

Yorkshire Building Society Charitable Foundation
(A Company Limited by Guarantee)

Registered Number: 03545437

Registered Charity Number: 1069082

Annual Report and Financial Statements
for the year ended 31 December 2020

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Trustees and Professional Advisers

Reference and administrative information

Company number 03545437

Charity number 1069082

Trustees

Mr R J Brown
Ms V White
Mr G Rogers
Ms S L Jackson
Mr L Latibeaudiere

Secretary Ms D Colley

Registered office Yorkshire House
Yorkshire Drive
Bradford
West Yorkshire
BD5 8LJ

Independent Auditors PricewaterhouseCoopers LLP
Central Square
29 Wellington St
Leeds
LS1 4DL

Banker National Westminster Bank plc
PO Box 90
1 Market Street
Bradford
BD1 1EQ

Trustees' Report (incorporating the Directors' Report) for the year ended 31 December 2020

The Trustees, as listed on page 1, who act as directors for the purposes of company law, present their report and audited financial statements for the year ended 31 December 2020.

The Charity qualifies as a small company in accordance with s382(3) of the Companies Act 2006 and is therefore exempt from the requirement to prepare a strategic report. This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption and the requirement to prepare a strategic report.

Structure, governance and management

Governing document

Yorkshire Building Society Charitable Foundation ('the Charity') is a company limited by guarantee, incorporated on 7 April 1998 and registered as a charity on 8 April 1998. The Charity was established under a Memorandum of Association which established the objects and powers of the Charity and is governed under its Articles of Association. The Trustees, who are also the members of the company, are required to contribute an amount not exceeding £1 in the event of the charitable company being wound up.

The Yorkshire Building Society Charitable Foundation is independent of the Yorkshire Building Society.

Appointment of Trustees

The power for the appointment and/or removal of Trustees lies with the Trustees or Yorkshire Building Society ('the Society'). On appointment as Trustees, an induction is provided; however, all Trustees should preferably have had or have experience of other charities, voluntary service and/or public service organisations. Trustees register themselves for updates to changes to regulations and best practice from The Charity Commission as well as changes to financial reporting and Company Law requirements. The Trustees are the directors of the charitable company.

None of the Trustees have been paid any remuneration or received any other benefits from employment with the Charity.

Organisation

The Charity has a maximum of five Trustees, the majority of who must not be employed by the Society. Ms S L Jackson and Mr L Latibeaudiere have been employed by the Society throughout the year. The Trustees administer the Charity and meet quarterly, although day-to-day responsibility for routine administration rests with Society employees. To facilitate effective operations, the Society provides the Charity with facilities and with financial, administrative and technical support as needed by it, under a Framework Agreement between them. The principal activity of the Charity, making donations, is undertaken in accordance with the Donations Policy adopted by the Charity and within guidelines as agreed periodically by the Trustees.

Trustees' Report (incorporating the Directors' Report) for the year ended 31 December 2020 (continued)

Structure, governance and management (continued)

The Trustees are the only persons authorised by the Charity to make any payments on its behalf and they do so within authorisation levels agreed in the mandate with the Charity's bankers.

Applications for support are made through the submission of an online form. All nominations and requests are reviewed by the administrative personnel of the Society who are charged with undertaking support for the Charity under the Framework Agreement as referred to above.

This review is to ensure that, amongst other things, the application fits within the Charity guidelines which are published to Society colleagues and are available to the public through Society branches, online or direct from the administrative personnel. These guidelines provide a non-exhaustive list of the types of causes, activities and projects which are likely to be supported and, equally, those which are not.

Related parties

In so far as it is complementary to and supportive of the Charity's objects, the Charity works closely with the Society.

Risk management

The Trustees recognise that the Charity is limited in the objects which it espouses and is closely linked with the Society and with members of the Society and its colleagues in connection both with funding and with its donation activities. Under the Framework Agreement which exists between the Society and the Charity, Society personnel and systems are provided subject to and in accordance with the processes and procedures which the Society, as a building society regulated by the Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA), has to and does maintain. Since it operates entirely within Society premises and utilises Society facilities, the Charity is subject to the same risks faced by the Society in those aspects of its operations. Key elements in the management of financial risk are the adoption of the Donations Policy which the Trustees review on an annual basis, the mandates which the Trustees set for donations and operation of the Charity's bank accounts and the setting of a Reserves Policy and its review by the Trustees. Other key risks such as the risk of financial fraud are managed by the Society colleagues under the controls framework and policy. The Trustees therefore believe all major risks are being appropriately managed.

