

**LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION  
ANNUAL REPORT & FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**Registered in England & Wales  
Company No. 04851054  
Charity No. 1135322**

**THE ROWLEYS PARTNERSHIP LTD  
CHARTERED ACCOUNTANTS  
CHARNWOOD HOUSE  
HARCOURT WAY  
MERIDIAN BUSINESS PARK  
LEICESTER LE19 1WP**

**LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**CONTENTS**

	<b>PAGE</b>
Reference and administrative details	1
Trustees Report	2-9
Independent Auditor's Report	10-13
Statement of Financial Activities	14
Balance Sheet	15
Statement of Cash Flows	67
Notes to the accounts	17-31

**LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION  
REFERENCE AND ADMINISTRATIVE DETAILS**

PATRON:	Her Grace, The Duchess of Rutland
PRESIDENT:	Sir L Howard OBE, JP
VICE PRESIDENTS:	The Countess of Gainsborough LVO DL Mr I McAlpine OBE Ms S Morgan QPM (from March 2021) Mr R Moore (from March 2021) The Right Reverend M Snow, Bishop of Leicester
CHAIR:	Ms S Morgan (to March 2021) Mr S Dawkins (from March 2021)
HONORARY TREASURER:	Mr T Shaw
COMPANY SECRETARY:	Ms K Green
DIRECTORS/TRUSTEES:	Mr R Clarke Mr S Dawkins Miss J Flack Mr I McCormack Mr R Moore (resigned March 2021) Ms S Morgan (resigned March 2021) Ms N Philbin (resigned 26 June 2020) Mr R Ravat Mr T Shaw Dr V Sharma Mr R J Colton
CHIEF EXECUTIVE:	Ms K Green
COMPANY NUMBER:	04851054
CHARITY NUMBER:	1135322
WEBSITE ADDRESS:	<a href="http://www.lcommunityfoundation.org.uk">www.lcommunityfoundation.org.uk</a>
REGISTERED OFFICE:	3 Wycliffe Street, Leicester, LE1 5LR
AUDITORS:	The Rowleys Partnership Ltd Charnwood House Harcourt Way Meridian Business Park Leicester LE19 1WP
BANKERS:	NatWest Granby Street Leicester LE1 6EJ
INVESTMENT MANAGERS:	CCLA Senator House 85 Queen Victoria Street London  M&G Charities PO Box 9038 Chelmsford CM99 2XF

## **LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION ANNUAL TRUSTEES' REPORT**

The trustees are pleased to present their annual trustees' report for the year ending 31 March 2021 which is also prepared to meet the requirements for a director's report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011, 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 published in October 2019.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

1. The Community Foundation is a company limited by guarantee, registered in England and Wales no. 04851054 and its registered charity number is 1135322. Its governing document is its Memorandum and Articles of Association, dated July 2003, which outlines its aims for the promotion of any charitable purpose for the benefit of communities in Leicestershire, Leicester and Rutland. The liability of each member is limited to £1.
2. LRCF realises these aims by giving grants to charitable, voluntary and community groups which work with local need – from health, education and homelessness to environment, wildlife, sports, and the arts – and by developing local philanthropy for this purpose. It attracts and manages grant-giving funds with and for companies, individuals, families, and public agencies, including government. It also reinvigorates dormant charitable funds, in the spirit of their original intent.
3. The Community Foundation is an independently constituted and locally managed charitable company. It is part of a network of 46 Community Foundations in the UK and a subscribed member of the national body, UKCF.

### **RECRUITMENT, APPOINTMENT AND INDUCTION OF TRUSTEES**

All members of the Board of Trustees also serve as Directors under the Companies Act 2006. Trustees are appointed at the Annual General Meeting or co-opted within the year and voted in at the AGM. The Foundation has increased its advertised recruitment for trustees, to ensure diversity of background and experience.

All trustees sign a declaration of fitness to serve and an annual statement of interests, undergo a full induction process and are expected to attend at least 75% of meetings. The full Board of Trustees meets quarterly. The Finance Panel, responsible for financial management, also meets quarterly. Working groups are formed for specific projects such as development, recruitment, or policy alterations.

The charity has an active President, and five Vice Presidents, not subject to re-election. Trustees, Presidents and Vice-presidents are not remunerated for their work for the charity, though may claim reasonable travel expenses to meetings.

### **Quality Standards**

A rigorous Quality Accreditation (QA), a formal measure of management efficacy, assessed by a professional independent body, takes place every three years, managed by UKCF. Leicestershire and Rutland Community Foundation achieved full accreditation in 2007, in 2010, in 2013 and in 2017, and in 2020-21 began to prepare for the next assessment, QA5.



## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION ANNUAL TRUSTEES' REPORT CONTINUED

### **Risk Management**

The Trustees are aware of the process requiring them to regularly review and assess major risks and to mitigate the potential impact of these.

### **Organisational Structure and Pay**

LRCF's staff are a Chief Executive, a Finance Manager, a Grants Manager and a Grants and Funds Co-ordinator. Work took place in the year to secure support for two formal apprentice roles: a Finance Assistant, and an Administration and Communication Assistant, to start in 2021. Staff are paid in line with reviews of national and local charity benchmarks. The Charity makes a pension contribution of 8% for permanent staff and offers flexible working arrangements. Freelancers are employed for occasional short-term needs.

Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees expenses and related party transactions are disclosed in note 13 to the accounts.

### **GDPR**

Communication and data storage continued to be subject to ongoing checks during 2020-21.

### **What We Did: Activities and Performance of the Year**

2020-21 was, as for most charities and many businesses, an extraordinarily challenging year for LRCF. Our usual work continued; essentially:

1. Fund Development: increasing financial support for local needs by attracting new, and retaining existing, donor and public funds, and reinvigorating dormant trusts.
2. Distribution of grants, ensuring money was spent with a positive impact on local life.
3. Rigorous financial management, tracking money in and out, regularly reviewing the performance of investments and maintaining a lean operating budget.
4. Governance, projects and strategies to further or improve this work.

However, LRCF made many rapid and major adaptations in response to the pandemic and lockdowns, moving quickly to homeworking, and investing in systems to enable operation not just to continue, but to expand. The volume of work increased substantially as the Community Foundation network became an important conduit for distributing funds to people and places hardest hit by the Covid 19, resulting in a near-trebling of grants made in the year.

