



# Changing

# Lives

# Together



**Trustees'  
Annual Report  
and Accounts  
2021/22**



Registered Name: Community Foundation in Wales  
Registered Company Number: 03670680  
Registered Charity Number: 1074655

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# Croeso

Welcome to the Trustees' Annual Report and Accounts for Community Foundation Wales.

I am delighted to report that Community Foundation Wales continues to thrive and generate vital new philanthropic funds for community groups throughout Wales.

The year 2021/22 will be remembered for the continuing Covid-19 pandemic, and more recently, the horrific situation in Ukraine.

This is the backdrop against which we started to rebuild our work after the uncertain and frightening first year of Covid, reconnecting with our donors and funders, and understanding the different and often changing needs of the community groups we support.



For us, partnerships have been a key focus of our story this year – both in building new partnerships with donors and funders in Wales and beyond, but also in how our team of staff and Trustees spend time listening and learning about how we can make most difference.

The listening is translated into direct actions, improving how we work with our donors to provide an even more flexible, tailored support, to ensure that every pound that we are able to provide makes the most value and impact to the people who most need it.

I would like to take this opportunity to thank all who support our work – donors, funders, trustees, staff, ambassadors, Friends, Supporter Network members and many more.

Through your generous help and support, Community Foundation Wales will continue to go from strength to strength in building sustainable funding for Welsh communities today and for the future.

Diolch yn fawr

***Alun Evans***

**Chairman, Community Foundation Wales**

# Who we are

For over twenty years, Community Foundation Wales has been supporting charities and community groups with funding to strengthen communities across Wales. We work with our generous supporters to reach the people most in need and help to create equality and opportunity in Welsh communities.

## Our mission

**We inspire people to give, help Welsh communities to thrive and change lives together**

## Our values are embedded in everything we do:

**We are good partners**

**We care about the people we  
work with**

**We make a difference**

## We align what we do with national and global goals:

**Welsh  
Government Well-  
being of Future  
Generations  
(Wales) Act 2015**



A resilient Wales



A more equal Wales



A healthier Wales

**U.N  
Sustainable  
Development  
Goals (SDG)**





# A look back at 2021

We had four goals last year:

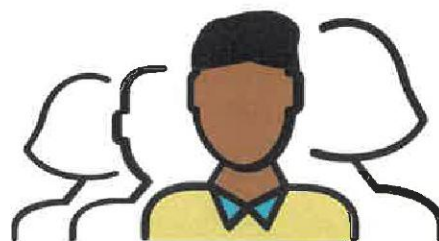
## 01 Grow our funds base

- Our **Revitalising Trusts partnership** is focussed on reviving charitable endowment funds and was launched by the Charity Commission, with a statement of endorsement from the Minister for Social Justice, Jane Hutt.
- The **Trust and Foundations project** to support groups in Wales attract more funding was impacted by the pandemic, reducing our ability to engage with UK funders. The Pears Action Learning Project progressed well and an extension of six months was given to complete the project.
- Our **online audiences continue to grow**, with a particular focus on LinkedIn, to reach potential donors and professional advisors.
- All **donors received regular supporters' newsletters** and a supporters' network was also established.
- A number of **new partnerships with professional advisors** were formed during the year. We continue to promote our Friends of Community Foundation Wales network for those who wish to become more active supporters.



## 02 Provide great support for grantees

- A **review of our fund criteria** has been carried out and they have been updated accordingly.
- We have used **feedback to improve processes** - a report is presented at each quarterly Grants Committee meeting to analyse feedback received and take any actions needed.
- Our **impact framework** has been built to help us to better understand the impact of our support.



- **Support beyond funding** has increased through our Grants Toolkit which provides advice and tips for community groups applying through us.
- A delivery plan for **improving Equality, Diversity and Inclusion (EDI)** in our decision-making has been created. An example of this is in the creation of new panels, we have ensured that they have a wider representation of protected characteristics.
- Covid-19 funding has been analysed and the **learning has been implemented to help develop sustainable funding resources** for communities in Wales.
- Community groups have been engaged to **help shape new grant programmes** for the Nation of Sanctuary Croeso Fund, a new fund for disability groups and another new fund for BAME groups.

## 03 Connect with more donors and supporters

- Considerable work has been done to **improve engagement on our digital channels** and we are seeing increases in the numbers of referrals received.
- We continue to **focus our story-telling** on people, showing the impact our funding has on communities across Wales.
- A **quarterly newsletter was launched** and is reaching an audience of Senedd Members, Councillors and other political leaders across Wales to inform them of our work.
- Our **brand identity** and elevator pitch was shared with all staff and trustees in a refresher session.



## 04 Develop our team

- We hold **daily/monthly team meetings** and carry out a monthly staff well-being survey.
- We have **cut back on unnecessary travel**, still spending time meeting partners, donors and groups we fund face-to-face but also utilising online meetings in our working week.
- We will look at **implementing a tech development plan** to support more effective working next year.





# Our year in numbers



Average grant  
amount

**£3,283**

Supported over

**400** groups



Success rate  
for applicants

**65%**

Total  
endowment



**£21.47m**

Total income



**£2.38m**

Total expenditure



**76%**

Grants

**17%**

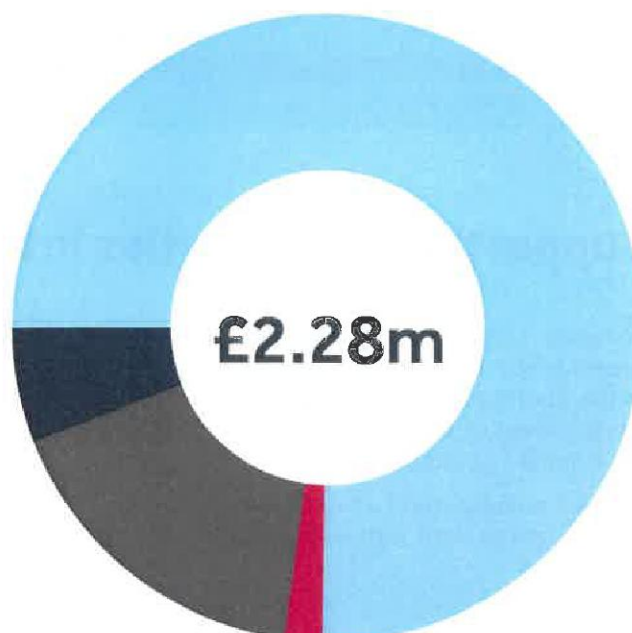
Staff related costs

**2%**

Office overheads

**6%**

Other direct costs



# We are good partners

## Working together to help future generations

Principality Building Society has committed £100,000 to support charities and community organisations to help young people across Wales.

We have partnered with the largest building society in Wales to supply grants of up to £5,000 each for a Future Generations Fund that will encourage young people to prepare skills for their future world of work, personal finances, finding employment, and living more sustainable lives.



**Vicky Wales, Chief Customer Officer of Principality** said:

“

**We are delighted to be working in collaboration on a fund that will help support young people right across Wales.**

**The Community Foundation Wales team have a real passion for helping community organisations, a great track record of delivery over many years and are held in such high regard for the work they do.**

**It really is a pleasure to be working with them as a partner.**

”



## Supporting communities in Rhondda Cynon Taf

We were delighted to establish a new partnership with Trivallis to manage and promote the Trivallis Community Investment Fund, which supports communities in the Rhondda Cynon Taf area. The fund supports groups working to support social inclusion, health and wellbeing, learning and employability and sustainable environmental improvements.

Trivallis, a registered social landlord with over 10,000 homes across South Wales, has set up the fund with us to support its tenants and local communities.





**Tracey Cooke, senior manager of partnerships at Trivallis** said:

“

At Trivallis we are proud to own and manage over 10,000 homes across RCT. Through our Community Investment Fund, which offers grants of up to £5,000 to support groups and organisations based in our communities, we aim to boost opportunities for residents in our communities to enjoy fulfilled lives.

