

Registered number: 04283557
Charity number: 1096199

THE CREDIT UNION FOUNDATION
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

THE CREDIT UNION FOUNDATION
(A company limited by guarantee)

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THE CREDIT UNION FOUNDATION
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Trustees Lord Roy Kennedy of Southwark, President
K Bennett

R Munro
D Martin
A Pask
D Vear

**Company registered
number** 04283557

**Charity registered
number** 1096199

Registered office Holyoake House
Hanover Street
Manchester
M60 0AS

Company secretary Robert Kelly

Chief executive officer Robert Kelly

Accountants Crowe U.K. LLP
3rd floor
The Lexicon
Mount Street
Manchester
M2 5NT

Bankers The Co-operative Bank plc
Balloon Street
Manchester
M60 4EP

THE CREDIT UNION FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

The trustees of the charity present their annual report and the financial statements for the year ended 30 September 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Administration

The company is a registered charity and a company limited by guarantee and is governed by its Memorandum and Articles of Association. Membership of the Foundation is open to directors of the Association of British Credit Unions Limited (ABCUL) and persons appointed by the directors of ABCUL. Upon admission to membership, members are automatically appointed as trustees. Trustees continue to serve until they resign, are removed from membership by the directors of ABCUL or cease to be legally eligible to serve as charity trustees or company directors.

Administrative services are provided by ABCUL.

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and directors for the purpose of company law. The trustees who served the charity during the year were as follows:

Lord Roy Kennedy of Southwark
Karen Bennett
Daniel Denning (until 30 June 2021)
David Martin
Richard Munro
Allison Pask
Dawn Vear

Appointment, induction and training of trustees

Trustees appointed to the Credit Union Foundation Board have all come to the role with a wealth of experience in either the credit union sector or financial services sector. All trustees are made aware of the role and remit of the Credit Union Foundation and are supplied with a copy of the NCVO Good Trustee Guide as well as updated with any changes to relevant legislation and guidance from the Charity Commission regarding their legal responsibilities.

Organisational structure

Lord Kennedy continues to chair the Credit Union Foundation Board and Karen Bennett continues as a Trustee by virtue of being President of ABCUL.

During the year, Daniel Denning's term came to an end, and he left the Association on the 30th June 2021. As a result there is one vacancy for an independent trustee, for which the ABCUL Board is in the process of recruiting.

The ABCUL Board regularly review which of its Directors serve as Trustees of the Foundation. During the year 2020-21, this was Richard Munro along with Karen Bennett as President of ABCUL.

David Martin, Allison Pask and Dawn Vear continued in their role as Independent Trustees of the Foundation. Robert Kelly continues as Company Secretary by virtue of being Chief Executive of ABCUL.

The Board currently consists of 7 Trustees – 2 ABCUL Directors: Karen Bennett and Richard Munro and 4 Independent Directors (with one vacant position): David Martin, Allison Pask, Dawn Vear and Lord Roy Kennedy (Chair of Trustees)

Risk review

The trustees have continued to assess the major risks that the charity could potentially be exposed to, particularly in relation to operations and the financial management of the charity. Trustees have developed a collective understanding of risk and continue to amend their risk register to reflect current and potential risks for the Foundation. The trustees are satisfied that systems are in place to mitigate the associated risks.

THE CREDIT UNION FOUNDATION
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

OBJECTIVES AND ACTIVITIES

The objects for which it is established are:

- (a) To advance education amongst the public in matters pertaining to credit unions and their potential in relieving poverty and need, and to provide education and training in the knowledge and skills pertinent to the establishment and management of credit unions;
- (b) To relieve poverty and need amongst communities in the United Kingdom and throughout the World which are in need of such relief, by advising needy persons within those communities how to establish and manage credit unions.
- (c) To relieve poverty by providing grants, items, support and other services to credit unions to allow them to extend their services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty

In furtherance of the above objectives, the foundation shall have the following powers:

- (a) To publish books, pamphlets, reports, leaflets, journals, films and instructional matter;
- (b) To commission and undertake and publish the useful results of research, and to run lectures, seminars, conferences and courses;
- (c) To provide financial, technical and educational assistance in connection with projects and purposes which will further the objects of the Foundation;
- (d) To receive donations, endowments, sponsorship fees, subscriptions and legacies from persons desiring to promote the Foundation's objects or any of them and to hold funds in trust for same;

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general information on public benefit when reviewing the Foundation's aims and objectives and in planning future activities.