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION ANNUAL TRUSTEES' REPORT CONTINUED

### 1. **Fund Development: increasing financial support for local needs; attracting new, and retaining existing, donor and public funds.**

As normal, LRCF managed three kinds of funds:

- a. Endowment Funds: donors invest for a charitable income: valuable for local communities, as they create a sustainable source of support: in 2020/21 a total of £130,872 (2019/20 £86,730).
- b. Expendable/Flow Through Funds: a donation is distributed to a timescale specified by the donor or funder. This year saw a large increase in these funds, as donors and funders wished to deliver immediate support to communities most affected by Covid: £1,744,115 (2019/20: £589,468).
- c. Linked Funds: splitting donations between expendable and endowment to enable immediate giving, and charitable income (included in the above totals).

### **Emergency Grants**

Community Foundations were selected to deliver (expendable) National Emergencies Trust and central government funds to charitable groups working with individuals and communities struggling in the pandemic, including for food, mental health, and debt advice.

LRC suggested to private donors that they divert money from their funds and foundations with the charity, or to add new money, to the swiftly set-up Coronavirus Emergency Support Fund, and subsequently, the New Normal Fund and PPE (Personal Protective Equipment) Fund to enable groups to return to usual service.

Many donors responded generously – including the SEGRO Centenary Fund, Cambridge and Counties Bank Foundation, Anglian Water, The Co-op, The Richard Bonney Literary Fund, The Rutland and Melton Training Fund, The Wesleyan Foundation, The William Colton Youth Sports Fund, Highcross Leicester Giving Project, The CAP Fund, The Hanwill Fund, The Maud Elkington Charitable Trust, The Barbara Keene Fund, The John Salmon Fund, The Ben Lazarus Fund, The Ian and Caroline McAlpine Fund, The Bill and Jean Richmond Foundation, Women In Philanthropy and a number of equally generous anonymous funds and donors. Other donor funds continued to give grants in the normal way, particularly towards the end of the year, although almost all applications for support were related to coping with the impact of the pandemic.

### **Environmental, Social and Government Goals, and Corporate Social Responsibility**

The projected Business Philanthropy Network could not take place, as the model was based on events and visits. Instead, the Foundation began to plan to offer other support for businesses, particularly those wishing to meet Environmental, Social and Government Goals (ESG) Goals and aims for Corporate Social Responsibility (CSR), by offering a meaningful connection for companies with local needs and challenges.

### **Legacies**

LRCF continued to work with solicitors and individuals to set up named and directed local grant-giving funds as part of their legacy.

### **Dormant and Inactive Trusts**

The Foundation continued to work with UKCF and the Charity Commission to identify and reinvigorate charities and trusts that have become onerous or inactive, transferring assets and distributing them in the spirit of the original intent.

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION ANNUAL TRUSTEES' REPORT CONTINUED

### Existing Donors

LRCF worked with donors with funds and foundations on its platform to keep them informed about their own funds, and about local and national developments, introducing them to charitable groups working with needs they aim to support. All donors were sent a summary of the emergency grants given to date in November 2020 and invited to an online Dispatches from Communities event in December 2020 to hear first-hand from groups about how their experiences of the year from some of the hardest hit communities locally.

### Publicity

The website, the point for both donors, and groups applying for support, was updated to respond to the pandemic and funds available to help cope with its impact, and information shared about local challenges and grants available.

### 2. Distribution of grants, ensuring money was spent with impact

Almost three times the usual level of grants was given in the year: a total of £1,535,571 (2020: £533,209).

LRCF works in a variety of ways to deliver grants. Donors or funders may make their own grant decisions from assessed applications from relevant charitable groups sent to them by the Foundation. They may also instruct Community Foundation to give grants on their behalf in line with their chosen aims.

The large Coronavirus Emergency Support Fund, made up of National Emergencies Trust funds, DCMS Funds and private donors' funds taking centre stage, although other funds, such as The Mercia Park Community Fund, continued as far as possible.

Many grants went to established local groups moving normal services online to continue work with those who needed them. Other groups "pivoted" from normal services to meet gaps in their local communities: food banks, food and medicine delivery, telephone and doorstep check-ins, counselling, and similar support. Grants also went to several new groups set up in response the pandemic, many delivering food, medicine, and contact.

While speed was essential, LRCF followed the usual rigorous outreach, assessment, tracking and reporting processes to ensure that money was going where needed and spent well, and to report to funders to ensure the best support of communities, while also succeeding a fast turnaround so that groups had money available usually within days. A dedicated phone number was available and frequently used by applicants needing help to apply.

As it became clear that communities experiencing racial inequity were among the hardest hit, LRCF prioritised reach to these, adjusting communications and data capture accordingly.

LRCF could not have achieved such high levels of good grant giving without the dedication of an unusually large number of volunteers, particularly Darren Cotton (data capture and review), Fran Picciano-Moss (administration) and Nick Perks (assessment).

A new, voluntary, Grants Review Group, which included Deputy Lieutenants of Leicestershire David Lindley and Dave Andrews, with Sheila Brucciani, Margaret Miles, Richard Cole, the High Sheriff of Rutland, and others, personally contacted all groups given emergency grants, to offer support, hear feedback and ensure that spend was going as planned.

We are also grateful for the hard work of freelancers Ellen Alcock (grants assessment) Sian Jones, Glen Greenhill (communications) and the website design company MeandHlm, who adjusted the often-changing information on website for free.

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION ANNUAL TRUSTEES' REPORT CONTINUED

All grants made are detailed in the Grants and Giving Booklet for 2020-21, available on the LRCF website, or available as a hard copy on request.

### **3. Rigorous financial management, tracking money, regularly reviewing the performance of investments, maintaining a lean operating budget.**

The increased levels of grant giving, together with the swift move to solely online payments, and the speed required to transfer money to groups working to support those in urgent need, resulted in a much higher than usual workload. The sheer volume of applications, some of them from newly formed groups, required constant checks of financial information as well projects and budgets, to ensure that money was safely distributed.

#### **Operating Costs**

LRCF model is an ultimately self-sustaining one. The contribution to overheads requested from funders and donors is very small and was made as small as possible for emergency funds, so that most of any donation went to local need. Like many charities, LRCF has faced challenges to cover its lean operating costs. Assets from a dissolved charity, ARC, continued to supply a contribution and LRCF remained grateful for contributions to operating costs from private donors.

Total income in the year, including operating grants, new and renewed private funds, dormant fund transfers and public fund delivery, amounted to £1,992,790 (2019-20 £842,276).

#### **Going Concern**

LRCF continued to operate on a very tight budget, to channel as high a proportion of any donation as possible into communities, while maintaining a stable operation. The Trustees have a reasonable expectation that the company has adequate resources to continue for the foreseeable future and therefore adopt the going concern basis in preparing the financial statements. Further details are in the Accounting Policies, below.

