

Reece Family Trust

England & Wales · Charity number 1139307

Details

Other names	LGA FOUNDATION, SPRINGFIELD HOUSE (REECE) TRUST
Status	Registered
Legal form	Charitable company
Company number	07434158
Registered	2010-12-10
Register	View on the Charity Commission register

Contact

Address	6 Austen Way Crook County Durham DL15 9UT
Phone	07891725594
Email	enquiries@lga-foundation.org
Website	www.lga-foundation.org

Activities

Objects: THE ONLY OBJECTS FOR WHICH THE COMPANY IS ESTABLISHED ARE SUCH CHARITABLE PURPOSES FOR THE BENEFIT OF THE PUBLIC AS THE TRUSTEES SHALL FROM TIME TO TIME THINK FIT AND IN PARTICULAR:TO ASSIST THE EMERGENCY AND OTHER RESCUE SERVICES TO PREVENT THE LOSS OF LIFE OR INJURY BY SUPPORTING MOUNTAIN RESCUE OPERATIONS;TO ASSIST THE PERSONAL DEVELOPMENT OF DISABLED PEOPLE PARTICULARLY BY SUPPORTING ACTIVITIES AIMED AT ENCOURAGING PHYSICAL PURSUITS IN THE OUTDOORS;TO ADVANCE EDUCATION OF BOTH CHILDREN AND ADULTS, PARTICULARLY WHERE SUCH CHILDREN AND ADULTS ARE LIVING IN DISADVANTAGED CIRCUMSTANCES AND WHERE THERE IS NO STATUTORY OBLIGATION ON ANY OTHER ORGANISATION TO PROVIDE FOR THEM ("THE OBJECTS");AND THE TRUSTEES SHALL CARRY OUT THE OBJECTS PRIMARILY IN THE NORTH EAST AND NORTH WEST OF ENGLAND, BUT MAY SUPPORT PROJECTS OUTSIDE OF THOSE AREAS AS FROM TIME TO TIME THEY THINK FIT.

Activities: The object of the charity is to make grants for the benefit of the public for such charitable purposes as the trustees think fit. The trustees are particularly keen to support projects in the North East of England, reaching those most disadvantaged in the region. The charity has adopted a grant making policy

and is actively seeking out charitable organisations which it might support.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** General Charitable Purposes, Education/training, Disability, The Prevention Or Relief Of Poverty
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** NORTH EAST AND NORTH WEST OF ENGLAND
- Cumbria
- Darlington
- Durham
- Gateshead
- Lancashire
- Middlesbrough
- Newcastle Upon Tyne City
- Northumberland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£2,045,461	£493,653	£8,959,654	0
2024-04-05	£1,420,745	£413,971	£7,573,636	0
2023-04-05	£146,626	£343,542	-	-
2022-04-05	£105,593	£187,912	-	-
2021-04-05	£1,337,383	£248,842	£6,705,653	0

Trustees

Name	Role	Appointed
SUE REECE	Chair	
Dianne Mackay		2021-08-09
JOHN PETER REECE		
John Flynn		2017-03-08

Reece Family Trust

England & Wales - Charity number 1139307

Accounts

Registered number: 07434158
Charity number: 1139307

LGA Foundation
(A company limited by guarantee)
Annual Report
5 April 2025

LGA Foundation
(A company limited by guarantee)

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LGA Foundation

(A company limited by guarantee)

Reference and administrative details
Year ended 5 April 2025

Trustees

Mr J P Reece
Mrs S E Reece
Mr J Flynn
Mrs D Mackay

Company registered number

07434158

Charity registered number

1139307

Registered office

6 Austen Way
Crook
County Durham
DL15 9UT

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

LGA Foundation

(A company limited by guarantee)

Trustees' report

Year ended 5 April 2025

The trustees present their annual report together with the audited financial statements of the company for the 6 April 2024 to 5 April 2025. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

● Policies and objectives

The object of the charity is to make grants for the benefit of the public for such charitable purposes as the trustees think fit. The trustees are particularly keen to support projects in the North East of England, reaching those in the region who are most disadvantaged.

The LGA Foundation supports causes helping the most disadvantaged through awarding grants across the North East of England with its main geographic focus on Tyneside and South Northumberland. During the year to 5 April 2025, its priority was raising awareness of its activities to generate applications directly rather than via other funders. The Foundation requests feedback from its beneficiaries to assess the impact of its grant making and to inform future decisions. The Foundation does not have a formal grant making policy, with grants awarded by trustees periodically following assessment and discussion.

The trustees confirm that they have had due regard to the law relating to public benefit and the Charity Commission's guidance on the subject.

● Main achievements of the company

During the year the Foundation gave a total of 45 (2024: 42) grants to support the provision of services by new and existing grantees. Larger grants are detailed below in the financial review. The Foundation also made 11 microgrants totalling £14,430. Total donations (excluding special projects) exceeded the annual £300k donation target that the trustees set for the Foundation. The trustees consider that the grants and donations made during the year met the Foundation's objective to support disadvantaged people across the North East whilst maintaining commitments to existing grantee organisations.

The Foundation has continued to pursue the woodland creation project during the year, for which funds were designated in 2022 (see note 11). Significant progress has been made on planning design and application for necessary consents and the trustees look forward to seeing tree planting get underway in the forthcoming year.

The trustees continue to support Footsteps Children's Services through donations towards their delivery of 1 to 1 SEN to young children in their Dolphin Street nursery premises in Benwell. A significant grant has been pledged to Footsteps to enable it to develop, refurbish and extend its current building so as to improve the services they provide to beneficiaries.

The trustees held discussions during the year with Ali, Lauren and Greg Reece (the adult children of John and Sue Reece) with a view to increasing their involvement in the Foundation's activities in terms of contributing to its funds as well as identifying potential areas of work and specific grantees they would like the Foundation to explore. This resulted in the receipt by the Foundation of an additional £310,000 as well as interesting discussion on its future direction and priorities.

LGA Foundation

(A company limited by guarantee)

Trustees' report (continued)
Year ended 5 April 2025

Achievements and performance

● **Going concern**

The trustees have considered the ongoing impact of external environmental factors and the potential impact on investment returns over the coming months and are confident that the charity has sufficient liquidity to meet existing and future committed grant awards and charitable activities.

After considering the above and making appropriate enquiries, the trustees have a reasonable expectation that the company 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. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

● **Reserves policy**

The Foundation has no fixed cost base and employs no staff. Consequently it has no need to hold reserves to cover future costs. At 5 April 2025 unrestricted reserves stood at £9,021,587 (2024: £7,573,636) of which £5,890,011 (2024: £6,021,386) are tied up in investments held for future income generation and £1,477,762 (2024: £221,996) is held as cash.

General reserves of £8,665,139 (2024: £7,203,450) are held at high levels at year end due to the present and future uncertainty in the investment market. The trustees have taken into account this uncertainty and consider the levels of reserves held mitigates the risk that the charity can not fulfil its charitable purpose.

● **Financial review**

During the year the charity received donations of £1,878,750, investment income of £166,711 (2024: £170,745) and made grants totalling £356,524 (2024: £333,741).

Charitable causes supported include the welfare and development of vulnerable young people, carers and disadvantaged women. The following grants over £10,000 have been made in the year:

12 Days of Christmas Campaign	£18,000
Wallsend Boys Club	£10,009
Carers Federation	£10,000
Chopwell Youth Project	£10,000
Footsteps Children Services	£10,000
Melanoma-Me Foundation	£10,000
NE Youth	£10,000
Ocean Road Centre Youth Club	£10,000
Pathways 4 All	£10,000
WHIST Women's Health in South Tyneside	£10,000

The applications portal on the website was closed Jan-24 after funds were allocated to end-FY23/24. It was agreed to manage expectations and reduce administration; the portal would remain closed. Trustees agreed to explore projects already identified and of interest inviting to apply if funding was available within budget.

● **Material investments policy**

The trustees work closely with their appointed investment managers in order to maximise the future returns to the charity. Investments are held for income generation to support the activities of the charity in the long term. The trustees meet with the investment managers on an annual basis to discuss the portfolio including social, environmental and ethical considerations taken into account when investing.

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Trustees' report (continued)
Year ended 5 April 2025

- **Plans for future periods**

We will continue to focus on youth charities, women's charities and other open access community organisations that can assist us in delivering our main objective, which is to help build stronger, healthier, and more resilient communities in deprived areas of Tyneside and the wider Northeast region that we support. The additional time we have invested in raising awareness of the Foundation's activities has encouraged more projects to apply for funding. The trustees try to evaluate demand against available budget and must consider closing applications for periods of time to manage expectations. The trustees continue to review mental health provision and support for men and young boys and to identify any opportunities for funding in the future.

