

# Changing Lives Together

Trustees' Annual Report and Accounts  
2020/21



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# Croeso

Community Foundation Wales has never experienced such challenging circumstances in its 20 year history but, out of adversity, we have without question played an important role in Wales' response to the Coronavirus pandemic. Our ability to connect donors, funders and community groups enabled us to bring additional funding to Welsh communities when and where it was most needed.

Our grant-making for the year totalled £5.5million, an astonishing twofold increase in our previous annual total. This has enabled us to support more than a thousand groups as they struggled through the pandemic.

Partnership is embedded in how Community Foundation Wales works and this year, more than ever, this approach has been at the heart of our work. We have worked alongside donors and funders and have built closer working relationships with Welsh Government and UK Government. I would like to pay tribute to our colleagues at UK Community Foundations and National Emergencies Trust, both of whom were vital in helping us to respond to the needs of Welsh communities during the pandemic.

In parallel to our emergency funding, we have continued to work on a number of longer term projects to help communities in Wales emerge from the Pandemic. We have been working with the Charity Commission and Welsh Government to launch "Revitalising Trusts", a project to revive dormant trusts and to release funds for Wales. We also continue to work with a number of partners to strengthen Wales' ability to secure funding from UK trusts and foundations.

Our endowment funds now stand at £19 million, having recovered from the fall in the market at the start of the pandemic. Therefore, we are making good progress to achieve our strategic target of a £30 million endowment fund to provide sustainable funding for generations in Wales.

We are very fortunate that the Foundation continues to benefit from a strong Board with representation across Wales. I should like to thank my fellow Trustees for their hard work and support during such an unprecedented year. We welcomed four new Trustees to the Board this year, each bringing new skills and experience which will be invaluable going forward. I am also pleased to welcome Gaenor Howells as an Ambassador for Community Foundation Wales.

No one knew what lay ahead when lockdown happened on March 23, 2020. There was fear, uncertainty and a realisation that life would never be the same again.

What amazed me was the speed at which Richard Williams and his team responded and adapted to this new situation, and the speed at which they delivered grants to communities across Wales. Rather than a Grants Panel once a quarter there were two or three a week. Rather than scaling down some of our external work, the whole team showed great flexibility to work together to deliver the enormous grants response needed. Thank you all for your incredible work. I would also like to thank Tanwen Grover, who chairs the Grants Committee, and the Trustees who sit on this Committee for all their guidance and encouragement they gave to help the team deliver grants to Welsh communities.

For many, this year has been one of reflection, recognising the important things in life and how to help others. A sense of community spirit which had seemed to be lost but fortunately rediscovered. We all have a role in helping our communities to thrive. There are many ways in which you can support Community Foundation Wales be that setting up a fund as a donor, whether on an individual or corporate basis, joining "Friends of Community Foundation Wales", leaving a legacy in your Will, getting involved as a volunteer or by simply promoting the grants we have available to distribute. We would be very pleased to hear from you.

Again, a big thank you to everyone who has contributed and supported us during this year - diolch o galon!

*Alun Evans*

Chair, Community Foundation Wales



# How we work

## Values

Our staff and trustees review our values to ensure they are relevant and aligned with our purpose. These values underpin everything that we do:

- We are good partners
- We care about the people we work with
- We make a difference

## Ethical

We work to an Ethical Policy and also an Ethical Investment Policy which states that our investment portfolio should have no direct exposure to companies which have significant holdings in tobacco, arms, gambling and pornography investments.

We are a Living Wage employer and a Living Wage Funder.

## Your data

We protect the information you give us. We work within GDPR regulations and our Privacy Notice sets out how Community Foundation Wales uses and protects information that you give us. This is published on our website at <https://communityfoundationwales.org.uk/privacy-policy/>

## Your donations

We are serious about high standards and promote good fundraising practice. We are registered with the Fundraising Regulator and work to the Code of Fundraising Practice.

## Reporting complaints

If you would like to raise a complaint we can assure you that your concerns will be taken seriously and addressed and responded to as quickly as possible.

## Quality

We are accredited through UK Community Foundations.

## Value #1

# We are good partners

Success in working in partnership is essential to the ability of Community Foundation Wales to connect funders and donors with community that need support.

We have a wide range of long-standing and new partnerships in place with donors and funders, community groups, local authorities, businesses, Government, investment bankers, professional advisers and other organisations.

We would like to share some of these partnership success stories and encourage other organisations to join us in our work to strengthen communities in Wales.

## A crucial partnership in responding to the pandemic

The National Emergencies Trust launched the Coronavirus Appeal in response to the pandemic and established a grant-making agreement through UK Community Foundations, which led to partnership with Community Foundation Wales.

This was a substantial boost to our efforts to help fund the sector in Wales through the crisis and was the start of an agile, high-paced response.



**Mhairi Sharp, Chief Executive of the National Emergencies Trust**, said:

“

Community Foundation Wales have been a crucial partner to the National Emergencies Trust and part of a wider group of Foundations who have collectively supported over 13,000 charities across the UK over the past 15 months.

Within 72 hours of receiving National Emergencies Trust funding Community Foundation Wales had funds on the ground making a difference at village and street level. On the March 26, just three days into the first national lockdown Cymru Creations received a grant of £2,000 to provide food and essentials, this marked the start of an indefatigable year of agile grant making for the team at Community Foundation Wales.

The dedication of the Community Foundation Wales team has resulted in meals, shelter, safety, support and advice for communities across Wales, the work of the Foundation and it's network has undoubtedly saved lives and supported the nation during it's time of need.



”

## New connections

**Admiral** and **Welsh Water** were among the leading Welsh businesses who were quick to support our Coronavirus appeal, ensuring that community groups in Wales were well-supported through the pandemic.

During the year we started new partnerships with **Castle Dairies**, who are contributing a percentage of their annual profits to support STEM education opportunities for young people, and **First Great Western**, who are supporting projects in communities living alongside their rail services.





## Revitalising trusts

Welsh Government and the Charity Commission are partnering with Community Foundation Wales to deliver the Revitalising Trust programme to release £25m that is lying idle in dormant accounts.

The Commission will be identifying charities in Wales that are either inactive (meaning they have had no income or expenditure over the last five years) or ineffective (having spent less than 30% of their total income over the last five years).

Trustees will then have an option to act – with support to help the charity get back up and running if needed. Otherwise the funds are redeployed to causes in line with the aims of the dormant charity or the trust is transferred to Community Foundation Wales to be managed for the long-term benefit of local communities.



Llywodraeth Cymru  
Welsh Government



**CHARITY COMMISSION**  
FOR ENGLAND AND WALES

**Jane Hutt, Deputy Minister and Chief Whip of Welsh Government**, said:

“

The Welsh Revitalising Trusts programme will help charities and trusts to bring vital resources back into play in supporting our communities in Wales.

The programme has also seen us build on our existing relationship with Community Foundation Wales, an excellent organisation which has delivered funding from the National Emergencies Trust to support organisations throughout the pandemic.



”

## Working with STEP

We work closely with partners in STEP, the professional body for lawyers, accountants, financial advisors and other practitioners that help families plan for their futures.

In November our manager, Donor-Advised Giving, Katy Hales, joined STEP's Spotlight conference for a session on Effective Giving Locally, looking at the crucial role community foundations play in working with philanthropists in the UK, USA and Canada.

It was a great honour for Community Foundation Wales, with the panel also including Robert Kleinman, from the Jewish Community Foundation of Montreal, and Lorie Slutsky, Chief Executive of the New York Community Foundation.

## Wales based investment

Our endowment funds are how we continue to fund groups in Wales, today and for future generations.

Our funds are managed by our investment management partners – Brewin Dolphin, based in Cardiff city centre, and CCLA, who manage investments for charities, religious organisations and public sector.

## Value #2

# We care about the people we work with

We understand how important it is to feel valued, to know that others respect your views and trust your judgement.

Showing compassion helps us to build stronger, long lasting relationships, with our donors and funders, with the groups and individuals we fund, with our stakeholders and with our team.

The last twelve months have highlighted more than ever before the need to show kindness to others, to listen and to help whenever possible.

We would like to tell you about some of ways in which we have supported those we have worked with to ensure they know how much we appreciate them.



## Wales Coronavirus Resilience Fund

One of the words that defined 2020 is 'pandemic' – it literally means affecting everyone. In Wales, the Coronavirus pandemic hit just weeks after many of our communities had been hit by widespread flooding.

People were suffering, not just physically due to ill health, but also emotionally, socially and economically. We strongly believe it is our responsibility to show compassion and to offer protection to those that are most vulnerable in our society.

Our Wales Coronavirus Resilience Fund was the vehicle to do that. It was the place where those that were able could come together to show their collective support.

We are grateful to National Emergencies Trust, Admiral, Waterloo Foundation, Principality, Welsh Water, Track 2000 and numerous other individuals and organisations for helping us to build a fund which distributed in excess of £5.5 million to the incredible army of charities and groups across Wales who have worked tirelessly to help people within their communities at such a challenging and ever-changing time.

We knew that groups could better use the time spent writing an application to focus on direct service delivery so we made our grant-making process as accessible and flexible as possible.

In most cases we were able to turn applications around within a week, thanks to the incredible dedication of our team and our Trustees.

We adapted our criteria as the pandemic progressed, offering funding to those continuing to respond to the emergency situation as well as to those looking ahead to the challenges of recovering from such an overwhelming global event. The needs of those we were supporting was always at the forefront of our thinking.



## Adapting to the new normal

As was the case for many organisations, countrywide lockdown necessitated that the team work from home with immediate effect. It took us a few days to settle in to this new way of working and to ensure everyone had everything they needed to work safely and comfortably with access to equipment and files, etc.

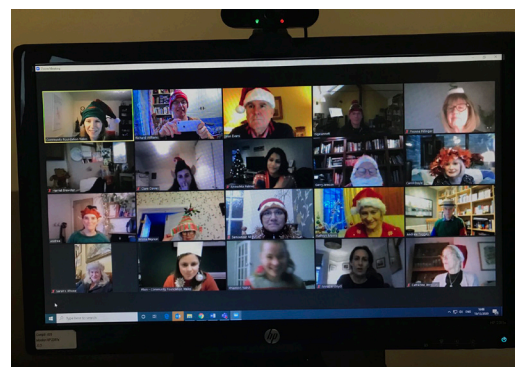
We soon discovered what it means to be stuck at home, with computer screens being our only way of contact – home working and home schooling/caring via Teams and Zoom, very often at the same time, was never going to be easy.

Imagine then, what it must be like to join an organisation following a video interview, without ever having met anyone on the team. We recruited two new members of staff and also three trustees during this time.

The health and well-being of our team has always been high on our agenda, and it's difficult to know if you are doing a good job, especially if you don't really know some members of the team.

To try and maintain a good work life balance and look after the health and wellbeing of the team we:

- worked hard to retain some social interaction with 'community' lunches, quizzes and tea/biscuit tasting via Teams/Zoom.



- undertook some team Health and Well-being training and a staff well-being self-assessment.
- encouraged open conversation and carried out a monthly check-in with the team.
- promoted regular screen breaks and endorsed making the best of our natural environment to recharge and relax.

**Rhiannon Walsh**, a Grants Officer who joined the team in October 2020 said:

“

One of the things that has struck me about working at the Community Foundation Wales is how healthy and positive the work environment is. Since my first day in October, I have been impressed with not only the emphasis that the organisation has put on mental health and well-being, but also the actions that have been taken to put it into practise. In my eight years in the Third Sector and Education Sector, I have never experienced a workplace that has made me feel so valued, understood, and listened to.



”

## Loud and Clear

In September 2020, we published our Loud and Clear report, bringing together the views of more than 100 groups in Wales on how Community Foundation Wales and other funders can most effectively support their work.

This report was the result of our team going out and meeting with groups and charities from across Wales, talking and most importantly, listening to what they had to say.

Time and again, we heard the same messages – they want more core funding to enable them to exist and want longer-term partnerships with funders.

What they don't want is the constant merry-go-round of having to submit short term funding applications that suck up time and energy that could be better used actually running services to help people.

Here is what a couple of the groups we spoke to told us:



### **North Wales Women's Centre**

"Funding is an on-going challenge. Insecurity is affecting turnover of staff – people leave if they are insecure.

Sustainability is our biggest issue – not just money.

Short-term funding doesn't allow continuity and impacts what the community expects from us."

### **Cylch Meithrin Wyddgrug**

"There's plenty of funders who can help us to buy equipment and run projects.

Our cupboards are bursting with toys and things to run activities. But we've no money to turn the lights on and pay insurance and salaries.

Finding core funding to keep us open is our biggest challenge."

## Looking ahead

As we return to 'business as usual' and begin to open our established funds again, it would be remiss of us not to use this learning to inform our grant-making.

Wherever possible we have reworked the criteria of our funds to offer both core and multi-year funding. We have made changes to our internal processes to ensure that we are able to offer multi-year funding without impacting those projects for whom one year funding is required.

If, like us, you care deeply about Wales and its people and would like to work with us to give back in any way, you can make a donation by visiting our website or if you would like to volunteer we have a number of opportunities available - we would love to hear from you.

## Value #3

# We make a difference

We aim to make a difference with everything we do.

This might be through the funding we distribute, the support we provide to third sector organisations or the guidance we give to philanthropists to donate to the causes they are passionate about, ensuring the maximum impact in the areas they care most about.

This year has been different in many ways and we have adapted how we work and the type of grant support we offer to meet the ever-changing needs of communities across Wales.

We have listened to what the third sector have told us and adapted how we work to make the biggest difference we can with the funding we have available.

## A year like no other

The pandemic brought new and increased challenges as lockdown was announced, businesses had to close their doors, workers struggled to make ends meet having been furloughed or laid off and isolation became the 'norm' for everyone.

Our usual funds were all replaced with the 'Wales Coronavirus Resilience Fund' which was launched on the March 23, 2020 for grass roots community groups and charities working tirelessly to adapt their service to support those most vulnerable to the impact of the virus.



## Adapting to meet changing needs

Throughout the year we listened to what organisations required to keep going and adapted the criteria to meet those changing needs. To ensure we were cognizant of the challenges groups were facing we ran a survey during the first few weeks of the pandemic.

The groups that responded reported on average a **62%** rise in demand for support.

**Food** and **essential supplies** for families on low incomes was one of the biggest needs.

**29%** of all grants given went to projects tackling food poverty and food delivery to vulnerable people.

The survey also highlighted the struggles for groups that were usually self-sufficient with strong income from fundraising events and charity shops. Those organisations saw income fall to zero overnight as charity shops closed and all events were cancelled.

We funded a number of these groups with a grant to support core costs to enable services to continue to those that require care or support at such a critical time in their lives.

The Black Lives Matter campaign in May 2020 drew attention to Black, Asian and Minority Ethnic (BAME) cultures and highlighted the significant impact that Coronavirus was having on their lives.

We had already reached out to this sector, offering grants to help groups communicate the Government messages to save lives via leaflet drops, phone calls and online support. We will be building on this and continuing to work with these groups to improve our understanding and representation of diverse cultures.



## Looking forward

In September we adapted our funding to address the change in focus we were seeing in applications. We closed our Wales Coronavirus Resilience Fund to open our Respond and Recover Fund which was supporting organisations delivering emergency response in local lockdown areas but also available to organisations focused on recovering from the crisis to develop self-sufficiency and resilience, on solutions rather than on symptoms.