### **FINANCIAL REVIEW**

#### **Financial Review and Results for the Year**

An overall surplus before losses on investments by the charitable company of £277,657 (2020: £151,607), this was made up of income from charitable activities towards the expendable funds. After the gains/(losses) on investments, the result was an overall surplus of £923,007 (2020: £22,568 deficit). This was made up of a deficit of £11,366 in unrestricted funds, a surplus of £51,914 in restricted funds and a surplus of £882,459 in endowment funds. The Community Foundation reached £3.35m (2020: £2.59m) for its endowment fund by the end of the year, which will generate approximately £92k to be distributed by the Community Foundation for local needs each year. The balance of reserves carried forward at the year-end was £3,885,902 (2020: £2,962,895).

#### **Reserves Policy**

It is the long-term aim of LRCF to build an operational reserve. At the year end, free reserves stood at unrestricted funds of £109,559 less fixed assets of £826 giving a total of £108,733 (2020: £62,574). Restricted funds amounted to £429,065 (2020: £304,584).

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION ANNUAL TRUSTEES' REPORT CONTINUED

### Investment Policy

The Trustees invest endowment funds with an objective to provide a return that maintains the real (inflation adjusted) value of the capital, whilst also delivering a cash flow to meet charitable giving and contribute to the operating costs of LRCF. The Trustees' attitude is categorised as "risk tolerant", opting to invest in specialist investment funds which offer a diversified investment portfolio over a long-term time horizon. LRCF offers a default allocation for the investment of endowment funds but can also offer some flexibility to those donors who take an active interest in where their funds are invested or wish to place further ethical restrictions on the investments.

The Trustees' strategy is to follow a total return approach, delivering a predictable return for giving through income and capital growth. Except for Community First endowment funds, LRCF aims for an income for grant making from its endowment funds of 4% each year, comprising a mixture of investment income and capital growth. This is drawn down quarterly to minimise the impact of short-term market variability. Trustees may review this 4% aim to protect capital values. LRCF reviews investment performance regularly and acts where investments are not achieving the desired returns within the approved attitude to risk.

In addition to the Endowment Funds, The Foundation kept invested some of its restricted and unrestricted funds. The Trustees' strategy for the investment of restricted funds is to minimise any exposure to capital loss as the capital is restricted for giving in the medium term. Fund balances are regularly reviewed, and the Trustees' attitude is categorised as "very risk averse". The Trustees' strategy for the investment of unrestricted reserves is to provide a return that contributes to the operating costs of LRCF, whilst maintaining the value of the capital for future sustainability.

Trustees receive quarterly updates on Fund performance from the investment managers, and meet with them to discuss performance, and agree any changes to investment policy.

During the year the charity received £108,803 (2020: £117,816) income from its investments and saw gains of £645,350 (2020: losses of £174,175) in the market value of investments.

### 4. Governance, Projects and Strategies to further work

Governance remained consistent. In such an unusual and highly pressured year there was little time for additional projects; however there were some notable developments, in response to local and national challenges around inequity, especially the high impact of Covid on, plus lack of support for, communities facing racial inequity.

- More focus was placed on data capture and review and sharing grant award data to ensure reach to all communities and better understand impact. Application forms and End of Grant forms were adjusted, and relationships with other funders continued to be a focus, including with 360 Giving, a charity publishing grants data to make grant-giving more informed and strategic.
- LRCF developed an open recruitment process for a new Chair, following the planned resignation of Steph Morgan, QPM, after four years' service. The process was challenging, taking place as it did through repeated lockdowns, and resulted in the appointment of Stuart Dawkins, an existing trustee, for stability, with further open recruitment for new trustees planned once restrictions are lifted.
- Work began to review and update several policies and procedures, including Equity, Diversity and Inclusion, Homeworking procedures, Emergency Grants Procedure, and Fraud Prevention.

## **LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION ANNUAL TRUSTEES' REPORT CONTINUED**

### **Plans for 2021-22**

Our core aims will not change: the priority for LRCF will be to maintain and grow levels of financial support via thoughtful grant-giving, to strengthen our local communities.

The pandemic highlighted how deeply some communities are affected by inequity. LRCF will continue to operate its Equity, Diversity, and Inclusion processes to ensure work addresses this.

### **Fund Development**

LRCF will continue with current forms fund development work including dormant and inactive funds. It will focus on developing a full Communications Strategy and increase presence on social media. It will continue to improve Annual Donor Reports to keep donors informed about the local impact of their giving. It will appoint an Administration and Communications Assistant Apprentice (generously funded by the Rutland and Melton Training Fund) to support donor needs with the Grants Manager and CEO. A new website will be designed and launched for make it easier for both donor and applying groups to understand the work.

Building on the successes of the National Emergencies Trust and government grant delivery, LRCF will continue to attract and deliver grant funds from public agencies.

### **Grants**

In addition to the usual workload of encouraging, supporting, assessing, delivering, and tracking grants across Leicester, Leicestershire, and Rutland, LRCF plans to review its grant panel structures. It will continue to increase contact with funded groups (at application, midpoint, and completion) to build understanding of their work, local challenges, and the impact they make, and to develop data capture and reporting for private donors, public funders, and its own practice, to inform on key local needs. It will continue to support the Lord Lieutenant of Leicestershire's workstream for the Queens Award for Voluntary Service.

### **Finance**

LRCF will appoint a Finance Assistant Apprentice (generously funded by SEGRO). It will start a review of online accounts systems and create a new five-year financial forecast, maintaining quarterly management accounts in line with this. It will continue to operate entirely online for all payments.

### **Governance**

LRCF will complete the QA5 quality accreditation. It will start development of Environmental, Social and Governance (ESG) goals and values, to underpin and drive its five-year strategy, together with a review of Trustee recruitment and induction processes, as well as a review of the roles of ambassadors, volunteers, advisors, and it will conduct regular review of office vs homeworking in relation to current Covid safety guidelines.

### **Public Benefit**

The Trustees have paid due regard to the Charity Commission's guidance on public benefit in reviewing existing work and planning future activities. LRCF works to support the diverse communities of Leicester, Leicestershire, and Rutland by attracting and distributing private philanthropic, company and public funds, and reinvigorating dormant charitable trusts. Funds are distributed to local charitable groups working to reduce local need and improve local quality of life. Groups of any size with a constitution and a bank account in the group's name are



**LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION  
ANNUAL TRUSTEES' REPORT CONTINUED**

eligible to apply, ensuring funds can reach deep into both urban and rural communities. Consistent work has been undertaken to attract and support family, individual and company donors to engage with local needs, and the charitable and voluntary groups working to meet those needs. Considered initiatives, networks, social and traditional media have reached to potential donors and to charitable groups. LRCF continued to maintain intelligence about the local area, and grant spend was monitored. Staff are available to assist donors and charitable groups, and LRCF continued to work in as cost-effective manner as possible, with the large majority (over 90%) of all funds managed channelled into local giving.

**TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS**

The trustees (who are also the directors of Leicestershire, Leicester and Rutland Community 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 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 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 apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**Approval**

This report was approved by the Trustees on 27/10/21 and signed on their behalf.

Mr S Dawkins



**LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LEICESTERSHIRE, LEICESTER AND RUTLAND  
COMMUNITY FOUNDATION**

**Opinion**

We have audited the financial statements of Leicestershire Leicester and Rutland Community Foundation (the "charitable company") for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Balance sheet, Cash flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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.



**LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LEICESTERSHIRE, LEICESTER AND RUTLAND  
COMMUNITY FOUNDATION**

**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 directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

**LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LEICESTERSHIRE, LEICESTER AND RUTLAND  
COMMUNITY FOUNDATION**

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting frameworks (UK Generally Accepted Accounting Practice, the Companies Act 2006) and the relevant tax compliance regulations in the jurisdiction in which the charitable company operates. We enquired of management, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud;
- We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur;
- Our testing considered unusual or unexpected journal entries on a sample basis;
- We evaluated the assumptions and judgements used by management within significant accounting estimates and assessing if these indicate evidence of management bias;
- We tested significant transactions, in particular the evaluation of the business rationale for any which appear unusual or outside the charitable company's normal course of business;
- We assessed the appropriateness of the collective competence and capabilities of the engagement team by understanding the practical experience with audit engagements of a similar nature and complexity, plus ensuring the team had appropriate and relevant training of the financial reporting framework and the relevant tax compliance regulations specific to the entity;
- We reviewed the financial statements and tested the disclosures against supporting documentation;
- We communicated relevant matters to all members of the audit team to ensure they understood the risks specific to the entity and the audit procedures planned to mitigate these.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

**LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF LEICESTERSHIRE, LEICESTER AND RUTLAND  
COMMUNITY FOUNDATION**

**Use of our report**

This report is made solely to the charitable company's trustees, 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 trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Robert Radford FCA (Senior Statutory Auditor)**  
**For and on behalf of The Rowleys Partnership Ltd**  
Statutory Auditors  
Chartered Accountants  
Charnwood House  
Harcourt Way  
Meridian Business Park  
Leicester  
Leicestershire  
LE19 1WP

Dated: 27 October 2021

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating the Income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2021 £	Total 2020 £
<b>Income and endowments from</b>						
Donations and legacies	2	34,788	221,051	26,572	282,411	93,140
Investment income	3	2,335	-	106,468	108,803	117,816
Charitable activities	4	43,807	1,444,469	104,300	1,592,576	627,612
Other	5	4,000	5,000	-	9,000	3,708
<b>Total income and endowments</b>		<b>84,930</b>	<b>1,670,520</b>	<b>237,340</b>	<b>1,992,790</b>	<b>842,276</b>
<b>Expenditure on</b>						
Raising funds	6	44,250	1,079	-	45,329	51,883
Charitable activities	7	52,277	1,617,527	-	1,669,804	638,786
<b>Total expenditure</b>		<b>96,527</b>	<b>1,618,606</b>	<b>-</b>	<b>1,715,133</b>	<b>690,669</b>
<b>Net gains/(losses) on investments</b>	15	<b>231</b>	<b>-</b>	<b>645,119</b>	<b>645,350</b>	<b>(174,175)</b>
<b>Net income/(expenditure)</b>		<b>(11,366)</b>	<b>51,914</b>	<b>882,459</b>	<b>923,007</b>	<b>(22,568)</b>
<b>Transfers between funds</b>	20/21	<b>57,527</b>	<b>72,567</b>	<b>(130,094)</b>	<b>-</b>	<b>-</b>
Net movements of funds		46,161	124,481	752,365	923,007	(22,568)
<b>Reconciliation of funds</b>						
Total funds brought forward		63,398	304,584	2,594,913	2,962,895	2,985,463
<b>Total funds carried forward</b>		<b>109,559</b>	<b>429,065</b>	<b>3,347,278</b>	<b>3,885,902</b>	<b>2,962,895</b>

The statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The notes on pages 17 to 31 form part of these financial statements.

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

## BALANCE SHEET

AS AT 31 MARCH 2021

		2021		2020	
	Note	£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	14		826		824
Investments	15		3,441,962		2,689,385
			<u>3,442,788</u>		<u>2,690,209</u>
<b>Current Assets</b>					
Debtors	16	1,325		1,735	
Cash at bank and in hand		492,597		374,889	
		<u>493,922</u>		<u>376,624</u>	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	17	(50,808)		(103,938)	
<b>Net Current Assets</b>			443,114		272,686
			<u>3,885,902</u>		<u>2,962,895</u>
<b>Total Assets less Current Liabilities</b>			<u>3,885,902</u>		<u>2,962,895</u>
<b>Funds</b>					
Unrestricted funds	19		109,559		63,398
Restricted funds	20		429,065		304,584
Endowment fund	21		3,347,278		2,594,913
<b>Total Funds</b>			<u>3,885,902</u>		<u>2,962,895</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the trustees on 27/10/21 and signed on their behalf, by:

Mr S Dawkins – Trustee  
Company No. 04851054

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
<b>Cash flow from operating activities</b>	<b>22</b>	116,762	130,995
<b>Cash flow from investing activities</b>			
Interest and dividends		108,803	117,816
Payments to acquire tangible fixed assets		(630)	-
Payments to acquire investments		(126,217)	(88,802)
Proceeds from sale of investments		18,990	24,227
<b>Net cash flow from investing activities</b>		<u>946</u>	<u>53,241</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		117,708	184,236
<b>Cash and cash equivalents at 1 April 2020</b>		374,889	190,653
<b>Cash and cash equivalents at 31 March 2021</b>		<u>492,597</u>	<u>374,889</u>
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		492,597	374,889
<b>Cash and cash equivalents at 31 March 2021</b>		<u>492,597</u>	<u>374,889</u>

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

### NOTES TO THE ACCOUNTS – 31 MARCH 2021

#### 1. ACCOUNTING POLICIES

The principle accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

##### **Basis of preparation of financial statements**

Leicestershire, Leicester and Rutland Community Foundation is a private company limited by guarantee, incorporated in England and Wales. The registered office is 3, Wycliffe Street, Leicester, LE1 5LR.