Structure, governance and management

- **Constitution**

The company is a charitable company limited by guarantee. The company was incorporated on 9 November 2010 and is governed by the Memorandum and Articles of Association. The board of directors are the charity trustees and make decisions on behalf of the charity collectively.

- **Method of appointment or election of trustees**

The future appointment of trustees is to be made by the founding trustees during their lifetime.

- **Policies adopted for the induction and training of trustees**

New trustees are fully briefed by the existing trustees on the aims, objectives and finances of the Foundation. Further training is considered on a needs basis.

- **Principle risks and uncertainties**

The trustees consider that they have identified the major risks to the charity and have established sufficient controls to mitigate these risks.

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Trustees' report (continued) Year ended 5 April 2025

Statement of trustees' responsibilities

The trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the trustees' 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 . 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 company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

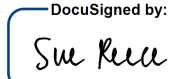
Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable charity's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

The auditor, UNW LLP, has indicated its willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees on 11 November 2025 and signed on their behalf by:

DocuSigned by:

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Mrs S E Reece
Trustee



Independent auditor's report to the Members of LGA Foundation

Opinion

We have audited the financial statements of LGA Foundation ('the charitable company') for the year ended 5 April 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, 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 5 April 2025 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 United Kingdom, including the Financial Reporting Council'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.



Independent auditor's report to the Members of LGA Foundation (continued)

Other information

The other information comprises the information included in the 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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.



Independent auditor's report to the Members of LGA Foundation (continued)

Auditor's 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.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

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

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and UK tax legislation. In addition, the charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines and litigation. We considered the extent to which non-compliance with laws and regulations might have a material effect on the financial statements and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We also evaluated managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries to manipulate financial results, management bias in accounting estimates, as well as improper income recognition.

Audit procedures performed by the engagement team included:

- Inquiry of management and those charged with governance regarding actual and potential litigation or claims as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing meeting minutes to identify reported frauds and any potential non-compliance with laws and regulations; and
- Challenging assumptions and judgments made by management in their significant accounting estimates and evaluating whether there was any evidence of bias by the trustees that represented a risk of material misstatement due to fraud.



Independent auditor's report to the Members of LGA Foundation (continued)

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.

Use of our report

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

DocuSigned by:

Anne Hallowell

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Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
 Chartered Accountants
 Newcastle upon Tyne

11 November 2025

LGA Foundation

(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account) Year ended 5 April 2025

	Note	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:				
Donations and legacies	2	1,878,750	1,878,750	1,250,000
Investments	3	166,711	166,711	170,745
Total income		2,045,461	2,045,461	1,420,745
Expenditure on:				
Investment management expenses		29,545	29,545	30,275
Charitable activities	4	464,108	464,108	383,696
Total expenditure		493,653	493,653	413,971
Net income before net (losses)/gains on investments		1,551,808	1,551,808	1,006,774
Net (losses)/gains on investments		(165,790)	(165,790)	466,042
Net movement in funds		1,386,018	1,386,018	1,472,816
Reconciliation of funds:				
Total funds brought forward		7,573,636	7,573,636	6,100,820
Net movement in funds	11	1,386,018	1,386,018	1,472,816
Total funds carried forward		8,959,654	8,959,654	7,573,636

All funds in both years are unrestricted.

The notes on pages 13 to 22 form part of these financial statements.

LGA Foundation

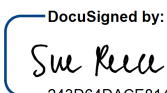
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Balance sheet At 5 April 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	6	-	-
Tangible assets	7	1,118,389	1,118,389
Investments	8	5,890,011	6,021,386
		<u>7,008,400</u>	<u>7,139,775</u>
Current assets			
Debtors	9	625,750	250,000
Cash at bank and in hand		1,477,762	221,996
		<u>2,103,512</u>	<u>471,996</u>
Creditors: amounts falling due within one year	10	(152,258)	(38,135)
Net current assets		<u>1,951,254</u>	<u>433,861</u>
Net assets		<u><u>8,959,654</u></u>	<u><u>7,573,636</u></u>
Charity funds			
Restricted funds	11	-	-
Unrestricted funds	11	8,959,654	7,573,636
Total funds		<u><u>8,959,654</u></u>	<u><u>7,573,636</u></u>

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

The financial statements were approved and authorised for issue by the trustees on 11 November 2025 and signed on their behalf by:

DocuSigned by:

 243D64DACE81439...
Mrs S E Reece
 Trustee

The notes on pages 13 to 22 form part of these financial statements.

LGA Foundation
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Statement of cash flows
Year ended 5 April 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	1,123,470	577,765
Cash flows from investing activities		
Dividends, interests and rents from investments	166,711	170,745
Purchase of tangible fixed assets	-	(1,118,389)
Proceeds from sale of investments	4,122,194	4,668,164
Purchase of investments	(4,156,609)	(4,182,378)
Net cash provided by/(used in) investing activities	132,296	(461,858)
Change in cash and cash equivalents in the year	1,255,766	115,907
Cash and cash equivalents at the beginning of the year	221,996	106,089
Cash and cash equivalents at the end of the year	1,477,762	221,996

The notes on pages 13 to 22 form part of these financial statements

LGA Foundation

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Notes to the financial statements Year ended 5 April 2025

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

LGA 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.

The financial statements are prepared in pounds sterling which is the functional currency of the charity and are rounded to the nearest £1.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the directors 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 Going concern

The financial statements have been prepared on a going concern basis.

Given the matters outlined in the trustees' report, the trustees have considered the additional risks presented and all factors they believe might reasonably impact upon the future outlook of the charity. The charity holds substantial investment assets but maintains sufficient cash reserves to allow it to meet its ongoing commitments. Investments remain high despite some strong market uncertainty consequently the directors have a reasonable expectation that the company 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.

1.4 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.

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.

LGA Foundation

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Notes to the financial statements Year ended 5 April 2025

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and comprises investment manager fees.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.6 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following basis:

Website	-	3 years straight line
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1.7 Tangible fixed assets

Tangible fixed assets are stated at cost, less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of fixed assets over their expected useful lives as follows:

Land	-	not depreciated
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Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

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Notes to the financial statements Year ended 5 April 2025

1. Accounting policies (continued)

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the statement of financial activities incorporating income and expenditure account.

1.9 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.

1.10 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.

1.11 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.

1.12 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.

1.13 Fund accounting

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

1.14 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.

In preparing these financial statements the directors do not consider there were any significant areas of judgement or accounting estimates that were required in applying the company's accounting policies as set out above.

LGA Foundation
(A company limited by guarantee)

Notes to the financial statements
Year ended 5 April 2025

2. Income from donations and legacies

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	1,878,750	1,878,750	1,250,000
Total 2024	1,250,000	1,250,000	

3. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Dividends	159,862	159,862	159,419
Interest received	6,849	6,849	11,326
	166,711	166,711	170,745
Total 2024	170,745	170,745	

LGA Foundation
(A company limited by guarantee)

Notes to the financial statements
Year ended 5 April 2025

4. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Grant funding of activities 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Grant-making activities	-	418,457	31,913	450,370	379,476
Woodland creation	-	-	-	-	4,220
Footsteps	13,738	-	-	13,738	-
Total 2025	13,738	418,457	31,913	464,108	383,696
Total 2024	4,220	333,471	46,005	383,696	

During the year, there were 45 grants (2024: 37) totalling £356,524 (2024: £333,471). Further details of large grants awarded, which are all to institutions, are given in the trustees' report.

