United Nations are about bringing 'local good for the global good' and we are pleased that so many other community foundations have followed our lead and chosen to use SDGs to show impact and build common ground. The SDGs give us a clear vision for shaping and communicating our work.

Chairman's statement (continued)
Year ended 31 March 2021

As mentioned above, the Foundation was honoured to see chief executive Michelle Cooper awarded a MBE for her outstanding contribution to the community effort through the pandemic. Michelle has unfortunately been off work in the final quarter of the year but we are looking forward to her returning to the Foundation shortly. Over the year, we have been delighted to welcome both Emily Burns and Rebecca Armstrong as valuable new additions to our trustee team but were sorry to see the retirement of Peter Cook as a trustee who has had a very long association with the Foundation and has made an immense contribution to our work. Since the year end, we have with sadness learnt of the death of Lisa Shaw who, as one of our ambassadors, was extremely helpful to the Foundation and we are enormously grateful for the support that she gave us.

Finally, I would like to thank wholeheartedly our president, Sir Paul Nicholson, our tireless patron, Lady Sarah Nicholson, my fellow trustees and all the staff for their continued dedication through the year. Going forward, we will endeavour to lead from the front as a regional grant-making organisation, bringing together the best opportunities and relationships for the good of our region.



James Fenwick
Chairman

Date:

County Durham Community Foundation

(A company limited by guarantee)

Trustees' report
Year ended 31 March 2021

The trustees present their annual report together with the audited financial statements of the company for the year 1 April 2020 to 31 March 2021. 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).

Objectives and activities

About County Durham Community Foundation

Established in 1995, County Durham Community Foundation is an independent grant-making charity and part of a national community foundation network, UK Community Foundations (UKCF), whose secretariat assists and aids the development of individual foundations. It has no influence on the formation of our policies or our operational procedures, which are determined by the Board in conjunction with the senior staff.

The Foundation promotes lasting charitable giving, by connecting donors with their chosen causes, through well-targeted grants that make a genuine difference to the lives of local people, acting as a vehicle for individuals, families and companies who want to put something back into their local community, either in their lifetime or through leaving a legacy.

Since its foundation in 1995, County Durham Community Foundation has awarded grants of over £50 million (by summer 2021) through over 11,500 grants to groups and over 6,300 grants to individuals predominantly across County Durham and Darlington, on behalf of our donors.

Similar to having a charitable trust but without the legal and administrative costs, donors can choose a number of ways to channel their charitable giving, by setting up named funds for causes close to their hearts.

Objects of the charity

The overall aim of the Foundation is to provide grants to approved projects within County Durham and Darlington (and in specified circumstances across the wider North East and the rest of the country), which will be achieved by the growth of its endowment fund to provide long-term income. The Foundation supports and promotes charitable objectives in these areas and has focused on combating social disadvantage and poverty by creating new opportunities in its grant distribution. It receives donations and manages funds for individuals, companies, trusts, Government and other partnership bodies who want to support the local community.

Vision

Bringing people together to achieve their potential, fulfil their aspirations and build thriving communities.

Mission

County Durham Community Foundation promotes lasting charitable giving, by bringing together donors with their chosen causes, through well-targeted grants that make a genuine difference to the lives of local people.

Objectives and activities (continued)

Founding principles

Philanthropy: Our goal is to give something back to the community by building a long-term endowment to support the people of County Durham and Darlington in the future.

Empowerment: We aim to enable all members of County Durham and Darlington society, both donors and grant recipients alike, to achieve their potential and fulfil their aspirations.

Changing Lives: We want to make a lasting difference to the people of County Durham and Darlington, by supporting the growth and prosperity of the region, whilst at the same time addressing inequality.

Achievements and performance

During the latter part of 2019 and into the first few months of 2020 the Trustees commenced a process to review the previous three year strategic plan and establish a strategic plan for the next period. This process was paused at the start of 2020 as it became clear that the focus of the Foundation would be as a funder supporting local communities cope with the impact of the pandemic. It is now planned to develop a strategic plan for the next three year cycle during 2021-2022.

Highlights of 2020-2021:

- £4.95 million of grants awarded through 1,253 grants (873 to grassroots organisations and 380 to individuals)
- Grown the organisation's grant making footprint in Tees Valley
- Over £1.5 million of Covid-19 emergency relief funds delivered from National Emergencies Trust funding
- Partnered with local NHS bodies and Cumbria Community Foundation on two significant grant programmes to support the whole of North East
- Moved to home working and paperless grant making processes swiftly during March and April 2020
- Embedded Sustainable Development Goals in impact analysis of grant programme
- Remained a financially resilient organisation strengthening the reserves position.

Grant making

Over the course of the year, and prior to any subsequent adjustments, £4,945,774 of grants were awarded made up of 1,253 (2020:1,160) grants, £4.85 million (2020: £3.24 million) to community groups and £101k (2020: £196k) to individuals. The number of grants to individuals was reduced during the year as some individual grant programmes had to be temporarily closed due to the pandemic. These included the grant programme that funds respite holidays and the programme that funds talented young sports people to attend competitions and events.

The average grant value was £5,550 (2020: £5,147) for community groups and £265 (2020: £372) for individuals.

49% (2020: 44%) of the funding reached the 20% of areas of greatest need using the national index of multiple deprivation and 61% (2020: 58%) of funding reached the 30% most deprived areas.

Achievements and performance (continued)

Contained within the £4.95 million grants awarded during the year are £1.50 million of grants relating to funding received from the National Emergencies Trust (NETs). NETs is a national charity established in 2019 to act as a single focal point for donors and applicants at the time of a national domestic disaster. At its inception the national community foundation network had been aligned with it, providing an existing conduit to deliver local grassroots grant awarding. NETs mobilised into action in early 2020 as the pandemic took hold. It received substantial donations during the course of the pandemic, and the national community foundation network was contracted to deliver this funding as emergency grant awarding. The Foundation received over £1.5 million during the course of the year from NETs to deliver as grassroots grants to community groups in County Durham and Tees Valley.

In addition to the monies received from NETs the Foundation received funds from local charitable trusts and existing donors to support the Foundation's Covid-19 sustainability fund. The Foundation also worked in partnership with Cumbria Community Foundation to deliver a £1.1 million programme of NHS Integrated Care System (ICS) Winter Resilience monies across North Cumbria and the North East during winter 2020/2021.

Material grants to institutions

The following institutions received material grants in the context of total expenditure:

Group	*No. of grants*	*Total awarded 2020-2021*
NHS Newcastle & Gateshead CCG (ICS Winter Resilience block grant)	1	£169,773
NHS Northumberland CCG(ICS Winter Resilience block grant)	1	£111,139
Preston & Abbey Community Trust	1	£93,905
Stanley Area Youth Consortium	1	£80,000
NHS North Tyneside CCG (ICS Winter Resilience block grant)	1	£73,848
700 Club	9	£50,800
Jack Drum Arts	8	£44,382
Age UK North Yorkshire & Darlington	2	£43,849
Durham Christian Partnership	6	£41,500
Catalyst Stockton-On-Tees	3	£40,623
Inspire South Tyneside	1	£40,000
East Durham Community Development Trust Ltd	4	£38,438
Sacriston Youth Project	6	£38,354
King's Church Darlington	6	£33,500
Darlington Mind	1	£30,000
PACT House Stanley	5	£29,265
Moving On (Durham)	4	£28,150
Upper Teesdale Agricultural Support Services (UTASS)	5	£28,004
Maggie's Newcastle	1	£27,500
The Link (Redcar) CIC	2	£27,456
Hartlepool Carers	6	£27,140
A Way Out	4	£26,147
EVA Women's Aid	3	£25,500
Teesdale Community Resources	6	£25,350
Bullion Community Resource Centre	3	£25,000
Carers Together Foundation	2	£25,000
Durham Community Action	1	£25,000

Achievements and performance (continued)

Impact of our grant making

Over the past year we have used the UN's Sustainable Development Goals (SDGs) to provide a framework to support our engagement with donors. This has helped shape our understanding of the impact of our grant making during the year. All grants made in 2020-2021 have been allocated to particular societal and/or community issues captured under SDG themes. Some grants may have elements relating to multiple themes but they are attributed to their principle purpose.