During the last quarter of this financial year we have used the learning gained from the findings of the Loud and Clear Report to adapt the funding we have available for next year to champion core and multi-year funding for grass roots organisations.





## A snapshot of who we have helped

### Oasis Cardiff

Oasis Cardiff supports refugees and asylum seekers to integrate and be involved in the local community of Cardiff and wider afield.

A grant from the Wales Coronavirus Resilience Fund enabled them to provide daily, culturally appropriate meals and food parcels during the lockdown to those that would usually attend the centre.

#### Morrison, Volunteer

"I left Sudan when I was 18 years of age due to the war that had broken out. The journey was really difficult.

I was with my friend and he got killed on the way. Losing my friend was so hard and the things I have been through during the journey is something you can barely forget in your mind.

Oasis helped me rebuild myself, it's like home for me. I am so grateful to be able to repay back the community for what they have done for me."



#### Reynette Roberts, Director

"Food is essential and is what brings people together and makes people feel the same as each other.

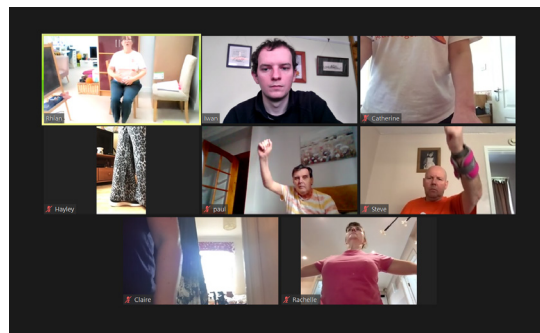
When restrictions have allowed we have also used our adapted car park with our food trailer and a marquee to allow clients to sit to improve mental health and allow social interaction.

Many have commented on how much it has helped them to have a safe space to come to during this difficult time."

## MS Society Cymru

The MS Society Cymru moved quickly to support people with Multiple Sclerosis (MS) when the Covid-19 pandemic hit in March 2020. Many of these people were “shielding” due to being deemed high risk, whilst others self-isolated due to mixed messages and confusion.

They were unable to support people in the traditional way - through face-to-face activities and engagement - so rapidly adapted their services to provide an online ‘Health and Wellbeing Hub’ offering support and a programme of activities to their MS community. This service helped to mitigate the challenges of the pandemic - keeping people with/affected by MS connected and mobile in their own homes.



Below, Jackie explains the importance of the Health and Wellbeing hub:

“

I've only been out of the house three times since last March. I don't have to shield but I'm vulnerable when I'm out as I can't get out of the way of someone quickly.

I live on my own, my daughter and a local volunteer shop for me. I've always been independent and done my own thing, giving the reins to somebody else has been difficult but I've had to get used to it.

Things are so different now but we make sure that we stay connected even if it's just phoning someone, we are always at the end of the phone.

Being online has meant that I have taken part in activities I wouldn't normally do. I'm now doing tai chi, physio, yoga, coffee morning, bingo, quiz, knitting and crafts, choir, pub and time to chat. I'm so busy now I wonder, what did I do with my time before?

”

### Help Harlech

#### Harlech

Help Harlech received a grant to support the daily need for its services and allow for the purchase of PPE equipment for its volunteers, to protect them on their frequent delivery runs.



### Bike to the Future

#### Powys

Bike to the Future's grant helped them to use their electric assist cargo bike to distribute food and vegetable bags in the local community.



# A look back at 2020

We had three goals last year:

## 1 Adopt and deliver a growth strategy that supports our sustainability and helps us to reach our £30m endowment target.

- We delivered an end of year balanced budget.
- Our development plan has been agreed and being implemented with good progress. Endowment currently stands at £19,493,081.
- The Revitalising Trusts Cymru project to enable transfer of dormant charitable funds has been set up in partnership with Welsh Government and Charity Commission.
- Agency Funds is an area of growing interest from charities who see that we can help them invest and benefit from the returns that we are able to achieve.
- We saw new donors and supporters sign up to support our work in responding to the pandemic. Work to sign up new referral partners slowed down through our inability to network and meet face-to-face.
- Whilst we welcomed new Friends of Community Foundation Wales in the year, this was impacted by the pandemic as we were unable to meet new supporters or hold networking events.



## 2 Listen to the needs of our grantees and deliver funding and support that meets the needs of groups and people.



- Following on from the findings of our Loud and Clear report, where groups highlighted the need for more core funding, we reviewed our funds to identify where we would be able to distribute more core funding and establish longer term funding.
- The insight from the Loud and Clear report has also been shared with prospective donors so that they are more informed about the funding needs of the sector in Wales.

- We have implemented a new CRM system and grantmaking process which is a huge credit to the team as the changeover to the new database was completed against the backdrop of our biggest ever grant-making year, stretching the team to its maximum.
- Throughout the pandemic we worked closely with funder partners and were able to cross-refer and signpost to ensure the best support was available for groups. Some of our work in developing support materials was delayed while we responded to the urgent need for grants.
- Work on supporting organisations in Wales to work with UK trust and foundations was delayed due to the pandemic but is progressing again now.
- The project to develop our impact framework was postponed this year due to a focus on pandemic response and has been brought forward to the 2021 Business Plan.
- Regularly reviewing our funds to ensure they are fit for purpose and current has led to the updating of some of our fund agreements to help keep in line with the needs of the sector in Wales and best practice.
- The introduction of the new database has opened up opportunities for in-house process improvements, and the benefit of this is already being seen in terms of process quality, accuracy and freeing up of resources. We have identified further process improvements and these were carried across into the 2021 Business Plan.

## 3 Continue to build our team, demonstrating our values in all we do and working to best practice.

- All team members have development plans to help them achieve their full potential. While the pandemic changed the nature of some of the development support available, it also created opportunity for more online materials which the team benefitted from. In particular we have invested resources this year in developing our ability to work with data with a member of the grants team working closely with 360Giving.
- Our values are embedded into how we work and are an integral part of our recruitment, team reviews and working culture.
- Like most organisations, this year has been a revolution for how we work. The team have worked from home for the whole year, we quickly adopted technology to enable full access to the systems and processes we use, and the team switched to remote working practices. We have had a consistent focus on team well-being through the year, with sharing of advice and tips on coping with such a difficult year. The team all benefit also from our Employee Assistance Programme.
- We regularly review all policies to ensure they are fully up to date. We commissioned Peninsula HR to support us with a full review of our HR policies and contracts as well as to provide HR advice on an ongoing basis. We retain our Quality Accreditation through UK Community Foundations and this will be up for scheduled review in 2021.



# The year ahead

We are working to a five year strategy 2020-2025 to change the lives of people in Wales by generating the funding that they need to strengthen their communities.

Four key ambitions have been set:

1. To make Community Foundation Wales fully sustainable by having endowment and assets of £30m
2. To offer funding that addresses the needs of groups
3. To understand and quantify our impact
4. To have a strong network of supporters and partners

This year's Business Plan, shaped with input and engagement from the whole Community Foundation Wales team, is designed to support this journey.

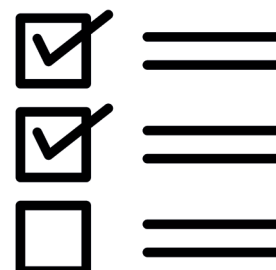
## Values driven

Our plan is underpinned by our values:



## Key support factors for success:

- Finance
- Managing sustainable fund growth
- Streamlining our processes and systems
- Maintaining our reserves to plan
- Resourcing to support external engagement e.g. communications and data
- Reviewing ethical investment approach



## **01** Grow our funds base

Develop sustainable funding resources for communities in Wales.

We will:

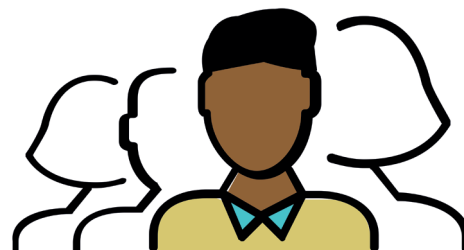
- prioritise our endowment fund offer
- launch our Revitalising Trusts project
- meet the targets set for our Trust and Foundations project to support groups in Wales attract more funding
- build awareness
- update the Annual Supporter Plan
- scale up referral channels – Friends, PA specialist seminars
- identify and respond to new post-Covid thematic needs

## **02** Provide great support for grantees

Deliver funding and support that meets the needs of communities across Wales.

We will:

- review and update fund criteria
- increase points at which we collect grantee feedback
- use feedback to make any changes
- improve data analysis
- build impact framework
- increase support beyond funding
- create a delivery plan for improving Equality, Diversity and Inclusion (EDI) in our decision-making
- analyse Covid funding, implement learning



## **03** Connect with more donors and supporters

Reach more donors and supporters by telling the stories of the people we are helping.

We will:

- increase donor referrals through our digital channels
- focus our story-telling on people
- build political visibility and engagement with a quarterly newsletter
- reinforce our brand identity and elevator pitch with all staff and trustees



## 04 Develop our team

Continue to build and enhance our team.

We will:

- be flexible in office and home-working and conduct a review of office needs
- hold daily/monthly team meetings
- carry out a monthly staff well-being survey
- reduce staff travel by using Teams/Zoom
- provide EDI training for the whole team
- implement a tech development plan to support more effective working



## 05 External policy alignment

Recognising our role in helping to drive change.

We work to deliver the Seven Well-being Goals for Wales, with a particular focus on:

A resilient Wales



A more equal Wales



A healthier Wales



Our work will also help achieve the UN Sustainable Development Goals, specifically:



# Our Trustees

The Trustees of Community Foundation Wales have been recruited from across Wales. They have a variety of backgrounds and expertise and are ultimately responsible for the affairs of the charity.

Community Foundation Wales has a main board which is supported by four committees (Finance, Risk and Investment; Forward Planning and Development; Governance and Grants), along with any task and finish groups which may be established. The Governance Committee was established in 2019 to enable stronger focus on governance matters, including reviews and updates of policies.

The committees and full board meet on a quarterly basis. The rate of attendance at our board meetings was 91% (up from 86% last year) and the attendance at our committee meetings was 88% (up from 81% last year).

## Key responsibilities of the Board:

1. to approve a three year rolling Strategic Plan, to keep it under regular review and to amend it as appropriate
2. to approve the annual Business Plan
3. to monitor quarterly performance against the Business Plan
4. to approve the annual budget and monitor quarterly financial performance against the budget
5. to approve the investment strategy and keep under regular review
6. to approve the audited accounts annually
7. to approve and regularly review policies, a mission/vision statement, a statement of values and a quality framework
8. to monitor compliance with the policies, the mission/vision statement, the statement of values and the quality framework
9. to monitor external relations, public relations, public image, relations with the media and Community Foundation Wales' website
10. to recruit suitable new trustees
11. to approve a policy for the induction, on-going training and retention of trustees
12. to appoint or elect officers of the Board
13. to identify major risks, and to put in place arrangements for mitigating their effect
14. to monitor communications between the Board, the Chief Executive and the staff of Community Foundation Wales
15. to recruit, appoint and, if necessary, dismiss the Chief Executive
16. to agree the Chief Executive's remuneration
17. to ensure the maintenance and integrity of the corporate and financial information included on the company's website.



## Four new trustees for Community Foundation Wales

Four new trustees joined the board of Community Foundation Wales during 2020/21 – bringing new skills and experiences to strengthen our work.

### Annabel Lloyd

Annabel Lloyd has worked across a wide variety of public, private and third sector organisations, mainly as a communications consultant.

Annabel recently re-joined the world of freelance to get involved in a wider variety of activities and this has included her joining the board of trustees at Community Foundation Wales.

Annabel is based in Penarth, Vale of Glamorgan.



### Samsunear Ali

Samsunear Ali, of Cardiff, has 25 years' experience of working in the private, public and the voluntary sector and is the Deputy CEO of BAWSO, an organisation providing specialist services to BME communities affected by domestic abuse and other forms of Violence Against Women.

Her work involves lobbying and campaigning on Violence Against Women's issues and she represents BAWSO both locally and nationally.



### Sarah Corser

Sarah Corser is a Principal Associate with the national law practice, Shoosmiths and has experience of working with vulnerable families as well as supporting a number of charities who work with those who have suffered a mental or physical injury.

Sarah is from Meifod, Montgomeryshire.



### Gwyn Owen

Gwyn Owen, of Beddgelert, Gwynedd, comes from a technical and legal background and has spent most of his career in dispute resolution, both as arbitrator at the ICC Court in Paris and in international mediation.

Gwyn is the current High Sheriff for Gwynedd and is an active fundraiser for local causes in the county.





## Wales Trustee appointed chair of UK Community Foundations

Community Foundation Wales trustee Andrew Tuggey has been appointed as Chair of UK Community Foundations.

Andrew first became engaged with Community Foundation Wales when he was High Sheriff of Gwent in 2015 and worked with the foundation to deliver the Gwent High Sheriffs' Community Fund.

Andrew has been a trustee since 2018 after a career in Westminster as Chief Executive of the Commonwealth Parliamentary Association and, previously, as an Army officer serving all over the world, including six years with the Gurkhas.

Andrew said:

“

It is a great privilege and honour to have been elected by my fellow Trustees to chair the Board of UKCF and I thank them.

As a Board we shall become more diverse and inclusive, and welcome additional skills and expertise. Reaching out across the network and listening to the experience of others, we shall show leadership by our commitment to reviewing UKCF's own equality, diversity, and inclusion practices.

I and Board colleagues recognise that good, clear communications up, down and across the network are essential to continue and grow the success of our collaborative work. UKCF exists to support, assist and listen to the network, and to amplify and advocate the work of Community Foundations to our many stakeholders.