Analysis of support costs

	Grant- making activities 2025 £	Total funds 2025 £	Total funds 2024 £
Sundry costs	2,937	2,937	4,227
Grant administration and support	24,441	24,441	37,778
Audit and accountancy fees	4,535	4,535	4,000
	31,913	31,913	46,005
Total 2024	46,005	46,005	

LGA Foundation
(A company limited by guarantee)

Notes to the financial statements
Year ended 5 April 2025

5. Auditor's remuneration

	2025 £	2024 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	3,675	3,500

6. Intangible assets

	Website £
Cost	
At 6 April 2024	5,916
At 5 April 2025	5,916
Amortisation	
At 6 April 2024	5,916
At 5 April 2025	5,916
Net book value	
At 5 April 2025	-
At 5 April 2024	-

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2025

7. Tangible fixed assets

	Land £
Cost or valuation	
At 6 April 2024	1,118,389
At 5 April 2025	<u>1,118,389</u>
Net book value	
At 5 April 2025	<u>1,118,389</u>
At 5 April 2024	<u>1,118,389</u>

8. Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2024	6,021,386
Additions	4,156,609
Disposals	(4,134,353)
Revaluations	(153,631)
At 5 April 2025	<u>5,890,011</u>
Net book value	
At 5 April 2025	<u>5,890,011</u>
At 5 April 2024	<u>6,021,386</u>

9. Debtors

	2025 £	2024 £
Prepayments and accrued income	<u>625,750</u>	<u>250,000</u>

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2025

10. Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	150	1,821
Grants awarded but not paid	148,433	32,314
Accruals and deferred income	3,675	4,000
	<u>152,258</u>	<u>38,135</u>

11. Statement of funds

Statement of funds - current year

	Balance at 6 April 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2025 £
Unrestricted funds					
Designated funds					
Woodland Creation Project	<u>370,186</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>370,186</u>
General funds					
General funds	<u>7,203,450</u>	<u>2,045,461</u>	<u>(493,653)</u>	<u>(165,790)</u>	<u>8,589,468</u>
Total Unrestricted funds	<u><u>7,573,636</u></u>	<u><u>2,045,461</u></u>	<u><u>(493,653)</u></u>	<u><u>(165,790)</u></u>	<u><u>8,959,654</u></u>

The acquisition of the land at Hedley Park Farm, Hedley on the Hill was completed in December 2023. During the prior year, Pennine Forestry consultants were engaged to advise us on how best to take the project forward. Surveys are being undertaken and plans are in preparation to enable us to obtain all necessary approvals. Our aim is to plant a mix of native broadleaf trees to establish a natural habitat and protect existing wildlife. We intend to improve vehicle access and parking facilities and will encourage community use through social inclusion activities in due course when planting and growth allow.

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2025

11. Statement of funds (continued)

Statement of funds - prior year

	Balance at 6 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 5 April 2024 £
Unrestricted funds						
Designated funds						
Woodland Creation Project	1,492,795	-	(4,220)	(1,118,389)	-	370,186
General funds						
General funds	4,608,025	1,420,745	(409,751)	1,118,389	466,042	7,203,450
Total Unrestricted funds	<u>6,100,820</u>	<u>1,420,745</u>	<u>(413,971)</u>	<u>-</u>	<u>466,042</u>	<u>7,573,636</u>

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

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	<u>1,386,018</u>	<u>1,472,816</u>
Adjustments for:		
Losses/(gains) on investments	165,790	(466,042)
Dividends, interests and rents from investments	(166,711)	(170,745)
Increase in debtors	(375,750)	(250,000)
Increase/(decrease) in creditors	114,123	(8,264)
Net cash provided by operating activities	<u>1,123,470</u>	<u>577,765</u>

LGA Foundation
(A company limited by guarantee)

Notes to the financial statements
Year ended 5 April 2025

13. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	<u>1,477,762</u>	<u>221,996</u>

14. Analysis of changes in net debt

	At 6 April 2024 £	Cash flows £	At 5 April 2025 £
Cash at bank and in hand	<u>221,996</u>	<u>1,255,766</u>	<u>1,477,762</u>

15. Contingent liabilities

At the year end, the charity had pledged to fund £458,000 (2024: £151,195) of grants in FY25/26. These grants are contingent on the receiver meeting the performance conditions attached to the grants.

16. Related party transactions

During the year fees totalling £6,365 (2024: £11,493) were paid to J Flynn, trustee, for project costs associated with the Footsteps project and for services to the Foundation in relation to grant assessment and administration.

During the year fees totalling £19,747 (2024: £26,284) were paid to D Mackay, trustee, for services to the Foundation in relation to grant assessment and administration.

Reece Family Trust

England & Wales - Charity number 1139307

Accounts

LGA Foundation

(A company limited by guarantee)

Annual Report

5 April 2024

LGA Foundation
(A company limited by guarantee)

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LGA Foundation

(A company limited by guarantee)

Reference and administrative details
Year ended 5 April 2024

Trustees

Mr J P Reece
Mrs S E Reece
Mr J Flynn
Mrs D Mackay

Company registered number

07434158

Charity registered number

1139307

Registered office

6 Austen Way
Crook
County Durham
DL15 9UT

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

LGA Foundation

(A company limited by guarantee)

Trustees' report

Year ended 5 April 2024

The trustees present their annual report together with the audited financial statements of the company for the 6 April 2023 to 5 April 2024. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

● Policies and objectives

The object of the charity is to make grants for the benefit of the public for such charitable purposes as the trustees think fit. The trustees are particularly keen to support projects in the North East of England, reaching those in the region who are most disadvantaged.

The LGA Foundation supports causes helping the most disadvantaged through awarding grants across the North East of England with its main geographic focus on Tyneside and South Northumberland. During the year to 5 April 2024, its priority was raising awareness of its activities to generate applications directly rather than via other funders. The Foundation requests feedback from its beneficiaries to assess the impact of its grant making and to inform future decisions. The Foundation does not have a formal grant making policy, with grants awarded by trustees periodically following assessment and discussion.

The trustees confirm that they have had due regard to the law relating to public benefit and the Charity Commission's guidance on the subject.

● Main achievements of the company

During the year the Foundation gave a total of 42 (2023: 36) grants to support organisations. Larger grants are detailed below in the financial review. The grants aimed to ensure that key organisations were able to continue providing services in the current economic environment. The trustees consider that the grants made during the year met their objectives of supporting disadvantaged people across the North East and maintaining previous commitments to some organisations.

The trustees have continued to pursue the woodland creation project during the year, for which funds were designated in 2022 (see note 10).

The trustees continue to support Footsteps Children's Services through donations towards their delivery of 1to1 SEN to young children in their Dolphin Street nursery premises in Benwell. A significant grant has been awarded to Footsteps to enable it to develop / refurbish / extend its current building, to enhance the site and improve the services they can offer.

● Key performance indicators

The entity's key performance indicators are the number of grants given in the financial year as outlined above.

LGA Foundation

(A company limited by guarantee)

Trustees' report (continued)
Year ended 5 April 2024

Achievements and performance

• Going concern

The trustees have considered the ongoing impact of external environmental factors and the potential impact on investment returns over the coming months and are confident that the charity has sufficient liquidity to meet existing and future committed grant awards and charitable activities.

After considering the above and making appropriate enquiries, the trustees have a reasonable expectation that the company 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. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

• Reserves policy

The Foundation has no fixed cost base and employs no staff. Consequently it has no need to hold reserves to cover future costs. At 5 April 2024 unrestricted reserves stood at £7,573,636 (2023: £6,100,820) of which £6,021,386 (2023: £6,041,130) are tied up in investments held for future income generation and £221,996 (2023: £106,089) is held as cash.

General reserves of £7,203,450 (2023: £4,608,025) are held at high levels at year end due to the present and future uncertainty in the investment market. The trustees have taken into account this uncertainty and consider the levels of reserves held mitigates the risk that the charity can not fulfil its charitable purpose.

• Financial review

During the year the charity received investment income of £170,745 (2023: £128,616) and made grants totalling £333,471 (2023: £249,734).

Charitable causes supported include the welfare and development of vulnerable young people, carers and disadvantaged women. The following grants over £10,000 have been made in the year:

Wallsend Boys Club	£20,000
Footsteps Children Services Donation	£20,000
Kenton Foodbank Donation	£16,323
The Princes Trust Donation	£15,000
Tyneside Women's Health Donation	£10,195
Carers Trust Tyne & Wear Donation	£10,000
Chopwell Community Association Donation	£10,000
Melanoma-Me Foundation Donation	£10,000
Newcastle Carers Donation	£10,000
Pathways 4 All Donation	£10,000
Whist Donation	£10,000

As well as supporting projects known to the Foundation, the trustees were keen to explore funding relationships with organisations that were new to them. More activity through the website, social media and the press was agreed in a bid to generate applications from new projects.

LGA Foundation

(A company limited by guarantee)

Trustees' report (continued)

Year ended 5 April 2024

• Material investments policy

The trustees work closely with their appointed investment managers in order to maximise the future returns to the charity. Investments are held for income generation to support the activities of the charity in the long term. The trustees meet with the investment managers on an annual basis to discuss the portfolio including social, environmental and ethical considerations taken into account when investing.