Sustainable Development Goals	**Amount awarded**
Good Health & Wellbeing	£2,857,269
Zero Hunger	£502,886
Sustainable Cities & Communities	£457,239
Reduced Inequalities	£402,820
No poverty	£292,410
Quality Education	£207,268
Life on Land	£90,419
Affordable & Clean Energy	£38,585
Industry Innovation & Infrastructure	£28,138
Climate Action	£20,200
Peace Justice & Strong Institutions	£15,000
Gender Equality	£10,500
Decent Work & Economic Growth	£10,000
Clean Water & Sanitation	£10,000
Life Below Water	£3,040
Total	**£4,945,774**

The *Good Health & Wellbeing SDG* captures grants made under a number of issues or programme themes:

- Isolation and loneliness
- Mental health
- Physical health
- Substance misuse and addiction
- Wellbeing
- Sports (organised physical activity)
- Recreation (leisure activities)

The impact framework around SDGs has continued to be developed to reflect where and why grants have been most needed and how these meet the UN goals. Further work has looked to embed these across all areas of programming.

This year has seen grant making dominated (as anticipated) by Covid-19 emergency and recovery monies, and influenced by the introduction to programming of national emergency funding (and timescales) both from National Emergency Trust disaster recovery funds but also from central government. This has resulted in a shift in grant allocations towards tackling food poverty, contributing to SDG "Zero Hunger".

External strategic funding contributed to a record annual spend but also required management alongside existing programmes and donor funds to ensure that there was continuity in our core work and grant making.

Achievements and performance (continued)

The main thematic areas funded during the year 2020-2021 include:

Fund Type	Amount
COVID Emergency & recovery	£1,810,000
Health Funds	£1,092,000
Environment & community capital	£509,000
Youth Social Action	£225,000
Place-based funding	£221,000
Poverty & Hardship	£186,000
Community Safety	£164,000
Education	£105,000
Hardship	£92,000
Windfarms	£60,000
Employment	£20,000
Sport specific	£17,000

The numbers of beneficiaries from amounts awarded in 2019-2020 reported in grant monitoring returns was more than 600,000. The estimated number of beneficiaries (from approved grant applications) in 2020-2021 is estimated to be more than 1 million.

Major grant programmes

Covid-19
Our Covid-19 Community Response appeal was launched at the onset of the national lockdown, and we were able to start getting emergency grants out to charities and community projects immediately.

Since the beginning of March 2020 (when we commenced our Covid-19 awarding) more than £1,888,936 of Covid-19 funding has been awarded to 411 projects with almost 311,000 beneficiaries in the 13 month period to March 2021. Spend comprised of small grants of up to £5,000 to provide essential services and activities, and larger grants up to £20,000 to help hub organisations transition or diversify to support a broader demographic or provide alternative means of support. Of the £1.89 million delivered through Covid-19 awarding £1.81 million was in 2020-2021.

Banks Community Fund
This fund is made up of various community benefit funds including eight from wind farms, three from surface coal mines, three from country reserves and one from a landfill site, as well as the Banks Group's own donor advised funds. It supports community organisations that are close to an ongoing development or in an area of interest for the Banks Group. Most of the projects improve or maintain community buildings to provide long-term support for community activities. Historically some of the funding came from the landfill tax credit scheme and so is subject to the regulations of ENTRUST. Over the course of the year, the Banks Community Fund awarded grants totalling £415,062 through 91 awards of which £149,975 (32 awards) came from the landfill tax credit fund.

Community Safety Fund
The Foundation delivers grants on behalf of the Police, Crime and Victims' Commissioner. This fund supports projects and initiatives across County Durham and Darlington that help keep communities safe and contribute towards inspiring public confidence. The fund is not aimed at organisations that are already funded directly from core commissioned, statutory policing and community safety activities, but will support projects and initiatives that are additional and work at a local community level. The grant making from this fund, with the support of revenue match funding from the Foundation, led to awarding 19 grants to a total value of £148,041 (2020: £141,038).

Achievements and performance (continued)

County Durham and Darlington NHS Health Improvement Fund
When the Primary Care Trusts closed in March 2013, they had residual charitable funds which were determined should continue to benefit the local community for years to come by being gifted as an endowment. In the year, 12 awards were made to the value of £124,407 (2020: £127,941) from this fund with the support of additional revenue match from the Foundation.

Community Grant Programme
This fund uses funds pooled from contributions made by various private endowment and annual fund holders. The Foundation makes decisions that support local voluntary and community groups seeking to improve quality of life in County Durham and Darlington. We awarded £153,606 (2020: £60,166) from this fund during the year, supporting 60 local community groups.

NHS Integrated Care System Winter Resilience
We were able to further support actions to improve health across the region via a programme of revenue funding tackling health and mental health in the winter months. NHS Integrated Care Systems (ICS) Winter Resilience monies provided grants up to £25,000 to groups working within the field of health and wellbeing, and social care support that have been impacted by COVID 19 and subsequent lockdowns. Across the North East £912,490 was awarded through 38 grants.

Wind Farms
The Foundation's management of wind farm community benefit funds continued for another year. We now manage 15 wind farm funds on behalf of developers (not including those under management for Banks Group). This stream of funding has become more and more important for the Foundation, allowing us to award grants that, almost without exception, are located less than three miles from the turbines. Over the course of the year, 44 grants have been provided through wind farms to a value of £233,840 (2020: £332,732).

Sherburn House Charity
The focus of Sherburn House Charity is to provide relief to people in need living between the River Tweed and River Tees. The Charity has historic roots and a significant grant-making presence in the region to support both community groups and individuals in need. From January 2017, the Foundation took over the operational delivery of the Sherburn House Charity grant-making programme. In 2021 £177,780 (2020: £117,160) was awarded in 378 (2020: 372) grants; these grants were modest sums of money to support individuals who were experiencing particular hardship. This fund has been supported by revenue match provided by the Foundation.

Durham County Council Sport Arts and Culture
We have continued to work in partnership with Durham County Council to deliver community grants programmes to support local sports clubs and local groups engaging in arts and cultural activities. In the year, 18 grants were awarded totalling £34,600.

Growth and Resilience Fund
In 2018 the Foundation entered a three-year partnership with Community Foundation Tyne, Wear and Northumberland, Northstar Foundation and the Mercer's Company to support North-East community groups and social enterprises who want to change, survive, adapt and grow in order that they can better address the needs in their communities. In both its first and second year the Foundation has contributed £100,000 to the grant awards made each year. The final year of awarding commenced delivery in Spring 2021.

Stanley Fund
Stanley Community Fund, a place-based giving programme, progressed over its second year in partnership with Stanley Town Council, the Department for Digital, Culture, Media and Sport and Stanley Action Area Partnership. The Foundation was able to award £90,922 of larger, longer-term grants to key community groups in Stanley with further funding secured for future years.

Achievements and performance (continued)

National Lottery SOS Fund
In support of the Stanley Community Fund, National Lottery Community Foundation awarded the Foundation funding over a three-year period to help develop anchor organisations identified though the Stanley place-based theme. This year, £127,500 has been awarded to 8 organisations on a pilot programme to develop capacity.

European Social Fund (ESF) Community Grants
The Foundation continued to deliver ESF funded community grants in County Durham during the year. A number of grants were paused during the lockdowns but activities were able to recommence towards the latter part of the year. The focus of the programme is to fund groups that engage with those who are a long way from employment and who need support to develop skills and confidence. Over the course of the contract, over £510,000 in grants will be awarded to groups in County Durham, of which £184,211 had been awarded by the end of March 2021.

National programmes - UKCF
During the year, the Foundation has continued to participate in national grant-making programmes on behalf of UKCF. These included:

- #iwill (youth social action programme) delivered across County Durham and Tees Valley, totalling £221,173 to 27 groups.
- National Emergency Trust Funding of £1,583,316 to support Covid-19 emergency awarding, of this amount, £372,999 was from DCMS and £28,205 from the Co-op Group.