Going concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus they have adopted the going concern basis of accounting in preparing the annual financial statements.

The COVID-19 pandemic and the UK's exit from the EU are expected to have limited direct impact on the Charity. It is expected the Charity will continue to make donations in line with funding as received from the Society. It is expected that the Charity will continue to receive funding from the Society for at least 12 months from the date of signing these financial statements.

Objectives and activities

The aim of the Charity is to support charities for the public benefit where the Society's members and colleagues live and work, helping to demonstrate the value and support that the Society provides to local communities throughout the United Kingdom.

Trustees' Report (incorporating the Directors' Report) for the year ended 31 December 2020 (continued)

Objectives and activities (continued)

The objects for which the Charity is established are to promote such purposes being exclusively charitable according to the law of England and Wales as the Trustees of the Charity shall from time to time determine. Charities that receive donations in Scotland must be registered with the Scottish Charity Regulator (OSCR).

The objectives of the Charity are to apply the income and/or capital for charitable purposes, and to make donations to UK registered charities in such manner as the Trustees in their absolute discretion see fit.

The Trustees have adopted priorities which are to support UK registered Charities in particular focusing on prevention or relief of poverty, advancement of health or the saving of lives involving children, the seriously ill, the elderly, the homeless and disabled.

The Charity's support is limited to the United Kingdom and the Trustees prefer to assist a charity for a specific purpose or with the purchase of specific items rather than donating to general funds or expenses. The Charity has focused its activities on seeking to help as many charities and causes as possible for the public benefit where those meet its donations criteria as set out in the Donations Policy and with predominantly smaller amounts (usually equal to or less than £2,000).

Note 10 on page 17 discloses the charities which have received total donations of £2,000 or more during the year. The Charity's donation activities are supported through the activities of Society colleagues and concentrate on charities proposed by the Society's members and colleagues.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the Donation Policy for the year. Society employees and members (who are spread throughout the UK) are encouraged to nominate charitable causes to receive a donation from the Charity.

Financial review

Achievements and performance

The Charity received income of £437,241 (2019: £334,727) and spent £422,155 (2019: £388,047) during the year in line with the Charity objectives. The surplus for the year amounted to £15,086 (2019: £53,320 deficit). This surplus was added to the accumulated funds, giving £77,490 (2019: the deficit was subtracted from accumulated funds, giving £62,404) available for future expenditure as at 31 December 2020. The surplus for the year increases the reserves of the Charity in line with the Reserves Policy below.

In 2020, the Foundation set up a Coronavirus Response Fund with a donation of £100,000 from the Society. The £100,000 donation from the Society was made available to the Charitable Foundation and the trustees deemed that a fund to support charities impacted by the COVID-19 pandemic was appropriate. The Coronavirus Response Fund is not deemed to be restricted funds. The fund supported 61 smaller charities helping communities across the country to cope with the impact of the COVID-19 pandemic, with grants ranging from £500 to £2,000.

Trustees' Report (incorporating the Directors' Report) for the year ended 31 December 2020 (continued)

Achievements and performance (continued)

During the year, including the 2020 Coronavirus Response Fund, the Charity made donations of £415,555 (2019: £382,038). All donations were made to charities and none made to individuals which is in line with the Charity's objectives.

Note 10 of this report includes a list of the charities which received in excess of £2,000 from the Charity during the year, either as one donation or a number of smaller donations.

Reserves Policy

It is the policy of the Charity to maintain free reserves at a level which takes into account the relative stability of the source of funds and the active management of all donation processes. The Trustees review the Reserves Policy annually and have agreed upon a free reserves target of 10% of the anticipated annual income. This is intended to provide sufficient funds to cover administration costs, outstanding commitments and to respond to urgent applications for donations, which arise from time to time. The income of the Charity is not received evenly throughout the year, and donations are made to charities on a quarterly basis, therefore the level of reserves fluctuates at each month end. Free reserves at 31 December 2020 amounted to £77,490 (2019: £62,404), 18 % (2019: 19%) of income for the year. At the lowest point in the year free reserves were £ 40,569 (2019: £24,779), 9% (2019: 7%) of income for the year.

Funding and investments

The Charity receives donations from the Society and other funding arranged by the Society in connection with specific donation activities. This additional funding comes primarily from the Small Change Big Difference® (SCBD) scheme which the Society includes as an optional term in most of its savings and mortgage products. SCBD is a scheme promoted by the Society, under which the holders of savings or mortgage accounts agree to transfer to the Charity an amount equivalent to the pence of interest received on a savings account, or, rounding up to the nearest pound, the pence of interest paid on a mortgage account (never exceeding 99p per year, per account). Members of the Society can opt in or out of the SCBD scheme at any time. The Trustees continue to have the power to invest money in shares, stocks, funds, securities, land, buildings and/or other investments or property, as they think fit. However, it has been their practice to maintain a liquid bank account in order to meet commitments as they fall due, so as to maintain a continuous programme of donations which in turn is matched by an ongoing funding programme, where income is spread over the financial year.

