

**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)

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# **County Durham Community Foundation**

(A company limited by guarantee)

## **Reference and administrative details** **Year ended 31 March 2022**

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### **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

# **County Durham Community Foundation**

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## **Reference and administrative details (continued)** **Year ended 31 March 2022**

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### **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

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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.

# **County Durham Community Foundation**

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## **Chairman's statement (continued)**

**Year ended 31 March 2022**

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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

# **County Durham Community Foundation**

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## **Trustees' report**

**Year ended 31 March 2022**

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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.

# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 March 2022

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### 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.



# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 March 2022

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### 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.

# County Durham Community Foundation

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## Trustees' report (continued)

Year ended 31 March 2022

### Achievements and performance (continued)

The main thematic areas funded, through grants awarded to community groups, during the year 2021- 2022 include:

<b>Programme Theme</b>	<b>Awarded</b>
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
<b>Grand Total</b>	<b>£4,581,389</b>

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:

<b>Groups and individuals</b>			
<b>Location</b>	<b>No. of Grants</b>	<b>Value of Grants</b>	<b>% By Value</b>
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%
<b>Overall</b>	<b>1,042</b>	<b>£4,754,254</b>	<b>100%</b>

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:

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## Trustees' report (continued) Year ended 31 March 2022

### Achievements and performance (continued)

Issue on application (Individuals) Awarded	Awarded	Issue on application (Groups)	
Mental health, health, & wellbeing	£25,297	Mental health, health, & wellbeing	£1,762,007
Community support & development	£23,450	Community support & development	£585,183
Culture & heritage	£21,360	Equality & diversity	£352,503
Sport and recreation	£18,108	Culture & heritage	£338,629
Education, learning and training	£16,285	Crime & safety	£320,352
Housing & homelessness	£14,170	Sport and recreation	£291,664
Supporting family life	£14,159	Environment & improving surroundings	£224,936
Disadvantage	£13,814	Disadvantage	£197,125
Community safety	£11,205	Education, learning and training	£167,045
Equality & diversity	£4,340	Employment	£75,373
Caring responsibilities	£4,234	Counselling & mentoring	£63,200
Environment & improving surroundings	£3,999	Homelessness	£50,217
Economy	£1,044	Rural issues	£47,316
Counselling & mentoring	£900	Social inclusion & fairness	£42,012
Employment	£500	Caring responsibilities	£31,500
<b>Grand Total</b>	<b>£172,865</b>	Supporting family life	£26,577
		Emergency/rescue services	£4,750
		Substance abuse and addiction	£1,000
		<b>Grand Total</b>	<b>£4,581,389</b>

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
	<b>Grand Total</b>	<b>£4,754,254</b>

# County Durham Community Foundation

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## Trustees' report (continued) Year ended 31 March 2022

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### 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.

# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 March 2022

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### 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.

# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 March 2022

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### 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.

# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 March 2022

### 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
SHAIID (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
Musclestone 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

# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 March 2022

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### 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.



# **County Durham Community Foundation**

(A company limited by guarantee)

## **Trustees' report (continued)** **Year ended 31 March 2022**

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### **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.

# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 March 2022

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### 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.

# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 March 2022

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### 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

# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 March 2022

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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 choose 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.

# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 March 2022

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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;

# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 March 2022

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- 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.

# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 March 2022

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### 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.

# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 March 2022

### 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	Scope	Scope	Scope	Scope	Scope
	1 & 2	1, 2 & 3	1 & 2	1, 2 & 3	1 & 2	1, 2 & 3
	tCo2e	tCo2e	tCo2e	tCo2e	tCo2e	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.



# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued) Year ended 31 March 2022

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### 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.

# **County Durham Community Foundation**

(A company limited by guarantee)

## **Trustees' report (continued)**

**Year ended 31 March 2022**

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### **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.

# County Durham Community Foundation

(A company limited by guarantee)

## Trustees' report (continued)

Year ended 31 March 2022

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### 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

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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**

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### **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.