The Foundation has also reviewed its Policy Board Manual and introduced a number of changes including a renewed commitment to Diversity, Equity and Inclusion.

ACHIEVEMENTS AND PERFORMANCE

The Covid-19 Pandemic meant that many of the plans for the Foundation had to be changed during the year, but much of what was scheduled was able to be adapted to operate in the online world.

The Save and Sound Project, funded by the National Lottery Heritage Fund to collect oral histories of people involved in credit unions in the North of England before 2000, moved to an online model. Volunteers would have come together to train, and then travel to meet and interview narrators. Covid-19 meant that they were trained online and carried out interviews online, using a podcasting platform to record high quality audio.

The fifth year of the CU Futures programme concluded in March 2021 and the sixth year was launched in April. While restrictions meant that it was not possible to meet in person the activities and learning was carried out online. Ceremonies for graduates were postponed as the ABCUL Annual Conference moved online, but all participants will have a chance to graduate at a ceremony in 2022. The programme has now graduated 57 individuals across 5 years and has 7 more preparing to graduate in 2020.

Within this financial year the Foundation assumed responsibility for the DEEU programme. Due to the restrictions an in person event was not possible so in April 2021 a virtual workshop was held where 45 individuals were in attendance from the UK.

The lack of in-person events meant that fundraising was limited during the year, but funders have given permission for activities to be carried over into 2022. For example, money donated by Citi Bank to allow credit unions to attend Inclusiv Annual Conferences in 2020 and 2021, has been carried forward to 2022.

THE CREDIT UNION FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

FINANCIAL REVIEW

Main funding sources and expenditure

As was expected, the Lloyds Banking Group Credit Union Development Fund, a major funding source for the Foundation since 2014, came to an end in 2020. This has meant a major reduction in the income of the Foundation, but the Trustees have initiated other projects in line with the objects of the Foundation.

Funding previously secured from the National Lottery Heritage Fund for the Save and Sound Oral History and Heritage Project brought in a further £23,640 in the year. Peach State Credit Union continued their generous donation towards the CU Futures programme for which £6,842 was received during the year along with other donations from credit unions amounting to £10,530. The transfer of funds for DEEU along with a one day workshop during the year brought in total funds of £10,600 with a further £3,000 donation for attendance at a future event. £616 of fundraising income was generated in the period.

Reserves policy

The trustees recognise the need for the charity to establish and maintain reserves to enable it to carry out its charitable objectives in the event of unforeseeable matters arising. Where funds are generated for specific purposes, they are held as restricted funds, as detailed in notes 13. Where funds are available for use at the discretion of the trustees, they are held in unrestricted funds. At the balance sheet date there were unrestricted funds of £42,521.

In addition to the basic categories of restricted and unrestricted funds, the trustees can designate unrestricted funds to be used for a specific purpose. Such designated funds remain unrestricted as the trustees retain the right to release back to general unrestricted funds as needed. During the year, we designated 20% of the net income to general funds increasing the reserve to £3,234 to act as a buffer against financial or economic difficulties, as detailed in the Trustee Board Policy Manual (4.4.13).

Future developments

The launch of the DEEU programme under the CU Foundation has had to be delayed due to Covid-19, but plans are in place for the programme to return in September 2022 and short, online events have taken place. Another virtual workshop was scheduled to take place in January 2022 which had to be postponed and now scheduled to take place in April 2022. The CU Futures programme will continue and the Trustees look forward to the delayed graduation of those participants who have been through the programme during the pandemic. The former will be funded by fees paid directly by participants and the latter through donations from credit unions and individuals. It is also hoped that other delayed activities previously funded, such as research into credit union demographics and the potential for a US CDFI model in the UK, and participation in Inclusiv conferences will be able to be completed in 2022.

THE CREDIT UNION FOUNDATION
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of The Credit Union Foundation for the purposes of company law) are responsible for preparing the trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

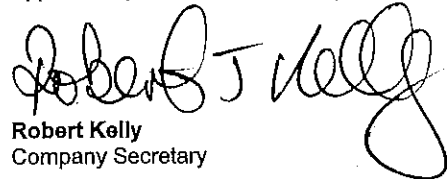
DISCLOSURE OF INFORMATION TO INDEPENDENT EXAMINER

Insofar as each of the trustees of the charity at the date of approval of this report is aware there is no relevant financial information (information needed by the charity's independent examiner in connection with preparing their report) of which the charity's independent examiner is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant information and to establish that the charity's independent examiner is aware of that information.