Disclosure of information to the auditors

The Trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are aware, there is no relevant audit information of which the Charity's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Plans for future years

The Charity plans to continue the activities outlined above in the forthcoming years, subject to satisfactory funding arrangements and annual reviews of the Donations and Reserves policies.

Trustees' Report (incorporating the Directors' Report)
for the year ended 31 December 2020 (continued)

Plans for future years

The Charity plans to continue the activities outlined above in the forthcoming years, subject to satisfactory funding arrangements and annual reviews of the Donations and Reserves policies.

The Trustees are mindful of the potential for an impact on the Charity's income arising from the current economic climate, with specific consideration of the potential impact of the COVID-19 outbreak, but are satisfied that continuing to operate in line with the Reserves Policy will afford the best chance of prudently managing financial resources.

The charity aims to maintain reserves levels at 10% of income over the coming years to ensure funds are distributed to beneficiaries within a reasonable timeframe; this will not require any significant increase in donations or in the conduct of the Charity's activities.

The majority of funding available to the Charitable Foundation is generated by the Society's members through the Small Change Big Difference scheme therefore recommendations of charities to receive support are only accepted from members or employees of the Society. This will continue for the foreseeable future.

The Trustees confirm that the Charity has complied with section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charities Commission.

During 2020 PricewaterhouseCoopers LLP were re-appointed as auditor.

Approved by order of the Board of Directors and signed on behalf of the Board

Signed on behalf of the Trustees:
G Rogers
Trustee
21 June 2021

Trustees' Responsibilities Statement

The trustees (who are also directors of Yorkshire Building Society charitable Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 the affairs of the charitable company and of the incoming resources and application of resources, including the 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 in the Charities Statement of Recommended Practice (SORP);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the Trustees are aware:

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditors' Report to the members of Yorkshire Building Society Charitable Foundation

Report on the audit of the financial statements

Opinion

In our opinion, Yorkshire Building Society Charitable Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial activities (incorporating the income and expenditure account); statement of financial position as at 31 December 2020; cash flow statement for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charitable company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Independent auditors' Report to the members of Yorkshire Building Society Charitable Foundation(continued)

Report on the audit of the financial statements (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Trustees' Report

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.

In addition, in light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Trustees' Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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.

Independent auditors' report to the members of Yorkshire Building Society Charitable Foundation (continued)

Report on the audit of the financial statements (continued)

Responsibilities for the financial statements and the audit (continued)

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

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

Based on our understanding of the charitable company, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK company law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management override of controls through the posting of inappropriate manual journal entries and making inappropriate cash payments in the period. Audit procedures performed included:

- Enquiries of management and those charged with governance throughout the year including consideration of known or suspected instances of non-compliance with laws and regulations
- Review of journal entries made in the period for consistency with underlying audit work performed.
- Testing of appropriate review and approval of grants paid in the period

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose.

Independent auditors' Report to the members of Yorkshire Building Society Charitable Foundation(continued)

Report on the audit of the financial statements (continued)

Use of this report (continued)

We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the trustees were not entitled to: prepare financial statements in accordance with the small companies' regime; and take advantage of the small companies' exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.

Heather Varley (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
22 June 2021

Statement of Financial Activities (incorporating the income and expenditure account)
For the year ended 31 December 2020

	Notes	2020 £	2019 £
Income from			
Donations and legacies	3	437,104	334,500
Investment Income	4	137	227
Total Income		437,241	334,727
Expenditure on:			
Other Expenditure	5	(6,600)	(6,009)
Charitable Activities	6	(415,555)	(382,038)
Total Expenditure		(422,155)	(388,047)
Net Movement in Funds		15,086	(53,320)
Funds Brought Forward		62,404	115,724
Funds Carried Forward		77,490	62,404

There are no recognised gains or losses during the current year or preceding year other than the movement in funds for the year stated above.

The results are wholly derived from the continuing operations of the Charity.

The Statement of Financial Activities incorporates an income and expenditure account and the net movement in funds represents the net income for the year. All funds are unrestricted.

The notes on pages 15 to 19 form part of these financial statements.