## **Independent Auditor's Report to the Members of County Durham Community Foundation (continued)**

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### **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.



## **Independent Auditor's Report to the Members of County Durham Community Foundation (continued)**

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### **Responsibilities of trustees**

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

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

### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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



## **Independent Auditor's Report to the Members of County Durham Community Foundation (continued)**

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intentional concealment, forgery, collusion, omission or misrepresentation.

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

### **Use of our report**

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

A handwritten signature in black ink, which appears to read 'Anne Hallowell', is positioned above the printed name.

**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 £
<b>Income and endowments from:</b>						
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
<b>Total income and endowments</b>		<b>135,910</b>	<b>4,605,335</b>	<b>709,064</b>	<b>5,450,309</b>	<b>6,044,697</b>
<b>Expenditure on:</b>						
Raising funds	5	165,872	-	-	165,872	167,324
Charitable activities	5	381,177	3,719,576	-	4,100,753	5,293,877
<b>Total expenditure</b>		<b>547,049</b>	<b>3,719,576</b>	<b>-</b>	<b>4,266,625</b>	<b>5,461,201</b>
<b>Net (expenditure) / income before net gains/(losses) on investments</b>		<b>(411,139)</b>	<b>885,759</b>	<b>709,064</b>	<b>1,183,684</b>	<b>583,496</b>
Net gains on investments		-	-	1,590,990	1,590,990	3,112,493
<b>Net Income / (expenditure) before transfers</b>		<b>(411,139)</b>	<b>885,759</b>	<b>2,300,054</b>	<b>2,774,674</b>	<b>3,695,989</b>
Transfers between funds	13	616,066	(160,499)	(455,567)	-	-
<b>Net result before other recognised gains and losses</b>		<b>204,927</b>	<b>725,260</b>	<b>1,844,487</b>	<b>2,774,674</b>	<b>3,695,989</b>
<b>Net movement in funds</b>		<b>204,927</b>	<b>725,260</b>	<b>1,844,487</b>	<b>2,774,674</b>	<b>3,695,989</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		619,711	5,201,318	17,334,700	23,155,729	19,459,740
<b>Total funds carried forward</b>		<b>824,638</b>	<b>5,926,578</b>	<b>19,179,187</b>	<b>25,930,403</b>	<b>23,155,729</b>

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

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	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Gross income in the reporting period</b>	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)
<b>Net expenditure/(income) for the reporting period</b>	<u>(411,139)</u>	<u>885,759</u>	<u>474,620</u>	<u>350,694</u>

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 restricted 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 £
<b>Fixed assets</b>			
Tangible assets	8	8,256	10,660
Investments	9	19,945,443	18,194,758
		<b>19,953,699</b>	<b>18,205,418</b>
<b>Current assets</b>			
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
		<b>6,639,337</b>	<b>5,787,085</b>
Creditors: amounts falling due within one year	11	(662,633)	(836,774)
<b>Net current assets</b>		<b>5,976,704</b>	<b>4,950,311</b>
<b>Net assets</b>		<b>25,930,403</b>	<b>23,155,729</b>
<b>Charity funds</b>			
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
<b>Total funds</b>		<b>25,930,403</b>	<b>23,155,729</b>

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 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	16	518,440	277,205
<b>Cash flows from investing activities:</b>			
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)
<b>Net cash provided by investing activities</b>		383,102	374,555
<b>Change in cash and cash equivalents in the year</b>		901,542	651,760
Cash and cash equivalents at the beginning of the year		5,583,282	4,931,522
<b>Cash and cash equivalents at the end of the year</b>	17	6,484,824	5,583,282

The notes on pages 35 to 57 form part of these financial statements

# County Durham Community Foundation

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 March 2022

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### 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.

# County Durham Community Foundation

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 March 2022

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### 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.

# County Durham Community Foundation

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 March 2022

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### 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.

# **County Durham Community Foundation**

(A company limited by guarantee)

## **Notes to the financial statements**

**Year ended 31 March 2022**

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### **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.