”



## The board of Community Foundation Wales

- Alun Evans, Chair, Chair of Governance Committee
- Nigel Annett, Vice-Chair, Chair of Forward Planning and Development Committee
- Kathryn Morris, Treasurer, Chair of Finance, Risk and Investment Committee
- Tanwen Grover, Chair of Grants Committee
- Gerry Jewson
- Andrew Tuggey
- Sarah Jennings
- Emma Beynon
- Annabel Lloyd
- Samsunear Ali
- Sarah Corser
- Gwyn Owen

# Financial review

## Overview

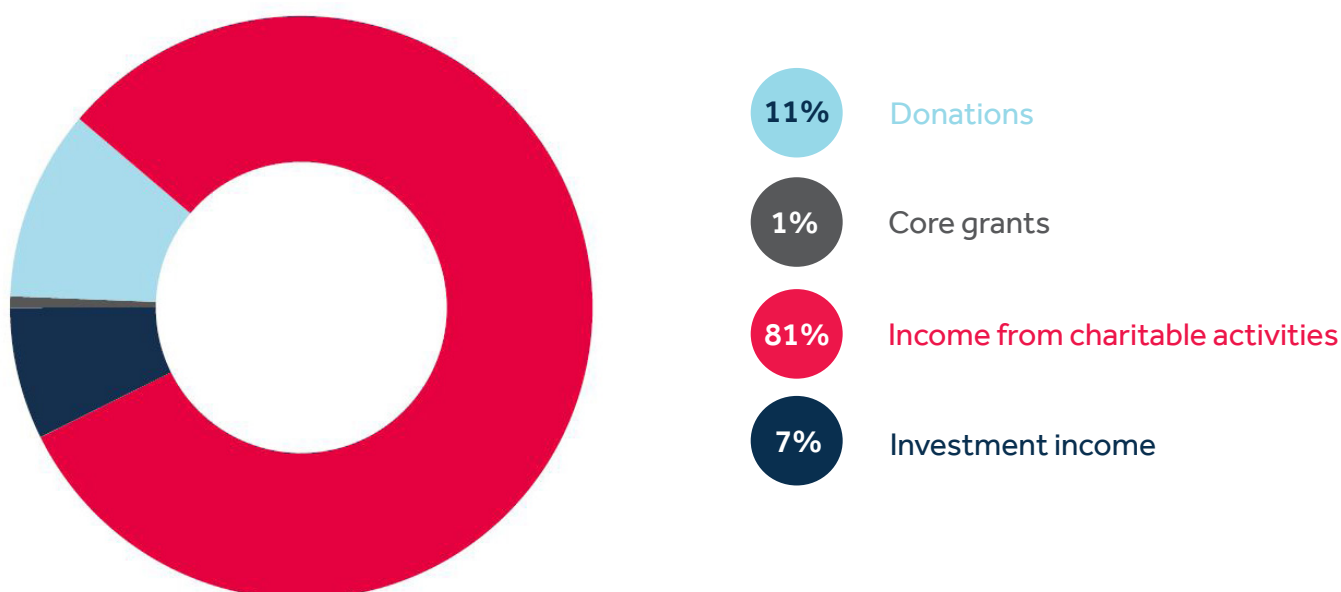
- The net assets of Community Foundation Wales are valued at **£21.3m**, an increase of **£4.26m** on the prior year. After the sudden drop in the markets in March 2020 due to Covid-19, there was a robust recovery during the following year.
- New endowment money of **£71k** was received.
- Income of **£6.54m**, **£621k** of which was designated for the Foundation's core operational costs and was generated from promoting and managing philanthropy (**81%**), core grants (**1%**) and other earned income, including donations (**18%**).
- Expenditure of **£6.35m** of which **£6.13m** was spent on **over 1157** grants to different organisations and individuals.
- Charitable activity expenditure was **£6.06m** and represents **95.4%** of total charitable expenditure.
- Unrestricted end of year reserves of **£447k**, which is greater than target range but will reduce in the coming year as less income is anticipated.

## Income

Income of **£6.74m** of which **£733k** was received from donations, **£45k** of this consisting of new endowment.

Income and dividends from investments was **£480k**. This is an increase on the previous year due to a buoyant stockmarket.

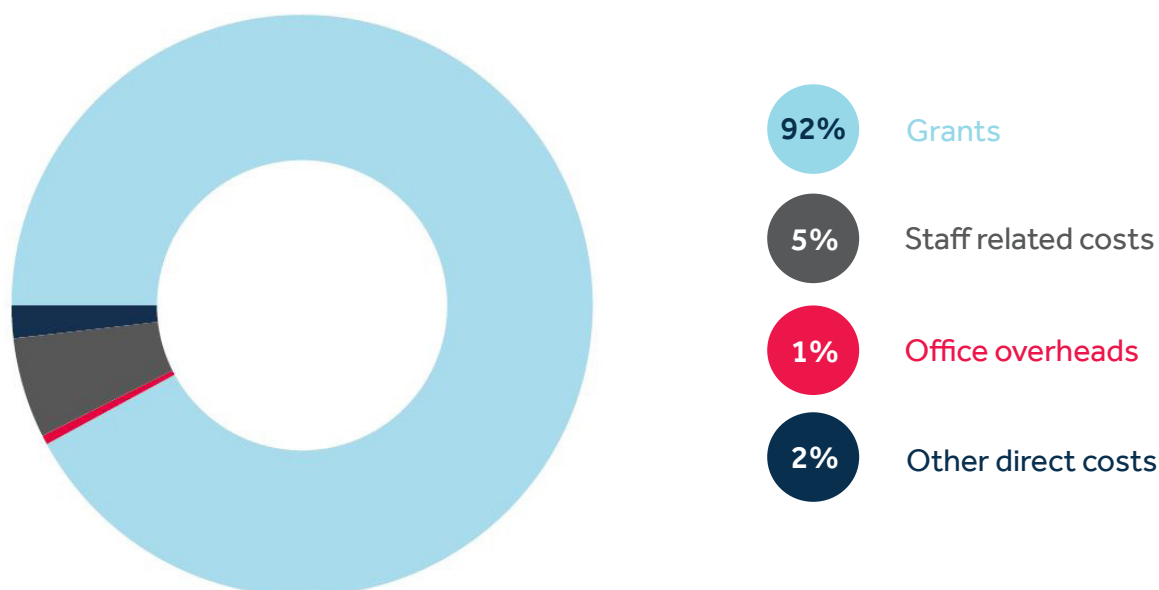
Charitable activity income of **£5.33m** is for grant-making from immediate impact restricted funds and is an increase of **£3.7m** on the prior year.



## Expenditure

Expenditure of **£6.35m**, of which **£138k**, was spent on developing new funds and looking after our existing fundholders, **£12.66k** was spent on securing core grant income and **£62k** managing our investment portfolio to develop returns for grant-making - **£51k** of this was for the direct costs of the investment managers.

Charitable activity expenditure was **£6.13m** of which **£6.03m** was spent directly on grants to **over 1157** projects.



## Investments

Community Foundation Wales' Finance, Risk and Investment Committee holds delegated responsibility from the Board of Trustees for overseeing all financial, investment and risk management aspects of Community Foundation Wales, including monitoring the investment strategy and evaluating investment managers' performance. Meeting quarterly, the Finance, Risk and Investment Committee monitors and scrutinises the investment performance. This is also constantly reviewed, and analysed monthly, by the executive team which liaises regularly with our investment managers to update our asset allocation and other investment considerations. Our investment managers make a formal presentation to the Finance, Risk and Investment Committee at least once a year, during which performance, strategy, market conditions, and policy updates are reviewed.

To offer an endowment fund grant-making capability that increases with inflation, Community Foundation Wales' investment strategy is to maintain the real value of both its capital and the funds available for charitable purposes over an economic cycle through a diversified portfolio of securities within an acceptable risk profile.

Further diversification is achieved by spreading the investments across two investment managers. Community Foundation Wales has a discretionary investment portfolio with Brewin Dolphin and pooled fund holdings with CCLA. Each endowment fund has a percentage share of the combined manager portfolios that is adjusted every time capital is added or withdrawn. Community Foundation Wales' ethical investment policy means that the portfolio will have no significant direct investment exposure to tobacco, arms, pornography and gambling.

Community Foundation Wales operates a total return approach to managing the investment portfolio. Each year the trustees review the requirements from each fund, taking into account the needs of beneficiaries, expectations of fundholders and historic investment performance.

The trustees set a maximum recommended distribution amount for each fund. This recommended distribution amount is a nominal amount. It is only officially designated as income as and when it is needed to meet expenditure requirements.

Community Foundation Wales still maintains a modest income flow which is designed to assist with meeting cashflow requirements. Cash will be withdrawn from the endowment funds to cover the management fees and to enable grant-making.

During 2020/21 the trustees recommended an across the board distribution figure of **3.5%** of the opening year value of the endowment, except in specific cases where funds required higher distribution amounts to meet community needs and/or fund holder requirements.

Community Foundation Wales complies with the specific guidance from the Charity Commission regarding permanently endowed funds. The charity manages 12 funds which are considered to be permanently endowed, totalling **£10.11m** as at 31 March 2021 (see note 18).

The initial value of the permanently endowed trust for investment was established as 1st April 2012. For permanently endowed trusts established after this, it is the date the fund was established.

Community Foundation Wales has one investment property that is leased out until 2035. A reserve for maintenance costs over the life of the lease that fall to Community Foundation Wales as landlord was established in 2011 and is currently valued at **£79k**. Community Foundation Wales' single investment property delivered a gross yield of **8.9%**, **1%** of this relates to historic rent from 2015 which is being paid off in annual installments.

The net assets of Community Foundation Wales at 31 March 2021 are **£21.34m**. Of this, **£19.99m** investments, which consists of an investment property valued at £500k and an investment portfolio valued at **£19.49m**.

The value of the investments increased by **£4.17m**, this resulted from the rapid market recovery following the shock of the pandemic which was felt at the end of the prior year.

The funds are managed by two investment managers, Brewin Dolphin who manage a segregated investment portfolio worth approximately **£14.03m** and CCLA who manage the remainder of the portfolio, valued at approximately **£5.40m**.

## Reserves Policy

The aim of the Trustees of Community Foundation Wales is to hold reserves to mitigate any significant drop in income levels. Trustees believe this should be a prudent minimum so as to maximise our grant-making funds.

The board recognises the need to grow endowment levels to a critical mass in order to provide a sustainable source of future income, not affected by new contracts or funding cycles. The current target is **£30m**, which would provide enough to cover the running costs of the Foundation at current levels.

If income levels are not sufficient to cover running costs, we need a plan to ensure the continued operation of the foundation in the short term. To address this concern, we have developed the following reserves policy.

For the purpose of the policy neither expendable endowments nor restricted reserves will be included in total.

The board has set a level of **£270k** to be held in unrestricted reserves, this would give the foundation time to find alternative funding or to scale down expenditure to sustainable levels.

At the end of the current financial year, the reserves are **£413k** which exceeds the reserves policy however the forecast for 2021/22 is such that a proportion of these will be used, hence reducing the balance to the reserves policy level.

# Covid-19:

## How we managed the risks and challenges of the pandemic

Like most organisations, the pandemic caused Community Foundation Wales immediate challenges to how we work, internally and externally.

Externally through the urgent need for additional funding support for communities in Wales, and internally through an immediate change in how we work.

To navigate our way through this, Trustees set up a working group that met weekly at the start of the pandemic to review our financial position and keep oversight of any emerging new risks.

### Impact on our work

Due to restrictions on meeting face-to-face, our ability to generate new funds was affected. Our grants panel moved online to Teams and had to take place twice weekly to cope with the pace of grant-making for the emergency fund. We were incredibly grateful to the members of the Grants Panel, who support us on a voluntary basis, for their dedication and support throughout the pandemic.

All staff immediately moved to working from home. Despite the challenges of this, our team responded well and have managed to keep our day-to-day running business as usual through the pandemic. We were fortunate that our charitable work was not affected by any staff or trustee illness through Covid-19.

We decided that we did not need to furlough staff as our full resources were needed to support the emergency fund; generating donations and making grants. As a result of this we were very busy.

Other impacts included moving all governance meetings online through Teams and Zoom. Trustee inductions also took place through Teams, and three new Trustees were brought onto the board during this time.

A real positive impact was the stronger focus on digital communication. We have seen a huge increase in the amount of video content generated by our grant beneficiaries about their partnership with us, which is helping to raise awareness.

### Impact on operations

As in every year, the Foundation starts the financial year with a budget deficit which is met through new fund generation.

With the announcement of a lockdown, we were facing uncertainty over our ability to generate new funds and potential shortfall in endowment-generated grants.

Trustees put in place a new weekly working group to review the financial position, overseeing income and expenditure. At this time too, our landlord showed understanding of our position and supported us with a short-term rent reduction.

As the emergency fund gathered pace, with the agreement of partnership with the National Emergencies Trust, and new support from donors and businesses, we were able to not only double our highest ever grant-making total but also to meet our internal budget deficit.

Some process changes were needed particularly in identifying fraudulent grant applications. We worked with other funders in Wales to share information about fraudulent claims, to minimise the risk.

Our face-to-face and paper approval processes were fully digitised to enable remote working.

We were committed to launching a new Customer Relationship Management system for the start of the financial year, as the lockdown was introduced. This caused the team significant challenges as we transferred across from our old database and trained staff on the new system. Our intention of a temporary shutdown in grant-making to enable the transfer was no longer possible and the team deserve huge credit for successfully completing the database transfer at such a busy operational time.

The restrictions on face-to-face meetings posed a challenge for our work in cultivating new relationships with potential future donors. Though not as effective as face-to-face conversations, we were able to adapt, putting on webinars and holding meetings by Zoom/Teams.

We were unable to open some of our funds during the year due to the amount of resource needed to cope with the activity due to the Coronavirus grants.

Given that we were in a period of emergency funding, we found that it was challenging to engage new donors on non-Covid related needs. So, while able to provide our highest ever grants total, we are aware that funding for projects not related to Covid has been difficult to find for groups.

## Impact on investments

As an endowment-based foundation we kept a close eye on the turbulence in the markets, even though we take a long-term view and understand that markets will go up and down. There has been no short-term impact for us, our grant-making for last year was almost double our previous record year. Looking ahead, markets have recovered strongly during the year and we have been pleased with the recovery of our funds through our investment managers.

## Impact on reserves

With learning from this year, we have updated our Reserves Policy to protect the level of reserves needed to ensure the survival of the organisation or the winding-up if that was ever necessary.

Due to the emergency funding, the level of reserves has increased, but as the future is still uncertain, it is likely the reserves may have to be drawn upon in the next financial year.

## Impact on future aims and activities

We will benefit in the future from the process changes that were implemented in the pandemic, our ability to work flexibly, the growth in digital story-telling.

We are still working in a period of some financial uncertainty and it is unclear how philanthropic giving in Wales will be affected in the medium term.

## Impact on any wider network and how this affects our operations

Community Foundation Wales is a member of UK Community Foundations. As part of this we often work in partnership with fellow foundations to deliver grant programmes. Aside from the coronavirus emergency funds, generating new alternative funds was a challenge in the year.

# Objectives and activities

## Charitable objects

Community Foundation Wales' charitable objects, as outlined in our Articles of Association, which were adopted on 24th March 2012, (and previously contained in the company's Memorandum of Association) are:

- The promotion of any charitable purpose for the benefit of the community in Wales including the advancement of education, the protection of good health, both mental and physical, and the relief of poverty and sickness and other exclusively charitable purposes which are beneficial to the communities in Wales.
- Other exclusively charitable purposes in the United Kingdom and elsewhere which are, in the opinion of the Trustees, beneficial to the community with a preference for those in the area of benefit.

## Mission and Vision

**Mission:** To strengthen and enrich local communities across Wales by inspiring and managing philanthropy.

**Vision:** A Wales with a thriving voluntary and community sector, where local people lead projects and have the financial resources to develop their own solutions based on need.

## Charitable activities

Promoting philanthropy and grant-making are Community Foundation Wales' principal charitable activities, representing the two sides of Community Foundation Wales' core purpose, that of encouraging charitable giving and investing in communities.

## Public benefit

The Trustees of Community Foundation Wales, having reviewed the Charity Commission Guidance, demonstrate public benefit in a number of ways:

- Our aims cover permitted charitable purposes.
- Our key charitable objectives (promoting philanthropy and grant-making) benefit the grant recipients and their communities through financial support to deliver a range of activities which strengthen communities.
- Grant-making, free to beneficiaries, is collaborative (e.g. through working with local Panels to recommend decisions on which projects to fund), and inclusive (e.g. through our grants policy which outlines our transparent, straightforward and clear grant criteria).
- The impact of our grants is demonstrated through monitoring and reporting, as some of the examples featured here show.
- Raising the profile of philanthropy, needs and our grant-making supports and celebrates civil society.
- Initiatives such as the Fund for Wales and philanthropy events promote charitable giving.