INDEPENDENT EXAMINER

Following a tender process conducted during the year, Crowe U.K. LLP were appointed as independent examiner to the charity.

Approved by the trustees on 17/3/22 and signed on their behalf by:


Robert Kelly
Company Secretary

THE CREDIT UNION FOUNDATION
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**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

Independent Examiner's Report to the Trustees of The Credit Union Foundation (the 'Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 30 September 2021.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Responsibilities and Basis of Report

As the Trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Dated:

THE CREDIT UNION FOUNDATION
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	2	3,116	-	3,116	14,200
Charitable activities	3	35,614	52,370	87,984	138,849
Investments		-	-	-	244
Total income		38,730	52,370	91,100	153,293
Expenditure on:					
Raising funds		266	-	266	266
Charitable activities	7,4	39,600	44,125	83,725	1,062,223
Total expenditure	8	39,866	44,125	83,991	1,062,489
Net income / (expenditure) before transfers		(1,136)	8,245	7,109	(909,196)
Transfers between Funds	13	4,855	(4,855)	-	-
Net income / (expenditure) before other recognised gains and losses		3,719	3,390	7,109	(909,196)
Net movement in funds		3,719	3,390	7,109	(909,196)
Reconciliation of funds:					
Total funds brought forward		42,037	131,941	173,978	1,083,174
Total funds carried forward		45,756	135,331	181,087	173,978

The notes on pages 9 to 19 form part of these financial statements.

THE CREDIT UNION FOUNDATION
(A company limited by guarantee)
REGISTERED NUMBER: 04283557

BALANCE SHEET
AS AT 30 SEPTEMBER 2021

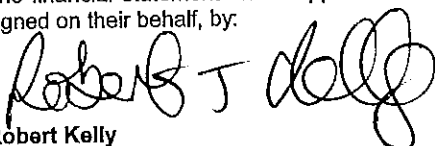
	Note	£	2021 £	£	2020 £
Current assets					
Debtors	11	1,808		7,478	
Cash at bank and in hand		181,770		173,353	
		<u>183,578</u>		<u>180,831</u>	
Creditors: amounts falling due within one year	12	<u>(2,491)</u>		<u>(6,853)</u>	
Net current assets			<u>181,087</u>		<u>173,978</u>
Net assets			<u>181,087</u>		<u>173,978</u>
Charity Funds					
Restricted funds	13		135,331		131,941
Unrestricted funds	13		<u>45,756</u>		<u>42,037</u>
Total funds			<u>181,087</u>		<u>173,978</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 17/3/22, and signed on their behalf, by:


Robert Kelly

The notes on pages 9 to 19 form part of these financial statements.

THE CREDIT UNION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Credit Union Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The Company is a company limited by guarantee, incorporated in England with registered number 04283557. The members of the company are the Trustees named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Company.

1.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the Company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Company which is the amount the Company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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

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

THE CREDIT UNION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

1. Accounting Policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the Company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Company and compliance with constitutional and statutory requirements.

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

Charitable activities and Governance costs are costs incurred on the Company's operations, including support costs and costs relating to the governance of the Company apportioned to charitable activities.

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

1.5 Interest receivable

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

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 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.

THE CREDIT UNION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

1. Accounting Policies (continued)

1.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.9 Financial Instruments

The 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	3,116	-	3,116	14,200
<i>Total 2020</i>	<i>14,200</i>	<i>-</i>	<i>14,200</i>	

THE CREDIT UNION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

3. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Project Income	917	52,370	53,287	108,965
Donated administration and finance support	34,697	-	34,697	29,884
	<u>35,614</u>	<u>52,370</u>	<u>87,984</u>	<u>138,849</u>
<i>Total 2020</i>	<u>36,384</u>	<u>102,465</u>	<u>138,849</u>	

4. Analysis of expenditure on charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Direct and support costs	37,459	44,125	81,584	54,214
Lloyds project - grants made	-	-	-	999,239
	<u>37,459</u>	<u>44,125</u>	<u>81,584</u>	<u>1,053,453</u>
<i>Total 2020</i>	<u>32,532</u>	<u>1,020,921</u>	<u>1,053,453</u>	