We care about our communities and work hard to make a difference and are so proud to see some of the incredible work our Community Investment Fund has supported already; with groups such as Valleys Veterans, Autism Life Centres and Chat Cymraeg benefitting from grants to support their vital work across RCT.

”



## Revitalising Trusts

Revitalising Trusts is a partnership programme to assist trustees of dormant funds. Welsh Government is supporting the Charity Commission and Community Foundation Wales to revitalise charitable trusts in Wales that find themselves facing difficulties.



**CHARITY COMMISSION  
FOR ENGLAND AND WALES**

The charity regulator is contacting trustees of charitable funds who have been dormant and encouraging them to draw up new business plans or to transfer their funds to Community Foundation Wales to be managed for the long-term benefit of local communities.

As part of the Revitalising Trusts programme, we supported the Trustees of the T D Jones (Llanfair Clydogau) charity, who manage an education fund near Lampeter. We worked with the Trustees to widen the scope of the fund and to transfer it across to Community Foundation Wales where we are now putting the fund to charitable use, making grants and investing for growth.

**Paula Barker, Trustee at T D Jones (Llanfair Clydogau)** said:

“

Like many small village churches, our congregation has dwindled. I found that among the many problems arising from this was what to do about a sum of money left for the charitable purpose of providing books for the Sunday school children. The objects had been altered to help local school children but the trustees of the charity were no longer in a position to act and no monies had been distributed.

It was with some relief that we received information about the Revitalising Trusts programme. It seemed quite daunting to start with and the initial problem was tracking down the right signatories for the paperwork. However I was guided through every step of the way and there proved to be no difficulty at all. The whole process of transferring the funds to Community Foundation Wales went without a hitch.

The most gratifying aspect of this is that the funds are now being of real help where needed and we feel sure that the original donor would approve of that.

”



# We care about the people we work with

## Listening to the groups we work with

Managing future finances can be a tricky balance of being able to support groups longer term, whilst also ensuring funding is available to fund new work and new ideas.

The focus of our funding remains on small, grassroots groups, who are often volunteer-led and embedded within their communities. Groups that struggle with capacity or resource and with maintaining and continuing services due to the challenge of attracting funding that is usually limited to 12 months.

It's really important to us as an organisation that we learn from those we work with but, even more importantly, that we use that knowledge to inform our work.

Where the restrictions of a fund allow, we now offer core funding with the opportunity for groups to apply for multi-year grants of up to three years.



## More support for grantees

We have bolstered our support for applicants in the form of a Grants Toolkit. Current sections include Monitoring and Evaluation and Governance. We will continue to build on the Toolkit by regularly talking to grantees to find out which areas they need support in.

In addition to the toolkit, we offer one to one conversations with our grant officers where groups can book an appointment to discuss their project ideas before applying.

We also run regular workshops to support applicants to better understand what we are looking for within applications, in terms of robust governance as well as the services/projects they are requesting funding for. We have had really positive feedback from these sessions, including the following:

“

As someone with no experience of grant applications the information was comprehensive but easy to understand, I had all my questions answered from the panellists but also valuable discussion in the breakout room.

”

“

It was brilliant to have such specific information on what makes a good grant application. I really appreciated meeting the team at CFW. I have not applied for funding as yet but I have filled in end of grant reports so the workshop has really helped me feel more confident about applying in future.

”



## Responding to urgent needs

We feel privileged to be in a position where we can react to crises as they develop. The Covid-19 pandemic showed that we can be flexible, adaptable and resilient.

Our ability to respond in this way was called upon again when people from Afghanistan and more recently Ukraine found themselves displaced by conflict and seeking sanctuary in Wales.

In order to look to the future as well as reacting to the current situation, we conducted a survey and spoke with partners and supporters experienced in this very challenging subject as we looked to establish a fund to support this crisis.

The information and guidance received was invaluable in shaping the Nation of Sanctuary Croeso Fund.



**“ Whilst providing for the essential needs (housing, food, clothing, healthcare) of people seeking sanctuary obviously needs to be the priority, those we work with often speak about the mental health impact of “waiting” to start their new lives.**

**Projects like ours can help to relieve this by enabling people seeking sanctuary to progress, to start or continue their learning, to socialise, to actively participate and contribute to their local community.**

**“ Support for our core costs including salaries, is vital to enable us to adapt to the ever increasing demand on our service from people arriving in Wales.**

As a next step we are working with our partners to help us to build this fund, with the intention of creating an endowment to ensure longevity, as we believe this will be an ongoing challenge for many years to come.

We will use the learning from conversations and the survey to help us to shape a criteria for a fund that is fit for purpose; that helps to fill identified gaps rather than duplicating what others are doing, supports those experienced in the issues faced by people seeking sanctuary and provides longer term support rather than just immediate crisis management.

**“ It has been a privilege to be part of the development around the Nation of Sanctuary fund from Community Foundation Wales. Having a funder take the time to understand the complexity of the ever-changing situation and empower organisations' voices has been truly encouraging.**

**With first hand knowledge and the backing of the whole sector, funding will inevitably be placed in the most appropriate and supportive way possible. This funding will be life changing for those that use the sector's services.**





# We make a difference

## Benthyg and Repair Cafe Wales

Benthyg Cymru is Wales' Library of Things. They are a growing network of 14 branches with an aim to make borrowing 'as easy as popping out for a loaf of bread'.

Repair Café Wales supports a network of over 57 Repair Cafes where volunteers fix things for free and share their skills with others.

They received a grant from Wales Coronavirus Resilience Fund to work together to set up and run the Cardiff Mobile Project as a pilot project, blazing a trail for similar projects around Wales.

The Cardiff Mobile Project uses an electric van to help people borrow easily by offering free delivery and collections, and to repair more easily by offering pop-up repair cafes and taking equipment to new Repair Cafes as they become established in Cardiff.

The project has helped many and offered an alternative to consumption and waste to local communities. It has helped to save families money by lending items at low-cost and provided community gardens occasional use of gardening equipment to reduce cost and need for storage.



**We are so grateful to Benthyg for doing the borrowing scheme. It made it affordable for us to go on holiday with friends.**



**Simply amazing! I thought this could never be repaired and it had so much sentimental value.**



**I am particularly grateful for the repair to a 43 year old toy: it was simple, but I had not been able to do it - but Repair Cafe Wales knew how and had the materials.**





## Stepping Stones

Stepping Stones provides support and counselling to adult survivors of child sexual abuse.

They received a grant from the Wales Coronavirus Resilience Fund towards their 'Step by Step Cook and Chill' project to help the people they work with to understand how the food they eat affects their life, family, health, mood, and budget.

The grant enabled each member of the project to take part in cookery classes, cooking with fresh ingredients, following a recipe, budgeting and menu planning. Everyone was able to access the 'Grow with Confidence Garden' and improved their skills in gardening to grow their own fruit and vegetables to use to cook at home.

All participants said their mental health and wellbeing and awareness of food had significantly improved through their involvement with the project.



“

**I suffer with anxiety and depression and this project has boosted my mood and wellbeing beyond belief.**

**It has enabled my family to grow our own fruit and vegetables and given me a purpose and incentive to get outside and achieve so much more than I thought I could.**

”

“

**Being part of this project has given me enthusiasm to get outside more, eat better and improve my overall health which has had an immeasurable positive impact on my mental health.**

”

## Bryncynon Community Revival Strategy

Known as the 'hub of the community', The Feel Good Factory offers a huge range of services, in particular for local older residents. It is also home to the Bryncynon Community Revival Strategy which provides much needed social engagement and support to tenants and residents in the area.

The Bryncynon Community Revival Strategy were given a £5,000 grant from the Trivallis Community Investment Fund to enable them to hold regular afternoon tea sessions for older and isolated residents.