Fund development

The funds listed below were established during the course of the last financial year, for which we are extremely grateful.

Endowment Funds added

- Sir Frank Brown's Exhibition Fund for Girls
- Bowes Charity Fund

Revenue Funds added

- David Gray Charitable Fund
- Mayor of Darlington CDCF Fund
- National Lottery (SOS) Stanley Fund
- Derwentside Mind Legacy Fund
- Community Connector Fund NHS
- UKCF Made by Sport (Tees Valley, County Durham and Tyne,Wear and Northumberland)
- NHS Integrated Care System (ICS) Winter Resilience
  - North ICP - Northumberland, Newcastle Gateshead, North Tyneside
  - Central ICP – County Durham, Sunderland, South Tyneside
  - South ICP - Tees Valley

Revenue Funds solely focussed on Covid-19 emergency funding

- Darlington Covid-19 Emergency Fund
- Covid-19 DCMS NET Tees Valley
- Covid-19 DCMS NET County Durham
- Anglian Water Positive Difference Fund
- SSE Renewables Dogger Bank Wind Farm

Achievements and performance (continued)

Endowment

£242,802 of new donations were added to the endowment fund for long-term grant-making during the year. Pro-active work on trust transfers paused during 2020-2021. However we were able to support Derwentside Mind following a decision by their trustees to wind up the charity to re-purpose their residual funds to deliver a grant awarding programme focusing on the communities of Derwentside. The Foundation is actively participating in the national programme being driven by the Charity Commission, UKCF and supported by community foundations to unlock dormant trust assets.

Revenue

Thanks to an anonymous unrestricted donation, we continue to be able to support local companies to become involved with the Foundation. It has been heartening during 2020-2021 to see some of the relationships deepen as these new donors got behind the Covid-19 appeals and supported the Foundation's Covid-19 grant awarding.

Following the setting up of three funds in March 2020, in response to the emerging Covid-19 pandemic, during the course of the year a number of funds were established to hold different streams of Covid-19 emergency fund from donors. The Foundation's own Covid-19 sustainability fund benefited from a considerable number of existing endowment fund donors agreeing to transfer their annual grant making drawdown for Covid-19 use and to relax their normal grant making criteria.

Events

Support for local awards

As traditional events were put on hold, the Foundation opted to think creatively and support key online events: namely the North East Charity Awards and the County Durham Together Awards. For the former, chief executive Michelle Cooper was on the judging panel, and the event yielded considerable publicity. For the latter, the Foundation supported the Volunteer of the Year award, which came with a considerable package of publicity, both online and in the Northern Echo.

High Sheriff Awards

Working in partnership with the Sir James Knott Trust and the High Sheriff, the Foundation manages the High Sheriff Awards scheme. For the second year, the Foundation made the awards virtual in line with lockdown restrictions. Sponsors remained supportive and a film company developed the awards to make them more visually appealing to the audience. The event resulted in a considerable growth for our Facebook page. Host Pete Barron made video announcements of the winners and more than a 5,000 page engagements were recorded on Facebook on the day of the event and the following weeks. The event also reached more than 17,000 people. In future years, we anticipate carrying on with a virtual offering alongside the main event, as this considerably raised our profile with the groups we support.

The awards are aimed at voluntary groups working to divert crime by engaging young people in positive activities and encouraging citizenship. A panel of sponsors, local stakeholders and Foundation trustees made 15 awards in total, with prizes ranging from £500 to £2,500.

Achievements and performance (continued)

Communications

Annual review 2019-2020

The Foundation again opted for a much shorter and sleeker version of our annual review which highlighted the way in which our grant-making changes lives, alongside our financial performance. Evolving from last year, short videos were included in the online version, to improve accessibility and bring our mission to life.

Media Coverage

We continue to receive regular press coverage in regional newspapers. Our CEO, Michelle Cooper, has been featured in several publications including Wear Business, Luxe Magazine, Life inDurham, The Dunelmian, Business IQ and regional press such as The Northern Echo; as well as being interviewed on BBC Radio Newcastle and BBC Tees. Michelle's MBE led her to be listed on two 'Most Influential' lists and led to some outstanding coverage – showing how well-regarded she is in the charity and business sector.

Website

The website commissioned in 2019 has continued to serve us well, with minor upgrades. The Sustainable Development Goals have now been embedded into each case study on the Make a Difference page, and the donate button now links to a more professional CAF account rather than a Just Giving account. After winning a place on a MediaTrust mentoring programme, the Foundation is now considering other adjustments in line with the upgrade budget.

Leadership

The Foundation is a member of the following strategic boards that affect the Sector including:

- **County Durham:**
  VCS Better Together Group
  VCS Working Group
  County Durham Economic Partnership Board

- **Darlington:**
  Darlington Partnership Board

- **North East:**
  North East Charity Awards Judging Panel

- **National:**
  UKCF Board
  UKCF QA5 Moderation Committee

Future activities

The impact of Covid-19 in the North East has been significant. The health inequalities that existed before, as highlighted in the 'Marmot Review' (February 2020) and more recently 'Townscapes' (Bennett Institute, Cambridge University May 2020), have not gone away. Indeed, health inequality, which is intrinsically linked to financial inequalities and poverty premium, is likely to be even worse in our region post-pandemic.

Achievements and performance (continued)

Therefore, it is important for the Foundation to be flexible and supportive in its grant-making through 2021-2022. It will be a year where we seek to listen to the needs of our communities, understand the funding wishes of small charities and community groups we support and wherever possible adapt, flex and evolve our grant-making.

However, with limited funding available we know we cannot meet the needs of everyone, and we will be seeking to work collaboratively with other funders to ensure there is meaningful support for small groups and charities in our region.

Building on the significant grant awarding delivered into Tees Valley communities during 2020-2021, we will continue to build relationships with key partners in that region to understand how the Foundation can best serve the needs of these communities as a local and regional grassroots funder. As part of this the Board is planning to review the organisation's Charitable Objects in relation to grant making geographies.

The Foundation will continue to develop its understanding of the impact of its grant making through using the framework of the SDGs. This will be coupled with development of the organisation's key messages and refreshing the materials in all communications channels building on the website relaunch (following these activities being paused during 2020-2021)

Financial review

The format of the Annual Accounts and certain accounting policies have been prepared in accordance with the requirements of the Charities SORP, 'Accounting and Reporting by Charities', in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

On this basis the endowment fund at 31 March 2021 stood at £17,334,700 (2020: £15,195,905), an increase of £2,139,795. New endowment donations for the year were £242,802. The poor market performance in the latter part of 2019-2020 was overturned by strong performance during 2020-2021.

The Statement of Financial Activities shows the movement in the year on the Foundation's unrestricted and restricted funds. The year end balances on the restricted funds are available in their entirety for future grant-making and other direct charitable expenditure.

Our main funders are:

- Public sector departments (grants and administration);
- Private fund holders (endowment, grants and administration);
- Landfill and wind farm operators (grants and administration); and
- Charitable trusts.

During 2020-2021 the organisation benefited financially from being contracted to deliver Covid-19 emergency funding. This resulted in very strong levels of unrestricted income being received. The nature of the restrictions of lockdown meant that some activities had to be deferred allowing staff time to focus on emergency grant making. The cost base of the organisation remained at planned levels but the organisation was able to deliver higher than budgeted levels of grant making. This resulted in an unrestricted operating surplus of £292,140.

Reserves policy

The Foundation's reserves policy states that the basis for determining the appropriate level of reserves considers the costs of closure of the organisation, short-term running cost commitments and any existing commitments to deliver contracted pieces of activity (with these factors being derived as a range of values for each factor). As at end of March 2021, based on this policy, we had unrestricted free reserves of £609,051 which was slightly higher than the reserves range as defined by the organisation's reserves policy which gives a range of £338,000 to £532,000. In addition, the Foundation has access to £361,204 of investments that "in extremis" could be used to support the running of the organisation.