# Structure and governance

## Governing document & legal status

Community Foundation Wales is a Charitable Company limited by guarantee registered as Community Foundation in Wales. The Charitable Company was established under a Memorandum of Association dated 19th November 1998 and is governed under its Articles of Association. Following a comprehensive review, new Articles of Association were adopted on 24th March 2012.

Community Foundation Wales is registered with the Charity Commission (registered charity number 1074655). It has the power to receive funds for donors and other contributors and make grants to eligible individuals and communities in support of charitable activities in and for Wales. Community Foundation Wales is also a registered company number 03670680.

We publish our audited accounts on an annual basis along with our annual report.

## Membership

In the event of the company being wound up, Members are each required to contribute an amount not exceeding £1. The Members comprise the current Trustees.

## Board recruitment, induction and development

The Directors of the company are also charity trustees for the purpose of charity law and, under the company's Articles of Association, are known as Members of the Board of Trustees.

A Board Committee, called the Governance Committee, has a broad remit which includes ensuring that the charity has the appropriate trustees to lead Community Foundation Wales' achievement of its rolling three year strategic vision and longer term ambitions. Terms of office, clear roles and responsibilities, Committee Terms of Reference, and a Trustee Development Plan are all in place.

The induction programme for new trustees includes: familiarisation meetings; a Trustee Handbook; visiting funded projects; staff briefings; and attendance at events and Foundation activities. Each trustee also sits on a Board Committee.

In order to achieve our ambitions, Community Foundation Wales' Trustees are committed to learning from examples of best practice from across the community foundation membership and beyond.

Community Foundation Wales renews, invigorates and inspire its Trustees, bringing a strong breadth of skills and expertise to bear on decision-making and planning. This year Community Foundation Wales completed the induction of Annabel Lloyd (June 2020), Samsunear Ali (June 2020), Sarah Corser (September 2020) and Gwyn Owen (September 2020) as new trustees.

## Wider network membership

Community Foundation Wales is a member of UK Community Foundations (UKCF). The role of UKCF includes: representing and raising the profile of community foundations across the UK; the negotiation and management of UK-wide grant programmes; technical assistance; and the provision of a range of member services including a national conference, formal and informal training, and enabling sharing and learning across the network. UKCF underpins the work of the movement, and Community Foundation Wales is proud to be a member. One of our Trustees sits on the board of UKCF.

## Quality accreditation

A further significant benefit of being a member of UK Community Foundations is the expectation that all community foundations maintain their quality accredited status which is re-accredited every three years. Community Foundation Wales was successful in reaching the exacting standards following our submission and interviews in April and May 2021.

## Organisation governance and structure

Currently Community Foundation Wales has 12 Trustees on its Board.

The Company Secretary (the Chief Executive) attends Board meetings but has no voting rights.

Community Foundation Wales has a President (Captain Sir Norman Lloyd-Edwards).

HRH The Prince of Wales is Patron of the Fund for Wales, of which former Trustee and current Chair of the Wales Council for Voluntary Action, Peter Davies, and internationally renowned harpist Elinor Bennett (Lady Wigley), are Ambassadors.

The Board's Committees are reviewed each year ensuring that Community Foundation Wales has an appropriate committee structure to enable it to deliver its objectives.

Committees operating in this financial year were:

1. Grants committee, which approves grants on behalf of the Board. This year the Grants Committee monitored, evaluated and supported the management of £6.13m in grants on behalf of Community Foundation Wales' Fund holders, donors and clients.
2. Finance, Risk & Investment committee, whose work ensures appropriate risk management and achieves a benchmarked return on investment of our capital assets to achieve capital growth and income for grant making. It is also responsible for HR.
3. Forward Planning and Development Committee which leads on our strategic planning and development activity.
4. Governance Committee is responsible for ensuring the foundation complies with its governance duties, including regular review of policies.

The Board's Committees meet regularly with responsibility for the delivery of the Three Year Strategic Plan sitting at the heart of their work. The monitoring of risk, Quality Accreditation Standards and the delivery of the Annual Business Plan are key tasks, and Trustees' strategic perspective, oversight, expertise and input are key features of Committee work. All Trustees are welcome to attend and contribute to all Committee meetings, and this often happens in practice.

The Chief Executive sits on all Board Committees, with senior managers also in attendance. Staff members often join Trustees' meetings and workshops and project visits.

Community Foundation Wales has insurance cover appropriate to the needs of the organisation, which is reviewed annually. This includes trustees indemnity of £1m.

## Pay and remuneration

The Directors on the Board of Directors, who are the Trustees of Community Foundation Wales, consider that they, and the senior management team, comprise the key management personnel of the charity in charge of directing and controlling, running and operating Community Foundation Wales on a day to day basis.

All Directors give of their time freely and no Director received remuneration in the year. Expenses are paid in line with the Community Foundation Wales' Expenses Policy, which relates to both Trustees and staff.

Details of Directors' expenses and related party transactions are disclosed in note 7 and note 20 to the accounts.

Staff pay is reviewed annually in line with the Salary Review Policy which includes the following framework:

- Subject to approval by the Board of Trustees and affordability within the budget an annual % increase will be awarded and equitably distributed to all staff.
- Salary changes can be reflected by changes in duties or responsibilities in the job description.

- Promotions, additional holiday and/or volunteer time and one-off bonuses can also be awarded.
- A salary change can be authorised for a short term period, for example for additional responsibilities or duties undertaken on a short term basis, or permanently.
- In exceptional circumstances a staff member may receive a salary cut.

## Risk management

Community Foundation Wales continues to identify and review the major risks that it faces, and has robust procedures to mitigate and manage them. This includes each Committee taking responsibility for monitoring appropriate risks identified through the Risk Policy and Risk Register as a standing item on each meeting agenda. This ensures that all Trustees are aware of the range of risks faced, the likelihood and the mitigating actions taken to reduce risks, and their role in monitoring the delivery of the Risk Policy.

Risks actively monitored and mitigated this year have included:

- mitigating impact of the pandemic
- business continuity

## Related Parties

Note 20 gives details of various small transactions with other related parties.

Subsidiary Charities - for accounting purposes, Community Foundation Wales is a Group comprising several separate charities whose accounts and activities are consolidated within this Group report and accounts. These charities within the Group are:

- Community Foundation Wales which is a limited company and the parent/main operating charity.
- Montgomeryshire District Trust Fund (registered charity number 513855): supports community initiatives which increase access to leisure and recreation for residents of Montgomeryshire. Community Foundation Wales is the sole trustee.
- Montgomeryshire Intermediate and Technical Education Fund (registered charity number 525726): provides bursaries to first year students at Aberystwyth University who attended a Montgomeryshire High School. Community Foundation Wales is the sole trustee.
- Stanley Bligh Memorial Fund (registered charity number 525314): provides assistance to individuals or groups in Powys pursuing studies or activities in technical and vocational subjects in the arts or sciences. Community Foundation Wales is the sole trustee.
- Former Brecon Girls School Fund (registered charity number 1074498): for general education purposes for the residents of Brecknockshire. Community Foundation Wales is the sole trustee.
- Education Trust for Cardiff Citizens (registered charity number 506656): to advance the education of residents of Cardiff. Community Foundation Wales is the sole trustee.
- Cardiff Citizens Charity (registered charity number 206549): for the relief of financial hardship of residents of Cardiff. Community Foundation Wales is the sole trustee.
- Rudbaxton Parish Education Fund (registered charity number 1145391): to advance the education of children and young people under the age of 25 who live in the Parish of Rudbaxton. Community Foundation Wales is the sole trustee.
- Monmouthshire Further Education Trust Fund (registered charity number 1146059): to advance the education/training of young people in the County of Monmouthshire as it existed in 1956. Community Foundation Wales is the sole trustee.
- The Education Fund of Denbigh and the Surrounding Area (registered charity number 1074655-1): to advance the education of persons between the ages of 11 years and 25 years resident in the area of benefit in such ways that are not required to be provided by the local education authority. Community Foundation Wales is the sole trustee.

- xi. The TJ Jones Memorial Fund (registered charity number 1074655-2): to provide scholarships to assist beneficiaries to undertake training in engineering or advanced technical education at institutions of further education. Community Foundation Wales is the sole trustee.

Unless explicitly stated otherwise, the comments in this report apply to the Group.

Powys Welsh Church Fund - note 18 gives details of Community Foundation Wales' involvement in the management of the Powys Welsh Church Fund.

Clwyd Welsh Church Fund - note 18 gives details of Community Foundation Wales' involvement in the management of the Clwyd Welsh Church Fund.

During the year ended 31 March 2021, Community Foundation Wales awarded

| <u>Charity</u>               | <u>Total of grants<br/>awarded 2020-21</u> | <u>Total of grants<br/>awarded 2019-20</u> | <u>Trustee or<br/>member of staff</u> |
|------------------------------|--|--|---------------------------------------|
| Birth Partner                | £15,300                                    | -  | Andrea Powell                         |
| Y Cwmni Siarad               | £21,000                                    | -  | Ffion Roberts                         |
| Bridge to Cross, Abergavenny | £5,000                                     | -  | Andrew Tuggey                         |
| Ffin Dance, Abertillery      | £5,000                                     | -  | Andrew Tuggey                         |
| BAWSO Ltd                    | £15,000                                    | £29,036                                    | Samsunear Ali                         |
| Mid Wales Music Trust        | £2,000                                     | £1,500                                     | Emma Beynon                           |
| Brecon Mind                  | £29,822                                    | £19,979                                    | Emma Beynon                           |
| Mid North Powys Mind         | £29,340                                    | -  | Emma Beynon                           |
| Race Council Cymru           | £2,000                                     | -  | Samsunear Ali                         |

The above, apart from are all trustees of the charities. Samsunear Ali works for BAWSO Ltd. The grant awarded to BAWSO Ltd was prior to Samsunear Ali becoming a Trustee.

|                                   |   |
|-----------------------------------|---|
| The charity's registered name is: | The Community Foundation in Wales                           |
| The charity's trading name is:    | Community Foundation Wales                                  |
| The charity is known in Welsh as: | Sefydliad Cymunedol Cymru                                   |
| Registered Company Number:        | 03670680 (registered in England and Wales)                  |
| Registered Charity Number:        | 1074655   |
| Principal & Registered Office:    | St Andrews House, 24 St Andrews Crescent, Cardiff, CF10 3DD |

Alun Evans (Chairman)

Nigel Annett CBE (Vice Chairman)

Kathryn Morris (Honorary Treasurer)

Lloyd Fitzhugh resigned 7 May 2020

Tanwen Grover

Geraint Jewson

Andrew Tuggey CBE DL

Sarah Jennings

Emma Metcalfe

Annabel Lloyd appointed 10 June 2020

Samsunear Ali appointed 10 June 2020

Sarah Corser appointed 21 September 2020

Gwyn Owen appointed 21 September 2020 (resigned 6 September 2021)

The Trustees delegated the day-to-day management of the charity to the Chief Executive and Company Secretary, Richard Williams.

Director of Programmes: Andrea Powell  
Finance Manager: Catherine Jewsbury  
Grants & Programmes Manager: Ffion Roberts  
Manager, Donor Advised Giving: Katy Hales

## Auditors

Azets Audit Services  
Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
CF23 8AB

## Bankers

The Royal Bank of Scotland  
South Wales Commercial Office  
One Kingsway  
Cardiff  
CF10 3AQ

## Solicitors

Geldards LLP  
4 Capital Quarter  
Tyndall Street  
Cardiff  
CF10 4BZ

## Investment Managers

Brewin Dolphin Ltd  
2nd Floor  
5 Callaghan Square  
Cardiff  
CF10 5BT

CCLA Investment Management Limited  
85 Queen Victoria Street  
London  
EC4V 4ET

## The trustees present their report and financial statements for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Articles of Association, the Companies Act 2006 and "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 from 1 January 2019).

### Statement of trustees' responsibilities

The Trustees (who are also the directors of Community Foundation in Wales for the purposes of company law) are responsible for preparing the Report of the Trustees 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 which give a true and fair view of the state of affairs of the Charitable Company and the group and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Group for that period. In preparing those financial statements, the trustees are required to

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable 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 business.

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 to enable it to ensure that the financial statements comply with the Charities Act 2011, the Companies Act 2006, the applicable Charities (Accounts and Reports) regulations and the provisions of the trust deed. 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.

### Statement as to disclosure of information to auditors

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the Charitable Company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charity's auditors are aware of that information.

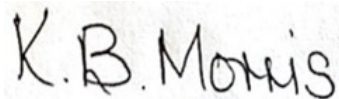
### Auditors

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (effective 1 January 2019) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Directors on 14 December 2021 and signed on its behalf



**Alun Evans**  
Chairman of Trustees



**Kathryn Morris**  
Trustee & Treasurer



# Independent Auditor's Report

## Independent Auditor's Report to the Members and Trustees of Community Foundation in Wales

### Opinion

We have audited the financial statements of Community Foundation in Wales (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated Statement of Financial Activities, the consolidated and parent Balance Sheet, the consolidated Statement of Cash Flows and notes to the financial statements, including 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 group's and parent charitable company's affairs as at 31 March 2021, and of the group's 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and directors report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors report including the trustees report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report included within the trustees report.

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

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

## Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the parent 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 groups and parent 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 group or parent 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

We have been appointed auditor under [the Companies Act 2006 and report in accordance with this Act.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website. This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

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

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### **Use of our report**

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

**Sarah Case FCA DChA (Senior Statutory Auditor)**

**Date:**

For and on behalf of Azets Audit Services

Chartered Accountants Statutory Auditor

Ty Derw, Lime Tree Court, Cardiff Gate Business Park, Cardiff, CF23 8AB

# Consolidated statement of financial activities

(including consolidated income and expenditure account)

|   | Note | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Endowment<br>funds<br>£ | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>Restated<br>£ |
|---|------|----------------------------|--------------------------|-------------------------|-----------------------|-----------------------------------|
| Income and endowments from:                                     |      |                            |                          |                         |                       |                                   |
| Donations & legacies  | 2    | 516,135                    | 146,119                  | 71,017                  | 733,271               | 2,739,978                         |
| Income from investments   | 3    | 2,957                      | 47,853                   | 429,430                 | 480,240               | 161,435                           |
| Charitable activities   |      |                            |                          |                         |                       |                                   |
| Grantmaking   | 4    | -                          | 5,325,310                | -                       | 5,325,310             | 1,625,485                         |
| Other income  |      | -                          | -                        | 200,000                 | 200,000               | -                                 |
| Total income  |      | 519,092                    | 5,519,282                | 700,447                 | 6,738,821             | 4,526,898                         |
| Expenditure on:   |      |                            |                          |                         |                       |                                   |
| Costs of raising funds  | 5    |                            |                          |                         |                       |                                   |
| Fund development & donor care                                   |      | 123,237                    | 14,949                   | -                       | 138,186               | 122,126                           |
| Core grants   |      | 8,858                      | 3,807                    | -                       | 12,665                | 10,354                            |
| Investment income   |      | 10,923                     | -                        | 51,002                  | 61,925                | 44,940                            |
| Charitable activities   |      |                            |                          |                         |                       |                                   |
| Grantmaking   |      | 178,670                    | 5,849,221                | -                       | 6,027,891             | 3,324,938                         |
| Promoting philanthropy  |      | 90,270                     | 15,228                   | -                       | 105,498               | 95,532                            |
| Total expenditure   |      | 411,958                    | 5,883,205                | 51,002                  | 6,346,165             | 3,597,890                         |
| Net income/(expenditure) before gains and losses on investments |      | 107,134                    | (363,923)                | 649,445                 | 392,656               | 929,008                           |
| Net gain/(loss) on investments                                  | 11   | -                          | -                        | 3,896,950               | 3,896,950             | (1,273,546)                       |
| Net income/(expenditure) for the year                           |      | 107,134                    | (363,923)                | 4,546,395               | 4,289,606             | (344,538)                         |
| Transfers between funds   |      | 178,158                    | 98,760                   | (276,918)               | -                     | -                                 |
| Gain on revaluation   |      | -                          | -                        | -                       | -                     | -                                 |
| Net movement in funds   |      | 285,292                    | (265,163)                | 4,269,477               | 4,289,606             | (344,538)                         |
| Reconciliation of funds   |      |                            |                          |                         |                       |                                   |
| Fund balances brought forward                                   |      | 162,099                    | 1,160,179                | 15,723,604              | 17,045,882            | 17,390,420                        |
| Fund balances carried forward                                   |      | 447,391                    | 895,016                  | 19,993,081              | 21,335,488            | 17,045,882                        |