Covid-19 has had a huge effect on the isolation of vulnerable individuals and these weekly afternoon tea sessions have helped to get people out of their houses and enable local residents to catch up with friends old and new.



“

**Everyone is kind and caring and the food is excellent; it's nice to have it prepared for us. It makes us feel better about ourselves mentally. We would be lost without it, and it is something to look forward to and enjoy each visit.**

”

“

**We try to be like a family, and for those that can't make it, we deliver our afternoon teas to them. This is their lifeline, they love it, and they hope they can keep coming.**

”



## The Birth Partner Project

The Birth Partner Project provides volunteer birth partners to support refugee and asylum seeker women who would otherwise face giving birth alone.

During the pandemic, the Birth Partner Project had to find a way to adapt their service that traditionally relied on face-to-face support in a way that was meaningful, safe and within Welsh Government guidelines.

Digital inclusion was key in keeping connected to the women they help and continuing to provide them with essential support and information.

The grant from the Wales Coronavirus Resilience Fund enabled the Birth Partner Project to run a digital inclusion programme with a focus on improving wellbeing in late pregnancy and early motherhood. This included offering a range of creative, informative and wellbeing classes.

The funding also helped them to distribute 15 digital packs which included tablets, data and headphones and allowed them to bring in interpreters to ensure that all classes and information sessions were accessible to everyone.

Since running the digital inclusion project, the Birth Partner Project has seen increased confidence in the women they support, with attendees saying:



“

**This project made a huge change in my life. I was stuck inside staring at four walls. Since being involved, the project has changed how I view my life and wanting to do things. This project has given me things to do and look forward to.**

”



“

**My involvement in the project has helped me understand life in this country.**

”

“

**Previously I wasn't very confident with speaking English. Now even if I'm not correct I like to try.**

”



“

**I'm always alone with the baby so since having the tablet I've been able to research and look things up relating to her.**

”



# Working together

## New partnerships

It's been another busy start to the year for Community Foundation Wales. Since the easing of lockdown restrictions, we've noticed a real increase in our supporter base. This has been in part due to the work we completed during the pandemic, connecting a range of partners to distribute over £6m in funding to thousands of grassroots and voluntary organisations across the whole of Wales.

We were approached by the Principality Building Society to create a new fund, helping them in their mission to increase the prospects of young people across Wales. The member-owned business is working with us to supply grants of up to £5,000 each for projects for a Future Generations Fund that will encourage young people to prepare skills for their future world of work, personal finances, finding employment, and living more sustainable lives.

## New Friends

Our Friends of Community Foundation Wales network has grown further, and we are grateful for the support we receive from each of our members.

For the annual membership donation of £100 for an individual or £500 for an organisation, Friends can:

- highlight their connection to Community Foundation Wales;
- demonstrate their support for a local Welsh charity;
- receive priority invitations to our events;
- receive a personal thank you on our website and in our annual review;
- have press, online and social media promotion opportunities.

Below, some of our Friends explain why they joined the network:



**Annwen Jones**

I became a Friend of Community Foundation Wales because they have a simple but powerful mission to improve the lives of people in Wales – they work throughout the country – by connecting those who want to give to the causes they care most about.



**David Gold**

I don't know how to pick the projects within the different communities across Wales, but I know Community Foundation Wales understand what themes and areas are most in need, and I trust the very talented team to make the most out of my donation. Becoming a friend seemed an easy way to invest in the community without having the necessary knowledge of the projects around me.

# The year ahead

## Our aims:

### **We change lives together**

- We will have a better understanding of the difference our funding has made on the lives of individuals in Wales.
- We will have improved the way we share our learning.
- We will have formed strong sector-wide partnerships enabling us to link supporters more effectively with projects.

### **We will increase generosity and charitable giving in Wales**

- We will have a wider network of supporters through more effective engagement across all channels.
- Through our external communications we will have been influential in bringing more funding into Wales.

### **We want a Wales with strong active communities**

- We will strengthen our grant-making by improving our processes.
- How we work will be more representative of the communities we serve.
- We will have supported third sector organisations to grow and strengthen to meet the needs of those they support.



# Diolch

So, that's the story of 2021/22 at Community Foundation Wales.

A year where, more than ever, we listened to the needs of communities across Wales, and responded through working together with funders, community groups and other partners.

What makes Community Foundation Wales special is that our aim is to build sustainable funding for Welsh communities now and into the future.

Our endowment funds will be here for the next generation, and the ones after that. Together with our partners we are building something special for Wales that will strengthen communities well beyond our lifetimes.

We'd like to thank everyone who has contributed to our work this year and extend a warm invitation to all to join us on this journey.

Whether you would be interested in working with us as a donor, if you'd like to help us spread the word in your local community, or support us in another way - we'd love to hear from you.

Diolch yn fawr

**Richard Williams**

Chief Executive, Community Foundation Wales



# 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 committees and full board meet on a quarterly basis. The rate of attendance at our board meetings was 84% (down from 91% last year) and the attendance at our committee meetings was 75% (down from 88% last year).

## Key responsibilities of the Board:

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



# Financial review

## Overview

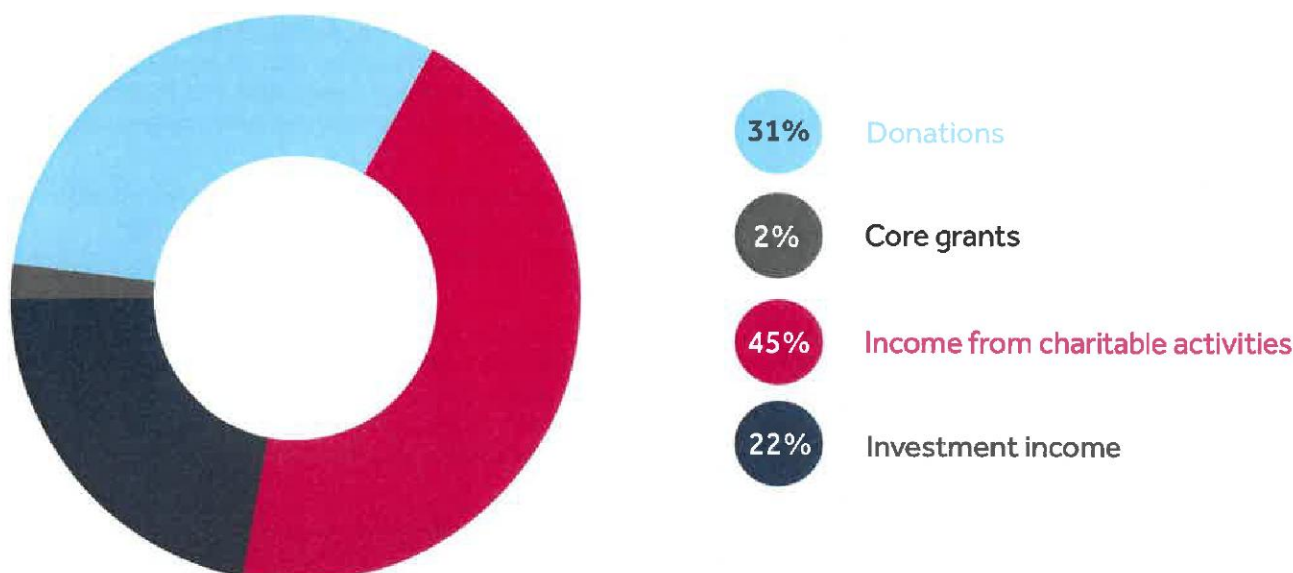
- The net assets of Community Foundation Wales are valued at **£23.28m**, an increase of **£1.98m** on the prior year. 2021/22 saw a continuation of the positive growth in 2020/21 following the drop in markets as a result of Covid-19 in March 2020.
- New endowment money of **£500k** was received.
- Income of **£2.38m** was received, **£178k** of which was designated for the Foundation's core operational costs and was generated from promoting and managing philanthropy (**45%**), core grants (**2%**) and other earned income, including donations (**53%**).
- Expenditure amounted to **£2.28m** of which **£1.92m** was spent on **over 466** grants to different organisations and individuals.
- Charitable activity expenditure was **£2.04m** and represents **89%** of total charitable expenditure.
- Unrestricted end of year reserves of **£407k** were generated.