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The Community Foundation meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

##### **Company Status**

The company is a company limited by guarantee. The members of the company are the Trustees names 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.

##### **Income**

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

##### **Resources Expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources and budgets available. Salaries have been allocated on a time basis.

Grants payable comprises all tranches for which the conditions for payment have been met during the year. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and of maintaining its quality accreditation to UK Community foundation standards endorsed by the Charity Commission.

##### **Going Concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

### NOTES TO THE ACCOUNTS CONTINUED – 31 MARCH 2021

#### 1. ACCOUNTING POLICIES (continued)

##### **Tangible fixed assets and depreciation**

Tangible fixed assets costing more than £100 are capitalised and included at cost of acquisition.

Depreciation is provided at the following annual rates in order to write off the cost of each assets over its estimated useful life:

Computer Equipment	33 1/3% on Cost
Office Furniture	15% Written Down Value

##### **Investments**

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

##### **Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value on their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year-end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial statements.

##### **Funds**

Unrestricted general funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

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

The endowment fund includes funds donated to the Foundation by private and corporate donors. Usually as personally named funds, invested together and individually tracked so that the income can be distributed regularly to beneficiaries nominated by individual donors. Any capital gains or losses and income arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

##### **Value added tax**

Value added tax is not recoverable by the charity and as such is included in the relevant costs in the SOFA.

##### **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.

##### **Debtors**

Basic financial assets, including trade debtors and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.



# LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

## NOTES TO THE ACCOUNTS CONTINUED – 31 MARCH 2021

### 1. ACCOUNTING POLICIES (continued)

#### Creditors and provisions

Creditors and provisions are recognised where the charity 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### Financial instruments

The trust 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.

#### Pensions

The pension costs charged in the year represents the amount of the employers' contributions payable to personal pension schemes of the employees.

#### Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Critical accounting estimates and assumptions: The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

2. DONATIONS AND LEGACIES	2021 £	2020 £
Donations (including gift aid receivable)	282,411	93,140
	<u>282,411</u>	<u>93,140</u>
Of total income from donations and legacies £34,788 (2020:£105) was unrestricted, £221,051 (2020:£73,607) was restricted and £26,572 (2020: £19,428) was endowment.		

3. INVESTMENT INCOME	2021 £	2020 £
Bank interest received	277	457
Dividends from listed investments	108,526	117,359
	<u>108,803</u>	<u>117,816</u>
Of total income from investments £2,335 (2020:£2,377) was unrestricted, £Nil (2020:£Nil) was restricted and £106,468 (2020:£115,439) was endowment.		

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

## NOTES TO THE ACCOUNTS CONTINUED – 31 MARCH 2021

## 4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

<b>Grants received</b>	<b>2021</b>	<b>2020</b>
Restricted Funds:	£	£
DCMS Fund	283,910	-
LLR Coronavirus Fund	25,700	-
Mars	-	6,438
Women in Philanthropy	-	10,000
Building Stronger Britain Together	7,574	238,562
Tampon Tax	131	55,380
NET Covid 19	747,476	50,000
Other Expendable Funds	379,678	154,773
	<u>1,444,469</u>	<u>515,153</u>
Unrestricted	<u>43,807</u>	<u>45,170</u>
Endowment Funds	<u>104,300</u>	<u>67,289</u>
Total of grants received	<u>1,592,576</u>	<u>627,612</u>

## 5. OTHER INCOMING RESOURCES

	<b>2021</b>	<b>2020</b>
	£	£
HMRC Employment Allowance	4,000	3,000
Grant return (restricted funds)	5,000	708
	<u>9,000</u>	<u>3,708</u>

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

## NOTES TO THE ACCOUNTS CONTINUED – 31 MARCH 2021

## 6. RESOURCES EXPENDED

Raising funds	Unrestricted funds	Restricted funds	Endowment funds	Total 2021	Unrestricted funds	Restricted funds	Endowment funds	Total 2020
	£	£	£	£	£	£	£	£
Staff costs	42,956	-	-	42,956	47,055	-	-	47,055
Advertising and promotion	1,294	-	-	1,294	4,311	-	-	4,311
Office, premises and IT	-	1,079	-	1,079	-	424	-	424
Travel expenses	-	-	-	-	-	93	-	93
	<u>44,250</u>	<u>1,079</u>	<u>-</u>	<u>45,329</u>	<u>51,366</u>	<u>517</u>	<u>-</u>	<u>51,883</u>

## 7. RESOURCES EXPENDED

## Charitable activities

	Unrestricted funds	Restricted funds	Endowment funds	Total 2021	Unrestricted funds	Restricted funds	Endowment funds	Total 2020
	£	£	£	£	£	£	£	£
Grants (see note 10)	-	1,535,571	-	1,535,571	-	533,209	-	533,209
Staff costs	-	77,812	-	77,812	-	46,174	-	46,174
Office, premises and IT	11,073	30	-	11,103	16,958	2,507	-	19,465
Travel expenses	108	-	-	108	-	4,044	-	4,044
Professional fees	4,117	-	-	4,117	-	-	-	-
Depreciation	628	-	-	628	466	-	-	466
Support costs - see note 8	36,351	4,114	-	40,465	45,830	(10,402)	-	35,428
	<u>52,277</u>	<u>1,617,527</u>	<u>-</u>	<u>1,669,804</u>	<u>63,254</u>	<u>575,532</u>	<u>-</u>	<u>638,786</u>

## 8. ANALYSIS OF SUPPORT COSTS

## Governance costs

	2021	2020
	£	£
Staff costs	34,603	29,355
Trustees expenses	822	1,033
Audit and accountancy	5,040	5,040
	<u>40,465</u>	<u>35,428</u>