• Plans for future periods

We will continue to focus on youth charities, women's charities and other open access community organisations that can assist us in delivering our main objective, which is to help build stronger, healthier, and more resilient communities in deprived areas of Tyneside and the wider Northeast region that we support. The additional time we have invested in raising awareness of the Foundation's activities has encouraged more projects to apply for funding. The trustees try to evaluate demand against available budget and must consider closing applications for periods of time to manage expectations. The trustees continue to review mental health provision and support for men and young boys and to identify any opportunities for funding in the future.

Structure, governance and management

• Constitution

The company is a charitable company limited by guarantee. The company was incorporated on 9 November 2010 and is governed by the Memorandum and Articles of Association. The board of directors are the charity trustees and make decisions on behalf of the charity collectively.

• Method of appointment or election of trustees

The future appointment of trustees is to be made by the founding trustees during their lifetime.

• Policies adopted for the induction and training of trustees

New trustees are fully briefed by the existing trustees on the aims, objectives and finances of the Foundation. Further training is considered on a needs basis.

• Principle risks and uncertainties

The trustees consider that they have identified the major risks to the charity and have established sufficient controls to mitigate these risks.

LGA Foundation

(A company limited by guarantee)

Trustees' report (continued) Year ended 5 April 2024

Statement of trustees' responsibilities

The trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the trustees' 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 . 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 company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

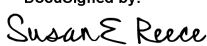
Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable charity's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

The auditor, UNW LLP, has indicated its willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees on 19 December 2024 and signed on their behalf by:

DocuSigned by:

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Mrs S E Reece
Trustee



Independent auditor's report to the Members of LGA Foundation

Opinion

We have audited the financial statements of LGA Foundation ('the charitable company') for the year ended 5 April 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, 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 5 April 2024 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 United Kingdom, including the Financial Reporting Council'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.



Independent auditor's report to the Members of LGA Foundation (continued)

Other information

The other information comprises the information included in the 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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.



Independent auditor's report to the Members of LGA Foundation (continued)

Auditor's 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.

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

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the directors and other management (as required by Auditing Standards) and from inspection of the charity's legal correspondence and we discussed with the directors and other management the policies and procedures in place regarding compliance with the laws and regulations. We communicated identified laws and regulations throughout our audit team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; health and safety, data protection, environmental law and certain aspects of company legislation, recognising the nature of the charity's activities. Auditing Standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we did not become aware of any actual or suspected non-compliance material to the financial statements.

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 located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Independent auditor's report to the Members of LGA Foundation (continued)

Use of our report

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

DocuSigned by:

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Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

19 December 2024

LGA Foundation

(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account) Year ended 5 April 2024

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Donations and legacies	2	1,250,000	1,250,000	18,000
Investments	3	170,745	170,745	128,626
Total income		1,420,745	1,420,745	146,626
Expenditure on:				
Investment management expenses		30,275	30,275	37,162
Charitable activities		383,696	383,696	306,380
Total expenditure		413,971	413,971	343,542
Net income/(expenditure) before net gains/(losses) on investments				
		1,006,774	1,006,774	(196,916)
Net gains/(losses) on investments		466,042	466,042	(402,956)
Net movement in funds		1,472,816	1,472,816	(599,872)
Reconciliation of funds:				
Total funds brought forward		6,100,820	6,100,820	6,700,692
Net movement in funds		1,472,816	1,472,816	(599,872)
Total funds carried forward		7,573,636	7,573,636	6,100,820

All funds in both years are unrestricted.

The notes on pages 13 to 22 form part of these financial statements.

LGA Foundation

(A company limited by guarantee)

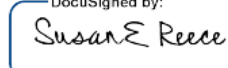
Balance sheet

At 5 April 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	7	-	-
Tangible assets	8	1,118,389	-
Investments	9	6,021,386	6,041,130
		<u>7,139,775</u>	<u>6,041,130</u>
Current assets			
Debtors	10	250,000	-
Cash at bank and in hand		221,996	106,089
		<u>471,996</u>	<u>106,089</u>
Creditors: amounts falling due within one year	11	(38,135)	(46,399)
Net current assets		<u>433,861</u>	<u>59,690</u>
Net assets		<u><u>7,573,636</u></u>	<u><u>6,100,820</u></u>
Charity funds			
Restricted funds	12	-	-
Unrestricted funds	12	7,573,636	6,100,820
Total funds		<u><u>7,573,636</u></u>	<u><u>6,100,820</u></u>

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

The financial statements were approved and authorised for issue by the trustees on 19 December 2024 and signed on their behalf by:

DocuSigned by:

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Mrs S E Reece
 Trustee

The notes on pages 13 to 22 form part of these financial statements.

LGA Foundation

(A company limited by guarantee)

Statement of cash flows Year ended 5 April 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	577,765	(315,568)
Cash flows from investing activities		
Dividends, interests and rents from investments	170,745	128,626
Purchase of tangible fixed assets	(1,118,389)	-
Proceeds from sale of investments	4,668,164	4,407,013
Purchase of investments	(4,182,378)	(4,387,830)
Net cash (used in)/provided by investing activities	(461,858)	147,809
Change in cash and cash equivalents in the year	115,907	(167,759)
Cash and cash equivalents at the beginning of the year	106,089	273,848
Cash and cash equivalents at the end of the year	221,996	106,089

The notes on pages 13 to 22 form part of these financial statements

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2024

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

LGA 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.

The financial statements are prepared in pounds sterling which is the functional currency of the charity and are rounded to the nearest £1.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the directors 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 Going concern

The financial statements have been prepared on a going concern basis.

Given the matters outlined in the trustees' report, the trustees have considered the additional risks presented and all factors they believe might reasonably impact upon the future outlook of the charity. The charity holds substantial investment assets but maintains sufficient cash reserves to allow it to meet its ongoing commitments. Investments remain high despite some strong market uncertainty consequently the directors have a reasonable expectation that the company 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.

1.4 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.

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.

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2024

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.6 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following basis:

Website - 3 years straight line

1.7 Tangible fixed assets

Tangible fixed assets are stated at cost, less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of fixed assets over their expected useful lives as follows:

Land - not depreciated

Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2024

1. Accounting policies (continued)

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the statement of financial activities incorporating income and expenditure account.

1.9 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.

1.10 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.

1.11 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.

1.12 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.

1.13 Fund accounting

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

1.14 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.

In preparing these financial statements the directors do not consider there were any significant areas of judgement or accounting estimates that were required in applying the company's accounting policies as set out above.

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2024

2. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	1,250,000	1,250,000	18,000
Total 2023	18,000	18,000	

3. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Dividends	159,419	159,419	122,101
Interest received	11,326	11,326	6,525
	170,745	170,745	128,626
Total 2023	128,626	128,626	

4. Grants

	Grants 2024 £	Total funds 2024 £	Total funds 2023 £
Grants to beneficiaries	333,471	333,471	249,734
Total 2023	249,734	249,734	

Further details of large grants awarded, which are all to institutions, are given in the trustees' report.

LGA Foundation
(A company limited by guarantee)

Notes to the financial statements
Year ended 5 April 2024

5. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Grant-making activities	-	333,471	46,005	379,476	306,380
Woodland creation	4,220	-	-	4,220	-
Total 2024	4,220	333,471	46,005	383,696	306,380
Total 2023	-	249,734	56,646	306,380	

During the year, there were 37 grants (2023: 36) totalling £333,471 (2023: £249,734).