# Consolidated and charity balance sheets

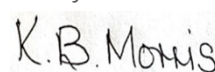
|  | Note | Group        |                          | Charity      |                          |
|--|------|--------------|--------------------------|--------------|--------------------------|
|  |      | 2020/21<br>£ | 2019/20<br>Restated<br>£ | 2020/21<br>£ | 2019/20<br>Restated<br>£ |
| <b>Fixed Assets</b>                            |      |              |                          |              |                          |
| Tangible assets                                | 10   | 8,646        | 11,528                   | 8,646        | 11,528                   |
| Intangible assets                              | 10   | 26,017       | 2,090                    | 26,017       | 2,090                    |
| <b>Investments</b>                             |      |              |                          |              |                          |
| Property                                       | 10   | 500,000      | 300,000                  | -            | -                        |
| Securities                                     | 11   | 19,493,081   | 13,577,727               | 12,180,484   | 9,439,881                |
|  |      | 20,027,744   | 13,891,345               | 12,215,147   | 9,453,499                |
| <b>Long term debtors</b>                       | 12   | 75,744       | 81,664                   | -            | -                        |
| <b>Current Assets</b>                          |      |              |                          |              |                          |
| Debtors  | 13   | 268,050      | 2,137,567                | 173,648      | 383,377                  |
| Provision for investment transfers             | 13   | 504,298      | 865,463                  | 498,462      | 743,336                  |
| Cash at bank and in hand                       |      | 1,211,823    | 1,042,745                | 903,159      | 897,395                  |
|  |      | 1,984,171    | 4,045,775                | 1,575,269    | 2,024,108                |
| <b>Current Liabilities</b>                     |      |              |                          |              |                          |
| Creditors: Amounts falling due within one year | 14   | (698,171)    | (972,902)                | (632,990)    | (843,895)                |
| Creditors: Amounts falling due after one year  |      | (54,000)     | -                        | (7,000)      | -                        |
| <b>Net Current Assets</b>                      |      | 1,232,000    | 3,072,873                | 935,279      | 1,180,213                |
| <b>Net Assets</b>                              |      | 21,335,488   | 17,045,882               | 13,150,425   | 10,633,712               |
| <b>Represented by:</b>                         |      |              |                          |              |                          |
| <b>Unrestricted funds</b>                      |      |              |                          |              |                          |
| General fund                                   | 16   | 447,391      | 162,099                  | 447,391      | 162,099                  |
| Restricted income funds                        | 17   | 895,016      | 1,160,179                | 669,798      | 934,976                  |
| Endowment funds                                | 18   | 19,993,081   | 15,723,604               | 12,033,236   | 9,536,637                |
|  |      | 21,335,488   | 17,045,882               | 13,150,425   | 10,633,712               |

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies. The notes at pages 43 to 69 form part of these accounts. The financial statements were approved by the Board of Directors on 14 December 2021 and were signed on its behalf by:

Alun Evans  
Chairman of Trustees



Kathryn Morris  
Trustee & Treasurer



# Consolidated statement of cashflows

|   | Note | 2020/21<br>£ | 2019/20<br>Restated<br>£ |
|---|------|--------------|--------------------------|
| Net cash used in operating activities               | 24   | (222,632)    | (1,610,341)              |
| Cash inflows from investing activities              |      |              |                          |
| Investment income                                   | 3    | 480,240      | 161,434                  |
| Net cash from investing activities                  |      | 480,240      | 161,434                  |
| Cash flows from investing activities                |      |              |                          |
| Payments to acquire fixed asset investments         | 11   | (4,740,735)  | (21,885,906)             |
| Receipts from sale of fixed asset investments       | 11   | 5,018,366    | 21,995,513               |
| Equalisation  | 11   | 13,114       | -                        |
| Revaluation   |      | (200,000)    | -                        |
| Acquisition of fixed assets                         | 10   | (31,215)     | (17,585)                 |
| Add back depreciation and amortisation              | 10   | 10,170       | 3,967                    |
| Net cash generated used in investing activities     |      | 69,700       | 95,989                   |
| Operating cash flow in year                         |      | 327,308      | (1,352,918)              |
| Management of liquid resources                      |      |              |                          |
| Decrease in net cash in investment                  | 11   | (158,230)    | 455,852                  |
| (Decrease)/Increase in net cash at bank in the year |      | 169,078      | (897,066)                |
| Cash and cash equivalents at 1 April 2020           |      | 1,042,745    | 1,939,811                |
| Cash and cash equivalents at 31 March 2021          |      | 1,211,823    | 1,042,745                |



# Notes to the financial statements

## 1. Accounting policies

### Charity information

Community Foundation in Wales is a charitable company limited by guarantee incorporated in England and Wales. The registered office is St Andrews House, 24 St Andrews Crescent, Cardiff CF10 3DD.

### Accounting convention

The accounts have been prepared in accordance with the charity's Articles and Association, the Companies Act 2006 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The Charitable Company's functional and presentational currency is the pound sterling (£), and balances are rounded to the nearest £1.

### Preparation of the accounts on a going concern basis

The Trustees consider that there are no material uncertainties about the Charitable Company's ability to continue as a going concern.

### Basis of consolidation

The group financial statements consolidate those of Community Foundation Wales and its subsidiary undertakings (see note 23), made up to 31 March 2021, on a line by line basis.

The consolidated entity is known as the 'Group'.

Accounting policies specific to the Charitable Company or group in total are laid out below.

No separate company Statement of Financial Activities (SOFA) has been prepared for the Charitable Company as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

### Income

Income is recognised when the Charitable Company has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. It is derived from the activities outlined below.

Donations without conditions are accounted for on a cash received basis. In the event that a donation is subject to conditions that require a level of performance before the Charitable Company is entitled to the funds, the income is deferred and not recognised in full either until those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the report period.

Income from government and other grants, whether capital or revenue grants, is recognised when the Charitable Company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that that income will be received and the amount can be measured reliably and not deferred.

Gift Aid receivable is included in income where there is a valid declaration from the donor.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Investment income comprises of bank interest and dividends and interest arising from discretionary investment activities. Investment income arising from discretionary investment activities is re-invested by the Investment Managers.

## Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

- **Cost of raising funds**  
The costs of generating funds consist of investment management costs and certain legal fees.
- **Cost of charitable activities**  
Costs of charitable activities include grants made, governance costs and an apportionment of support costs.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charitable Company.

In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Charitable Company.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable. The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charitable company that would permit the charitable company to avoid making the future payment(s), settlement is probable and the effect of discounting is material.

## Allocation of support and governance costs

Support costs are these functions that assist the work of the Charitable Company but do not directly undertake charitable activities. Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the Charitable Company and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

The bases on which support costs have been allocated are set out in note 5.

## Taxation

The charitable members of the group are exempt from income and corporation taxes on income and gains to the extent that they are applied for their charitable objects.

## Investments

Assets held for investment purposes are valued at market value at the balance sheet date. Investment properties are held for their investment potentials and not for use by the company and so their current value is of prime importance.

Realised gains and losses on investments are calculated as the difference between sales proceeds of these investments and their market value at the start of the year, or their subsequent costs, and are charged or credited to the statement of the financial activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end. Realised and unrealised investment returns are split across each endowment fund according to the fund's percentage of the overall portfolio.

Community Foundation Wales operates a total return approach to its investments. The power of total return permits the Trustees to invest permanently endowed funds to maximise total return and to apply an appropriate portion of the unapplied total return to income each year. Until the power is exercised to transfer a portion of unapplied total return to income, the unapplied total return remains invested as part of the permanent endowment. The power allows the trustees to decide in each year how much of the unapplied total return is transferred to income funds and so available for expenditure. The transfers between endowment and restricted funds and endowment and unrestricted funds reflect the income designated in this financial year.

## Fixed Assets

Depreciation is provided on all tangible assets, other than land or investment properties, at rates established to write off the costs of over its expected useful life.

Leasehold property improvements – five years to next lease review.

## Intangible Assets

These include software, web design and CRMs. They are amortised over the useful life, normally between three and five years.

## Debtors

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

## Cash at bank and in hand

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

## Creditors and provisions

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

## Financial instruments

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

## Fund accounting policy

Funds held by the group are:

**Unrestricted Funds** - these cover the operating costs and reserves of the group; there are no designated funds.

**Restricted Funds** - these are given the following classifications:

**Immediate Impact** - these are funds where the money for grants payable originates from other organisations or individuals, but the originator has delegated all or part of the work of researching, recommending and/ or choosing suitable beneficiaries, managing grant applications, controlling the grant payments, and project monitoring/reporting. Examples may include situations where the group is acting as the local agent for national bodies, and where organisations or individuals have decided to out-source their grant-making.

**Endowment Fund Income** - these funds are used for the payment of grants out of the net investment returns designated by the trustees for income distribution from endowment funds with specified purposes.

**Fundraising Activity** - income and costs from events held by individuals not employed or contracted by Community Foundation Wales, to raise funds for specified purposes.

**Foundation Operating Costs** - funds received for specific work undertaken by Community Foundation Wales to enable the delivery of charitable activities.

**Endowment Funds** - the endowment funds held at the balance sheet date are all to be used for specific purposes.

### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the period of the lease.

### **Pension costs**

Contributions in respect of defined contribution pension schemes are charged to the statement of financial activities in the period in which they are payable.

### **Endowment Funds - Prior year adjustment**

The accounts have been restated to incorporate the understatement of Endowment funds relating to Old College Newtown. The adjustment relates to the accounting period ended 31 March 2019. The adjustment has resulted in Endowment funds brought forward being increased by £300,000.

### **Restricted and Unrestricted Funds – Prior year adjustments**

The accounts have been restated to reclassify a fund previously categorised as unrestricted funds to restricted funds. The adjustment relates to the accounting period ended 31 March 2020. The adjustment has resulted in the Restricted funds brought forward being increasing by £50,000 and Unrestricted funds brought forward decreasing by £50,000.

### **Critical accounting estimates and assumptions**

The Charitable Company makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next year.

## 2. Income from donations and legacies

|                         | Unrestricted funds<br>£ | Restricted funds<br>£ | Endowment funds<br>£ | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>£ |
|-------------------------|-------------------------|-----------------------|----------------------|-----------------------|-----------------------|
| Core grants             |                         |                       |                      |                       |                       |
| Welsh Government        | 40,704                  | -                     | -                    | 40,704                | 40,677                |
| Donations               |                         |                       |                      |                       |                       |
| Charities/organisations | 475,431                 | 146,119               | 71,017               | 692,567               | 2,464,096             |
| Corporate donors        | -                       | -                     | -                    | -                     | 103,998               |
| Individuals             | -                       | -                     | -                    | -                     | 131,207               |
|                         | 516,135                 | 146,119               | 71,017               | 733,271               | 2,739,978             |

## 3. Investment income

|                        | Unrestricted funds<br>£ | Restricted funds<br>£ | Endowment funds<br>£ | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>£ |
|------------------------|-------------------------|-----------------------|----------------------|-----------------------|-----------------------|
| Dividends              | -                       | -                     | 429,430              | 429,430               | 110,484               |
| Property rental        | -                       | 44,353                | -                    | 44,353                | 36,870                |
| Grants returned to CFW | -                       | 3,500                 | -                    | 3,500                 | 8,885                 |
| Bank interest          | 2,957                   | -                     | -                    | 2,957                 | 5,196                 |
|                        | 2,957                   | 47,853                | 429,430              | 480,240               | 161,435               |

## 4. Income from charitable activities

|                         | Unrestricted funds<br>£ | Restricted funds<br>£ | Endowment funds<br>£ | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>£ |
|-------------------------|-------------------------|-----------------------|----------------------|-----------------------|-----------------------|
| Charities/organisations | -                       | 5,325,310             | -                    | 5,325,310             | 1,552,819             |
| Corporate donors        | -                       | -                     | -                    | -                     | -                     |
| Individuals             | -                       | -                     | -                    | -                     | 72,666                |
|                         | 0                       | 5,325,310             | 0                    | 5,325,310             | 1,625,485             |

## 5. Expenditure

|                                 | Grants<br>£      | Staff-<br>related<br>£ | Other<br>direct<br>£ | Office<br>Overheads<br>£ | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>£ |
|---------------------------------|------------------|------------------------|----------------------|--------------------------|-----------------------|-----------------------|
| Cost of raising funds:          |                  |                        |                      |                          |                       |                       |
| Core grants                     | -                | 12,335                 | -                    | 330                      | 12,665                | 10,354                |
| Fund development & donor care   | -                | 119,298                | 12,712               | 6,176                    | 138,186               | 122,126               |
| Investment income               | -                | 10,263                 | 51,002               | 660                      | 61,925                | 44,940                |
| Charitable activities           |                  |                        |                      |                          |                       |                       |
| Grantmaking                     | 5,843,255        | 138,117                | 28,742               | 17,777                   | 6,027,891             | 3,324,938             |
| Promoting philanthropy          | -                | 74,947                 | 22,515               | 8,036                    | 105,498               | 95,532                |
| <b>Total resources expended</b> | <b>5,843,255</b> | <b>354,960</b>         | <b>114,971</b>       | <b>32,979</b>            | <b>6,346,165</b>      | <b>3,597,890</b>      |

Grants totalling £5,759,679 (2019/20: £2,875,869) have been made to institutions and £83,576 (2019/20: £60,699) to individuals. The directors do not believe any particular institution received a material grant in the context of grant making.

Costs have been attributed on a basis consistent with the use of resources. Where costs cannot be allocated, they are apportioned by the estimated percentage of time spent on each activity. Office overhead costs equate to support costs - being premises and office-related costs.