5. Direct costs

	Activities £	Total 2021 £	Total 2020 £
CU Futures project	44,125	44,125	21,686
NFCDCU conference costs	-	-	(4)
Staff expenses	-	-	10
	<u>44,125</u>	<u>44,125</u>	<u>21,692</u>
<i>Total 2020</i>	<u>21,692</u>	<u>21,692</u>	

THE CREDIT UNION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

6. Support costs

	Activities £	Total 2021 £	Total 2020 £
Donated administration and finance support	34,697	34,697	29,884
Insurance	2,726	2,726	2,602
Bank charges	36	36	36
	<u>37,459</u>	<u>37,459</u>	<u>32,522</u>
<i>Total 2020</i>	<u>32,522</u>	<u>32,522</u>	

7. Governance costs

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Internal audit costs	648	-	648	1,994
Fees for independent examination	1,440	-	1,440	6,420
Legal fees	53	-	53	356
	<u>2,141</u>	<u>-</u>	<u>2,141</u>	<u>8,770</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

8. Analysis of Expenditure by expenditure type

	Staff costs 2021 £	Other costs 2021 £	Total 2021 £	Total 2020 £
Fundraising costs	-	266	266	266
Costs of raising funds	-	266	266	266
Direct and support costs	-	81,584	81,584	54,214
Lloyds project - grants made	-	-	-	999,239
Charitable activities	-	81,584	81,584	1,053,453
Expenditure on governance	-	2,141	2,141	8,770
	-	83,991	83,991	1,062,489
<i>Total 2020</i>	<i>10</i>	<i>1,062,479</i>	<i>1,062,489</i>	

9. Net Income/(expenditure)

This is stated after charging:

	2021 £	2020 £
Auditor's remuneration - audit	1,440	5,520
Auditor's remuneration - other services	-	900

During the year, no Trustees received any remuneration or benefits in kind (2020 - £Nil).
During the year, 3 Trustees received reimbursement of travel expenses which totalled £380 (2020 - 4 Trustees - £596).

THE CREDIT UNION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

10. Staff costs

Staff costs were as follows:

	2021	2020
	£	£
Staff expenses	-	10
	<u> </u>	<u> </u>

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

2021	2020
-	-
<u> </u>	<u> </u>

No employee received remuneration amounting to more than £60,000 in either year.

11. Debtors

	2021	2020
	£	£
Prepayments and accrued income	1,808	7,478
	<u> </u>	<u> </u>

12. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,198	302
Accruals and deferred income	1,293	6,551
	<u> </u>	<u> </u>
	<u>2,491</u>	<u>6,853</u>

THE CREDIT UNION FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

13. Statement of funds

Statement of funds - current year

	Balance at 1 October 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2021 £
Designated Fund	2,490	-	-	744	3,234
General Funds	39,547	38,730	(39,866)	4,111	42,522
Total Unrestricted funds	42,037	38,730	(39,866)	4,855	45,756
Restricted funds					
History project	24,687	24,198	(27,510)	(3,055)	18,320
NFCDCU trips	32,270	-	(1,800)	-	30,470
CU Futures Program	49,138	14,072	(14,815)	(1,800)	46,595
Field research project	10,000	-	-	-	10,000
Market research project	15,000	-	-	-	15,000
Gambia Project	846	500	-	-	1,346
DEEU programme	-	13,600	-	-	13,600
	131,941	52,370	(44,125)	(4,855)	135,331
Total of funds	173,978	91,100	(83,991)	-	181,087

Statement of funds - prior year

	Balance at 1 October 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 September 2020 £
Designated Fund	-	-	-	2,490	2,490
General Funds	29,584	50,828	(38,375)	(2,490)	39,547

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13. Statement of funds (continued)

Restricted funds

History project	-	29,550	(4,863)	-	24,687
Lloyds project	1,000,000	-	(1,000,000)	-	-
NFCDCU trips	4,220	30,000	(1,950)	-	32,270
CU Futures Program	49,370	17,069	(17,301)	-	49,138
Field research project	-	10,000	-	-	10,000
Market research project	-	15,000	-	-	15,000
Gambia Project	-	846	-	-	846
	<u>1,053,590</u>	<u>102,465</u>	<u>(1,024,114)</u>	<u>-</u>	<u>131,941</u>

Designated Fund - The designated fund receives a minimum contribution of 20% of any surplus on unrestricted activities each year until the fund is equivalent to 6 months operating costs.

History Project - Save and Sound is an oral history and heritage project that has been set up by the Credit Union Foundation to make sure that the early days of credit unions in Britain are not forgotten.