## Income

Income of **£2.38m** was received of which **£772k** came from from donations, **£500k** of this consisting of new endowment.

Income and dividends from investments was **£532k**. This is an increase on the previous year following the trend of further positive investment growth in 2021/22.

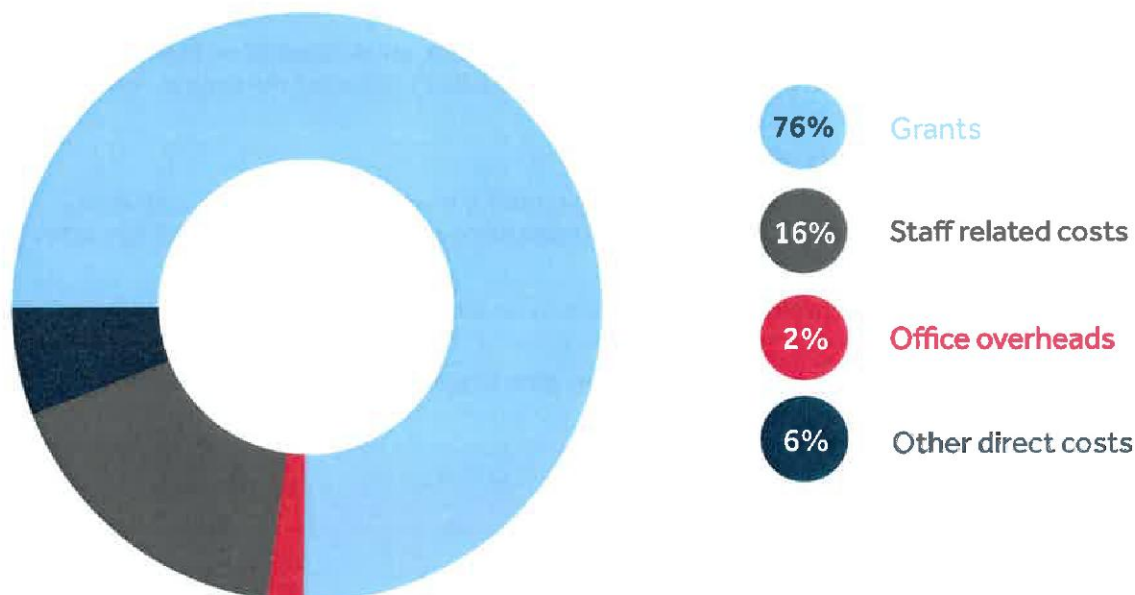
Charitable activity income of **£1.07m** is for grant-making from immediate impact restricted funds and is an decrease of **£4.25m** on the prior year. The decreases relate to the coronavirus immediate impact funding received in 2020/21 which amounted to **£4.6m** and was not continued in 2021/22.



## Expenditure

Expenditure amounted to **£2.28m**, of which **£152k**, was spent on developing new funds and informing and advising our existing fundholders, **£13k** was spent on securing core grant income and **£78k** on managing our investment portfolio to develop returns for grant-making - **£65k** of this was for the direct costs of the investment managers.

Charitable activity expenditure was **£2.04m** of which **£1.92m** was spent directly on grants to **466** 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 2021/22 the trustees recommended an across the board distribution figure of **4%** of the 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 **£10.51m** as at 31 March 2022 (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 **£87k**. 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 2022 are **£23.28m**. This includes, **£21.97m** investments, which consists of an investment property valued at **£500k** and an investment portfolio valued at **£21.47m**.

The value of the investments increased by **£1.98m**, a continuation of the positive recovery in 2020/21 which followed the shock of the pandemic in March 2020.

The funds are managed by two investment managers, Brewin Dolphin who manage a segregated investment portfolio worth approximately **£15.60m** and CCLA who manage the remainder of the portfolio, valued at approximately **£5.87m**.

## 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. A review and update of our current target will be conducted in 2022/23 to assess whether it is still appropriate at end of par.

At the end of the current financial year, the reserves are **£407k** which exceeds the reserves policy however the forecast for 2022/23 is such that a proportion of these will be used, reducing the balance.

# 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 inspires its Trustees, who bring a strong breadth of skills and expertise to bear on decision-making and planning.

## 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 is Chairman of 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 £1.7m 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 Five 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.

Linked 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: 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.

- v. 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 2022, Community Foundation Wales awarded

<u>Charity</u>	<u>Total of grants awarded 2021-22</u>	<u>Total of grants awarded 2020-21</u>	<u>Trustee or member of staff</u>
Ffin Dance, Abertillery	£5,948	£5,000	Andrew Tuggey
Scout Wales SWAT (Scouts Cymru)	£2,021	-	Andrew Tuggey

Andrew Tuggey is a trustee of Community Foundation Wales, Vice president of Scouts Cymru and Champion of Ffin Dance.



## Reference and administrative details

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

Trustees serving in the financial year, and at the date of approval of this report:

Alun Evans (Chairman)

Nigel Annett CBE (Vice Chairman)

Kathryn Morris (Honorary Treasurer)

Tanwen Grover

Geraint Jewson (end of term March 2022)

Andrew Tuggey CBE DL

Sarah Jennings

Emma Metcalfe

Annabel Lloyd

Samsunear Ali

Sarah Corser

Gwyn Owen (resigned September 2021)

Ruth James (appointed March 2022)

Ian Thomas (appointed June 2022)

Gaenor Howells (appointed June 2022)

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

## Senior management team

Director of Programmes: Andrea Powell

Grants & Programmes Manager: Ffion Roberts

Director of Philanthropy: Katy Hales

Head of Communication and Marketing: Anoushka Palmer

Head of Finance: Smitha Coughlan

**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  
1 Angel Lane  
London  
EC4R 3AB



## The trustees present their report and financial statements for the year ended 31 March 2022.

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.

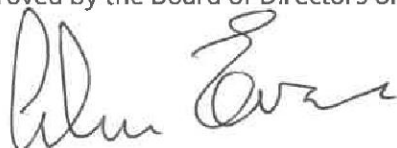
### Statement as to disclosure of information to auditors

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 21/11/2022 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 2022 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 2022, 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:** 13/12/2022

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)

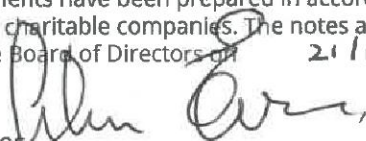
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	2021/22 Total £	2020/21 Total £
Income and endowments from:						
Donations & legacies	2	182,153	89,011	500,423	771,587	733,271
Income from investments	3	1,397	43,348	487,654	532,399	480,240
Charitable activities						
Grantmaking	4	-	1,071,544	-	1,071,544	5,325,310
Other income		-	-	-	-	200,000
Total income		183,550	1,203,903	988,077	2,375,530	6,738,821
Expenditure on:						
Costs of raising funds	5					
Fund development & donor care		144,654	7,830	-	152,484	138,186
Core grants		11,146	2,237	-	13,383	12,665
Investment income		12,988	-	64,759	77,747	61,925
Charitable activities						
Grantmaking		189,903	1,729,203	-	1,919,106	6,027,891
Promoting philanthropy		109,310	8,948	-	118,259	105,498
Total expenditure		468,002	1,748,218	64,759	2,280,979	6,346,165
Net income/(expenditure) before gains and losses on investments		(284,452)	(544,315)	923,318	94,551	392,656
Gain on revaluation		-	-	-	-	-
Net gain/(loss) on investments	11	-	-	1,845,598	1,845,598	3,896,950
Net income/(expenditure) for the year		(284,452)	(544,315)	2,768,916	1,940,149	4,289,606
Transfers between funds		243,926	546,126	(790,052)	-	-
Gain on revaluation		-	-	-	-	-
Net movement in funds		(40,527)	1,811	1,978,863	1,940,149	4,289,606
Reconciliation of funds						
Fund balances brought forward		447,391	895,016	19,993,081	21,335,488	17,045,882
Fund balances carried forward		406,864	896,827	21,971,944	23,275,635	21,335,488