Analysis of support costs

	Grant- making activities 2024 £	Total funds 2024 £	Total funds 2023 £
Sundry costs	4,227	4,227	3,053
Grant administration and support	37,778	37,778	49,993
Audit and accountancy fees	4,000	4,000	3,600
	46,005	46,005	56,646
Total 2023	56,646	56,646	

LGA Foundation
(A company limited by guarantee)

Notes to the financial statements
Year ended 5 April 2024

6. Auditor's remuneration

	2024 £	2023 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	2,800	2,600
Fees payable to the company's auditor and its associates in respect of: All non-audit services not included above	1,200	1,000

7. Intangible assets

	Website £
Cost	
At 6 April 2023	5,916
At 5 April 2024	5,916
Amortisation	
At 6 April 2023	5,916
At 5 April 2024	5,916
Net book value	
At 5 April 2024	-
At 5 April 2023	-

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2024

8. Tangible fixed assets

	Land and buildings £
Cost or valuation	
Additions	1,118,389
At 5 April 2024	1,118,389
Net book value	
At 5 April 2024	1,118,389
At 5 April 2023	-

9. Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2023	6,041,130
Additions	4,182,378
Disposals	(4,668,164)
Revaluations	466,042
At 5 April 2024	6,021,386
Net book value	
At 5 April 2024	6,021,386
At 5 April 2023	6,041,130

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2024

10. Debtors

	2024 £	2023 £
Prepayments and accrued income	250,000	-

11. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	1,821	5,936
Accruals and deferred income	4,000	5,691
Grants awarded but not paid	32,314	34,772
	38,135	46,399

12. Statement of funds

Statement of funds - current year

	Balance at 6 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 5 April 2024 £
Unrestricted funds						
Designated funds						
Woodland Creation Project	1,492,795	-	(4,220)	(1,118,389)	-	370,186
General funds						
General funds	4,608,025	1,420,745	(409,751)	1,118,389	466,042	7,203,450
Total Unrestricted funds	6,100,820	1,420,745	(413,971)	-	466,042	7,573,636

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2024

12. Statement of funds (continued)

The acquisition of the land at Hedley Park Farm, Hedley on the Hill was completed in December 2023. During the year, Pennine Forestry consultants have been engaged to advise us on how best to take the project forward. Surveys are being undertaken and plans are in preparation to enable us to obtain all necessary approvals. Our aim is to plant a mix of native broadleaf trees to establish a natural habitat and protect existing wildlife. We intend to improve vehicle access and parking facilities and will encourage community use through social inclusion activities in due course when planting and growth allow.

Statement of funds - prior year

	Balance at 6 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 5 April 2023 £
Unrestricted funds					
Designated funds					
Woodland Creation Project	1,500,000	-	(7,205)	-	1,492,795
General funds					
General funds	5,200,692	146,626	(336,337)	(402,956)	4,608,025
Total Unrestricted funds	6,700,692	146,626	(343,542)	(402,956)	6,100,820

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

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	1,472,816	(599,872)
Adjustments for:		
(Gains)/losses on investments	(466,042)	402,956
Dividends, interests and rents from investments	(170,745)	(128,626)
Decrease/(increase) in debtors	(250,000)	-
Increase/(decrease) in creditors	(8,264)	9,974
Net cash provided by/(used in) operating activities	577,765	(315,568)

LGA Foundation
(A company limited by guarantee)

Notes to the financial statements
Year ended 5 April 2024

14. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	<u>221,996</u>	<u>106,089</u>

15. Analysis of changes in net debt

	At 6 April 2023 £	Cash flows £	At 5 April 2024 £
Cash at bank and in hand	<u>106,089</u>	<u>115,907</u>	<u>221,996</u>

16. Contingent liabilities

At the year end, the charity had pledged to fund £151,195 (2023: £10,000) of grants in FY24/25. These grants are contingent on the receiver meeting the performance conditions attached to the grants.

17. Related party transactions

During the year fees totalling £11,493 (2023: £16,116) were paid to J Flynn, trustee, for project costs associated with the woodland creation project and for services to the Foundation in relation to grant assessment and administration.

During the year fees totalling £26,284 (2023: £24,414) were paid to D Mackay, trustee, for services to the Foundation in relation to grant assessment and administration.

Reece Family Trust

England & Wales - Charity number 1139307

Accounts

Registered number: 07434158

Charity number: 1139307

LGA Foundation

(A company limited by guarantee)

Annual Report

5 April 2023

LGA Foundation
(A company limited by guarantee)

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LGA Foundation

(A company limited by guarantee)

Reference and administrative details

Year ended 5 April 2023

Trustees

Mr J P Reece
Mrs S E Reece
Mr J Flynn
Ms D Mackay

Company registered number

07434158

Charity registered number

1139307

Registered office

6 Austen Way
Crook
County Durham
DL15 9UT

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

LGA Foundation

(A company limited by guarantee)

Trustees' report

Year ended 5 April 2023

The trustees present their annual report together with the audited financial statements of the company for the 6 April 2022 to 5 April 2023. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

• Policies and objectives

The object of the charity is to make grants for the benefit of the public for such charitable purposes as the trustees think fit. The trustees are particularly keen to support projects in the North East of England, reaching those in the region who are most disadvantaged.

The LGA Foundation supports causes helping the most disadvantaged through awarding grants across the North East of England with its main geographic focus on Tyneside and South Northumberland. During the year to 5 April 2023, its priority was raising awareness of its activities to generate applications directly rather than via other funders. The Foundation requests feedback from its beneficiaries to assess the impact of its grant making and to inform future decisions. The Foundation does not have a formal grant making policy, with grants awarded by trustees periodically following assessment and discussion.

The trustees confirm that they have had due regard to the law relating to public benefit and the Charity Commission's guidance on the subject.

• Main achievements of the company

During the year the Foundation gave a total of 36 (2022: 30) grants to support organisations. Larger grants are detailed below in the financial review. The grants aimed to ensure that key organisations were able to continue providing services in the current economic environment. The trustees consider that the grants made during the year met their objectives of supporting disadvantaged people across the North East and maintaining previous commitments to some organisations.

The trustees have continued to pursue the woodland creation project during the year, for which funds were designated in 2022 (see note 10).

• Key performance indicators

The entity's key performance indicators are the number of grants given in the financial year as outlined above.

LGA Foundation

(A company limited by guarantee)

Trustees' report (continued) Year ended 5 April 2023

Achievements and performance

• Going concern

The trustees have considered the ongoing impact of external environmental factors and the potential impact on investment returns over the coming months and are confident that the charity has sufficient liquidity to meet existing and future committed grant awards and charitable activities.

After considering the above and making appropriate enquiries, the trustees have a reasonable expectation that the company 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. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

• Reserves policy

The Foundation has no fixed cost base and employs no staff. Consequently it has no need to hold reserves to cover future costs. At 5 April 2023 unrestricted reserves stood at £6,100,820 (2022: £6,700,692) of which £6,041,130 (2022: £6,463,269) are tied up in investments held for future income generation and £106,089 (2022: £273,848) is held as cash.

General reserves of £4,608,025 (2022: £5,200,692) are held at high levels at year end due to the present and future uncertainty in the investment market. The trustees have taken into account this uncertainty and consider the levels of reserves held mitigates the risk that the charity can not fulfil its charitable purpose.

• Financial review

During the year the charity received investment income of £128,616 (2022: £105,593) and made grants totalling £249,734 (2022: £110,161).

Charitable causes supported include the welfare and development of vulnerable young people, carers and disadvantaged women. The following grants over £10,000 have been made in the year:

Lani GoFundMe donation	£16,644
Urban Green Leazes Park Pavilion	£16,561
Rape Crisis counselling services	£12,000
Key Project mental health support services	£10,000
Smart Works	£10,000
Newcastle Young Carers	£10,000
Footsteps Nursery	£10,000
Caring hands	£10,000
South Tyneside Churches Key project	£10,000

As well as supporting projects known to the Foundation, the trustees were keen to explore funding relationships with organisations that were new to them. More activity through the website, social media and the press was agreed in a bid to generate applications from new projects.

• Material investments policy

The trustees work closely with their appointed investment managers in order to maximise the future returns to the charity. Investments are held for income generation to support the activities of the charity in the long term. The trustees meet with the investment managers on an annual basis to discuss the portfolio including social, environmental and ethical considerations taken into account when investing.

LGA Foundation

(A company limited by guarantee)

Trustees' report (continued) **Year ended 5 April 2023**

• Plans for future periods

We will continue to focus on youth charities, women's charities and other community organisations that can help us deliver our purpose of building stronger, healthier communities in deprived areas of Tyneside and the wider North East region we support. It is our aim to elevate the Foundation's reputation to encourage more projects to come forward for funding. The trustees plan to review mental health provision and support for men and young boys in and identify any opportunities for funding in the future.

The woodland creation project remains firmly on the agenda, although there have been various delays and obstacles throughout the project. This has since moved forward post year end with an offer made currently on a 130-acre plot of land in Northumberland. This project has been approved to a cost of circa £1M, although government grants may be available to fund some parts of the project, the finer details of which are yet to be agreed.

Structure, governance and management

• Constitution

The company is a charitable company limited by guarantee. The company was incorporated on 9 November 2010 and is governed by the Memorandum and Articles of Association. The board of directors are the charity trustees and make decisions on behalf of the charity collectively.

• Method of appointment or election of trustees

The future appointment of trustees is to be made by the founding trustees during their lifetime.

• Principle risks and uncertainties

The trustees consider that they have identified the major risks to the charity and have established sufficient controls to mitigate these risks.