Statement of Financial Position

As at 31 December 2020

	Note	2020 £	2019 £
Current Assets			
Cash at bank and in hand		56,765	35,444
Debtors - amounts falling due within one year		27,325	32,960
Total assets		84,090	68,404
Current Liabilities			
Creditors - amounts falling due within one year	5	(6,600)	(6,000)
Total liabilities		(6,600)	(6,000)
Net Current Assets		77,490	62,404
Net Assets		77,490	62,404
Unrestricted Funds		77,490	62,404

These financial statements have been prepared in accordance with the provisions applicable to the companies subject to the small companies' regime. The financial statements have been prepared in accordance with the provisions of Section 1A of FRS 102

These financial statements were approved and authorised for issue by the Trustees on 21 June 2021 and were signed on their behalf by:

G Rogers
Trustee

Registered company number: 03545437
Registered charity number: 1069082

The notes on pages 15 to 19 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2020

	2020	2019
	£	£
Cash Flows from Operating Activities		
Net movement in funds	15,086	(53,320)
Increase/(Decrease) in accruals	600	2,190
(Increase)/Decrease in Accrued Income	5,635	8,358
Interest income receivable	(137)	(227)
Net Cash Flows from Operating Activities	21,184	(42,999)
Cash Flows from Investing Activities		
Interest Received	137	227
Net Cash Flows Used in Investing Activities	137	227
Net Increase in Cash and Cash Equivalents	21,321	(42,772)
Cash at Bank and in hand		
As at 1 January	35,444	78,216
As at 31 December	56,765	35,444
Net Movement in Cash at bank and in hand	21,321	(42,772)

The notes on pages 15 to 19 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2020

1. Accounting policies

The Yorkshire Building Society Charitable Foundation, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having share capital.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Except where otherwise stated, all figures in the financial statements are presented pounds sterling (£). The financial statements have been prepared on the going concern basis as discussed in the Trustees' Report on page 3, under the heading, going concern.

The Statement of Cash flows has been prepared in compliance with FRS 102 Section 7 'Statement of Cash flows'. The cash flow has been presented under the indirect method.

The Statement of Cash Flows presents cash flows from operating and investing activities. The Charity did not undertake any financing activities in the year. The net cash flows from all three categories are totalled to show the movement in cash and cash equivalents during the year, which is then used to reconcile cash and cash equivalents.

1.2 Unrestricted funds

The use of these funds has not been restricted to a particular purpose by the donors or their representatives.

1.3 Income

Investment income is recognised on an accruals basis. Gifts and donations are credited to the Statement of Financial Activities as they are received or when it is probable they will be received. The Charity is entitled to income from SCBD when the interest on an account is earned and applied. This is the point at which it is then recognised. Other income is only recognised once receipt is expected and is reliably measurable. Any related tax credits are accounted for on an accruals basis.

1.4 Expenditure

Expenditure is included on an accruals basis. Governance costs are those costs incurred in meeting the Charity's statutory and regulatory obligations and under FRS 102 are included within other expenditure on the Statement of Financial Activities.

No trustee expenses have been paid in the year 2020 (2019 – nil).

Notes to the financial statements (continued)
For the year ended 31 December 2020

1. Accounting policies (continued)

1.5 Donations payable

It is considered that there is a constructive obligation to make the donation once the cash has been approved and the recipient informed of this. Once this criteria is met, the donations are accrued for and subsequently paid.

1.6 Financial instruments

Debtors represents accrued income due in under one year and relates wholly to balances due from Yorkshire Building Society in relation to period end SCBD income.

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of 3 months or less from the date of acquisition or opening of the deposit or similar account.

Creditors relate wholly to amounts owed in respect of audit fees.

2. Critical accounting judgements and key sources of estimation uncertainty

The Charity makes judgements in applying its accounting policies that may have a significant impact on the amounts recognised in the financial statements. In addition estimates and assumptions are used which could affect the reported amounts of assets and liabilities in the next financial year. There are no critical judgements or key sources of estimation uncertainty in these financial statements .

3. Donations and Legacies

	2020	2019
	£	£
Donation from Yorkshire Building Society	30,000	30,000
Donations from SCBD	307,104	304,500
Coronavirus Response Fund Income	100,000	-
	437,104	334,500

SCBD is a scheme promoted by Yorkshire Building Society under which the holders of savings or mortgage accounts agree to the transfer to the Charity an amount equivalent to the pence of interest received on a savings account, or, rounding up to the nearest pound, the pence of interest paid on a mortgage account (never exceeding 99p per year, per account). Each year the Society has made a donation of £30,000 to the foundation. All funds are unrestricted.