# Consolidated and charity balance sheets

	Note	Group		Charity	
		2021/22 £	2020/21 £	2021/22 £	2020/21 £
<b>Fixed Assets</b>					
Tangible assets	10	5,764	8,646	5,764	8,646
Intangible assets	10	18,729	26,017	18,729	26,017
<b>Investments</b>					
Property	10	500,000	500,000	-	-
Securities	11	21,471,944	19,493,081	13,355,846	12,180,484
		21,996,437	20,027,744	13,380,339	12,215,147
Long term debtors	12	70,240	75,744	-	-
<b>Current Assets</b>					
Debtors	13	163,824	268,050	161,965	173,648
Provision for investment transfers	13	953,180	504,298	953,180	498,462
Cash at bank and in hand		663,576	1,211,823	425,856	903,159
		1,780,580	1,984,171	1,541,001	1,575,269
<b>Current Liabilities</b>					
Creditors: Amounts falling due within one year	14	(386,437)	(698,171)	(305,922)	(632,990)
Creditors: Amounts falling due after one year		(185,185)	(54,000)	(134,685)	(7,000)
<b>Net Current Assets</b>		1,208,958	1,232,000	1,100,395	935,279
<b>Net Assets</b>		23,275,635	21,335,488	14,480,734	13,150,425
<b>Represented by:</b>					
<b>Unrestricted funds</b>					
General fund	16	406,864	447,391	406,864	447,391
Restricted income funds	17	896,827	895,016	718,023	669,798
Endowment funds	18	21,971,944	19,993,081	13,355,846	12,033,236
		23,275,635	21,335,488	14,480,734	13,150,425

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 36 to 61 form part of these accounts. The financial statements were approved by the Board of Directors on 21/11/2022 and were signed on its behalf by:

Alun Evans  
Chairman of Trustees



Kathryn Morris  
Trustee & Treasurer





# Group statement of cashflows

	Note	2021/22 £	2020/21 £
Net cash used in operating activities	24	(571,519)	(222,632)
Cash inflows from investing activities			
Investment income	3	532,399	480,240
Net cash from investing activities		532,399	480,240
Cash flows from investing activities			
Payments to acquire fixed asset investments	11	(2,867,248)	(4,740,735)
Receipts from sale of fixed asset investments	11	2,463,817	5,018,366
Equalisation	11	451	13,114
Revaluation		-	(200,000)
Acquisition of fixed assets	10	-	(31,215)
Add back depreciation and amortisation	10	10,170	10,170
Net cash generated used in investing activities		(392,810)	69,700
Operating cash flow in year		(431,929)	(327,308)
Management of liquid resources			
Increase/Decrease in net cash in investment	11	(116,317)	(158,230)
(Decrease)/Increase in net cash at bank in the year		(548,247)	169,078
Cash and cash equivalents at 1 April 2021		1,211,823	1,042,744
Cash and cash equivalents at 31 March 2022		663,576	1,211,823

# 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 linked charities (see note 23), made up to 31 March 2022, 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 – four 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.

### **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 £	Restricted funds £	Endowment funds £	2021/22 Total £	2020/21 Total £
Core grants					
Welsh Government	40,677	-	-	40,677	40,704
Donations					
Charities/organisations	141,476	89,011	500,423	730,910	692,567
Corporate donors	-	-	-	-	-
Individuals	-	-	-	-	-
	<b>182,153</b>	<b>89,011</b>	<b>500,423</b>	<b>771,587</b>	<b>733,271</b>

## 3. Investment income

	Unrestricted funds £	Restricted funds £	Endowment funds £	2021/22 Total £	2020/21 Total £
Dividends	-	-	487,654	487,654	429,430
Property rental	-	43,348	-	43,348	44,353
Grants returned to CFW	-	-	-	-	3,500
Bank interest	1,397	-	-	1,397	2,957
	<b>1,397</b>	<b>43,348</b>	<b>487,654</b>	<b>532,399</b>	<b>480,240</b>

## 4. Income from charitable activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	2021/22 Total £	2020/21 Total £
Charities/organisations	-	1,071,544	-	1,071,544	5,325,310
Corporate donors	-	-	-	-	-
Individuals	-	-	-	-	-
	<b>-</b>	<b>1,071,544</b>	<b>-</b>	<b>1,071,544</b>	<b>5,325,310</b>



## 5. Expenditure

	Grants £	Staff- related £	Other direct £	Office Overheads £	2021/22 Total £	2020/21 Total £
Cost of raising funds:						
Core grants	-	12,977	-	406	13,383	12,665
Fund development & donor care	-	131,123	13,722	7,640	152,485	138,186
Investment income	-	12,175	64,759	813	77,747	61,925
Charitable activities						
Grantmaking	1,725,848	139,550	31,908	21,800	1,919,106	6,027,891
Promoting philanthropy	-	81,642	26,645	9,971	118,258	105,498
Total resources expended	1,725,848	377,467	137,034	40,630	2,280,979	6,346,165

Grants totalling £1,573,345 (2020/21: £5,783,457) have been made to institutions and £152,503 (2020/21: £83,576) 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 funds £	Restricted funds £	Endowment funds £	2021/22 Total £	2020/21 Total £
Meeting costs	-	-	-	-	-
Trustees costs	-	-	-	-	-
Subscriptions	13,807	-	-	13,807	11,631
Professional fees	9,832	-	-	9,832	11,540
Other	-	-	-	-	-
Staff related costs	67,493	-	-	67,493	58,112
Office overheads	5,052	-	-	5,052	4,363
	96,184	-	-	96,184	85,646

## 6. Staff costs

	2021/22 £	2020/21 £
Salaries	298,251	310,308
Social security costs	31,340	29,663
Pension costs	16,458	15,199
	346,049	355,169

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

	2021/22	2020/21
Direct charitable	7	6
Business development	1	1
Governance	1	2
	9	9



The Foundation considers its key management personnel comprise the Chief Executive, Deputy Chief Executive, Grants & Programmes Manager, Head of Philanthropy, Head of Communication and Marketing and Head of Finance.

The total employment benefits including employer pension contributions of the key management personnel were £293,102.

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

No Trustee received remuneration.

## 7. Trustees

1 trustee (2020/21: 0) was reimbursed for expenses of £2,216 (2020/21: £0). All costs related to travel and subsistence.

## 8. Net income for the year before transfers

	2021/22 £	2020/21 £
The net income for the year before transfers is stated after charging:		
Auditors remuneration	7,250	8,400
Operating lease rentals:		
- Plant and machinery	2,100	2,100

## 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 the Community Foundation in Wales are summarised below:

	2021/22 £	2020/21 £
Total income	2,174,797	6,633,224
Total expenditure	(1,982,241)	(6,331,175)
Net incoming/outgoing resources before transfers	192,556	302,049
Investment gain/(loss)	1,137,753	2,214,663
Transfers	-	-
Net movement in funds	1,330,309	2,516,712

## 10. Fixed and Intangible Assets

### Investments - Property

	Group		Charity	
	2021/22 £	2020/21 £	2021/22 £	2020/21 £
At 1 April 2021	500,000	300,000	-	-
Revaluation	-	200,000	-	-
	500,000	500,000	-	-
At 31 March 2022				
Properties at year end comprised:				
Former county school at Newtown	500,000	500,000	-	-

This property is part of the Montgomeryshire Intermediate & Technical Education Fund endowment. 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.