LGA Foundation

(A company limited by guarantee)

Trustees' report (continued) Year ended 5 April 2023

Statement of trustees' responsibilities

The trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the trustees' 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 . 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 company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable charity's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

The auditor, UNW LLP, has indicated its willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees on 21 December 2023 and signed on their behalf by:

DocuSigned by:

Susan E Reece

243D64DACE81439...

Mrs S E Reece
Trustee



Independent auditor's report to the Members of LGA Foundation

Opinion

We have audited the financial statements of LGA Foundation ('the charitable company') for the year ended 5 April 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, 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 5 April 2023 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 United Kingdom, including the Financial Reporting Council'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.



Independent auditor's report to the Members of LGA Foundation (continued)

Other information

The other information comprises the information included in the 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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.



Independent auditor's report to the Members of LGA Foundation (continued)

Auditor's 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.

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

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the directors and other management (as required by Auditing Standards) and from inspection of the charity's legal correspondence and we discussed with the directors and other management the policies and procedures in place regarding compliance with the laws and regulations. We communicated identified laws and regulations throughout our audit team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; health and safety, data protection, environmental law and certain aspects of company legislation, recognising the nature of the charity's activities. Auditing Standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we did not become aware of any actual or suspected non-compliance material to the financial statements.

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 located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Independent auditor's report to the Members of LGA Foundation (continued)

Use of our report

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

A handwritten signature in dark ink, appearing to read 'Anne Hallowell', is written in a cursive style.

Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

21 December 2023

LGA Foundation

(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account) Year ended 5 April 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations and legacies	2	18,000	18,000	-
Investments	3	128,626	128,626	105,593
Total income		146,626	146,626	105,593
Expenditure on:				
Investment management expenses		37,162	37,162	40,246
Charitable activities	5	306,380	306,380	147,666
Total expenditure		343,542	343,542	187,912
Net expenditure before net (losses)/gains on investments				
		(196,916)	(196,916)	(82,319)
Net (losses)/gains on investments		(402,956)	(402,956)	77,358
Net movement in funds		(599,872)	(599,872)	(4,961)
Reconciliation of funds:				
Total funds brought forward		6,700,692	6,700,692	6,705,653
Net movement in funds		(599,872)	(599,872)	(4,961)
Total funds carried forward		6,100,820	6,100,820	6,700,692

All funds in both years are unrestricted.

The notes on pages 12 to 19 form part of these financial statements.

LGA Foundation**(A company limited by guarantee)****Balance sheet****At 5 April 2023**

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	7	-	-
Investments	8	6,041,130	6,463,269
		<u>6,041,130</u>	<u>6,463,269</u>
Current assets			
Cash at bank and in hand		106,089	273,848
		<u>106,089</u>	<u>273,848</u>
Creditors: amounts falling due within one year	9	(46,399)	(36,425)
Net current assets		<u>59,690</u>	<u>237,423</u>
Net assets		<u><u>6,100,820</u></u>	<u><u>6,700,692</u></u>
Charity funds			
Restricted funds	10	-	-
Unrestricted funds	10	6,100,820	6,700,692
Total funds		<u><u>6,100,820</u></u>	<u><u>6,700,692</u></u>

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

The financial statements were approved and authorised for issue by the trustees on 21 December 2023 and signed on their behalf by:

DocuSigned by:

Susan E Reece

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Mrs S E Reece

Trustee

The notes on pages 12 to 19 form part of these financial statements.

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2023

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

LGA 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.

The financial statements are prepared in pounds sterling which is the functional currency of the charity and are rounded to the nearest £1.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the directors 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 Going concern

The financial statements have been prepared on a going concern basis.

Given the matters outlined in the trustees' report, the trustees have considered the additional risks presented and all factors they believe might reasonably impact upon the future outlook of the charity. The charity holds substantial investment assets but maintains sufficient cash reserves to allow it to meet its ongoing commitments. Investments remain high despite some strong market uncertainty consequently the directors have a reasonable expectation that the company 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.

1.4 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.

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.

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2023

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.6 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following basis:

Website - 3 years straight line

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the statement of financial activities incorporating income and expenditure account.

1.8 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.

1.9 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.

LGA Foundation
(A company limited by guarantee)

Notes to the financial statements
Year ended 5 April 2023

1. Accounting policies (continued)

1.10 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.

1.11 Fund accounting

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

1.12 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.

In preparing these financial statements the directors do not consider there were any significant areas of judgement or accounting estimates that were required in applying the company's accounting policies as set out above.

2. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	18,000	18,000	-

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2023

3. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Dividends	122,101	122,101	105,338
Interest received	6,525	6,525	255
	<u>128,626</u>	<u>128,626</u>	<u>105,593</u>
Total 2022	<u>105,593</u>	<u>105,593</u>	

4. Grants

	Grants 2023 £	Total funds 2023 £	Total funds 2022 £
Grants to beneficiaries	249,734	249,734	110,161
	<u>110,161</u>	<u>110,161</u>	
Total 2022	<u>110,161</u>	<u>110,161</u>	

Further details of large grants awarded, which are all to institutions, are given in the trustees' report.

5. Analysis of expenditure by activities

	Direct costs 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Grant-making activities	249,734	56,646	306,380	147,666
	<u>110,161</u>	<u>37,505</u>	<u>147,666</u>	
Total 2022	<u>110,161</u>	<u>37,505</u>	<u>147,666</u>	

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2023

5. Analysis of expenditure by activities (continued)

Analysis of direct costs

During the year, there were 36 grants (2022: 30) totalling £249,734 (2022: £110,161).

Analysis of support costs

	Grant-making activities 2023 £	Total funds 2023 £	Total funds 2022 £
Sundry costs	3,053	3,053	763
Grant administration and support	49,993	49,993	31,170
Audit and accountancy fees	3,600	3,600	3,600
Amortisation	-	-	1,972
	<u>56,646</u>	<u>56,646</u>	<u>37,505</u>
Total 2022	<u>37,505</u>	<u>37,505</u>	

6. Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	2,600	2,600
Fees payable to the company's auditor and its associates in respect of: All non-audit services not included above	<u>1,000</u>	<u>1,000</u>

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2023

7. Intangible assets

	Website £
Cost	
At 6 April 2022	5,916
At 5 April 2023	5,916
Amortisation	
At 6 April 2022	5,916
At 5 April 2023	5,916
Net book value	
At 5 April 2023	-
At 5 April 2022	-

8. Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2022	6,463,269
Additions	4,387,830
Disposals	(4,406,011)
Revaluations	(403,958)
At 5 April 2023	6,041,130
Net book value	
At 5 April 2023	6,041,130
At 5 April 2022	6,463,269

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2023

9. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	5,936	2,785
Accruals and deferred income	40,463	33,640
	<u>46,399</u>	<u>36,425</u>

10. Statement of funds

Statement of funds - current year

	Balance at 6 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2023 £
Unrestricted funds					
Designated funds					
Woodland Creation Project	<u>1,500,000</u>	<u>-</u>	<u>(7,205)</u>	<u>-</u>	<u>1,492,795</u>
General funds					
General Funds - all funds	<u>5,200,692</u>	<u>146,626</u>	<u>(336,337)</u>	<u>(402,956)</u>	<u>4,608,025</u>
Total Unrestricted funds	<u><u>6,700,692</u></u>	<u><u>146,626</u></u>	<u><u>(343,542)</u></u>	<u><u>(402,956)</u></u>	<u><u>6,100,820</u></u>

The woodland creation project is underway with an offer made on 120-acre plot of land in Northumberland. The aim of this project is to create a native woodland of at least 100 acres. This project will incur costs in addition to the purchase of the land relating to legal services, afforestation project management and grant applications. A budget of £1.5M restricted to this project will be used to purchase, the land, design the woodland, obtain all necessary approvals and available grants, facilitate stakeholder engagement processes, arrange and manage the woodland creation work on site and some future maintenance costs for ongoing upkeep.

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2023

10. Statement of funds (continued)

Statement of funds - prior year

	Balance at 6 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 5 April 2022 £
Unrestricted funds						
Designated funds						
Woodland Creation Project	-	-	-	1,500,000	-	1,500,000
General funds						
General funds	6,705,653	105,593	(187,912)	(1,500,000)	77,358	5,200,692
Total Unrestricted funds	<u>6,705,653</u>	<u>105,593</u>	<u>(187,912)</u>	<u>-</u>	<u>77,358</u>	<u>6,700,692</u>

11. Contingent liabilities

At the year end, the charity had pledged to fund £10,000 (2022: £28,100) of grants in FY23/24. These grants are contingent on the receiver meeting the performance conditions attached to the grants.