During 2020-21 the reserves policy was reviewed as planned. In light of the current uncertainty about future income streams, the trustees feel that it is appropriate at the present time to carry unrestricted reserves that are at the higher end of a required range. In taking this decision the trustees are mindful that the Foundation is delivering a number of grant programmes that have the contractual provision for clawback and holding an element of reserves against this risk is prudent.

Looking ahead, it is the intention of the trustees to review the Reserves Policy and consider whether it needs reformulating to support the organisation as it grows and might wish to deliver larger contracted programmes across a wider geography than just County Durham.

The unrestricted funds balance at 31 March 2021 stood at £619,711 (2020: £327,571).

Excluding the ESF Community Grants programme which is managed on a defrayed payment basis, there are no material funds in deficit. A funding stream from DCMS contracted via NETs does contain the provision of clawback if grant recipients fail to deliver on planned activities. This potential clawback risk is well within the capacity of the existing reserves position.

Investment policy and objectives

The Articles of Association provide wide powers of investment and the Foundation's assets are invested by the investment managers to provide an annual income for grant-making.

The Foundation holds material endowment investments, which were managed by investment managers CCLA Investment Management in 2020-21. The Board monitors investment performance closely at each Board meeting.

The Foundation's overall investment objective is to develop an endowment fund that underpins its mission of providing sustainable support to local communities in the long-term. We aim to achieve a balance between meeting current needs and growing the overall size of the endowment to meet future need. We recognise the need to achieve a balance between risk and return, whilst investing within the remit of the Foundation's ethical policies.

The investment objectives are:-
- To hold and invest donors' funds in a prudent manner.
- To generate a sufficient return net of fees to enable the level of annual distribution agreed by the Board each year (currently set at 4% to distribute, plus c1.6% to cover costs).

Investment principles:
- The Foundation is a long-term investor.
- We have a medium to high risk tolerance.
- We will operate in accordance with the Foundation's statement of ethical investment principles.
- We will invest in a diversified portfolio of investments.
- Investments will principally be in equities, bonds and cash (including collective investment vehicles in these categories). We are open to recommendations to invest in other classes of asset, but do not currently expect to invest in direct property holdings or derivative instruments.

Investment performance

At the year end, the endowment portfolio stood at £17,334,700 (2020: £15,194,905). The Charity's investment managers, CCLA, had a strong year and weathered the impact of Covid-19 in the early part of 2020 well, returning an overall total return for the 12 months to 31 March 2021 of +24.36% against their benchmark comparator of +22.9%. Performance of investments in their Ethical Investment Fund matched those in their main Charities Official Investment Fund which is where most of our funds are invested. This was in the top quartile of results from any UK-based investment manager for charitable investments. The Board agreed that during the year 2020-21, 4% of the endowment value of the majority of funds was drawn down for grant-making activity, and a further amount of 1.6% was used as a contribution towards organisational running costs. The grant drawdown was taken in two tranches – the first 25% taken at the start of the year and then the remaining 75% taken 1 July 2021. This was done in response to the volatility of the market around the start of the year. This level of drawdown is in line with our practice for several years and represents what the Board believes is a sustainable long-term level of distribution. A small number of endowment funds are held under the Community First scheme (a match funding scheme that was available a few years ago), and these funds are subject to their own drawdown rules that are akin to those executed by the Board for funds totally in its control.

The amount drawn down for running costs is allocated to individual funds according to the endowment fee structure introduced in April 2016, which makes allowance for the relative complexity of funds. As the organisation entered 2021-22 the markets were felt to be less volatile than the same time 12 months previously and the drawdown of monies has happened in one tranche rather than being phased as it was in 2020-21.

The organisation continues to use Flagstone (an online portal that is a cash savings platform giving access to a wide number of deposit accounts from different providers) as a tool for supporting the management of cash holdings. The tool has enhanced the ability of the organisation to access a wide range of interest-bearing deposit accounts, without having to open an account with each provider.

Other charities

County Durham Community Foundation is sole Trustee of the following charities where we have been granted a linking direction under section 96(6) of the Charities Act 1993:

- John T Shuttleworth Ropner Memorial Trust (charity number 227186), which provides financial assistance
  to individuals in need of convalescence or respite care;
- King Edward VII Memorial Fund (charity number 231287), which supports local hospices and hospitals;
- Hylton House Fund (charity number 252762), which provides financial assistance to individuals with cerebral palsy and related disabilities, their families and carers;
- Darlington Education Trust (charity number 514784) which supports pupils of the ten secondary schools and colleges of the Borough of Darlington;
- Stanhope Castle School Charitable Trust (charity number 1040989), which supports young people (under 25) who are, or who have been, in the care of, or provided accommodation by, or under the supervision of the local authority in County Durham, Tees Valley (formerly Cleveland), Gateshead, South Tyneside or Sunderland;
- East Howle Trust (charity number 1077104) which promotes the education of individuals in the parish of Ferryhill;
- Durham Community Business College Trust (consisting of John Hewison Prize Fund (512807) and William Neesham Education Fund (1012239) which promotes the education of individuals who have attended or are attending Durham Community Business College
- Durham Johnston Educational Foundation (charity number 527394) which promotes the education of individuals who attend or have attended secondary schools within Durham City.

Details of these funds can be seen in Note 15 of these accounts.

Structure, governance and management

Constitution

The Foundation is a company limited by guarantee No 3072153 and is governed by its Memorandum and Articles of Association, as amended on 7 December 2015. It is a registered charity No 1047625 and an enrolled environmental body with ENTRUST (No 581043).

Trustees

The Foundation has powers to appoint a President and Patrons. The managing body is the Board of Trustees, who also act as directors of the Company. Trustees are elected or appointed by members at the Annual General Meeting. Trustees of the Board are nominated for election by members of the Company and current Directors are due for re-election on a three-year cycle at the Annual General Meeting.

Board of Management

The Board of Management is the Board of Trustees, which manages the Foundation. It meets quarterly and has a maximum of 14 members; it comprises a wide range of professionals who live, work or have an interest in County Durham and Darlington (and the wider North East region), including members from the public, private and voluntary sectors. The Board is responsible for the development, implementation and management of the organisation's strategy. It also appoints working groups and sub-committees to manage specific activities where necessary and appropriate, and a range of grant-making panels are used so decisions can benefit from a wider range of individuals with local knowledge and interests.

Members of the Board act in a voluntary capacity. Board members have considerable day-to-day involvement in the Foundation's affairs. None of the Board members have a direct beneficial interest in any of the funds.

A Chief Executive is appointed by the trustees to oversee the strategic direction of the organisation. A Chief Operating Officer supports the Chief Executive in managing the day-to-day operations of the Foundation. To facilitate effective operations, the Chief Executive, Michelle Cooper, has delegated authority, within the terms of delegation approved by the trustees, for matters including finance, employment and project management-related activity.

During this financial year, there were four meetings of the full Board (all held virtually), which received reports from three constituted sub-committees. The Foundation's Grants committee was formally dissolved in July 2019, with the Board assuming responsibility for developing and implementing grant-related activity.

The trustees who have served during the year are listed below with membership of sub-committees indicated:

Rebecca Armstrong	
Duncan Barrie	Audit (Chair)
Emily Burns	
Paul Chandler	Board Vice Chair, Resources and Policies (Chair), Nominations/Remuneration,
Peter Cook	Nominations/Remuneration, Resources and Policies
Ann Dolphin	Audit, Nominations/Remuneration
James Fenwick	Board Chairman, Nominations/Remuneration
Stephen Hall	Resources and Policies
Ray Hudson	
Colin Proudfoot	Resources and Policies

Structure, governance and management (continued)

In addition to the trustees serving on sub committees we are grateful for the support of David Martin (a former trustee) who, during the year served on the Audit Committee.

Nominations committee and trustee appointment

The Nominations Committee (which also acts as a Remuneration Committee for Senior staff) met formally during the year. Discussions about Board membership have been held within the context of full Board meetings. The committee also reviewed senior staff pay during the year.

Audit

The Foundation's records are subject to audit by a number of regulatory/funding bodies in addition to our statutory auditor. These currently include ENTRUST and the European Social Fund.