### Tangible assets

	Group		Charity	
	2021/22 £	2020/21 £	2021/22 £	2020/21 £
Leasehold improvements				
Cost				
Opening balance 1/04/2021	14,410	14,410	14,410	14,410
Additions in year	-	-	-	-
Value at 31/03/2022	14,410	14,410	14,410	14,410

	2021/22 £	2020/21 £	2021/22 £	2020/21 £
Accumulated depreciation				
At 1/04/2021	5,764	2,882	5,764	2,882
Additions in year	2,882	2,882	2,882	2,882
Value at 31/03/2022	8,646	5,764	8,646	5,764

	2021/22 £	2020/21 £	2021/22 £	2020/21 £
Net book value				
At 31 March 2021	8,646	11,528	8,646	11,528
At 31 March 2022	5,764	8,646	5,764	8,646



## Intangible fixed assets

	Group		Charity	
Cost	2021/22 £	2020/21 £	2021/22 £	2020/21 £
Opening balance 1/04/2021	34,390	3,175	34,390	3,175
Additions in year	-	31,215	-	31,215
Value at 31/03/2022	34,390	34,390	34,390	34,390

Amortisation	2021/22 £	2020/21 £	2021/22 £	2020/21 £
At 1/04/2021	8,373	1,085	8,373	1,085
Charge for year	7,288	7,288	7,288	7,288
At 31/03/2022	15,661	8,373	15,661	8,373

Net book value	2021/22 £	2020/21 £	2021/22 £	2020/21 £
At 31 March 2021	26,017	2,090	26,017	2,090
At 31 March 2022	18,729	26,017	18,729	26,017

## 11. Investments - Securities

	Group		Charity	
	2021/22 £	2020/21 £	2021/22 £	2020/21 £
Listed investments at valuation				
Opening valuation	19,493,081	13,577,727	12,180,484	9,431,881
Additions in the year	2,867,248	4,740,735	1,703,026	3,113,936
Disposal proceeds	(2,463,817)	(5,018,366)	(1,463,406)	(4,265,611)
Dealer charges	(451)	(13,114)	(268)	(11,147)
Gain (loss) on valuation	1,459,566	158,230	866,922	101,267
Cash movements	116,317	6,047,869	69,088	3,810,158
Closing valuation	21,471,944	19,493,081	13,355,846	12,180,484

	Group		Charity	
	2021/22 £	2020/21 £	2021/22 £	2020/21 £
Listed investments comprised				
Uk-listed investments	20,944,450	19,081,904	13,042,536	11,897,513
Portfolio cash flow	527,494	411,177	313,310	282,971
	21,471,944	19,493,081	13,355,846	12,180,484

	2021/22 £	2020/21 £	2021/22 £	2020/21 £
Material investments				
CCLA	5,873,963	5,404,336	3,653,685	3,376,964
Segregated portfolio holdings	15,597,981	14,088,745	9,702,160	8,803,520
	21,471,944	19,493,081	13,355,846	12,180,484

## 12. Long term debtors

	Group		Charity	
	2021/22 £	2020/21 £	2021/22 £	2020/21 £
Property rental	70,240	75,744	-	-

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	
	2021/22 £	2020/21 £	2021/22 £	2020/21 £
Other debtors	69,359	250,144	67,500	163,144
Provision for investment transfers	953,180	504,298	953,180	498,462
Prepayments and accrued income	94,465	17,906	94,465	10,504
	1,117,004	772,348	1,115,145	672,110

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

	Group		Charity	
	2021/22 £	2020/21 £	2021/22 £	2020/21 £
Trade creditors	8,699	16,594	8,699	16,594
Accruals and deferred income	378,354	673,710	297,838	608,529
Tax and social security	(616)	7,867	(616)	7,867
	386,437	698,171	305,922	632,990



## Creditors – amounts falling due greater than one year

	2021/22 £	2020/21 £	2021/22 £	2020/21 £
2-5 years	185,185	54,000	134,685	7,000

## 15. Financial commitments

At 31 March 2022 there were annual commitments under non-cancellable operating leases as follows:

	2021/22	2020/21
	Within 1 year	2-5 years Over 5 years
Office lease	19,950	47,552 - 87,508
Photocopier	2,520	3,780 - 6,962
	22,470	51,332 - 94,470

## 16. Movement in unrestricted funds

Group and Charity

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Unrestricted general fund	447,391	183,550	(468,002)	243,926	406,864
	447,391	183,550	(468,002)	243,926	406,864

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

	At 1 Apr 2021 £	Income and transfers £	Grants expenditure £	Other expenditure £	At 31 Mar 2022 £
Immediate Impact Funds					
The Skiathos Fund	66,405	-	-	(66,405)	-
Bristol & West	-	-	-	-	-
Ashley Family Foundation	-	214,990	(227,016)	(23,065)	(35,091)
South Wales PCC	975	-	15,111	-	16,086
Anglesey Playground Trust	5,935	-	-	-	5,935
Older People's Fund	153,308	110,949	(253,947)	(31)	10,279
Wesleyan	40,474	-	(28,750)	-	11,724
Surviving Winter	1,369	-	-	(1,369)	-
Give DIFFerently	4,402	1,493	(5,300)	(134)	461
Core Funding Programme (Waterloo)	74,673	-	-	-	74,673
Welsh Procurement Alliance	-	89,000	(80,000)	(9,000)	-
Provident	5,000	28,750	(25,000)	(3,750)	5,000
Thomas Carroll Fund	18,481	8,290	(3,975)	(932)	21,863
Geldards Fund	1,364	56	-	(6)	1,415
HS Gwynedd	10	-	-	-	10
Transformation and Growth	11,994	-	(12,117)	-	(123)
Dulverton Coronavirus	10,000	-	(10,000)	-	-
West Glamorgan High Sheriff	1,463	-	-	-	1,463
Gareth Griffiths Fund	-	20,189	(18,170)	(1,615)	404
Resilience Fund	84,578	92	61,115	(145,784)	-
Cefn Croes Wind Farm	300	-	-	(300)	-
Cellnex Programme	17,820	180	(18,000)	-	-
Great Western Railway	18,000	-	(18,000)	-	-
Trust and Foundation	60,308	8,470	-	-	68,778
Daring to Dream	49	62	-	(94)	17
Castle Dairies	-	24,750	(16,828)	(2,250)	5,672
Trivallis	-	135,000	(59,938)	(15,000)	60,062
Principality	-	110,000	-	(10,000)	100,000
Made by Sport	-	244,091	(224,388)	-	19,703
Track 2000	-	121,000	-	(121,000)	-
Pears Action Learning Project	-	54,000	(48,000)	-	6,000



	At 1 Apr 2021 £	Income £	Grants paid £	Other £	At 31 Mar 2022 £
Seaburne	-	31,250	(15,599)	(3,125)	12,526
Mab Gwalia	-	31,744	(26,542)	(441)	4,761
Disability	-	118,508	-	-	118,508
COVID 19 Support for BAME groups	-	118,508	-	-	118,508
	<b>576,908</b>	<b>1,471,370</b>	<b>(1,015,344)</b>	<b>(404,300)</b>	<b>628,634</b>
Endowment Funds					
Martyn Groves Adventure & Travel Fund	447	-	-	-	447
Dr Dewi Davies Fund	-	-	(98,831)	98,831	-
Daisy Fund	-	-	(1,800)	1,800	-
Nancy Mudge Fund	-	-	(4,440)	4,440	-
Carmarthenshire Fund	-	-	(16,000)	16,000	-
Powys Welsh Church Fund #+	-	3,055	(76,800)	73,745	-
Montgomeryshire District Trust Fund **	-	-	(9,700)	9,700	-
Montgomeryshire Intermediate & Technical Education*	198,420	40,293	(47,000)	(13,422)	178,292
Former Girls Grammar School Brecon**	-	-	(6,581)	6,581	-
Stanley Bligh Memorial Fund**	-	-	(11,201)	11,201	-
Education Trust for Cardiff Citizens	-	-	(6,500)	6,500	-
Cardiff Citizens Charity**	512	-	-	-	512
Monmouthshire Further Education Fund **	-	-	(2,615)	2,615	-
Education Fund for Denbigh and Surrounding Area **	-	-	(7,510)	7,510	-
Clywd Welsh Church Fund +	-	-	(8,556)	8,556	-
Gwent High Sheriffs' Community Endowment Fund	30,323	81,261	(67,491)	(14,344)	29,749
Denbighshire Community Endowment Fund	-	-	(8,500)	8,500	-
Former Foundation Powys Fund	3,173	-	-	-	3,173
Foundation Schools Fund	11,558	-	-	-	11,558
Fund for Wales	1,012	828	(21,000)	19,160	-
BIG Fund for Wales Trust Fund	2,000	-	(152,198)	151,198	1,000
Wales in London	-	-	(5,250)	5,250	-