12. Related party transactions

During the year fees totalling £16,116 (2022: £11,001) were paid to J Flynn, trustee, for project costs associated with the woodland creation project and for services to the Foundation in relation to grant assessment and administration.

During the year fees totalling £24,414 (2022: £21,317) were paid to D Mackay, trustee, for services to the Foundation in relation to grant assessment and administration.

Reece Family Trust

England & Wales - Charity number 1139307

Accounts

LGA Foundation

(A company limited by guarantee)

Annual report

5 April 2022

LGA Foundation
(A company limited by guarantee)

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LGA Foundation

(A company limited by guarantee)

Reference and administrative details
Year ended 5 April 2022

Trustees

Mr J P Reece
Mrs S E Reece
Mr J Flynn
Ms D Mackay (appointed 9 August 2021)

Company registered number

07434158

Charity registered number

1139307

Registered office

6 Austen Way
Crook
County Durham
DL15 9UT

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

LGA Foundation

(A company limited by guarantee)

Trustees' report

Year ended 5 April 2022

The trustees present their annual report together with the audited financial statements of the company for the 6 April 2021 to 5 April 2022. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

● Policies and objectives

The object of the charity is to make grants for the benefit of the public for such charitable purposes as the trustees think fit. The trustees are particularly keen to support projects in the North East of England, reaching those in the region who are most disadvantaged.

The LGA Foundation supports causes helping the most disadvantaged through awarding grants across the North East of England with its main geographic focus on Tyneside and South Northumberland. During the year to 5 April 2022, its priority was supporting groups emerging from the Covid 19 pandemic and raising awareness of its activities to generate applications directly rather than via other funders. The Foundation requests feedback from its beneficiaries to assess the impact of its grant making and to inform future decisions. The Foundation does not have a formal grant making policy, with grants awarded by Trustees periodically following assessment and discussion.

The trustees confirm that they have had due regard to the law relating to public benefit and the Charity Commission's guidance on the subject.

● Main achievements of the company

During the year the Foundation gave a total of 30 (2021: 32) grants to support organisations. Larger grants are detailed below in the financial review. The grants aimed to ensure that key organisations were able to make necessary changes to allow them to return to providing services after being severely impacted by the restrictions imposed during the pandemic. The trustees consider that the grants made during the year met their objectives of supporting disadvantaged people across the North East and maintaining previous commitments to some organisations. The Foundation's investment returns were impacted by the pandemic, but the Trustees took the view that it was important to maintain its level of grant funding. The Trustees identified the need to be more flexible by offering funding extensions to organisations whose projects were delayed and, in some cases, cancelled during the pandemic. This delayed the commitment of year 2 funding in some cases, and we are still seeing projects being pushed back into 2023. All funding offers made by the Foundation will be honoured where projects can prove the aims and objectives have not changed.

● Key performance indicators

The entity's key performance indicators are the number of grants given in the financial year as outlined above.

LGA Foundation

(A company limited by guarantee)

Trustees' report (continued)
Year ended 5 April 2022

Achievements and performance

• Going concern

The trustees have considered the ongoing impact of external environmental factors (such as Covid-19 and the war in Ukraine) and the potential impact on investment returns over the coming months and are confident that the charity has sufficient liquidity to meet existing and future committed grant awards and charitable activities.

After considering the above and making appropriate enquiries, the trustees have a reasonable expectation that the company 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. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

• Reserves policy

The Foundation has no fixed cost base and employs no staff. Consequently it has no need to hold reserves to cover future costs. At 5 April 2022 unrestricted reserves stood at £6,714,912 (2021: £6,705,653) of which £6,463,269 (2021: £6,514,719) are tied up in investments held for future income generation and £273,848 (2021: £220,886) is held as cash.

General reserves of £5,199,269 (2021: £6,705,653) are held at high levels at year end due to the present and future uncertainty in the investment market. The trustees have taken into account this uncertainty and consider the levels of reserves held mitigates the risk that the charity can not fulfil its charitable purpose.

• Financial review

During the year the charity received donations of £nil (2021: £1,237,215) in the form of shares from trustees, investment income of £105,593 (2021: £100,168) and made grants totalling £110,161 (2021: £176,861).

Charitable causes supported include the welfare and development of vulnerable young people, carers and disadvantaged women. The following grants over £10,000 have been made in the year:

Big River Bakery	£12,000
Footsteps	£10,000
Smart Works Newcastle	£10,000
Caring Hands	£10,000
Jobes Boxing & Fitness Gym	£10,000

As well as supporting projects known to the Foundation, the Trustees were keen to explore funding relationships with organisations that were new to them. More activity through the website, social media and the press was agreed in a bid to generate applications from new projects.

• Material investments policy

The trustees work closely with their appointed investment managers in order to maximise the future returns to the charity. Investments are held for income generation to support the activities of the charity in the long term. The trustees meet with the investment managers on an annual basis to discuss the portfolio including social, environmental and ethical considerations taken into account when investing.

LGA Foundation

(A company limited by guarantee)

Trustees' report (continued)
Year ended 5 April 2022

• Plans for future periods

We will continue to focus on youth charities, women's charities and other community organisations that can help us deliver our purpose of building stronger, healthier communities in deprived areas of Tyneside and the wider North East region we support. It is our aim to elevate the Foundation's reputation to encourage more projects to come forward for funding. The trustees plan to review mental health provision and support for men and young boys in 22/23 and identify any opportunities for funding in the future.

The woodland creation project remains firmly on the agenda, although delayed in 2021 by sellers demanding very high prices for land as commercial buyers increased activity. This has moved forward in 2022 with an offer made currently on a 120-acre plot of land in Northumberland. This project has been approved to a cost of circa £1M, although government grants may be available to fund some parts of the project, the finer details of which are yet to be agreed.

A new microgrants system has been publicised to engage smaller community groups awarding up to £2k donations monthly.

Structure, governance and management

• Constitution

The company is a charitable company limited by guarantee. The company was incorporated on 9 November 2010 and is governed by the Memorandum and Articles of Association. The board of directors are the charity trustees and make decisions on behalf of the charity collectively.

• Method of appointment or election of trustees

The future appointment of trustees is to be made by the founding trustees during their lifetime. During the year, Dianne Mackay was appointed to the board.

• Principle risks and uncertainties

The trustees consider that they have identified the major risks to the charity and have established sufficient controls to mitigate these risks.

LGA Foundation

(A company limited by guarantee)

Trustees' report (continued) Year ended 5 April 2022

Statement of trustees' responsibilities

The trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the trustees' 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 . 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 company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable charity's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

The auditor, UNW LLP, has indicated its willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees on 16 December 2022 and signed on their behalf by:

DocuSigned by:

Susan E Reece

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Mrs S E Reece
Trustee



Independent auditor's report to the Members of LGA Foundation

Opinion

We have audited the financial statements of LGA Foundation ('the charitable company') for the year ended 5 April 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, 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 5 April 2022 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 United Kingdom, including the Financial Reporting Council'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.



Independent auditor's report to the Members of LGA Foundation (continued)

Other information

The other information comprises the information included in the 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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.



Independent auditor's report to the Members of LGA Foundation (continued)

Auditor's 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.

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

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the directors and other management (as required by Auditing Standards) and from inspection of the charity's legal correspondence and we discussed with the directors and other management the policies and procedures in place regarding compliance with the laws and regulations. We communicated identified laws and regulations throughout our audit team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; health and safety, employment law, data protection, environmental law and certain aspects of company legislation, recognising the nature of the charity's activities. Auditing Standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Through these procedures we did not become aware of any actual or suspected non-compliance material to the financial statements.

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 located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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



Independent auditor's report to the Members of LGA Foundation (continued)

DocuSigned by:

Anne Hallowell

59C7DD6C467F49E...

Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)

for and on behalf of UNW LLP, Statutory Auditor

Chartered Accountants

Newcastle upon Tyne

16 December 2022

LGA Foundation

(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account) Year ended 5 April 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	2	-	-	1,237,215
Investments	3	105,593	105,593	100,168
Total income		105,593	105,593	1,337,383
Expenditure on:				
Investment management expenses		40,246	40,246	29,391
Charitable activities		147,666	147,666	219,451
Total expenditure		187,912	187,912	248,842
Net (expenditure)/income before net gains on investments		(82,319)	(82,319)	1,088,541
Net gains on investments		77,358	77,358	846,823
Net movement in funds		(4,961)	(4,961)	1,935,364
Reconciliation of funds:				
Total funds brought forward		6,705,653	6,705,653	4,770,289
Net movement in funds		(4,961)	(4,961)	1,935,364
Total funds carried forward		6,700,692	6,700,692	6,705,653

All funds in both years are unrestricted.