The project is funded by the National Lottery Heritage Fund. It started in July 2020 and is intended to run until October 2021.

- Forty oral history interviews will be carried out with credit union pioneers from across the north of England.
- Credit union heritage will be promoted to a wider audience through a new website, events, a new course and podcasts.
- A toolkit will be developed so that the work can easily be replicated in other parts of the country.

NFCDCU (Inclusiv) educational visits - The Foundation received funding of £15,000 for participation for British CU delegates in the Inclusiv Annual Conference and for US delegate participation in the ABCUL Annual Conference. The coronavirus pandemic impacted this activity significantly. Inclusiv delegates did travel to the UK in March 2020 and so some of this was utilised in the year. Additional funds were spent to purchase flights for British delegates to Puerto Rico for the Inclusiv Annual Conference planned for May 2020. This event did not go ahead and so delegates have received or are in the process of receiving refunds for these flights, but these were not received in the year and so this will be reflected in next year's accounts.

During the year the Foundation received an additional £15,000 to fund participation in conference events in 2021. These events will not take place due to COVID-19 restrictions. As a result of the circumstances Citi has permitted the Foundation to carry all of these funds forward for spend in 2022.

CU Futures Programme - The fifth year of the programme concluded in the period and the sixth year commenced. Significant savings were achieved as key events during the second part of 2020 took place online rather than face to face. Additional donations to support future years of the programme were received during the year (£9,421). All funds will be carried forward to support future years of the programme.

Market Research - £15,000 was received from Citi in 2020 to support the development of robust research into the individuals using credit unions across Britain. This work was due to commence in the year but was delayed due to the coronavirus pandemic and permission has been received from Citi to carry this forward to 2021.

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13. Statement of funds (continued)

Field Research - £10,000 was received from Citi in 2020 to support field research into the CDFI model. The work was due to commence in the year but due to the coronavirus pandemic this did not happen and permission has been received from Citi to carry this forward to 2021.

Gambia Project - The project is funded from donations received from individuals and credit unions in support of the fundraising activities to support colleagues in the Gambian Credit Union Movement. Due to restrictions around COVID-19 these activities have been deferred until travel restrictions are lifted and is now expected to take place during 2022.

DEEU Programme - DEEU is a part of a global network of Credit Union Development Education programmes to assist leaders at all levels in the credit union movement, as well as to provide valuable networking opportunities. Funding has been provided to allow the running of a programme of training courses and events to provide credit union employees and volunteers with a greater understanding of the international credit union system.

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Current assets	48,247	135,331	183,578
Creditors due within one year	(2,491)	-	(2,491)
	<u>45,756</u>	<u>135,331</u>	<u>181,087</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Current assets	48,890	131,941	180,831
Creditors due within one year	(6,853)	-	(6,853)
	<u>42,037</u>	<u>131,941</u>	<u>173,978</u>

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

	2021 £	2020 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	7,109	(909,196)
Adjustment for:		
Decrease in debtors	5,670	995,239
Increase/(decrease) in creditors	2,022	(10,057)
Net cash provided by operating activities	14,801	75,986

16. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	169,290	173,353
Total	169,290	173,353

17. Related party transactions

At 30 September 2021, the charity was owed £nil (2020: £nil) by the Association of British Credit Unions Limited (ABCUL), a company under common control, and this amount is included within trade debtors.

During the year, the charity had incoming resources from ABCUL amounting to £3,511 (2020: £8,292) which is shown in charitable income as other project income. It recharged costs to ABCUL amounting to £nil (2020: £nil) which has been netted off against the associated expenditure. It was recharged costs from ABCUL amounting to £610 (2020: £9,421) in relation to meetings, travel expenses and other costs paid by ABCUL on behalf of the charity.

Each year, the Foundation Board and the ABCUL Board agree a maximum budgeted amount of staffing resource that the ABCUL Board agrees it will donate to the Charity. The amount of this resource is monitored at least quarterly through the Foundation accounts.

During the year, £34,697 of CUF staff time was absorbed by ABCUL (2020: £29,884). ABCUL is happy to absorb this staff time due to the benefits it receives as a result of the products, services and programmes the Foundation has and continues to develop for not only ABCUL members but the broader credit union movement. Examples of this include but are not limited to ABCUL Academy, ABCUL Insight, CU Futures, and increased attendance at ABCUL AGM.