	At 1 Apr 2021 £	Income £	Grants paid £	Other £	At 31 Mar 2022 £
Wrexham Community Endowment Fund (Church)	-	-	(1,750)	1,750	-
Wrexham Community Endowment Fund (LA)	-	-	(5,140)	5,140	-
Llandrindod High School Charity Fund	4,280	-	(1,000)	-	3,280
Newport Community Endowment Fund	-	6,923	(17,772)	10,849	-
Anglesey Community Endowment Fund	680	-	-	-	680
Flintshire Community Endowment Fund	-	-	(11,800)	11,890	90
Hawarden District Relief Fund	-	-	(1,775)	1,775	-
Education Trust of John Vaughan	138	-	-	-	138
Mary Jane Foundation Trust	3,568	-	-	-	3,568
Waterloo Match Challenge	35,707	-	-	-	35,707
TJ Jones Memorial Fund*	26,286	-	(105,000)	78,713	-
The Sloman Family Fund for Ely	-	-	(3,000)	3,000	-
	318,104	132,360	(699,209)	516,937	268,193
Group Summary					
Charity	696,083	1,563,437	(1,623,446)	81,953	718,023
Linked	198,932	40,293	(91,107)	30,684	178,804
Group	895,012	1,603,730	(1,714,553)	112,637	896,827

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.



## 18. Movement in endowment funds

	At 1 Apr 2021 £	Income & transfers in £	Investment returns £	Other expenditure & transfers out £	At 31 Mar 2022 £
The Lord Merthyr Fund	1,212,550	26,468	114,624	(5,000)	1,348,642
Foundation Schools Fund	154,709	3,360	14,597	(1,660)	171,006
Martyn Groves Adventure & Travel Fund	40,767	885	3,845	(437)	45,060
The Sloman Family Fund for Ely	27,815	569	2,721	(3,299)	27,806
Former Foundation Powys Fund	27,072	588	2,555	(291)	29,924
Stanley Bligh Memorial Fund*+	1,285,573	27,727	121,561	(28,785)	1,406,075
Llandrindod High School Charity Fund	110,266	2,390	10,393	(1,479)	121,570
Former Girls Grammar School Brecon *+	290,737	6,220	27,626	(10,780)	313,802
Montgomeryshire Intermediate & Technical Education *	828,664	18,117	78,507	(2,400)	922,888
MITEF Investment Property	500,000	-	-	-	500,000
Montgomery District Trust Fund*+	496,912	10,650	47,167	(16,766)	537,963
Newport Community Endowment Fund	376,198	8,009	35,852	(17,186)	402,873
Monmouthshire Further Education Fund*+	331,077	7,141	31,304	(7,356)	362,165
Cardiff Citizens Charity*+	154,136	3,341	14,531	(2,068)	169,939
Powys Welsh Church Fund+£	2,829,740	60,387	269,410	(117,650)	3,041,887
Rudbaxton Parish Education Fund*+	390,154	8,456	36,781	(5,235)	430,155
Fund for Wales	516,531	276,042	41,219	(26,107)	807,685
Gwent High Sheriffs' Community Fund	564,021	12,404	47,933	-	624,358
Wrexham Community Endowment Fund (Church)	123,212	2,650	11,672	(3,403)	134,131
Education Trust for Cardiff Citizens*+	408,342	8,769	38,714	(12,327)	443,497
Education Fund for Denbigh and Surrounding Area *+	993,852	21,433	93,982	(22,431)	1,086,835
Flintshire Community Endowment Fund	251,396	5,299	24,097	(15,962)	264,830
Hawarden District Relief Fund	418,967	9,054	39,567	(7,840)	459,748
BIG Fund for Wales Trust Fund	1,101,819	22,090	108,467	(165,978)	1,066,398
Carmarthenshire Fund	214,910	4,468	20,767	(18,883)	221,262
Dr Dewi Davies Fund	1,362,340	28,357	131,567	(117,105)	1,405,159
Wrexham Community Endowment Fund (LA)	160,619	3,414	15,324	(7,864)	171,493
Education Trust of John Vaughan	91,275	1,974	8,598	(1,469)	100,378

	At 1 Apr 2021 £	Income & transfers in £	Investment returns £	Other expenditure & transfers out £	At 31 Mar 2022 £
Wales in London	100,239	2,318	9,359	(6,595)	105,321
Anglesey Community Endowment Fund	7,373	160	695	(99)	8,129
Daisy Fund	78,826	8,008	7,285	(3,069)	91,050
Emrys Davies Legacy Fund	36,157	779	3,401	(776)	39,561
Denbighshire Community Endowment Fund	409,468	8,778	38,863	(13,653)	443,456
Mary Jane Foundation Trust	35,506	765	3,341	(762)	38,850
LNB Fund	430,982	9,313	40,584	(7,447)	473,432
Cricket Wales Foundation	30,061	2,552	2,768	(645)	34,736
Clwyd Welsh Church Fund#+	652,132	14,025	61,821	(17,959)	710,019
William Gale Fund	165,472	3,571	15,574	(3,167)	181,450
Newport Girls Fund	39,834	858	3,747	(855)	43,584
Nancy Mudge Fund	40,311	815	3,932	(5,305)	39,753
Cardiff Story Fund	224,278	4,842	21,114	(4,116)	246,118
Newtown Maintenance Reserve**	79,087	1,715	7,456	(1,061)	87,196
Mudiad Meithrin Fund	143,603	3,144	13,592	-	160,339
TJ Jones Memorial Fund**	2,201,312	46,871	210,217	(102,816)	2,355,583
Cronfa William Salesbury#	54,786	1,182	5,156	(1,058)	60,066
Llangammarch Disaster Fund#	-	30,485	807	(903)	30,389
Mab Gwalia#	-	202,877	2,506	-	205,383
	19,993,081	923,320	1,845,599	(790,047)	21,971,944
Group Summary					
Charity	12,033,235	762,880	1,137,753	(578,022)	13,355,846
Linked	7,959,846	160,440	707,846	(212,025)	8,616,098
Group	19,993,081	923,320	1,845,599	(790,047)	21,971,944

\*=Linked funds      + = Permanent endowment funds

# The Foundation manages six charitable investments (2020/21: four), where other organisations have retained trusteeship over the fund. These organisations have delegated the management of the non-property investments of the Funds to the Foundation as part of its investment portfolio and according to its investment strategy.

The market value of the share of the Foundation's investment portfolio relating to these funds was £4,208,083 (2020/21: £3,680,261).

The amount of annual gross designated income was £312,100 (2020/21: £70,898).

The annual core cost contribution from these funds amounted to £58,705 (2020/21: £46,227).

The income held by the Foundation was £nil (2020/21: £nil).