# County Durham Community Foundation

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 March 2022

### 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
	<u>117,917</u>	<u>117,917</u>	<u>155,416</u>
Total 2021	<u>155,416</u>	<u>155,416</u>	

### 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	<u>5,091,990</u>	<u>242,802</u>	<u>5,334,792</u>	

### 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
	<u>17,993</u>	<u>531,190</u>	<u>549,183</u>	<u>554,489</u>
Total 2021	<u>28,004</u>	<u>526,485</u>	<u>554,489</u>	

# County Durham Community Foundation

(A company limited by guarantee)

## Notes to the financial statements

Year ended 31 March 2022

### 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 responsibilities	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 services	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

## County Durham Community Foundation

(A company limited by guarantee)

### Notes to the financial statements Year ended 31 March 2022

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)
	<b>3,719,576</b>	<b>4,931,762</b>

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	<u>165,872</u>	<u>315,456</u>	<u>65,721</u>	<u>547,050</u>

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	<u>167,324</u>	<u>298,315</u>	<u>63,800</u>	<u>529,439</u>

# County Durham Community Foundation

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 March 2022

### 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
	<u>382,961</u>	<u>371,401</u>

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 No.	2021 No.
Raising funds	2	4
Charitable activities	7	5
Governance	1	1
	<u>10</u>	<u>10</u>

# County Durham Community Foundation

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 March 2022

### 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 £
<b>Cost</b>	
At 1 April 2021	31,739
Additions	6,386
At 31 March 2022	38,125
<b>Depreciation</b>	
At 1 April 2021	21,079
Charge for the year	8,790
At 31 March 2022	29,869
<b>Net book value</b>	
At 31 March 2022	8,256
At 31 March 2021	10,660

# County Durham Community Foundation

(A company limited by guarantee)

## Notes to the financial statements Year ended 31 March 2022

### 9. Fixed asset investments

	Listed Investments £
<b>Cost or valuation</b>	
At 1 April 2021	18,194,758
Additions	1,061,106
Disposals	(873,092)
Revaluations	1,562,671
	<hr/>
At 31 March 2022	19,945,443
	<hr/>
<b>Net book value</b>	
At 31 March 2022	19,945,443
	<hr/>
At 31 March 2021	18,194,758
	<hr/>

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
	<hr/>	<hr/>
	154,513	203,803
	<hr/>	<hr/>

### 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

## County Durham Community Foundation

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### Notes to the financial statements Year ended 31 March 2022

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#### 11. Creditors: Amounts falling due within one year (continued)

	2022 £	2021 £
	<u>662,633</u>	<u>836,774</u>
	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)
	<u>17,247</u>	<u>20,494</u>

#### 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.

# County Durham Community Foundation

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## Notes to the financial statements Year ended 31 March 2022

### 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 £
<b>Unrestricted funds</b>						
General Funds	619,711	135,910	(547,049)	616,066	-	824,638
<b>Endowment funds</b>						
Endowment Fund	17,334,700	709,064	-	(455,567)	1,590,990	19,179,187
<b>Restricted funds</b>						
Restricted Funds	5,201,318	4,605,335	(3,719,576)	(160,499)	-	5,926,578
<b>Total of funds</b>	<b>23,155,729</b>	<b>5,450,309</b>	<b>(4,266,625)</b>	<b>-</b>	<b>1,590,990</b>	<b>25,930,403</b>

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.



# County Durham Community Foundation

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## Notes to the financial statements Year ended 31 March 2022

### 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 £
<b>Unrestricted funds</b>						
General Funds	327,571	183,420	(529,439)	638,159	-	619,711
<b>Endowment funds</b>						
Endowment Fund	15,194,905	242,802	(10,000)	(1,205,500)	3,112,493	17,334,700
<b>Restricted funds</b>						
Restricted Funds	3,937,264	5,618,475	(4,921,762)	567,341	-	5,201,318
<b>Total of funds</b>	<u>19,459,740</u>	<u>6,044,697</u>	<u>(5,461,201)</u>	<u>-</u>	<u>3,112,493</u>	<u>23,155,729</u>