During the year, the Audit Committee continued to oversee the management of the Foundation's financial, operational and compliance systems and protocols, to advise on the effectiveness and efficiency of those systems and protocols, and to monitor risk management processes.

Equality, Diversity and Inclusion

The Foundation embraces diversity and attaches great importance to equality of opportunity in the way in which it relates to all of its donors, applicants for funding and support, its employees, Board members, volunteers and all other customers. The Foundation recognises that this is an area that continues to require focus. A Board trustee has been appointed who holds a specific interest and knowledge in this area. An outcome of grant awarding during Covid-19 to support communities in Tees Valley has meant that the breadth of diversity in our grant awarding has grown. We are engaging with groups who bring a wider diversity to our grant making to understand barriers to grant applications and how to best support their communities.

Membership

The organisation maintains a list of members; membership is open only to trustees and is terminated if the member concerned ceases to be a trustee.

Insurance

The Foundation has the following insurance that covers Board members and decisions of the Board:

- Public Liability
- Employer's Liability
- Trustee Indemnity
- Professional Indemnity

Political neutrality

The Foundation conducts its affairs in a non-political way and does not align itself to any political party or policy.

Structure, governance and management (continued)

Public benefit

The Foundation's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Board of Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales. The trustees have considered this guidance in deciding what activities the Foundation should undertake and are satisfied that they have met the organisation's charitable purposes.

Organisational structure

A team, currently (July 2021) comprising eight full-time and one part-time member of staff, managed by Michelle Cooper, Chief Executive, work together to manage the day-to-day running of the organisation and implement the organisation's strategy. During the absence of the CEO during the final quarter of the year Margaret Vaughan took on her responsibilities as Acting CEO.

During much of 2020-2021 the staff team worked remotely with the office being shut for some of the year or only used for critical activities. As at July 2021, the organisation has adopted a hybrid approach to working patterns with staff spending some time in the office each week and some time working remotely.

All Board, staff and volunteers undertake an induction programme and are given a handbook, which includes the Foundation's policies and procedures. These policies are reviewed regularly by the Board through their sub-committee structure.

The remuneration of senior staff is reviewed by the Nominations and Renumeration Committee. Senior staff salaries are set taking due regard to local relevant benchmarks and reviewed annually. No member of staff is linked to a performance-related pay programme. During the year one member of staff received remuneration more than £60,000 (2020: 1).

Volunteering

The pandemic limited the opportunities for volunteers to support the staff team in the office. One volunteer was able to support the organisation prepare for Quality Accreditation stage 5 (QA5).

Apart from our trustees who give up huge amounts of time to help us manage the organisation, we have numerous grant-making panels that contribute to important decisions on how money should be spent.

Quality standards

The Foundation currently holds UKCF Quality Accreditation - Stage 4. During 2021 all Community Foundations who are part of UKCF network are participating in QA5. This involves each Community Foundation submitting evidence of how it meets 14 standards relating to key topics such as governance, grant making and philanthropy. This process will identify areas that require focus going forward. It is planned that the process will also facilitate a stronger level of sharing of good practice between Community Foundations.

The Foundation is keen to encourage Board members and staff to take advantage of conferences, seminars and training on matters related to the Foundation's business. This is in addition to ongoing 'in-house' training sessions and bespoke personal development plans which are discussed regularly in supervision sessions and appraisals. During the year, online training modules have been undertaken by staff in a variety of topics including GDPR refresher, whistleblowing and working from home.

Structure, governance and management (continued)

Linking direction (formerly uniting direction)

We have been granted a linking direction under section 96(6) of the Charities Act 1993, which unites Hylton House Fund, Stanhope Castle School Charitable Trust, John T Shuttleworth Ropner Memorial Trust, King Edward VII Memorial Fund, Darlington Education Trust, Durham Community Business College Trust, East Howle Trust and Durham Johnston Educational Foundation with the Foundation for registration and accounting purposes. This allows us to prepare a single annual report and aggregated set of accounts for these charities. It does not constitute an amalgamation of the charities, which remain separate and legally distinct. The Foundation is sole trustee for these eight charities.

Risk management

The Foundation takes responsibility for assessing risk seriously and has a thorough operational risk register and assessment policy. The risk management framework is overseen by the Audit Committee with the Resources and Policies Committee responsible for the implementation of strategies to manage risk. Key changes to the risk register are highlighted and reviewed regularly by other sub-committees, and the Board receives an overview of key risks.

As a grant-making charity, we also undertake an analysis of risk associated with applications for funding as part of our assessment procedures, which are detailed in a grant risk assessment framework. The Foundation also has a Donation Acceptance Policy to support the Board of Trustees and management consider the appropriateness and suitability of all offered donations (gifts).

Key risks identified:

- Sustainability of business model
- Adequate reserves
- Loss of key staff

An action plan and management controls are included in each risk framework. Two of the three key risks identified (sustainability of business model and adequate reserves) have been felt to lessen in severity during the year. The risk relating to the resilience of the staff team remains high due to the acceptance that 2020-2021 has involved challenging times for all staff members, whether that be coping with loss, coping with parent or family illness, adjusting to working remotely and the impact of lockdown. The Board remains alert to the need to ensure that well being of staff remains a high priority during 2021-2022.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this Trustee's report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and UNW will therefore continue in office.

We take the opportunity to thank UNW LLP for their advice during the year and assistance in the course of auditing the accounts.

Approved by order of the members of the Board of trustees on 27 July 2021 and signed on their behalf by:



James Fenwick, Chairman

County Durham Community Foundation

(A company limited by guarantee)

Statement of Trustees' responsibilities
Year ended 31 March 2021

The trustees (who are also the directors of County Durham Community Foundation 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, of the charitable company 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

Approved by order of the members of the Board of Trustees on and signed on its behalf by:



Independent auditor's report to the Members of County Durham Community Foundation

Opinion

We have audited the financial statements of County Durham Community Foundation (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the income and expenditure account, 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 2021 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.

Other information

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

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

We have nothing to report in this regard.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

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:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the trustees and other management (as required by auditing standards) and from inspection of the charitable company's legal correspondence, and we discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; data protection and certain aspects of company legislation, recognising the nature of the charitable company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Through these procedures, we became aware of actual or suspected non-compliance and considered the effect as part of our procedures on the related financial statement items. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in any further disclosure within our report or the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Anne Hallowell

Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

27 July 2021

County Durham Community Foundation

(A company limited by guarantee)

Statement of financial activities
Year ended 31 March 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:						
Donations and legacies	2	**155,416**	**-**	**-**	**155,416**	251,792
Charitable activities	3	**-**	**5,091,990**	**242,802**	**5,334,792**	3,066,235
Investments	4	**28,004**	**526,485**	**-**	**554,489**	535,621
Total income and endowments		**183,420**	**5,618,475**	**242,802**	**6,044,697**	3,853,648
Expenditure on:						
Raising funds	7	**167,324**	**-**	**-**	**167,324**	162,808
Charitable activities	5	**362,115**	**4,921,762**	**10,000**	**5,293,877**	3,270,150
Total expenditure		**529,439**	**4,921,762**	**10,000**	**5,461,201**	3,432,958
Net (expenditure) / income before net gains/(losses) on investments		**(346,019)**	**696,713**	**232,802**	**583,496**	420,690
Net gains/(losses) on investments		**-**	**-**	**3,112,493**	**3,112,493**	(518,434)
Net income / (expenditure) before transfers		**(346,019)**	**696,713**	**3,345,295**	**3,695,989**	(97,744)
Transfers between funds	14	**638,159**	**567,341**	**(1,205,500)**	**-**	-
Net result before other recognised gains and losses		**292,140**	**1,264,054**	**2,139,795**	**3,695,989**	(97,744)
Net movement in funds		**292,140**	**1,264,054**	**2,139,795**	**3,695,989**	(97,744)
Reconciliation of funds:						
Total funds brought forward		**327,571**	**3,937,264**	**15,194,905**	**19,459,740**	19,557,484
Total funds carried forward		**619,711**	**5,201,318**	**17,334,700**	**23,155,729**	19,459,740

The notes on pages 31 to 52 form part of these financial statements.