## 19. Analysis of assets/liabilities between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	2021/22 Total £	2020/21 Total £
Group					
Investments	-	-	21,471,944	21,471,944	19,493,081
Investment property	-	-	500,000	500,000	500,000
Fixed and intangible assets	24,493	-	-	24,493	34,663
Long term debtors	-	70,240	-	70,240	75,744
Current assets excluding cash at bank/hand	(227,724)	1,344,728	-	1,117,004	772,349
Cash at bank and in hand	635,449	28,127	-	663,576	1,211,823
Creditors: amounts falling due within one year	(25,354)	(361,083)	-	(386,437)	(698,172)
Creditors: amounts falling due after one year	-	(185,185)	-	(185,185)	(54,000)
	406,864	896,828	21,971,944	23,275,635	21,335,488

	Unrestricted funds £	Restricted funds £	Endowment funds £	2021/22 Total £	2020/21 Total £
Charity					
Investments	-	-	13,355,846	13,355,846	12,180,484
Fixed and intangible assets	24,493	-	-	24,493	34,663
Long term debtors	-	-	-	-	-
Current assets excluding cash at bank/hand	(227,724)	1,342,869	-	1,115,145	672,110
Cash at bank/hand	635,449	(209,593)	-	425,856	903,159
Creditors: amounts falling due within one year	(25,354)	(280,568)	-	(305,922)	(632,990)
Creditors: amounts falling due after one year	-	(134,685)	-	(134,685)	(7,000)
	406,864	718,023	13,355,846	14,480,734	13,150,426

## 20. Related Party Transactions

During the year ended 31 March 2022, Community Foundation Wales awarded:

<u>Charity</u>	<u>Total of grants awarded 2021/22</u>	<u>Total of grants awarded 2020/21</u>	<u>Trustee or staff member</u>
Ffin Dance, Abertillery	£5,948	£5,000	Andrew Tuggey
Scout Wales SWAT (Scouts Cymru)	£2,021	-	Andrew Tuggey

## 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 2022, the total employer contributions charged for these schemes amounted to £16,457 (2020/21: £15,199).

## 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. Linked Charities

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

<u>Name</u>	<u>Charity Number</u>	<u>Linked 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 linked charities is England and Wales.



Montgomeryshire District Trust Fund	2021/22 Total £	2020/21 Total £
Investment income	10,650	9,563
Other income	-	-
Cost of generating funds	(1,766)	(1,418)
Charitable activities	(14,999)	(5,254)
Investment gains and losses	47,167	99,339
Net movement in funds	41,051	102,229
Assets	543,663	496,912
Liabilities	(5,700)	-
Net Assets	537,963	496,912
Restricted funds	-	-
Endowment funds	537,963	496,912
Funds	537,963	496,912

Montgomeryshire Intermediate & Technical Education Fund	2021/22 Total £	2020/21 Total £
Investment income	60,125	64,412
Other income	-	-
Cost of generating funds	(4,194)	(5,160)
Charitable activities	(59,688)	(12,119)
Investment gains and losses	85,963	378,601
Net movement in funds	82,206	423,734
Assets	1,737,386	1,624,610
Liabilities	(49,011)	(18,440)
Net Assets	1,688,376	1,606,170
Restricted funds	178,292	198,420
Endowment funds	1,510,084	1,407,750
Funds	1,688,376	1,606,170

Stanley Bligh Memorial Fund	2021/22 Total £	2020/21 Total £
Investment income	27,727	24,721
Other income	-	-
Cost of generating funds	(4,023)	(3,635)
Charitable activities	(24,764)	(12,402)
Investment gains and losses	121,561	256,771
Net movement in funds	120,501	265,455
Assets	1,411,382	1,285,573
Liabilities	(5,308)	-
Net Assets	1,406,074	1,285,573
Unrestricted funds	-	-
Endowment funds	1,406,074	1,285,573
Funds	1,406,074	1,285,573

Former Girls Grammar School Brecon	2021/22 Total £	2020/21 Total £
Investment income	6,220	5,510
Other income	-	-
Cost of generating funds	(1,050)	(897)
Charitable activities	(9,730)	(6,690)
Investment gains and losses	27,626	58,843
Net movement in funds	23,067	56,766
Assets	317,804	291,637
Liabilities	(4,000)	(900)
Net Assets	313,804	290,737
Unrestricted funds	-	-
Endowment funds	313,804	290,737
Funds	313,804	290,737



Monmouthshire Further Education Trust	2021/22 Total £	2020/21 Total £
Investment income	7,141	6,371
Other income	-	-
Cost of generating funds	(1,185)	(928)
Charitable activities	(6,171)	(2,783)
Investment gains and losses	31,304	66,046
Net movement in funds	31,089	68,706
Assets	363,166	331,077
Liabilities	(1,000)	-
Net Assets	362,166	331,077
Endowment funds	362,166	331,077
Funds	362,166	331,077

Rudbaxton Parish Education Fund	2021/22 Total £	2020/21 Total £
Investment income	8,456	7,500
Cost of generating funds	(1,308)	(1,091)
Charitable activities	(3,925)	(3,273)
Investment gains and losses	36,781	77,831
Net movement in funds	40,004	80,967
Assets	430,155	390,152
Liabilities	-	-
Net Assets	430,155	390,152
Unrestricted funds	-	-
Endowment funds	430,155	390,152
Funds	430,155	390,152

Cardiff Citizens Charity	2021/22 Total £	2020/21 Total £
Investment income	3,341	2,962
Cost of generating funds	(517)	(431)
Charitable activities	(1,551)	(1,292)
Investment gains and losses	14,531	30,748
Net movement in funds	15,804	31,987
Assets	170,452	154,648
Liabilities	-	-
Net Assets	170,452	154,648
<b>Unrestricted funds</b>	512	512
Endowment funds	169,940	154,136
Funds	170,452	154,648

Education Trust for Cardiff Citizens	2021/22 Total £	2020/21 Total £
Investment income	8,769	7,853
Charitable activities income	-	-
Cost of generating funds	(1,457)	(1,143)
Charitable activities	(10,871)	(3,429)
Investment gains and losses	38,714	81,459
Net movement in funds	35,155	84,741
Assets	446,997	408,842
Liabilities	(3,500)	(500)
Net Assets	443,497	408,342
<b>Unrestricted funds</b>	-	-
Endowment funds	443,497	408,342
Funds	443,497	408,342



Education Fund for Denbigh and Surrounding Area	2021/22 Total £	2020/21 Total £
Investment income	21,433	19,096
Charitable activities income	-	-
Cost of generating funds	(11,145)	(8,887)
Charitable activities	(11,286)	(2,222)
Investment gains and losses	93,982	198,261
Net movement in funds	92,983	206,248
Assets	1,086,834	993,851
Liabilities	-	-
Net Assets	1,086,834	993,851
Unrestricted funds	-	-
Endowment funds	1,086,834	993,851
Funds	1,086,834	993,851

TJ Jones Memorial Fund	2021/22 Total £	2020/21 Total £
Investment income	46,871	42,506
Charitable activities income	-	-
Cost of generating funds	(19,282)	(15,828)
Charitable activities	(109,821)	(9,007)
Investment gains and losses	210,217	434,388
Net movement in funds	127,985	452,059
Assets	2,412,583	2,227,598
Liabilities	(57,000)	-
Net Assets	2,355,583	2,227,598
Unrestricted funds	-	26,286
Endowment funds	2,355,583	2,201,312
Funds	2,355,583	2,227,598

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

	Note	2021/22 Total £	2020/21 Total £
Net movement in funds		1,940,147	(344,536)
(Gains)/losses on investments	11	(1,459,566)	873,136
Net investment income and bank interest repayable	3	(532,399)	(161,434)
(Decrease)/increase in debtors	13	(339,152)	(2,355,694)
Increase/(decrease) in creditors	14	(180,549)	378,187
Net cash outflow from operating activities		(571,519)	(1,610,341)



## 25. Comparative consolidated statement of financial activities

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



**Sefydliad  
Cymunedol  
Cymru**

**Newid Bywydau Gyda'n Gilydd**



**Community  
Foundation  
Wales**

**Changing Lives Together**