## Governance costs

Governance costs are included under Community Foundation Wales' charitable activities expenditure and are broken down as follows:

|                     | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Endowment<br>funds<br>£ | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>£ |
|---------------------|----------------------------|--------------------------|-------------------------|-----------------------|-----------------------|
| Meeting costs       | -                          | -                        | -                       | -                     | 718                   |
| Trustees costs      | -                          | -                        | -                       | -                     | 8,920                 |
| Subscriptions       | 11,631                     | -                        | -                       | 11,631                | 11,877                |
| Professional fees   | 11,533                     | 7                        | -                       | 11,540                | 12,817                |
| Other               | -                          | -                        | -                       | -                     | -                     |
| Staff related costs | 58,112                     | -                        | -                       | 58,112                | 42,243                |
| Office overheads    | 4,363                      | -                        | -                       | 4,363                 | 7,180                 |
|                     | 85,639                     | 7                        | -                       | 85,646                | 83,755                |

## 6. Staff costs

|                       | 2020/21<br>£ | 2019/20<br>£ |
|-----------------------|--------------|--------------|
| Salaries              | 310,308      | 265,423      |
| Social security costs | 29,662       | 25,920       |
| Pension costs         | 15,199       | 11,743       |
|                       | 355,169      | 303,086      |

The average number of full-time equivalent employees during the year, analysed by category, was:

|                      | 2020/21 | 2019/20 |
|----------------------|---------|---------|
| Direct charitable    | 6       | 5       |
| Business development | 1       | 1       |
| Governance           | 2       | 1       |
|                      | 9       | 7       |

The Foundation considers its key management personnel comprise the Chief Executive, Deputy Chief Executive, Finance Manager, Development Manager and Grants & Programmes Manager.

The total employment benefits including employer pension contributions of the key management personnel were £251,182.

One employee received emoluments (excluding pension contributions) exceeding £70,000 in the year.

No Trustee received remuneration.

## 7. Trustees

Due to the Covid pandemic during the year, no trustees (2019/20: 5) were reimbursed for expenses (2019/20: £8,377). All prior year costs were related to travel.

## 8. Net income for the year before transfers

|  | 2020/21<br>£ | 2019/20<br>£ |
|--|--------------|--------------|
| The net income for the year before transfers is stated after charging: |              |              |
| Auditors remuneration  | 8,400        | 6,875        |
| Operating lease rentals:   |              |              |
| - Plant and machinery  | 2,100        | 2,384        |

## 9. Charity results

As per section 408 of the Companies Act 2006, the charity has not included its own income and expenditure account in these financial statements. The results of Community Foundation Wales are summarised.

|  | 2020/21<br>£ | 2019/20<br>£ |
|--|--------------|--------------|
| Total income                                     | 6,633,223    | 2,269,146    |
| Total expenditure                                | (6,331,175)  | (3,403,967)  |
| Net incoming/outgoing resources before transfers | 302,048      | (1,134,821)  |
| Investment gain/(loss)                           | 2,214,663    | (607,830)    |
| Transfers  | -            | -            |
| Net movement in funds                            | 2,516,711    | (1,742,651)  |

## 10. Fixed and Intangible Assets

### Investments - Property

|                                   | Group        |              | Charity      |              |
|-----------------------------------|--------------|--------------|--------------|--------------|
|                                   | 2020/21<br>£ | 2019/20<br>£ | 2020/21<br>£ | 2019/20<br>£ |
| At 1 April 2020                   | 300,000      | 300,000      | -            | -            |
| Revaluation                       | 200,000      | -            | -            | -            |
|                                   | 500,000      | 300,000      | -            | -            |
| At 31 March 2021                  |              |              |              |              |
| Properties at year end comprised: |              |              |              |              |
| Former county school at Newtown   | 500,000      | 300,000      | -            | -            |

This property is part of the Montgomeryshire Intermediate & Technical Education Fund endowment. The historic cost of the property, when it was transferred into the group in the year to 31 March 2010, was £500,000. The property is valued quinquennially and was last valued on 14 January 2021 by Andrew H Turner MRICS from Morris Marshall on an open market valuation basis. Due to the pandemic, the valuation was delayed, but the rent was back dated to the due date of the valuation.

## Tangible assets

|                          | Group        |              | Charity      |              |
|--------------------------|--------------|--------------|--------------|--------------|
|                          | 2020/21<br>£ | 2019/20<br>£ | 2020/21<br>£ | 2019/20<br>£ |
| Leasehold improvements   |              |              |              |              |
| Cost                     |              |              |              |              |
| Opening balance 1/4/2020 | 14,410       | -            | 14,410       | -            |
| Additions in year        | -            | 14,410       | -            | 14,410       |
| Value at 31/03/2021      | 14,410       | 14,410       | 14,410       | 14,410       |

|                          | 2020/21<br>£ | 2019/20<br>£ | 2020/21<br>£ | 2019/20<br>£ |
|--------------------------|--------------|--------------|--------------|--------------|
| Accumulated depreciation |              |              |              |              |
| At 1/4/2020              | 2,882        | -            | 2,882        | -            |
| Additions in year        | 2,882        | 2,882        | 2,882        | 2,882        |
| Value at 31/03/2021      | 5,764        | 2,882        | 5,764        | 2,882        |

|                  | 2020/21<br>£ | 2019/20<br>£ | 2020/21<br>£ | 2019/20<br>£ |
|------------------|--------------|--------------|--------------|--------------|
| Net book value   |              |              |              |              |
| At 31 March 2020 | -            | 11,528       | 0            | 11,528       |
| At 31 March 2021 | 8,646        | -            | 8,646        | -            |

## Intangible fixed assets

| Cost                     | Group        |              | Charity      |              |
|--------------------------|--------------|--------------|--------------|--------------|
|                          | 2020/21<br>£ | 2019/20<br>£ | 2020/21<br>£ | 2019/20<br>£ |
| Opening balance 1/4/2020 | 3,175        | -            | 3,175        | -            |
| Additions in year        | 31,215       | 3,175        | 31,215       | 3,175        |
| Value at 31/03/2021      | 34,390       | 3,175        | 34,390       | 3,175        |

| Amortisation    | Group        |              | Charity      |              |
|-----------------|--------------|--------------|--------------|--------------|
|                 | 2020/21<br>£ | 2019/20<br>£ | 2020/21<br>£ | 2019/20<br>£ |
| At 1/4/2020     | 1,085        | -            | 1,085        | -            |
| Charge for year | 7,288        | 1,085        | 7,288        | 1,085        |
| At 31/03/2021   | 8,373        | 1,085        | 8,373        | 1,085        |

| Net book value   | Group        |              | Charity      |              |
|------------------|--------------|--------------|--------------|--------------|
|                  | 2020/21<br>£ | 2019/20<br>£ | 2020/21<br>£ | 2019/20<br>£ |
| At 31 March 2020 | -            | 2,090        | -            | 2,090        |
| At 31 March 2021 | 26,017       | -            | 26,017       | -            |

## 11. Investments - Securities

|                                 | Group        |              | Charity      |                          |
|---------------------------------|--------------|--------------|--------------|--------------------------|
|                                 | 2020/21<br>£ | 2019/20<br>£ | 2020/21<br>£ | 2019/20<br>Restated<br>£ |
| Listed investments at valuation |              |              |              |                          |
| Opening valuation               | 13,577,727   | 15,016,322   | 9,431,881    | 10,599,757               |
| Additions in the year           | 4,740,735    | 21,885,906   | 3,113,936    | 15,320,135               |
| Disposal proceeds               | (5,018,366)  | (21,995,513) | (4,265,611)  | (15,469,101)             |
| Equalisation                    | (13,114)     | -            | (11,147)     | -                        |
| Cash movements                  | 158,230      | (455,852)    | 101,267      | (379,775)                |
| Gain or loss on revaluation     | 6,047,869    | (873,136)    | 3,810,158    | (639,135)                |
| Closing valuation               | 19,493,081   | 13,577,727   | 12,180,484   | 9,431,881                |

|                              | Group        |              | Charity      |                          |
|------------------------------|--------------|--------------|--------------|--------------------------|
|                              | 2020/21<br>£ | 2019/20<br>£ | 2020/21<br>£ | 2019/20<br>Restated<br>£ |
| Listed investments comprised |              |              |              |                          |
| Uk-listed investments        | 19,081,904   | 13,324,780   | 11,897,513   | 9,257,803                |
| Portfolio cash flow          | 411,177      | 252,947      | 282,971      | 174,078                  |
|                              | 19,493,081   | 13,577,727   | 12,180,484   | 9,431,881                |

|                               | 2020/21<br>£ | 2019/20<br>£ | 2020/21<br>£ | 2019/20<br>Restated<br>£ |
|-------------------------------|--------------|--------------|--------------|--------------------------|
| Material investments          |              |              |              |                          |
| CCLA                          | 5,404,336    | 4,463,577    | 3,376,964    | 3,100,640                |
| Segregated portfolio holdings | 14,088,745   | 9,114,150    | 8,803,520    | 6,331,241                |
|                               | 19,493,081   | 13,577,727   | 12,180,484   | 9,431,881                |

## 12. Long term debtors

|                 | Group        |              | Charity      |              |
|-----------------|--------------|--------------|--------------|--------------|
|                 | 2020/21<br>£ | 2019/20<br>£ | 2020/21<br>£ | 2019/20<br>£ |
| Property rental | 75,744       | 81,664       | -            | -            |
| Grant debtors   | -            | -            | -            | -            |

The lease (signed 2011) on Community Foundation Wales' investment property expires in 2035; the lease allows for payment of rental arrears (included management fee) over the life at £5,920 pa.

## 13. Debtors

|                                    | Group        |                          | Charity      |                          |
|------------------------------------|--------------|--------------------------|--------------|--------------------------|
|                                    | 2020/21<br>£ | 2019/20<br>Restated<br>£ | 2020/21<br>£ | 2019/20<br>Restated<br>£ |
| Other debtors                      | 250,144      | 2,119,045                | 163,144      | 383,377                  |
| Provision for investment transfers | 504,298      | 865,463                  | 498,462      | 724,814                  |
| Prepayments and accrued income     | 17,906       | 18,522                   | 10,504       | 18,522                   |
|                                    | 772,348      | 3,003,030                | 672,110      | 1,126,713                |

## 14. Creditors - amounts falling due within one year

|                              | Group        |                          | Charity      |                          |
|------------------------------|--------------|--------------------------|--------------|--------------------------|
|                              | 2020/21<br>£ | 2019/20<br>Restated<br>£ | 2020/21<br>£ | 2019/20<br>Restated<br>£ |
| Trade creditors              | 16,594       | 13,104                   | 16,594       | 13,104                   |
| Accruals and deferred income | 673,710      | 952,857                  | 608,529      | 823,850                  |
| Tax and social security      | 7,867        | 6,941                    | 7,867        | 6,941                    |
|                              | 698,171      | 972,902                  | 632,990      | 843,895                  |

## Creditors - amounts falling due greater than one year

|           | 2020/21<br>£ | 2019/20<br>£ | 2020/21<br>£ | 2019/20<br>£ |
|-----------|--------------|--------------|--------------|--------------|
| 2-5 years | 54,000       | -            | 7,000        | -            |

## 15. Financial commitments

At 31 March 2021 there were annual commitments under non-cancellable operating leases as follows:

|              | 2020/21          |           |              | 2019/20 |
|--------------|------------------|-----------|--------------|---------|
|              | Within 1<br>year | 2-5 years | Over 5 years |         |
| Office lease | 11,638           | 67,557    | 8,313        | 107,458 |
| Photocopier  | 2,100            | 4,862     | -            | 8,925   |
|              | 13,738           | 72,419    | 8,313        | 116,383 |

## 16. Movement in unrestricted funds

|                           | Group and Charity                   |             |                  |                |
|---------------------------|-------------------------------------|-------------|------------------|----------------|
|                           | At 1 April<br>2020<br>Restated<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>£ |
| Unrestricted general fund | 162,099                             | 519,092     | (411,958)        | 178,158        |
|                           | 162,099                             | 519,092     | (411,958)        | 178,158        |



## 17. Movement in restricted funds (\* = subsidiary fund)

|                                   | At 1 Apr<br>2020<br>Restated<br>£ | Income and<br>transfers<br>£ | Grants<br>expenditure<br>£ | Other<br>expenditure<br>£ | At 31 Mar<br>2021<br>£ |
|-----------------------------------|-----------------------------------|------------------------------|----------------------------|---------------------------|------------------------|
| Immediate Impact Funds            |                                   |                              |                            |                           |                        |
| The Henry Smith Charity           | 207                               | -                            | -                          | (207)                     | -                      |
| Comic Relief                      | 14,611                            | -                            | -                          | (14,611)                  | -                      |
| The Skiathos Fund                 | 66,405                            | -                            | -                          | -                         | 66,405                 |
| Bristol & West                    | 2,170                             | 630                          | -                          | (2,800)                   | -                      |
| Mosawi                            | 6,000                             | -                            | -                          | (6,000)                   | -                      |
| Micro Venture Philanthropy Fund   | 4,211                             | -                            | -                          | (4,211)                   | -                      |
| Wales Flood Recovery Fund         | 7,528                             | 268                          | -                          | (7,796)                   | -                      |
| Ashley Family Foundation          | (400)                             | 308,694                      | (298,253)                  | (10,041)                  | -                      |
| Fourteen                          | 8,232                             | -                            | -                          | (8,232)                   | -                      |
| New Beginnings                    | 1,250                             | -                            | -                          | (1,250)                   | -                      |
| South Wales PCC                   | -                                 | 976                          | -                          | -                         | 976                    |
| Royal London                      | 10,000                            | -                            | (10,000)                   | -                         | -                      |
| CO2 Sense                         | -                                 | 1,000                        | -                          | (1,000)                   | -                      |
| Anglesey Playground Trust         | 5,935                             | -                            | -                          | -                         | 5,935                  |
| Older People's Fund               | 85,000                            | 68,308                       | -                          | -                         | 153,308                |
| Goodwash                          | 133                               | -                            | -                          | (133)                     | -                      |
| Wesleyan                          | 64,421                            | 45,000                       | (68,947)                   | -                         | 40,474                 |
| Surviving Winter                  | 1,369                             | -                            | -                          | -                         | 1,369                  |
| Give DIFFerently                  | 2,866                             | 1,730                        | (50)                       | (145)                     | 4,401                  |
| Core Funding Programme (Waterloo) | 13,000                            | 65,400                       | -                          | (3,728)                   | 74,672                 |
| Welsh Procurement Alliance        | -                                 | 158,600                      | (158,600)                  | -                         | -                      |
| Provident Fund                    | -                                 | 30,000                       | (25,000)                   | -                         | 5,000                  |
| Thomas Carroll Fund               | 19,648                            | 3,554                        | (4,367)                    | (354)                     | 18,481                 |
| Geldards Fund                     | 1,229                             | 152                          | -                          | (15)                      | 1,366                  |
| Four Acre Match                   | 20,000                            | -                            | -                          | (20,000)                  | -                      |
| High Sheriff of Gwynedd           | 10                                | 19,000                       | (16,720)                   | (2,280)                   | 10                     |
| Transformation and Growth         | 50,000                            | -                            | (38,006)                   | -                         | 11,994                 |
| Dulverton                         | 45,000                            | -                            | (35,000)                   | -                         | 10,000                 |
| West Glamorgan High Sheriff       | 3,462                             | -                            | (2,000)                    | -                         | 1,462                  |
| Gareth Griffiths Fund             | 31,875                            | 9,463                        | (41,328)                   | (10)                      | -                      |