### 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.

# County Durham Community Foundation

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## Notes to the financial statements

Year ended 31 March 2022

### 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	<u>2,348,215</u>	<u>1,352,591</u>	<u>(1,091,078)</u>	<u>-</u>	<u>(338,761)</u>	<u>2,270,967</u>
Total	<u>5,201,318</u>	<u>4,605,335</u>	<u>(3,719,576)</u>	<u>-</u>	<u>(160,499)</u>	<u>5,926,578</u>

### 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	<u>3,778,767</u>	<u>98,510</u>	<u>-</u>	<u>343,801</u>	<u>(105,554)</u>	<u>4,115,524</u>
Total	<u>17,334,700</u>	<u>709,064</u>	<u>-</u>	<u>1,590,990</u>	<u>(455,567)</u>	<u>19,179,187</u>

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## Notes to the financial statements Year ended 31 March 2022

### 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	<u>268,896</u>	<u>7,521</u>	<u>(2,329)</u>	<u>22,819</u>	<u>(4,987)</u>	<u>291,920</u>
Total	<u>2,653,767</u>	<u>75,242</u>	<u>(86,033)</u>	<u>220,416</u>	<u>(38,027)</u>	<u>2,825,365</u>

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## Notes to the financial statements Year ended 31 March 2022

### 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	<u>365,047</u>	<u>11,515</u>	<u>(4,876)</u>	<u>34,618</u>	<u>(6,960)</u>	<u>399,344</u>
Total	<u>2,842,551</u>	<u>75,039</u>	<u>(80,713)</u>	<u>225,868</u>	<u>(39,983)</u>	<u>3,022,762</u>

# County Durham Community Foundation

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## Notes to the financial statements Year ended 31 March 2022

### 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	<u>753,226</u>	<u>309,636</u>	<u>(357,753)</u>	<u>17,316</u>	<u>4,420</u>	<u>726,845</u>
Total	<u>3,777,268</u>	<u>3,106,291</u>	<u>(2,027,497)</u>	<u>218,160</u>	<u>(126,843)</u>	<u>4,947,379</u>

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## Notes to the financial statements Year ended 31 March 2022

### 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 Grassroots 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	<u>2,253,829</u>	<u>234,995</u>	<u>(227,190)</u>	<u>169,355</u>	<u>18,102</u>	<u>2,449,091</u>
Total	<u>7,135,450</u>	<u>606,726</u>	<u>(434,255)</u>	<u>582,745</u>	<u>33,102</u>	<u>7,923,768</u>

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## Notes to the financial statements Year ended 31 March 2022

### 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, Mainstorth & 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
l'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

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### Notes to the financial statements

Year ended 31 March 2022

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Vardy Fund	248,681	7,570	-	22,966	(13,796)	265,421
Other Field of Interest	<u>1,400,430</u>	<u>624,885</u>	<u>(679,132)</u>	<u>80,004</u>	<u>(54,793)</u>	<u>1,371,394</u>
Total	<u>6,126,982</u>	<u>1,451,101</u>	<u>(1,091,078)</u>	<u>343,801</u>	<u>(444,316)</u>	<u>6,386,491</u>



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## Notes to the financial statements Year ended 31 March 2022

### 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)
	<u>824,638</u>	<u>5,926,578</u>	<u>19,179,187</u>	<u>25,930,403</u>

#### 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)
	<u>619,711</u>	<u>5,201,318</u>	<u>17,334,700</u>	<u>23,155,729</u>

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## Notes to the financial statements

Year ended 31 March 2022

### 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
<b>Adjustments for:</b>		
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
<b>Net cash provided by operating activities</b>	<b>518,440</b>	<b>277,205</b>

### 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
<b>Total cash and cash equivalents</b>	<b>6,484,824</b>	<b>5,583,282</b>

### 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

# County Durham Community Foundation

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## Notes to the financial statements

Year ended 31 March 2022

### 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
	<u>28,980</u>	<u>28,980</u>

### 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.