County Durham Community Foundation

(A company limited by guarantee)

Summary income and expenditure account
Year ended 31 March 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Gross income in the reporting period	**183,420**	**5,618,475**	**5,801,895**	3,310,694
Less: Total expenditure	**(529,439)**	**(4,921,762)**	**(5,451,201)**	(3,432,958)
Net expenditure/(income) for the reporting period	**(346,019)**	**696,713**	**350,694**	(122,264)

Transfers of £1,205,500 were made to the unrestricted and restricted funds from the endowment funds during the year (2020: £105,735 transferred to the endowment funds) resulting in total net income/(expenditure) of £1,558,694 (2020: (£227,998)).

The notes on pages 31 to 52 form part of these financial statements.

County Durham Community Foundation

(A company limited by guarantee)

Balance sheet
At 31 March 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	10		**10,660**		10,968
Investments	11		**18,194,758**		14,910,499
			18,205,418		14,921,467
Current assets					
Debtors	12	**203,803**		142,167	
Short term cash deposits		**3,646,769**		3,399,286	
Cash at bank and in hand		**1,936,513**		1,532,236	
		5,787,085		5,073,689	
Creditors: amounts falling due within one year	13	**(836,774)**		(535,416)	
Net current assets			**4,950,311**		4,538,273
Net assets			**23,155,729**		19,459,740
Charity funds					
Endowment funds	14		**17,334,700**		15,194,905
Restricted funds	14		**5,201,318**		3,937,264
Unrestricted funds	14		**619,711**		327,571
Total funds			**23,155,729**		19,459,740

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 on 27 July 2021 and signed on their behalf by:

James Fenwick, Chairman

Company registered number: 3072153

The notes on pages 31 to 52 form part of these financial statements.

County Durham Community Foundation

(A company limited by guarantee)

Statement of cash flows
Year ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	17	**277,205**	(213,493)
Cash flows from investing activities:			
Dividends, interests and rents from investments		**554,489**	535,621
Purchase of tangible fixed assets		**(8,168)**	(7,211)
Proceeds from sale of investments		**587,265**	320,551
Purchase of investments		**(759,031)**	(762,443)
Net cash provided by investing activities		**374,555**	**86,518**
Change in cash and cash equivalents in the year		**651,760**	**(126,975)**
Cash and cash equivalents at the beginning of the year		**4,931,522**	5,058,497
Cash and cash equivalents at the end of the year	18	**5,583,282**	4,931,522

The notes on pages 31 to 52 form part of these financial statements

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

County Durham 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 prepared in pounds sterling and are rounded to the nearest £1.

1.2 Company status

The company is a company limited by guarantee, incorporated and domiciled in England. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.3 Going concern

The Foundation has financial reserves held in cash and endowment, together with long term contracts with a number of stakeholders across different industries in the region.

As the year started the impact of Covid-19 pandemic had started to be felt. However the ability of the organisation to rapidly adjust to being an emergency grant funder meant that significant new grant programme streams were contracted for delivery during the year. This has resulted in the organisation recording a significant unrestricted surplus for the year. Given the future uncertainty about some grant programmes and the uncertainty about future performance of the investment market the trustees are content at the current time to hold operating reserves at strong levels to provide prudent security against uncertain operating conditions over the next few years.

The organisation's endowment holding saw an increase in value during the year. The organisation derives both grant making funds and unrestricted funds to support the organisation from its endowment.

A robust financial forecast has been prepared for the coming year, taking into account all confirmed unrestricted income streams and a prudent view of the expenditure base. The financial forecast, prepared on a very prudent basis, shows an operating surplus on unrestricted funds for the coming year.

As a consequence, the trustees believe that the foundation is well placed to manage its business risks successfully despite the current very uncertain economic outlook as the world continues to live against a backdrop of a Covid-19 pandemic.

After making enquiries, the trustees have a reasonable expectation that the foundation will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

1. Accounting policies (continued)

1.4 Income

All income is recognised once the 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.

For legacies, entitlement is taken as the earlier of the date on which either the company is aware that probate has been granted, the estate has been finalised and notification made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate.

Investment income is recorded on the accruals basis and is allocated to individual endowment funds on the basis of the fund value at the end of each quarter. Interest earned on current accounts is allocated to administration funds. Flow-through funds receive no interest except where the fund is required to be held in a separate account

Grants, including government 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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 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. All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Charitable activities include direct costs incurred on the company's grant-making operations and support costs incurred in running the charitable operations.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Support costs are those costs incurred directly in support of expenditure on the objects of the company, including those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements. Where they are not attributable to a single activity they are apportioned between those activities on a basis consistent with the use of resources.

All expenditure is inclusive of irrecoverable VAT.

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	- 20%-33% straight line
Fixtures and fittings	- 33% straight line

1.7 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 fair 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 shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities.

1.8 Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1.9 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.

1.10 Cash and cash equivalents

Cash and cash equivalents 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.

1.11 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 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.

1.12 Pensions

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

1. Accounting policies (continued)

1.13 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 company and which have not been designated for other purposes.

The general fund makes a charge on the other funds as follows:

- Flow-through funds: as agreed with the donor
- Endowment funds and other trust funds: between 1% and 2% of the fund balance per annum

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

Endowment funds are funds which are held for the permanent benefit of the charity. There is no power to convert capital into income.

1.14 Critical accounting estimates and areas of judgment

Estimates and judgments 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.

In preparing these financial statements the Trustees do not consider there were any significant estimates or areas of judgment that were required in applying the company's accounting policies as set out above.

2. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	**153,012**	**153,012**	251,792
Government grants	**2,404**	**2,404**	-
	155,416	**155,416**	251,792
Total 2020	251,792	251,792	

3. Income from charitable activities

	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	**5,091,990**	**242,802**	**5,334,792**	3,066,235
Total 2020	2,523,282	542,953	3,066,235	

4. Investment income

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	-	**526,485**	**526,485**	502,133
Bank interest	**28,004**	-	**28,004**	33,488
	28,004	**526,485**	**554,489**	535,621
Total 2020	33,488	502,133	535,621	

5. Expenditure on charitable activities

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Provision of grants	4,931,762	362,115	**5,293,877**	3,270,150
Total 2020	2,888,902	381,248	3,270,150	

6. Direct costs

	2021	2020
	£	£
Grants paid	**4,931,762**	2,888,902

Grants paid to community groups and other bodies during the year (taken from data submitted by grant applicants when applying for funding) can be categorised as follows:

	2021	2020
	£	£
Anti social behaviour	**52,081**	62,088
Arts, culture and heritage	**102,503**	310,448
Caring responsibilities	**95,982**	23,630
Community support and development	**675,290**	449,572
Counselling /advice /mentoring	**195,992**	80,971
Crime and safety	**35,670**	32,281
Disability and access issues	**168,613**	68,198
Domestic violence	**78,520**	26,443
Economy	**31,072**	570
Education and training	**20,681**	156,151
Employment, labour, learning and training	**207,257**	304,656
Emergency and rescue services	**11,843**	304,656
Environment and improving surroundings	**164,538**	160,673
Financial exclusion and literacy	**15,235**	7,846
Harmful practice	**-**	21,855
Health and wellbeing	**1,058,433**	343,919
Homeless and housing	**121,857**	31,293
IT / technology	**28,166**	4,084
Language, culture and racial integration	**49,852**	104,198
Mental health	**685,705**	110,834
Offending / at risk of offending	**24,710**	17,732
Poverty and disadvantage	**519,050**	179,684
Racial and cultural integration	**-**	143,515
Rural issues	**107,405**	98,812
Sexual abuse / violence / exploitation	**9,091**	21,410
Social inclusion	**140,903**	69,951
Sport and recreation	**172,105**	255,720
Stigma and discrimination	**225**	14,697
Substance abuse and addiction	**30,406**	3,789
Supporting family life	**115,220**	52,374
Volunteering	**23,563**	49,168
Adjustments	**(10,206)**	(317,660)
	-	-
Total	**4,931,762**	2,888,902

Adjustments include grant withdrawals, and any adjustments made to the original grant awarded depending upon the needs of the recipient as circumstances change.