|   | At 1 Apr<br>2020<br>Restated<br>£ | Income<br>£ | Grants paid<br>£ | Other<br>£ | At 31 Mar<br>2021<br>£ |
|---|-----------------------------------|-------------|------------------|------------|------------------------|
| Coronavirus Resilience Fund                         | 284,195                           | 4,972,740   | (4,862,655)      | (309,701)  | 84,579                 |
| Cefn Croes Wind Farm                                | -                                 | 15,000      | (14,700)         | -          | 300                    |
| Cellnex Programme                                   | -                                 | 17,820      | -                | -          | 17,820                 |
| Great Western Railway                               | -                                 | 18,000      | -                | -          | 18,000                 |
| Trust and Foundation project                        | 50,000                            | 50,000      | -                | (39,692)   | 60,308                 |
| Daring to Dream                                     | 426                               | 462         | (761)            | (75)       | 52                     |
|   | 798,783                           | 5,786,797   | (5,576,387)      | (432,281)  | 576,912                |
| Endowment Funds                                     |                                   |             |                  |            |                        |
| Martyn Groves Adventure & Travel Fund               | 447                               | -           | -                | -          | 447                    |
| The Lord Merthyr Fund                               | -                                 | 36,000      | (36,000)         | -          | -                      |
| Daisy Fund  | -                                 | -           | (500)            | 500        | -                      |
| Powys Welsh Church Fund #+                          | -                                 | 3,105       | (33,495)         | 30,390     | -                      |
| Montgomeryshire Intermediate & Technical Education* | 173,571                           | 41,248      | -                | (16,399)   | 198,420                |
| Former Girls Grammar School Brecon *+               | -                                 | -           | (4,000)          | 4,000      | -                      |
| Stanley Bligh Memorial Fund*+                       | -                                 | -           | (1,500)          | 1,500      | -                      |
| Cardiff Citizens Charity*+                          | 512                               | -           | -                | -          | 512                    |
| Education Fund for Denbigh and Surrounding Area*+   | -                                 | -           | (2,500)          | 2,500      | -                      |
| Clwyd Welsh Church Fund#+                           | -                                 | 500         | (6,570)          | 6,070      | -                      |
| Gwent High Sheriffs' Community Fund                 | -                                 | 148,157     | (100,519)        | (17,315)   | 30,323                 |
| Former Foundation Powys Fund                        | 3,173                             | -           | -                | -          | 3,173                  |
| Foundation Schools Fund                             | 11,558                            | -           | -                | -          | 11,558                 |
| Fund for Wales                                      | -                                 | 1,012       | -                | -          | 1,012                  |
| BIG Fund for Wales Trust Fund                       | -                                 | 2,000       | -                | -          | 2,000                  |
| Wales in London                                     | -                                 | -           | (4,250)          | 4,250      | -                      |
| Wrexham Community Endowment Fund (LA)               | -                                 | -           | (2,500)          | 2,500      | -                      |
| Llandrindod High School Charity Fund                | 4,278                             | 2           | -                | -          | 4,280                  |
| Newport Community Endowment Fund                    | -                                 | -           | (2,000)          | 2,000      | -                      |
| Anglesey Community Endowment Fund                   | 680                               | -           | -                | -          | 680                    |
| Flintshire Community Endowment Fund                 | -                                 | -           | (2,756)          | 2,756      | -                      |

|                                 | At 1 Apr<br>2020<br>Restated<br>£ | Income<br>£ | Grants paid<br>£ | Other<br>£ | At 31 Mar<br>2021<br>£ |
|---------------------------------|-----------------------------------|-------------|------------------|------------|------------------------|
| Hawarden District Relief Fund   | 1,743                             | -           | (5,687)          | 3,944      | -                      |
| Education Trust of John Vaughan | 138                               | -           | -                | -          | 138                    |
| Mary Jane Foundation Trust      | 3,568                             | -           | -                | -          | 3,568                  |
| Waterloo Match Challenge        | 82,482                            | -           | -                | (46,775)   | 35,707                 |
| Nancy Mudge Fund                | 28,125                            | -           | -                | (28,125)   | -                      |
| TJ Jones Memorial Fund*         | 51,121                            | 3,746       | (3,000)          | (25,581)   | 26,286                 |
|                                 | 361,396                           | 235,770     | (205,277)        | 73,785     | 318,104                |
| Group Summary                   |                                   |             |                  |            |                        |
| Charity                         | 934,976                           | 5,977,573   | (5,772,164)      | (470,586)  | 669,798                |
| Subsidiary                      | 225,203                           | 44,994      | (9,500)          | (35,480)   | 225,218                |
| Group                           | 1,160,179                         | 6,022,567   | (5,781,664)      | (506,066)  | 895,016                |

Under the Foundation's total return policy investment returns are designated as income only when needed to meet expenditure requirements. This is done to achieve efficiency and ensure that endowment assets spend more time invested. A recommended distribution amount is agreed by our trustees each year. This is carried out on a fund by fund basis and takes into account the needs of beneficiaries, fundholder expectations and historic fund performance. Where the full recommended distribution amount is not required to meet expenditure needs then this remains as capital to be designated as income in future years, as required. The closing balances in this note do not necessarily represent the full amount available for grant-making at the end of the financial year.

The accounts have been restated to reclassify a fund previously categorised as unrestricted funds to restricted funds. The adjustment relates to the accounting period ended 31 March 2020. The adjustment has resulted in the Restricted funds brought forward being increasing by £50,000 and Unrestricted funds brought forward decreasing by £50,000.

## 18. Movement in endowment funds

|   | At 1 Apr<br>2020<br>Restated<br>£ | Income &<br>transfers in<br>£ | Investment<br>returns<br>£ | Other<br>expenditure<br>& transfers<br>out<br>£ | At 31 Mar<br>2021<br>£ |
|---|-----------------------------------|-------------------------------|----------------------------|---|------------------------|
| The Lord Merthyr Fund                                   | 983,039                           | 23,390                        | 247,121                    | (41,000)  | 1,212,550              |
| Foundation Schools Fund                                 | 122,324                           | 2,960                         | 30,797                     | (1,372)   | 154,709                |
| Martyn Groves Adventure & Travel Fund                   | 32,233                            | 780                           | 8,115                      | (361)   | 40,767                 |
| The Sloman Family Fund for Ely                          | 21,993                            | 532                           | 5,537                      | (247)   | 27,815                 |
| Former Foundation Powys Fund                            | 21,405                            | 518                           | 5,389                      | (240)   | 27,072                 |
| Stanley Bligh Memorial Fund*+                           | 1,020,118                         | 24,721                        | 256,771                    | (16,038)  | 1,285,572              |
| Llandrindod High School Charity Fund                    | 87,383                            | 2,119                         | 21,997                     | (1,233)   | 110,266                |
| Former Girls Grammar School Brecon *+                   | 233,971                           | 5,510                         | 58,843                     | (7,587)   | 290,737                |
| Montgomeryshire Intermediate &<br>Technical Education * | 646,192                           | 19,648                        | 162,824                    | -   | 828,664                |
| MITEF Investment Property                               | 300,000                           | 200,000                       | -                          | -   | 500,000                |
| Montgomery District Trust Fund*+                        | 394,683                           | 9,562                         | 99,339                     | (6,672)   | 496,912                |
| Newport Community Endowment Fund                        | 299,912                           | 7,249                         | 75,469                     | (6,432)   | 376,198                |
| Monmouthshire Further Education Fund*+                  | 262,370                           | 6,371                         | 66,046                     | (3,710)   | 331,077                |
| Cardiff Citizens Charity*+                              | 122,149                           | 2,962                         | 30,748                     | (1,723)   | 154,136                |
| Powys Welsh Church Fund*+##                             | 2,270,427                         | 54,647                        | 571,104                    | (66,438)  | 2,289,740              |
| Rudbaxton Parish Education Fund*+                       | 309,187                           | 7,500                         | 77,831                     | (4,364)   | 390,154                |
| Fund for Wales  | 389,248                           | 30,590                        | 102,423                    | (5,730)   | 516,531                |
| Gwent High Sheriffs' Community Fund                     | 442,024                           | 10,653                        | 111,345                    | -   | 564,022                |
| Wrexham Community Endowment Fund<br>(Church)            | 97,643                            | 2,364                         | 24,579                     | (1,374)   | 123,212                |
| Education Trust for Cardiff Citizens*+                  | 323,601                           | 7,853                         | 81,459                     | (4,572)   | 408,341                |
| Denbighshire Community Endowment<br>Fund                | 326,724                           | 7,915                         | 82,212                     | (7,383)   | 409,468                |
| Flintshire Community Endowment Fund                     | 201,685                           | 4,863                         | 50,732                     | (5,884)   | 251,396                |
| Hawarden District Relief Fund                           | 335,683                           | 8,087                         | 84,445                     | (9,248)   | 418,967                |
| BIG Fund for Wales Trust Fund                           | 873,164                           | 21,146                        | 219,799                    | (12,290)  | 1,101,819              |
| Carmarthenshire Fund                                    | 170,311                           | 4,127                         | 42,872                     | (2,400)   | 214,910                |
| Dr Dewi Davies Fund                                     | 1,079,621                         | 26,159                        | 271,770                    | (15,210)  | 1,362,340              |
| Wrexham Community Endowment Fund<br>(LA)                | 129,518                           | 3,115                         | 32,569                     | (4,583)   | 160,619                |
| Education Trust of John Vaughan                         | 72,499                            | 1,754                         | 18,247                     | (1,226)   | 91,274                 |
| Wales in London   | 80,485                            | 4,450                         | 20,716                     | (5,412)   | 100,239                |
| Anglesey Community Endowment Fund                       | 5,843                             | 141                           | 1,471                      | (82)  | 7,373                  |

|  | At 1 Apr<br>2020<br>Restated<br>£ | Income &<br>transfers in<br>£ | Investment<br>returns<br>£ | Other<br>expenditure<br>& transfers<br>out<br>£ | At 31 Mar<br>2021<br>£ |
|--|-----------------------------------|-------------------------------|----------------------------|---|------------------------|
| Daisy Fund   | 63,016                            | 1,515                         | 15,855                     | (1,560)   | 78,826                 |
| Emrys Davies Legacy Fund                             | 28,856                            | 705                           | 7,261                      | (665)   | 36,157                 |
| Education Fund for Denbigh and<br>Surrounding Area*+ | 787,603                           | 19,096                        | 198,261                    | (11,108)  | 993,852                |
| Mary Jane Foundation Trust                           | 28,333                            | 686                           | 7,129                      | (642)   | 35,506                 |
| LNB Fund   | 342,739                           | 8,295                         | 86,259                     | (6,310)   | 430,983                |
| Cricket Wales Foundation                             | 21,718                            | 3,323                         | 5,499                      | (479)   | 30,061                 |
| Clwyd Welsh Church Fund#+                            | 522,257                           | 12,597                        | 131,383                    | (14,105)  | 652,132                |
| William Gale Fund                                    | 131,843                           | 3,194                         | 33,178                     | (2,742)   | 165,473                |
| Newport Girls Fund                                   | 31,779                            | 755                           | 7,996                      | (696)   | 39,834                 |
| Nancy Mudge Fund                                     | 31,877                            | 745                           | 8,025                      | (336)   | 40,311                 |
| Cardiff Story Fund                                   | 178,527                           | 4,173                         | 44,928                     | (3,351)   | 224,277                |
| Newtown Maintenance Reserve*+                        | 62,674                            | 1,517                         | 15,777                     | (881)   | 79,087                 |
| Mudiad Meithrin Fund                                 | 112,529                           | 2,729                         | 28,346                     | -   | 143,604                |
| TJ Jones Memorial Fund*+                             | 1,724,418                         | 42,506                        | 434,388                    | -   | 2,201,312              |
| Cronfa William Salesbury                             | -                                 | 45,925                        | 10,097                     | (1,236)   | 54,786                 |
|  | 15,723,604                        | 649,447                       | 3,896,952                  | (276,921)                                       | 19,993,081             |
| Group Summary  |                                   |                               |                            |   |                        |
| Charity  | 9,536,638                         | 302,201                       | 2,414,665                  | (220,267)                                       | 12,033,237             |
| Subsidiary   | 6,186,966                         | 347,246                       | 1,482,287                  | (56,655)  | 7,959,844              |
| Group  | 15,723,604                        | 649,447                       | 3,896,952                  | (276,922)                                       | 19,993,081             |

\*=Subsidiary funds      + = Permanent endowment funds

The accounts have been restated to incorporate the understatement of Endowment funds relating to Old College Newtown. The adjustment relates to the accounting period ended 31 March 2019. The adjustment has resulted in Endowment funds brought forward being increased by £300,000.

# Powys County Council retains the trusteeship of the Powys Welsh Church Act Fund, Flintshire County Council retains the trusteeship of the Clwyd Welsh Church Fund and Mudiad Meithrin retains the trusteeship of the Mudiad Meithrin Fund. These organisations have delegated to the Foundation the management of the Funds' non-property investments. The Foundation manages these charitable investments as part of the Foundation's investment portfolio according to the Foundation's investment strategy.

#### Powys Welsh Church Fund as at 31 March 2021:

- The market value of the Fund's share of the Foundation's investment portfolio was £2,829,740 (2019/20: £2,270,427)
- The amount of annual gross designated income was £54,647 (2019/20: £nil).
- The annual core cost contribution deducted from capital was £8,035 (2019/20: £9,308).
- The income held by the Foundation was £nil (2019/20: £nil).

#### Clwyd Welsh Church Fund as 31 March 2021:

- The market value of the Fund's share of the Foundation's investment portfolio was £652,132 (2019/20: £522,257).
- The amount of annual gross designated income was £12,597 (2019/20: £nil).
- The annual core cost contribution deducted from capital was £8,035 (2019/20: £9,308).
- The income held by the Foundation was £nil (2018/19: £nil).

#### Mudiad Meithrin Fund as at 31 March 2021:

- The market value of the Fund's share of the Foundation's investment portfolio was £143,604 (2019/20: £112,529).
- The amount of annual gross designated income was £2,729 (2019/20: £nil).
- The annual core cost contribution paid independently was £2,259 (2019/20: £1,650).
- The income held by Community Foundation Wales was £nil (2019/20: £nil).

#### Williams Salesbury as at 31 March 2021:

- The market value of the Fund's share of Community Foundation Wales' investment portfolio was £54,785 (2019/20: £nil).
- The amount of annual gross designated income was £925 (2019/20: £nil).
- The annual core cost contribution and set up costs were £1,235 including set up (2019/20: £1,650).
- The income held by the Community Foundation Wales was £924 (2019/20: £nil).