In 2020, the Foundation set up a Coronavirus Response Fund with a donation of £100,000 from the Society. The fund supported 61 smaller charities helping communities across the country to cope with the impact of the COVID-19 pandemic, with grants ranging from £500 to £2,000.

Notes to the financial statements (continued)
For the year ended 31 December 2020

4. Investment Income

	2020	2019
	£	£
Bank Interest	137	227

5. Other Expenditure

	2020	2019
	£	£
Governance Costs	6,600	6,009

6. Charitable activities

	2020	2019
	£	£
Charitable Donations	315,555	382,038
Coronavirus Response Fund Donation	100,000	-
	415,555	382,038

The Charity made 299 (2019: 355) charitable donations to charities. No donations were made to individuals in the year. Note 10 provides a breakdown of donations of £2,000 and over made to individual charities during the year.

7. Net expenditure for the year

	2020	2019
	£	£
<i>Net expenditure is stated after charging:</i>		
Fees payable to the charity's auditors for the audit of the charity's annual financial statements	6,600	6,000

Notes to the financial statements (continued)

For the year ended 31 December 2020

8. Called up share capital

The Yorkshire Building Society Charitable Foundation is a charitable company limited by guarantee and does not have called up share capital.

Each member undertakes to contribute to the assets of the Charity, in the event of winding up, a sum not exceeding £1.

9. Related party transactions

During the year the Charity received donations of £130,000 (2019: £30,000) from the Society; it also received £307,104 (2019: £304,500) during the year from the Society's SCBD scheme (see Note 3 for more information). The Society provides administration services under a Framework Agreement; the cost of services provided is considered immaterial

10. Donations made to institutions of £2,000 and over

The following shows total donations of £2,000 and over made to individual charities during the year.

	£
1. South Tees Hospitals Charity and Associated Funds	£2,000.00
2. Norfolk and Norwich Hospitals Charity	£2,000.00
3. Llamau Limited	£2,000.00
4. National Star Foundation	£2,000.00
5. The Primrose Centre Limited	£2,000.00
6. Jay's Aim	£2,000.00
7. The Long Sutton Men's Shed	£2,000.00
8. Tiny Tickers Limited	£2,000.00
9. Tameside and Glossop Hospice Limited	£2,000.00
10. Blythe House Hospicecare	£2,000.00
11. Coffee4Craig	£2,000.00
12. Atherton & Leigh Foodbank	£2,000.00
13. Oldham Foodbank	£2,000.00
14. Cais Limited	£2,000.00
15. Earl Mountbatten Hospice	£2,000.00
16. Multiple Sclerosis Society - Head Office	£2,000.00
17. The Forget Me Not Children's Hospice	£2,000.00
18. Caring in Bristol	£2,000.00
19. St Ann's Hospice	£2,000.00
20. The Rainbow Centre (Marham)	£2,000.00
21. Leonard Cheshire Disability Greenacres	£2,000.00
22. A Breath for Life Children's Charity	£2,000.00
23. Seal Dunfermline	£2,000.00
24. Sporting Family Change Foundation	£2,000.00
25. Start-Up Sterling	£2,000.00
26. Black Country Food Bank	£2,000.00
27. Cornwall Adult Health and Social Care Learning Partnership	£2,000.00
28. The Hygiene Bank	£2,000.00
29. Sandale Community Development Trust	£2,000.00

Notes to the financial statements (continued)
For the year ended 31 December 2020

10. Donations made to institutions of £2,000 and over (continued)

30.	Warrington Foodbank	£2,000.00
31.	Buttershaw Baptist Church	£2,000.00
32.	Sussex Street Christian Centre-Food bank	£2,000.00
33.	Hive Bradford	£2,000.00
34.	Musical Keys	£2,000.00
35.	Christ Church Armley Community Projects Ltd	£2,000.00
36.	Emmaus Sheffield	£2,000.00
37.	Escapp	£2,000.00
38.	Irise International- Sheffield	£2,000.00
39.	The Snappy Trust	£2,000.00
40.	Loaves N Fishes	£2,000.00
41.	Leeds Baby Bank	£2,000.00
42.	Be Free Young Carers	£2,000.00
43.	West Cheshire Food Bank	£2,000.00
44.	King's Lynn Food Bank	£2,000.00
45.	King's Lynn Debt Centre	£2,000.00
46.	Lancashire Community Finance Trust	£2,000.00
47.	The King's Way Church Centre Food Bank	£2,000.00
48.	Bradford Bereavement Support	£2,000.00
49.	The Bradford Physically Handicapped and Able Bodied Clubs	£2,000.00