7. Support costs

	Raising funds	Grant making	Governance	2021
	£	£	£	£
Office costs	**9,431**	**35,776**	**8,681**	**53,888**
Staff costs	**141,032**	**220,112**	**37,510**	**398,654**
Other costs	**16,861**	**42,427**	**17,609**	**76,897**
Total 2021	**167,324**	**298,315**	**63,800**	**529,439**

No expenses were reimbursed to any Trustees during the year (2020: £nil). No Trustees received any remuneration.

	Raising funds	Grant making	Governance	2020
	£	£	£	£
Office costs	9,910	34,116	8,795	52,821
Staff costs	120,265	216,303	35,016	371,584
Other costs	32,633	69,768	17,250	119,651
Total 2020	162,808	320,187	61,061	544,056

8. Net income/(expenditure)

This is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets: - owned by the charity	**8,287**	6,740
Auditor's remuneration - audit	**10,080**	10,080
Operating lease rentals	**23,184**	23,184

9. Staff costs

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	**320,057**	298,588
Social security costs	**31,664**	24,566
Other pension costs	**19,680**	18,928
	371,401	342,082

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

	2021 No.	2020 No.
Raising funds	**3.8**	3.6
Charitable activities	**4.9**	5.5
Governance	**0.7**	0.8
	9.4	9.9

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
In the band £60,001 - £70,000	**1**	1

The key management personnel of the charity comprise the Chief Executive and Chief Operating Officer, with total employee benefits (including pension costs) of £134,830 (2020: £128,616).

10. Tangible fixed assets

	Fixtures and fittings £
Cost or valuation	
At 1 April 2020	**32,158**
Additions	**8,168**
Disposals	**(8,587)**
At 31 March 2021	**31,739**
Depreciation	
At 1 April 2020	**21,190**
Charge for the year	**8,287**
On disposals	**(8,398)**
At 31 March 2021	**21,079**
Net book value	
At 31 March 2021	**10,660**
At 31 March 2020	10,968

11. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2020	**14,910,499**
Additions	**759,031**
Disposals	**(562,147)**
Revaluations	**3,087,375**
At 31 March 2021	**18,194,758**
Net book value	
At 31 March 2021	**18,194,758**
At 31 March 2020	14,910,499

Certain investments held at CCLA are related to Community First funds, set up under a national scheme which are all managed through CCLA. All investments are held primarily for investment return.

The historical cost of investments is £9,863,323 (2020: £9,666,438)

12. Debtors

	2021 £	2020 £
Prepayments and accrued income	**203,803**	142,167

13. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	**3,044**	1,900
Other taxation and social security	**16,317**	8,120
Other creditors	**747,881**	466,608
Accruals and deferred income	**69,532**	58,788
	836,774	535,416

	2021 £	2020 £
Deferred income at 1 April 2020	**25,000**	-
Resources deferred during the year	**20,494**	25,000
Amounts released from previous periods	**(25,000)**	-
	20,494	25,000

14. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
General funds	**327,571**	**183,420**	**(529,439)**	**638,159**	**-**	**619,711**
Endowment funds						
Endowment funds	**15,194,905**	**242,802**	**(10,000)**	**(1,205,500)**	**3,112,493**	**17,334,700**
Restricted funds						
Restricted funds	**3,937,264**	**5,618,475**	**(4,921,762)**	**567,341**	**-**	**5,201,318**
Total of funds	**19,459,740**	**6,044,697**	**(5,461,201)**	**-**	**3,112,493**	**23,155,729**

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Unrestricted funds						
General funds	263,298	285,280	(544,056)	323,049	-	327,571
Endowment funds						
Endowment funds	15,064,651	542,953	-	105,735	(518,434)	15,194,905
Restricted funds						
Restricted funds	4,229,535	3,025,415	(2,888,902)	(428,784)	-	3,937,264
Total of funds	19,557,484	3,853,648	(3,432,958)	-	(518,434)	19,459,740

14. Statement of funds (continued)

The following significant transfers were made between funds in the year:

£526,485 was transferred from restricted funds to endowment funds in respect of the reallocation of the expendable endowment fund.

£1,464,602 was transferred from endowment funds to restricted funds in respect of grant making activities.

£267,383 was transferred from endowment funds, and £370,776 was transferred from restricted funds, to unrestricted funds to contribute towards administration costs.

15. Restricted and endowment funds

The following fund categories combine restricted and endowment funds:

Trusts
Funds held where there is a linking direction under section 96(6) of the Charities Act 1993 (formerly uniting direction)

Community First
Funds that were established during the UK Government's matched endowment programme.

Community Panel
Funds where a community panel is the main grant decision making body for the funds.

Donor-Advised
Funds where the grant-making decision rests with the donor.

Field of Interest
Funds where the grant-making decision rests with the Foundation.

For funds with balances over £100,000, or funds where the fund agreement requires it, the funds' financial positions are listed separately.

Restricted funds

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2021
	£	£	£	£	£	£
Trusts	62,859	74,495	(67,409)	-	98,472	168,417
Community First	197,087	91,811	(62,111)	-	259,057	485,844
Community Panel	1,449,526	1,147,507	(1,478,929)	-	284,933	1,403,037
Donor-Advised	400,668	400,763	(216,740)	-	211,114	795,805
Field of Interest	1,827,124	3,903,896	(3,096,573)	-	(286,235)	2,348,212
Total	3,937,264	5,618,472	(4,921,762)	-	567,341	5,201,315

Expendable endowments

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2021
	£	£	£	£	£	£
Trusts	2,179,520	-	-	441,442	(135,612)	2,485,350
Community First	2,306,778	-	-	476,518	(426,589)	2,356,707
Community Panel	2,069,047	5,669	-	420,427	(120,912)	2,374,231
Donor-Advised	5,508,529	59,314	(10,000)	1,117,618	(335,816)	6,339,645
Field of Interest	3,131,031	177,819	-	656,488	(186,571)	3,778,767
Total	15,194,905	242,802	(10,000)	3,112,493	(1,205,500)	17,334,700

Trusts

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2021
	£	£	£	£	£	£
Darlington Education Trust	893,438	29,622	(50,000)	175,470	(15,135)	1,033,395
Durham Community Business College	39,013	1,155	-	6,775	(636)	46,307
Durham Johnston Educational Foundation	136,249	4,471	(1,000)	26,453	(1,681)	164,492
East Howle Trust	47,911	1,375	(8,000)	8,138	(550)	48,874
Hylton House Trust	145,433	4,854	(7,012)	28,797	1,643	173,715
John T Shuttleworth Ropner Memorial Trust	698,578	23,581	1,610	139,862	(15,178)	848,453
King Edward VII Memorial Trust	57,023	1,934	-	11,452	(774)	69,635
Stanhope Castle Charitable Trust	224,734	7,503	(3,007)	44,495	(4,829)	268,896
Total	2,242,379	74,495	(67,409)	441,442	(37,140)	2,653,767

Community First

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2021
	£	£	£	£	£	£
2D Legacy Fund	189,506	5,982	(5,000)	35,397	(3,963)	221,922
Banks Family Community First	82,830	2,655	-	15,901	(18,693)	82,693
Banks Foundation Community First	417,896	12,320	(2,550)	73,505	(80,053)	421,118
Banks Pegswood Moor Community Benefits Fund	127,171	3,875	(9,748)	22,934	(2,309)	141,923
CDCF Community First Match Fund	-	-	-	-	263,835	263,835
Darlington Education Community First Trust Fund	780,433	25,344	(30,000)	151,952	(182,911)	744,818
Jackie Maddison Community First Trust	115,376	3,500	-	20,729	(2,410)	137,195
Nicholson Family Community First	125,248	4,158	-	24,833	(32,675)	121,564
Willington and Parkside Fund	212,928	6,983	(12,513)	41,325	(2,725)	245,998
Other Community First	452,477	26,994	(2,300)	89,942	(105,628)	461,485
Total	2,503,865	91,811	(62,111)	476,518	(167,532)	2,842,551