## 19. Analysis of assets/liabilities between funds

|  | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Endowment<br>funds<br>£ | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>Restated<br>£ |
|--|----------------------------|--------------------------|-------------------------|-----------------------|-----------------------------------|
| <b>Group</b>                                   |                            |                          |                         |                       |                                   |
| Investments                                    | -                          | -                        | 19,493,081              | 19,493,081            | 13,577,727                        |
| Investment property                            | -                          | -                        | 500,000                 | 500,000               | 300,000                           |
| Fixed and intangible assets                    | 34,663                     | -                        | -                       | 34,663                | 13,618                            |
| Long term debtors                              | -                          | 75,744                   | -                       | 75,744                | 81,664                            |
| Current assets excluding cash at bank/hand     | 534,625                    | 237,724                  | -                       | 772,349               | 3,003,030                         |
| Cash at bank and in hand                       | (83,557)                   | 1,295,380                | -                       | 1,211,823             | 1,042,745                         |
| Creditors: amounts falling due within one year | (38,340)                   | (659,832)                | -                       | (698,172)             | (972,902)                         |
| Creditors: amounts falling due after one year  | -                          | (54,000)                 | -                       | (54,000)              | -                                 |
|  | 447,391                    | 895,016                  | 19,993,081              | 21,335,488            | 17,045,882                        |



|  | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Endowment<br>funds<br>£ | 2021<br>Total<br>£ | 2020<br>Total<br>Restated<br>£ |
|--|----------------------------|--------------------------|-------------------------|--------------------|--------------------------------|
| Charity  |                            |                          |                         |                    |                                |
| Investments                                    | -                          | -                        | 12,180,484              | 12,180,484         | 9,439,881                      |
| Fixed and intangible assets                    | 34,663                     | -                        | -                       | 34,663             | 13,618                         |
| Long term debtors                              | -                          | -                        | -                       | -                  | -                              |
| Current assets excluding cash at bank/hand     | 534,625                    | 137,485                  | -                       | 672,110            | 1,126,713                      |
| Cash at bank/hand                              | (83,557)                   | 1,133,963                | (147,247)               | 903,159            | 897,395                        |
| Creditors: amounts falling due within one year | (38,340)                   | (594,650)                | -                       | (632,990)          | (843,895)                      |
| Creditors: amounts falling due after one year  | -                          | (7,000)                  | -                       | (7,000)            | -                              |
|  | 447,391                    | 669,798                  | 12,033,237              | 13,150,426         | 10,633,712                     |

## 20. Related Party Transactions

During the year ended 31 March 2021, Community Foundation Wales awarded:

| <u>Charity</u>               | <u>Total of grants<br/>awarded 2020/21</u> | <u>Total of grants<br/>awarded 2019/20</u> | <u>Trustee or staff<br/>member</u> |
|------------------------------|--|--|------------------------------------|
| Birth Partner                | £15,300                                    | -  | Andrea Powell                      |
| Y Cwmni Siarad               | £21,000                                    | -  | Ffion Roberts                      |
| Bridge to Cross, Abergavenny | £5,000                                     | -  | Andrew Tuggey                      |
| Fffin Dance, Abertillery     | £5,000                                     | -  | Andrew Tuggey                      |
| BAWSO Ltd                    | £15,000                                    | £29,036                                    | Samsunear Ali                      |
| Mid Wales Trust              | £2,000                                     | £1,500                                     | Emma Beynon                        |
| Brecon Mind                  | £29,822                                    | £19,979                                    | Emma Beynon                        |
| Mid North Powys Mind         | £29,340                                    | -  | Emma Beynon                        |
| Race Council Cymru           | £2,000                                     | -  | Samsunear Ali                      |

## 21. Pension schemes

The charity contributes to individual stakeholder pensions, and accordingly contributions to these schemes are accounted for on the basis of a defined contribution scheme. During the year ended 31 March 2021, the total employer contributions charged for these schemes amounted to £15,199 (2019/20: £11,743).

## 22. Company limited by guarantee

The charity is limited by guarantee; members' liability is limited to £1 on the winding-up of the charity.

## 23. Subsidiary Charities

The Charity is sole trustee of, and therefore controls, the following charities:

| <u>Name</u>   | <u>Charity<br/>Number</u> | <u>Linked<br/>number</u> | <u>Acquisition Date</u> |
|---|---------------------------|--------------------------|-------------------------|
| Montgomeryshire District Trust Fund                     | 513855                    | 1074655-5                | 31 August 2009          |
| Montgomeryshire Intermediate & Technical Education Fund | 525726                    | 1074655-3                | 31 August 2009          |
| Stanley Bligh Memorial Fund                             | 525314                    | 1074655-6                | 31 August 2009          |
| Former Girls Grammar School Brecon                      | 1074498                   | 1074655-4                | 31 August 2009          |
| Monmouthshire Further Education Trust Fund              | 1146059                   | 1074655-7                | 1 April 2010            |
| Rudbaxton Parish Education Fund                         | 1145391                   | 1074655-8                | 1 November 2010         |
| Cardiff Citizens Charity                                | 206549                    | 1074655-9                | 1 November 2010         |
| Education Trust for Cardiff Citizens                    | 506656                    | 1074655-10               | 1 November 2010         |
| Education Fund for Denbigh and Surrounding Area         | 1074655-1                 | 1074655-1                | 31 March 2016           |
| TJ Jones Memorial Fund                                  | 1074655-2                 | 1074655-2                | 27 January 2020         |

These charities perform similar activities to the Foundation and have co-terminous year ends. The assets of in-year acquisitions have been transferred into the group at fair value as at the date the Foundation took control. All assets have been consolidated on a line by line basis at the year end. The place of business for all subsidiary charities is England and Wales.

| Montgomeryshire District Trust Fund | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>Restated<br>£ |
|-------------------------------------|-----------------------|-----------------------------------|
| Investment income                   | 9,563                 | 2,191                             |
| Other income                        | -                     | -                                 |
| Cost of generating funds            | (1,418)               | (1,747)                           |
| Charitable activities               | (5,254)               | (8,026)                           |
| Investment gains and losses         | 99,339                | (25,156)                          |
| Net movement in funds               | 102,230               | (32,738)                          |
| Assets                              | 496,912               | 395,183                           |
| Liabilities                         | -                     | (500)                             |
| Net Assets                          | 496,912               | 394,683                           |
| Restricted funds                    | -                     | -                                 |
| Endowment funds                     | 496,912               | 394,683                           |
| Funds                               | 496,912               | 394,683                           |

| Montgomeryshire Intermediate & Technical Education Fund | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>Restated<br>£ |
|---|-----------------------|-----------------------------------|
| Investment income                                       | 64,412                | 39,269                            |
| Other income  | -                     | 1,000                             |
| Cost of generating funds                                | (5,160)               | (4,892)                           |
| Charitable activities                                   | (12,119)              | (31,544)                          |
| Investment gains and losses                             | 378,601               | (45,181)                          |
| Net movement in funds                                   | 423,734               | (41,348)                          |
| Assets  | 1,624,610             | 1,201,876                         |
| Liabilities   | (18,440)              | (19,440)                          |
| Net Assets  | 1,606,170             | 1,182,436                         |
| Restricted funds  | 198,420               | 173,570                           |
| Endowment funds   | 1,407,750             | 1,008,866                         |
| Funds   | 1,606,170             | 1,182,436                         |

| Stanley Bligh Memorial Fund | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>Restated<br>£ |
|-----------------------------|-----------------------|-----------------------------------|
| Investment income           | 24,721                | 5,691                             |
| Other income                | -                     | -                                 |
| Cost of generating funds    | (3,635)               | (4,538)                           |
| Charitable activities       | (12,402)              | (36,614)                          |
| Investment gains and losses | 256,771               | (65,019)                          |
| Net movement in funds       | 265,455               | (100,480)                         |
| Assets                      | 1,285,573             | 1,022,618                         |
| Liabilities                 | -                     | (2,500)                           |
| Net Assets                  | 1,285,573             | 1,020,118                         |
| Unrestricted funds          | -                     | -                                 |
| Endowment funds             | 1,285,573             | 1,020,118                         |
| Funds                       | 1,285,573             | 1,020,118                         |

| Former Girls Grammar School Brecon | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>Restated<br>£ |
|------------------------------------|-----------------------|-----------------------------------|
| Investment income                  | 5,510                 | 1,289                             |
| Other income                       | -                     | -                                 |
| Cost of generating funds           | (897)                 | (1,028)                           |
| Charitable activities              | (6,690)               | (11,620)                          |
| Investment gains and losses        | 58,843                | (14,912)                          |
| Net movement in funds              | 56,766                | (26,271)                          |
| Assets                             | 291,637               | 234,871                           |
| Liabilities                        | (900)                 | (900)                             |
| Net Assets                         | 290,737               | 233,971                           |
| Unrestricted funds                 | -                     | -                                 |
| Endowment funds                    | 290,737               | 233,971                           |
| Funds                              | 290,737               | 233,971                           |

| Monmouthshire Further Education Trust | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>Restated<br>£ |
|---------------------------------------|-----------------------|-----------------------------------|
| Investment income                     | 6,371                 | 1,474                             |
| Other income                          | -                     | -                                 |
| Cost of generating funds              | (928)                 | (1,176)                           |
| Charitable activities                 | (2,783)               | (8,457)                           |
| Investment gains and losses           | 66,046                | (16,723)                          |
| Net movement in funds                 | 68,706                | (24,882)                          |
| Assets                                | 331,077               | 263,755                           |
| Liabilities                           | -                     | (1,385)                           |
| Net Assets                            | 331,077               | 262,370                           |
| Endowment funds                       | 331,077               | 262,370                           |
| Funds                                 | 331,077               | 262,370                           |

| Rudbaxton Parish Education Fund | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>Restated<br>£ |
|---------------------------------|-----------------------|-----------------------------------|
| Investment income               | 7,500                 | 1,753                             |
| Cost of generating funds        | (1,091)               | (1,398)                           |
| Charitable activities           | (3,273)               | (13,540)                          |
| Investment gains and losses     | 77,831                | (19,706)                          |
| Net movement in funds           | 80,967                | (32,891)                          |
| Assets                          | 390,152               | 312,187                           |
| Liabilities                     | -                     | (3,000)                           |
| Net Assets                      | 390,152               | 309,187                           |
| Endowment funds                 | 390,152               | 309,187                           |
| Funds                           | 390,152               | 309,187                           |

| Cardiff Citizens Charity    | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>Restated<br>£ |
|-----------------------------|-----------------------|-----------------------------------|
| Investment income           | 2,962                 | 673                               |
| Cost of generating funds    | (431)                 | (536)                             |
| Charitable activities       | (1,292)               | (1,609)                           |
| Investment gains and losses | 30,748                | (7,785)                           |
| Net movement in funds       | 31,987                | (9,257)                           |
| Assets                      | 154,648               | 122,661                           |
| Net Assets                  | 154,648               | 122,661                           |
| Unrestricted funds          | 512                   | 512                               |
| Endowment funds             | 154,136               | 122,149                           |
| Funds                       | 154,648               | 122,661                           |

| Education Trust for Cardiff Citizens | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>Restated<br>£ |
|--------------------------------------|-----------------------|-----------------------------------|
| Investment income                    | 7,853                 | 1,804                             |
| Cost of generating funds             | (1,143)               | (1,438)                           |
| Charitable activities                | (3,429)               | (7,916)                           |
| Investment gains and losses          | 81,459                | (20,625)                          |
| Net movement in funds                | 84,740                | (28,175)                          |
| Assets                               | 408,842               | 324,101                           |
| Liabilities                          | (500)                 | (500)                             |
| Net Assets                           | 408,342               | 323,601                           |
| Endowment funds                      | 408,342               | 323,601                           |
| Funds                                | 408,342               | 323,601                           |



| Education Fund for Denbigh and Surrounding Area | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>Restated<br>£ |
|---|-----------------------|-----------------------------------|
| Investment income                               | 19,096                | 4,424                             |
| Charitable activities income                    | -                     | -                                 |
| Cost of generating funds                        | (8,887)               | (11,288)                          |
| Charitable activities                           | (2,222)               | (24,322)                          |
| Investment gains and losses                     | 198,261               | (50,199)                          |
| Net movement in funds                           | 206,248               | (81,385)                          |
| Assets  | 993,851               | 787,603                           |
| Net Assets                                      | 993,851               | 787,603                           |
| Endowment funds                                 | 993,851               | 787,603                           |
| Funds   | 993,851               | 787,603                           |

| TJ Jones Memorial Fund       | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>Restated<br>£ |
|------------------------------|-----------------------|-----------------------------------|
| Investment income            | 42,506                | 11,527                            |
| Charitable activities income | -                     | -                                 |
| Cost of generating funds     | (15,828)              | (2,997)                           |
| Charitable activities        | (9,007)               | (101,531)                         |
| Investment gains and losses  | 434,388               | (400,409)                         |
| Net movement in funds        | 452,059               | (493,410)                         |
| Assets                       | 2,227,598             | 1,876,321                         |
| Liabilities                  | -                     | (100,782)                         |
| Net Assets                   | 2,227,598             | 1,775,539                         |
| Unrestricted funds           | 26,286                | 51,121                            |
| Endowment funds              | 2,201,312             | 1,724,418                         |
| Funds                        | 2,227,598             | 1,775,539                         |

## 24. Reconciliation of income (expenditure) to net cash flows from operating activities

|   | Note | 2020/21<br>Total<br>£ | 2019/20<br>Total<br>£ |
|---|------|-----------------------|-----------------------|
| Net movement in funds                             |      | 4,289,606             | (344,536)             |
| (Gains)/losses on investments                     | 11   | (6,047,870)           | 873,136               |
| Net investment income and bank interest repayable | 3    | (480,240)             | (161,434)             |
| (Decrease)/increase in debtors                    | 13   | 2,236,602             | (2,355,694)           |
| Increase/(decrease) in creditors                  | 14   | (220,730)             | 378,187               |
| Net cash outflow from operating activities        |      | (222,632)             | (1,610,341)           |

## 25. Comparative consolidated statement of financial activities

|   | Note | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Endowment<br>funds<br>£ | 2019/20<br>Total<br>Restated<br>£ |
|---|------|----------------------------|--------------------------|-------------------------|-----------------------------------|
| Income and endowments from:                                     |      |                            |                          |                         |                                   |
| Donations & legacies  | 2    | 257,066                    | 290,832                  | 2,192,080               | 2,739,978                         |
| Income from investments   | 3    | 5,197                      | 45,755                   | 110,483                 | 161,435                           |
| Charitable activities   |      |                            |                          |                         |                                   |
| Grantmaking   | 4    | -                          | 1,625,485                | -                       | 1,625,485                         |
| Other income  |      | -                          | -                        | -                       | -                                 |
| Total income  |      | 262,263                    | 1,962,072                | 2,302,563               | 4,526,897                         |
| Expenditure on:   |      |                            |                          |                         |                                   |
| Costs of raising funds  | 5    |                            |                          |                         |                                   |
| Fund development & donor care                                   |      | 122,126                    | -                        | -                       | 122,126                           |
| Core grants   |      | 10,354                     | -                        | -                       | 10,354                            |
| Investment income   |      | 13,104                     | -                        | 31,836                  | 44,940                            |
| Charitable activities   |      |                            |                          |                         |                                   |
| Grantmaking   |      | 197,527                    | 3,127,411                | -                       | 3,324,938                         |
| Promoting philanthropy  |      | 93,665                     | 1,867                    | -                       | 95,532                            |
| Total expenditure   |      | 436,776                    | 3,129,278                | 31,836                  | 3,597,890                         |
| Net income/(expenditure) before gains and losses on investments |      | (174,513)                  | (1,167,206)              | 2,270,727               | 929,008                           |
| Net gain/(loss) on investments                                  | 11   | -                          | -                        | (1,273,546)             | (1,273,546)                       |
| Net income/(expenditure) for the year                           |      | (174,513)                  | (1,167,206)              | 997,181                 | (344,538)                         |
| Transfers between funds   |      | 195,531                    | 437,182                  | (632,713)               | -                                 |
| Subsidiary assets transferred into group                        |      | -                          | -                        | -                       | -                                 |
| Net movement in funds   |      | 21,018                     | (730,024)                | 364,468                 | (344,538)                         |
| Reconciliation of funds   |      |                            |                          |                         |                                   |
| Fund balances brought forward                                   |      | 141,081                    | 1,890,203                | 15,359,136              | 17,390,420                        |
| Fund balances carried forward                                   |      | 162,099                    | 1,160,179                | 15,723,604              | 17,045,882                        |



**Newid Bywydau Gyda'n Gilydd**



**Changing Lives Together**