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

## NOTES TO THE ACCOUNTS CONTINUED – 31 MARCH 2021

**9. RESOURCES EXPENDED BY FUND**  
**(Total of Note 6 and Note 7)**

	Unrestricted Funds	Measuring Impact	Research Project	Leicestershire Fund	LLR Coronavirus Fund	DCMS Fund	Building a Stronger Britain Together	Women in Philanthropy	NET Covid 19	UKCF - Tampon Tax	Other Expendable Funds	Totals 2021
Grants	-			5,445	62,097	259,410	12,782	6,097	760,174	-	429,566	1,535,571
Staff costs	73,445	24,893	3,032	-	-	14,500	-	-	14,901	131	24,469	155,371
Advertising and promotion	1,294			-	-	-	-	-	-	-	-	1,294
Office premises and IT	11,073			-	26	-	-	42	-	-	1,041	12,182
Travel expenses	108			-	-	-	-	-	-	-	-	108
Depreciation	628			-	-	-	-	-	-	-	-	628
Trustees expenses	822			-	-	-	-	-	-	-	-	822
Consultancy	3,365			-	-	-	-	-	-	-	-	3,365
Quality accreditation	752			-	-	-	-	-	-	-	-	752
Audit & accountancy	5,040			-	-	-	-	-	-	-	-	5,040
	96,527	24,893	3,032	5,445	62,123	273,910	12,782	6,139	775,075	131	455,076	1,715,133

**10. GRANTS TO ORGANISATIONS**

	2021 £	2020 £
DCMS Fund	259,410	-
Leicestershire Fund	5,445	25,890
LLR Coronavirus Fund	62,097	-
Tampon Tax	-	52,384
Women in Philanthropy	6,097	23,353
NET Covid 19 Fund	760,174	-
Building a Stronger Britain Together	12,782	221,197
Other Expendable Funds	429,566	210,385
	<u>1,535,571</u>	<u>533,209</u>

# LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

## NOTES TO THE ACCOUNTS CONTINUED – 31 MARCH 2021

### 11. STAFF COSTS

Total staff numbers and costs	2021	2020
	£	£
Salaries and wages	113,590	103,812
Contract worker fees	22,040	1,992
Social security costs	10,760	8,670
Pension costs	8,981	8,110
	<u>155,371</u>	<u>122,584</u>

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

	2021	2020
Full and part-time employees	4	5
Contract workers	2	2

Pension contributions are made by the charity to the employees own personal pensions.  
At the year end £nil was owed to individual pension schemes (2020:£nil).

The remuneration and benefits received by key personnel during the year were £39,748 (2020:£38,627).

No employees received total employee benefits (excluding employer pension costs) of more than £60,000.

### 12. AUDITORS REMUNERATION

The amount paid for the audit was £3,800 (2020: £3,800) and £1,240 (2020: £1,240) for other accountancy services.

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

## NOTES TO THE ACCOUNTS CONTINUED – 31 MARCH 2021

**13. TRUSTEES AND OTHER RELATED PARTIES**

The trustees are not remunerated for their work as Trustees of the charity. From time to time, members of the Board or persons connected with them enter into transactions with the charity in the normal course of business of both parties. Such transactions are conducted on an arm's length basis, on normal commercial terms, and are in accordance with the specific provisions of clause 6 of the Memorandum of Association. There were no related party transactions in the current or previous year.

Travel expenses paid to nil trustees (2020: nil) during the year amounted to £Nil (2020:£Nil).

The cost of trustee indemnity insurance taken out by the charity in the year amounted to £822 (2020:£798). This insurance was for a level of £250,000 (2020:£250,000).

**14. FIXED ASSETS**

	<b>Computer Equipment £</b>	<b>Office Furniture £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2020	5,424	712	6,136
Additions	630	-	630
Disposals	-	-	-
Adjustment	-	-	-
At 31 March 2021	<u>6,054</u>	<u>712</u>	<u>6,766</u>
<b>Depreciation</b>			
At 1 April 2020	4,752	560	5,312
Charge for the year	605	23	628
Eliminated on disposal	-	-	-
At 31 March 2021	<u>5,357</u>	<u>583</u>	<u>5,940</u>
<b>Net book value</b>			
At 31 March 2021	<u>697</u>	<u>129</u>	<u>826</u>
At 31 March 2020	<u>672</u>	<u>152</u>	<u>824</u>

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

## NOTES TO THE ACCOUNTS CONTINUED – 31 MARCH 2021

## 15. INVESTMENTS

	£
Market value at 1 April 2020	2,689,385
Additions	126,217
Disposal proceeds	(18,990)
Net investment gains/(losses)	645,350
Market value at 31 March 2021	<u>3,441,962</u>
Historical cost at 31 March 2021	<u>2,496,429</u>
Investments are represented by:	
UK fixed interest investments	84,714
Property	261,046
Structural products	3,096,202
	<u>3,441,962</u>

All investments held are to provide an investment return and are listed investments.

The market information relating to the past performance of investments is not necessarily an indication to their future performance. The value of investments of income from them may go down as well as up. The value of investments may rise or fall due to the volatility of world markets, interest rates and capital values or, for investments held in overseas markets, due to changes in the exchange rate in currency in which the investments are denominated.

Included above are investments with holdings greater than 5% of total market value as follows:

COIF Charities Global Equity Fund	50.61%
M&G Charifund	21.75%
COIF Charities Ethical Investment Fund	7.43%
COIF Charities Property Fund	6.74%

## 16. DEBTORS

	2021	2020
	£	£
Accrued income	1,325	1,735
Other debtors	-	-
	<u>1,325</u>	<u>1,735</u>

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

## NOTES TO THE ACCOUNTS CONTINUED – 31 MARCH 2021

## 17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	-	-
Accruals	5,928	5,928
Deferred grant income (see note 18)	41,666	83,333
Other creditors	3,214	14,677
	<u>50,808</u>	<u>103,938</u>

## 18. DEFERRED GRANT INCOME

	2021	2020
	£	£
Deferred grant income brought forward	83,333	1,444
Amount released to income	(41,667)	(1,444)
Amount deferred in year	-	83,333
	<u>41,666</u>	<u>83,333</u>

## 19. FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	Total Funds 2021 £
Tangible fixed assets	826	-	-	826
Investments	84,784	-	3,357,178	3,441,962
Net current assets	23,949	429,065	(9,900)	443,114
	<u>109,559</u>	<u>429,065</u>	<u>3,347,278</u>	<u>3,885,902</u>



## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

## NOTES TO THE ACCOUNTS CONTINUED – 31 MARCH 2021

## 20. RESTRICTED FUNDS

	At 1 April 2020	Income	Expenditure (note 9)	Transfers	At 31 March 2021
	£	£	£	£	£
Measuring Impact	24,893	-	(24,893)	-	-
Comic Relief (Large Grants)	1,812	-	-	-	1,812
Comic Relief (Local Communities)	839	-	-	-	839
Leicestershire Fund	27,594	-	(5,445)	1,464	23,613
Mars	7,719	-	-	-	7,719
Research project	3,032	-	(3,032)	-	-
Women in Philanthropy	10,207	15,070	(6,140)	1,265	20,402
Building a Stronger Britain Together	3,801	8,336	(12,782)	-	(645)
UKCF - Tampon Tax	-	131	(131)	-	-
NET Covid	47,500	747,476	(775,075)	-	19,901
DCMS	-	283,910	(273,910)	-	10,000
LLR Coronavirus Emergency Support	-	88,020	(62,123)	-	25,897
Other Expendable Funds	177,187	527,577	(455,075)	69,838	319,527
	<u>304,584</u>	<u>1,670,520</u>	<u>(1,618,606)</u>	<u>72,567</u>	<u>429,065</u>

Measuring Impact – was a three year grant from the Samworth Foundation to design a system of more focused measurement and reporting to private donors. The project gave the Community Foundation the opportunity to work with donors and best current practice to assess the immediate and cumulative impact of smaller donor grants (up to £5k), in order to continue to improve grant giving, increase donor confidence and attract further donors. It has built on the findings of the research project completed in the autumn of 2015.