Community Panel

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2021
	£	£	£	£	£	£
Banks Kype Muir Community Fund	124,670	156,175	(110,261)	-	(2,991)	167,593
Banks Moor House Community Benefits Fund	117,280	30,000	(49,596)	-	(940)	96,744
County Durham & Darlington NHS Health Improvement Fund	1,841,058	62,540	(124,407)	370,109	19,964	2,169,264
ENTRUST Funds	467,333	-	(148,799)	-	(4,646)	313,888
NTR Quixwood Moor Wind Farm Community Fund	114,408	91,200	(93,905)	-	-	111,703
Walkway Windfarm Fund	80,475	8,562	-	16,704	(1,766)	103,975
Westpark Levy Funds	163,944	1,671	(40,171)	-	-	125,444
Other Community Panel	609,405	803,028	(911,790)	33,614	154,400	688,657
Total	3,518,573	1,153,176	(1,478,929)	420,427	164,021	3,777,268

Donor-Advised

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2021
	£	£	£	£	£	£
Banks Family Fund	1,297,992	42,819	(500)	253,399	(17,088)	1,576,622
Banks Family Grassroots (Durham)	272,211	7,993	(6,000)	47,332	(4,845)	316,691
Banks Foundation Fund	104,073	6,059	(9,450)	18,120	(2,672)	116,130
CDCF Administration Endowment Fund	265,776	60,719	-	54,281	(19,573)	361,203
Durham Cathedral's Chorister Bursary Fund	155,181	5,253	-	31,129	(2,781)	188,782
Durham Cathedral's Music Outreach Fund	124,001	3,805	-	22,555	(2,084)	148,277
Esh Charitable Trust's Grassrotts Fund	105,683	3,612	-	21,404	(10,579)	120,120
Ingenious Darlington Building Society Fund	49,891	16,398	(66,788)	8,279	42,891	50,671
John Simpson Greenwell Memorial Fund	308,916	10,112	(1,000)	59,900	(4,931)	372,997
Karbon Homes Grassroots Fund	231,830	7,853	-	46,518	(14,116)	272,085
Kevan Jones Grassroots Fund	110,106	3,681	(3,021)	21,816	(5,044)	127,538
Miller Wood Bonsall Fund	192,916	6,522	-	38,198	(3,318)	234,318
Northern Powergrid Fund	109,727	3,713	-	22,003	(6,820)	128,623
Northumbrian Water Community Fund	111,391	3,762	-	22,306	(7,218)	130,241
Peter & Jayne Cook Fund	144,879	4,904	(6,225)	29,059	(2,612)	170,005
Tallent Automotive Limited Fund	125,255	4,067	-	24,103	(2,210)	151,215
Tonks Family Fund	110,862	3,751	-	22,229	(6,887)	129,955
William Leech Grassroots (Durham) Fund	115,795	3,919	-	23,221	(7,183)	135,752
Other Donor-Advised	1,972,712	261,135	(133,756)	351,766	(47,632)	2,404,225
Total	5,909,197	460,077	(226,740)	1,117,618	(124,702)	7,135,450

Field of Interest

	Brought forward	Income	Grants approved	Net gains / (losses)	Transfers	2021
	£	£	£	£	£	£
Anonymous 2019 Fund	90,340	106,547	-	38,730	(17,643)	217,974
BAT Skills Development Bursary Fund	128,615	4,415	-	26,126	61,635	220,791
Community Action Fund	29,058	4,109	(114,453)	-	195,787	114,501
County Durham Educational Trust (CDET) Fund	268,368	9,224	-	54,552	(25,001)	307,143
COVID-19 Fund	186,091	1,517,001	(1,574,627)	-	291,425	419,890
Darlington & District Youth & Community Association Fund	132,720	4,557	-	26,962	(12,535)	151,704
David Brown Fund	125,431	4,306	-	25,479	(11,860)	143,356
Durham County Waste Management Fund	141,300	4,852	-	28,706	(13,331)	161,527
Ferryhill Station, Mainsforth & Bishop Middleham Aid in Sick	115,382	3,920	-	23,202	(1,505)	140,999
Francis James Bell Fund	139,301	4,334	(10,000)	25,362	(1,606)	157,391
Future Initiatives Fund	1,268,949	500,000	(5,000)	-	(667,458)	1,096,491
Growth and Resilience Fund	100,000	-	-	-	-	100,000
Hall Benefaction Fund	91,809	3,150	-	18,643	(8,740)	104,862
Heritage through the Arts Fund	98,803	3,356	-	19,863	(5,633)	116,389
I'Anson Family Fund	99,545	3,382	-	20,013	(5,673)	117,267
Ingenious Darlington Enterprise Association Fund	90,164	3,093	-	18,309	(8,586)	102,980
Ingenious Darlington Enterprise Association Grassroots Fund	93,669	3,213	-	19,020	(8,913)	106,989
Ingenious Darlington Stainsby Murray Fund	94,649	3,249	-	19,221	(9,004)	108,115
Sir Paul and Lady Nicholson Fund	395,396	64,464	(5,000)	76,954	(37,061)	494,753
Vardy Fund	217,414	7,469	-	44,183	(20,385)	248,681
Other Field of Interest	1,051,151	1,827,074	(1,387,493)	171,163	(166,719)	1,495,176
Total	4,958,155	4,081,715	(3,096,573)	656,488	(472,806)	6,126,979

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	**10,660**	-	-	**10,660**
Fixed asset investments	-	-	**18,194,758**	**18,194,758**
Current assets	**697,944**	**5,949,199**	**(860,058)**	**5,787,085**
Creditors due within one year	**(88,893)**	**(747,881)**	-	**(836,774)**
	619,711	**5,201,318**	**17,334,700**	**23,155,729**

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Tangible fixed assets	10,968	-	-	10,968
Fixed asset investments	-	-	14,910,499	14,910,499
Current assets	384,692	4,404,591	284,406	5,073,689
Creditors due within one year	(68,089)	(467,327)	-	(535,416)
	327,571	3,937,264	15,194,905	19,459,740

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**3,695,989**	(97,744)
Adjustments for:		
Depreciation charges	**8,287**	6,740
Gains/(losses) on investments	**(3,112,493)**	518,434
Dividends, interests and rents from investments	**(554,489)**	(535,621)
Loss on the sale of fixed assets	**189**	-
(Increase) /decrease in debtors	**(61,636)**	157,394
Increase/ (decrease) in creditors	**301,358**	(262,696)
Net cash provided by/(used in) operating activities	**277,205**	(213,493)

18. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	**1,936,513**	1,532,236
Cash equivalents	**3,646,769**	3,399,286
Total	**5,583,282**	4,931,522

19. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	**1,532,236**	**404,277**	**1,936,513**
Liquid investments	**3,399,286**	**247,483**	**3,646,769**
	4,931,522	**651,760**	**5,583,282**

20. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £19,680 (2020: £18,928). Contributions totalling £nil (2020: £nil) were payable to the fund at the balance sheet date.

21. Operating lease commitments

At 31 March 2021 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Within 1 year	**23,184**	23,184
Between 1 and 5 years	**5,796**	28,980
	28,980	52,164

22. Related party transactions

During the year four grants totalling £38,338 (2020: £1,577) were paid to the Association of Teesdale Day Clubs, a charity of which Ann Dolphin, Trustee, is a Trustee.

During the year two grants totalling £8,000 (2020: £5,000) were paid to Refuse CIC, an organisation of which Paul Chandler, Trustee, is a member of the advisory board.

During the year three grants totalling £8,660 (2020: £12,358) were paid to Durham Youth CIO, an organisation of which Emily Burns, Trustee, is a Director.

During the year four grants totalling £8,240 (2020: £nil) were paid to West Rainton and Leamside Partnership, an organisation of which Emily Burns, Trustee, is a Trustee.

During the year donations totalling £1,000 (2020: £17,000) were received by the Foundation from the trustees or organisations that Trustees had declared an interest in.