Comic Relief Large Grants Programme – Leicester was invited in 2016 to join the network of cities across the UK, in which Community Foundations solicit applications from flagship local projects for Comic Relief to select recipients for two-year grants of £30k. This ended in 2018.

Comic Relief Local Communities Fund – an ongoing grant programme delivered for Comic Relief. The scheme aims to actively engage the most disadvantaged in society through sport or community projects.

Leicestershire Fund – an ongoing grant programme set up on behalf of a local charitable trust to support small groups and projects across Leicestershire. The fund is supplemented by income transferred from a corresponding named endowment fund in accordance with the charity's total return policy. This amounted to £1,464 during the reporting year.

Mars – the Foundation continued to deliver the Mars in the Community programme at a local level, supporting projects for healthy active lifestyles, pet welfare and the environment.

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

### NOTES TO THE ACCOUNTS CONTINUED – 31 MARCH 2021

#### 20. Restricted Funds (continued)

Research Project – the Foundation continued to work with three project partners (Curve, Leicester Hospitals Charity and the University of Leicester), all also engaged with encouraging local giving, on a research project entitled “the current state of local giving”. The brief was to gain a better understanding of why some local individuals and companies choose to give locally, and the final report highlighted and evidenced the often highly personal nature of philanthropic choices, frequently based on life experiences, and sometimes on media perceptions. It was completed in the Autumn of 2015 with all project expenditure occurring in 2015/16. The project partners have used the research to hone their strategic approaches to and with donors.

Women in Philanthropy – the Foundation continued to support this membership fund (launched in March 2014) which uses the linked fund model (where funds raised are split between expendable and endowment funds to generate funds for immediate giving and an income in perpetuity). The WiP steering group continued to take an active leadership role in the selection and support of charitable groups, and in event management and profile building.

Brought forward funds included donations and grants towards the set-up costs of the scheme. In addition to members’ donations, restricted income included sponsorship of recruitment and members’ events, print and publicity. Income of £1,265 was transferred from the corresponding named endowment fund during the year.

DCMS Fund – a fund from the Department of Culture Media and Sport. It a fund to help those who live and work locally and who are struggling as a result of the pandemic.

NET Covid 19 Fund – national emergency fund to effectively and efficiently support local voluntary and community organisations that are helping vulnerable people impacted by the Covid-19 crisis.

LLR Coronavirus Emergency Support - Community Foundations were selected to deliver (expendable) National Emergencies Trust and central government funds to charitable groups working with individuals and communities struggling in the pandemic, including for food, mental health, and debt advice.

Other expendable funds include:

- CAP Fund - outreach work to identify suitable projects took place in the spring of 2015 and the first grants were awarded in 2015/16.
- On the Edge (formerly Children on the Edge Fund) – a family fund set up to support children and young people post adoption, or in care, within or outside mainstream education. Grants and gifts were awarded within the scope of the fund. Income of £1,821 was transferred from the corresponding named endowment fund during the year.
- William Colton Youth Sports Fund – set up to provide small grants for equipment and other practical needs of voluntary run sports clubs across Leicestershire but with a particular focus in Charnwood. Income of £1,846 was transferred from the corresponding named endowment fund during the year.
- Coventry Building Society Fund – the fund priorities included young people, vulnerable groups in society and community activity in disadvantaged neighbourhoods.
- Creative Breaks Fund – parents and carers of disabled children in Rutland to fundraise to provide respite holidays which no longer benefit from statutory funding.

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

### NOTES TO THE ACCOUNTS CONTINUED – 31 MARCH 2021

#### 20. RESTRICTED FUNDS (continued)

- Bobby Dhanjal Foundation – the staff and clients of Bobby Dhanjal Wealth Management and Bobby Dhanjal Legal Services continued to raise money to support charities and local groups working with children within the City of Leicester. The Bobby Dhanjal Foundation uses the linked fund model. Income of £261 was transferred from the corresponding named endowment fund during the year.
- Efficient Charitable Portfolio – Rutland based wealth management company, Efficient Portfolio, continued to fundraise for charitable causes in Rutland and London using the linked fund model. Income of £205 was transferred from the corresponding named endowment fund during the year.
- High Sheriff of Rutland's Fund – a linked fund model to raise funds for charitable causes in Rutland. Income of £65 was transferred from the corresponding named endowment fund during the year.
- The Hive Foundation (in memory of Grant Wilkinson) – local intelligent promotions and marketing company, Hive, put on a series of fundraising initiatives run by staff to add to their linked funds. The fund continued to prioritise children's breakfast clubs in the borough of Charnwood. Income of £63 was transferred from the corresponding named endowment fund during the year.
- Neil Murphy Animal Welfare Fund – a family fund set up to support animal welfare projects in the city and counties. Income of £404 was transferred from the corresponding named endowment fund during the year.
- Richi Rootz Foundation – set up in memory of Richard Harper, a Leicester based musician, the fund works on the linked fund model and aims to provide support for younger stroke victims as well as supporting arts projects for young people. Income of £36 was transferred from the corresponding named endowment fund during the year.
- Smallman & Son Foundation – the Syston-based building firm continued to add to their fund which aims to support children and young people's projects, particularly those local to their office base and their construction or refurbishment projects in the county of Leicestershire.
- Surviving Winter – local people in Leicestershire and Rutland "redirect" their Winter Fuel Payments and similar entitlements to the vulnerable in our communities. Income of £234 was transferred from the corresponding named endowment fund during the year.
- Apex Works Fund – addresses the barriers that stop vulnerable and marginalised people achieve employment, seeking to improve the prospects in the labour market, to relieve and prevent poverty through employment and appropriate training. Income of £527 was transferred from the corresponding named endowment fund during the year.
- St Matthews Big Local – The Community Foundation was contracted to deliver the St Matthews Big Local Fund, a small grants programme from The Big Lottery Fund for individuals and not for profit groups working with beneficiaries from the St Mathews Estate, Leicester, towards a cleaner and greener neighbourhood, increased feeling of safety and security for local residents. The celebration of diversity, talent and creativity and increased community cohesion on the estate.
- Cambridge and Counties Foundation – supports charitable groups that develop employability and business skills based in Leicestershire and Cambridgeshire.
- The Maud Elkington Fund – is a fund that was set up in 2018 to help refugees and asylum seekers feel welcome in UK communities, providing funding of up to £10,000 for projects that bring refugees and asylum seekers together with other people in the local community.
- Income totalling £57,527 transferred from other named endowment funds in accordance with the Foundation's total return policy and distributable in grants according to the purposes specified by the donors.

## LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

## NOTES TO THE ACCOUNTS CONTINUED – 31 MARCH 2021

## 21. ENDOWMENT FUND

	At 1 April 2020	Income	Expenditure	Gains/(losses) on investments	Transfers	At 31 March 2021
	£	£	£	£	£	£
The Arts Fund	3,339	149	-	876	(160)	4,204
Apex Works Fund	38,333	1,415	-	10,146	(1,415)	48,479
Richard Bonney Fund	13,225	1,785	-	2,614	(365)	17,259
Sir Timothy Brooks Fund	124,349	5,433	-	30,826	(5,940)	154,668
Byrch's Charity Fund	57,557	2,140	-	15,291	(2,149)	72,839
Children on the Edge (formerly Adopted Childrens Fund)	169,323	7,006	-	44,984	(7,733)	213,580
City of Leicester Education Fund	180,063	6,649	-	47,525	(6,649)	227,588
Sheila Collard Fund	5,633	247	-	1,484	(282)	7,082
William Colton Youth Sport Fund	135,201	5,018	-	36,937	(6,604)	170,552
Desor Foundation	1,049	39	-	277	(39)	1,326
Bobby Dhanjal Foundation	18,610	1,899	-	4,443	(658)	24,294
Efficient Charitable Portfolio	13,009	489	-	3,352	(352)	16,498
Hanwill Fund	68,123	3,949	-	16,954	(4,639)	84,387
High Sheriff of Rutland's Fund	4,764	176	-	1,264	(176)	6,028
Hill Osborne Fund	43,125	2,361	-	10,136	(2,311)	53,311
The Hive Foundation (in memory of Grant Wilkinson)	3,446	133	-	860	(139)	4,300
Hope Fund	1,436	180	-	335	(55)	1,896
Huntley & Palmers Fund	-	104,300	-	(2,951)	-	101,349
Barbara Keene Fund	4,683	288	-	1,236	(395)	5,812
LABA Heritage Fund	5,575	13,562	-	1,058	(289)	19,906
Ben Lazarus DMU Fund	42,190	1,554	-	11,264	(1,554)	53,454
Leicester Learning Fund	247,638	9,651	-	42,033	(9,651)	289,671
Leicestershire Fund	27,008	1,869	-	8,026	(2,196)	34,707
Leicestershire Police Chief Constable's Charitable Trust	33,358	1,214	-	8,784	(1,214)	42,142
Jamie Lewis Fund	15,247	694	-	4,014	(757)	19,198
Lord Lieutenant's Fund for Leicestershire & Rutland	9,919	450	-	2,126	(438)	12,057
LRCF Endowment Fund	157,607	6,804	-	39,668	(7,349)	196,730
Market Overton Parochial Fund	10,707	394	-	2,823	(394)	13,530
Ian & Caroline McAlpine Fund	152,480	6,510	-	39,067	(6,510)	191,547
Meggitt Trust Fund	85,235	4,666	-	20,033	(4,568)	105,366
Mental Health, Wellbeing and Learning Disability Social Enterprise Fund	2,219	96	-	567	(95)	2,787
Mukti Foundation	3,668	138	-	977	(139)	4,644
Neil Murphy Animal Welfare Fund	26,037	991	-	7,095	(1,009)	33,114
The Oaktree Fund	44,479	1,640	-	11,824	(1,640)	56,303
Precision Facilities	-	2,519	-	(42)	(19)	2,458
Richi Rootz Foundation	2,606	96	-	690	(96)	3,296
Jean Richmond Memorial Fund	110,267	3,949	-	32,734	(3,949)	143,001
Rutland & Melton Training Fund	456,073	16,403	-	118,060	(35,393)	555,143
John Salmon Fund	130,803	6,994	-	30,028	(6,994)	160,831
Surviving Winter Fund	4,861	299	-	1,284	(410)	6,034
Sycamore Fund	14,967	497	-	3,553	(497)	18,520
Rebecca Winand Fund	52,021	1,988	-	13,324	(1,850)	65,483
Women in Philanthropy	74,679	10,706	-	19,540	(3,022)	101,903
	<u>2,594,913</u>	<u>237,340</u>	<u>-</u>	<u>645,119</u>	<u>(130,094)</u>	<u>3,347,278</u>

# LEICESTERSHIRE LEICESTER AND RUTLAND COMMUNITY FOUNDATION

## NOTES TO THE ACCOUNTS CONTINUED – 31 MARCH 2021

### 21. ENDOWMENT FUND (continued)

The endowment fund includes funds donated to the Foundation by private and corporate donors, usually as personally named funds, invested together and individually tracked so that the income can be distributed regularly to beneficiaries or themes nominated by individual donors. The endowment fund was invested in shares and fixed interest investments.

The LRFC Endowment Fund included donations from the Everard Foundation and other anonymous donors in addition to assets owned by the charity.

The following transfers were made out of the endowment fund during the year:

- Unless specifically requested to do otherwise by the donor, a quarterly income was drawn down from each fund in accordance with the charity's investment policy and transferred to restricted funds for giving. Such transfers totalled £72,567.
- A total of £57,527 from donations received in the year from existing funds, was transferred to unrestricted funds as a contribution to operating costs, as stipulated by donors in the fund agreements.

### 22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for year	923,007	(22,568)
Deduct interest shown on investment activities	(108,803)	(117,816)
Add losses/(gains) on investments	(645,350)	174,175
Depreciation of tangible fixed assets	628	466
(Increase)/decrease in debtors	410	2,727
(Decrease)/increase in creditors	(53,130)	94,011
Net cash flow from operating activities	<u>116,762</u>	<u>130,995</u>