The notes on pages 12 to 20 form part of these financial statements.

LGA Foundation**(A company limited by guarantee)****Balance sheet****At 5 April 2022**

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	7	-	1,972
Investments	8	6,463,269	6,514,698
		6,463,269	6,516,670
Current assets			
Debtors	9	-	21
Cash at bank and in hand		273,848	220,886
		273,848	220,907
Creditors: amounts falling due within one year	10	(36,425)	(31,924)
Net current assets		237,423	188,983
Net assets		6,700,692	6,705,653
Charity funds			
Restricted funds	11	-	-
Unrestricted funds	11	6,700,692	6,705,653
Total funds		6,700,692	6,705,653

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

The financial statements were approved and authorised for issue by the trustees on 16 December 2022 and signed on their behalf by:

DocuSigned by:

 243D64DACE81439...
Mrs S E Reece
 Trustee

The notes on pages 12 to 20 form part of these financial statements.

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements **Year ended 5 April 2022**

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

LGA 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.

The financial statements are prepared in pounds sterling which is the functional currency of the charity and are rounded to the nearest £1.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the directors 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 Going concern

The financial statements have been prepared on a going concern basis.

Given the matters outlined in the trustees' report, the trustees have considered the additional risks presented and all factors they believe might reasonably impact upon the future outlook of the charity. The charity holds substantial investment assets but maintains sufficient cash reserves to allow it to meet its ongoing commitments. Investment values remain at strong levels consequently the directors have a reasonable expectation that the company 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.

1.4 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.

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.

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2022

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.6 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following basis:

Amortisation is provided on the following basis:

Website	-	% 3 years straight line
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1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the statement of financial activities incorporating income and expenditure account.

1.8 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.

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2022

1. Accounting policies (continued)

1.9 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.

1.10 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.

1.11 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.

1.12 Fund accounting

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

1.13 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.

In preparing these financial statements the directors do not consider there were any significant areas of judgement or accounting estimates that were required in applying the company's accounting policies as set out above.

2. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	-	-	1,237,215
	<u> </u>	<u> </u>	<u> </u>
Total 2021	1,237,215	1,237,215	
	<u> </u>	<u> </u>	

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2022

3. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Dividends	105,338	105,338	99,790
Interest received	255	255	378
	<u>105,593</u>	<u>105,593</u>	<u>100,168</u>
Total 2021	<u>100,168</u>	<u>100,168</u>	

4. Grants

	Grants 2022 £	Total funds 2022 £	Total funds 2021 £
Grants to beneficiaries	110,161	110,161	176,861
	<u>110,161</u>	<u>110,161</u>	<u>176,861</u>
Total 2021	<u>176,861</u>	<u>176,861</u>	

Further details of grants awarded, which are all to institutions, are given in the trustees' report.

5. Analysis of expenditure by activities

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Grant-making activities	110,161	37,505	147,666	219,451
	<u>110,161</u>	<u>37,505</u>	<u>147,666</u>	<u>219,451</u>
Total 2021	<u>176,861</u>	<u>42,590</u>	<u>219,451</u>	

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2022

5. Analysis of expenditure by activities (continued)

Analysis of direct costs

During the year, there were 30 grants (2021: 32) totalling £110,161 (2021: £176,861).

Analysis of support costs

	Grant-making activities 2022 £	Total funds 2022 £	Total funds 2021 £
Sundry costs	763	763	4,010
Grant administration and support	31,170	31,170	33,539
Audit and accountancy fees	3,600	3,600	3,069
Amortisation	1,972	1,972	1,972
	<u>37,505</u>	<u>37,505</u>	<u>42,590</u>
Total 2021	<u>42,590</u>	<u>42,590</u>	

6. Independent Examiner's remuneration

	2022 £	2021 £
Fees payable to the company's independent examiner and its associates for the audit of the company's annual accounts	2,600	2,600
Fees payable to the company's auditor and its associates in respect of: All non-audit services not included above	<u>1,000</u>	<u>1,000</u>

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2022

7. Intangible assets

	Website £
Cost	
At 6 April 2021	5,916
At 5 April 2022	5,916
Amortisation	
At 6 April 2021	3,944
Charge for the year	1,972
At 5 April 2022	5,916
Net book value	
At 5 April 2022	-
At 5 April 2021	1,972

8. Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2021	6,514,698
Additions	3,081,024
Disposals	(3,121,214)
Revaluations	(11,239)
At 5 April 2022	6,463,269
Net book value	
At 5 April 2022	6,463,269
At 5 April 2021	6,514,698

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2022

9. Debtors

	2022 £	2021 £
Prepayments and accrued income	-	21
	<u>-</u>	<u>21</u>

10. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	2,785	5,242
Accruals and deferred income	33,640	26,682
	<u>36,425</u>	<u>31,924</u>

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2022

11. Statement of funds

Statement of funds - current year

	Balance at 6 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 5 April 2022 £
Unrestricted funds						
Designated funds						
Woodland Creation Project	-	-	-	1,500,000	-	1,500,000
General funds						
General funds	6,705,653	105,593	(187,912)	(1,500,000)	77,358	5,200,692
Total Unrestricted funds	6,705,653	105,593	(187,912)	-	77,358	6,700,692

The woodland creation project is underway with an offer made on 120-acre plot of land in Northumberland. The aim of this project is to create a native woodland of at least 100 acres. This project will incur costs in addition to the purchase of the land relating to legal services, afforestation project management and grant applications. A budget of £1.5M restricted to this project will be used to purchase, the land, design the woodland, obtain all necessary approvals and available grants, facilitate stakeholder engagement processes, arrange and manage the woodland creation work on site and some future maintenance costs for ongoing upkeep.

Statement of funds - prior year

	Balance at 6 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2021 £
Unrestricted funds					
General funds	4,770,289	1,337,383	(248,842)	846,823	6,705,653

12. Contingent liabilities

At the year end, the charity had pledged to fund £28,100 (2021: £nil) of grants in FY22/23. These grants are contingent on the receiver meeting the performance conditions attached to the grants.

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements

Year ended 5 April 2022

13. Related party transactions

During the year fees totalling £11,001 (2021: £10,706) were paid to J Flynn, trustee, for services to the Foundation in relation to grant assessment and administration.

During the year fees totalling £21,317 were paid to D Mackay, trustee, for services to the Foundation in relation to grant assessment and administration.

During the year donations of £nil were received from JP and SE Reece (2021: £1,237,215).

Reece Family Trust

England & Wales - Charity number 1139307

Accounts

LGA Foundation

(A company limited by guarantee)

Annual report

5 April 2021

LGA Foundation
(A company limited by guarantee)

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LGA Foundation

(A company limited by guarantee)

Reference and administrative details
Year ended 5 April 2021

Trustees

Mr J P Reece
Mrs S E Reece
Mr J Flynn
Ms Dianne Mackay (appointed 9 August 2021)

Company registered number

07434158

Charity registered number

1139307

Registered office

6 Austen Way
Crook
County Durham
DL15 9UT

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

LGA Foundation

(A company limited by guarantee)

Trustees' report Year ended 5 April 2021

The trustees present their annual report together with the audited financial statements of the company for the year 6 April 2020 to 5 April 2021. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

● Policies and objectives

The object of the charity is to make grants for the benefit of the public for such charitable purposes as the trustees think fit. The trustees are particularly keen to support projects in the North East of England, reaching those in the region who are most disadvantaged.

The LGA Foundation aims to support causes helping the most disadvantaged across the North East of England through awarding grants. During the year to 5 April 2021 it's focus was on supporting groups through the impact of the Covid 19 pandemic. LGA requests feedback from it's beneficiaries in order to assess the impact of its grant making and to inform future decisions. The Foundation does not have a formal grant making policy, with grants awarded by Trustees periodically following assessment and discussion.

The trustees confirm that they have had due regard to the law relating to public benefit and the Charity Commission's guidance on the subject.

● Main achievements of the company

During the year the Foundation gave a total of 32 (2020: 22) grants to support organisations during the pandemic. Larger grants are detailed below in the financial review. The grants aimed to ensure that key organisations were able to continue to provide services during this difficult period and would survive into the future. The trustees consider that the grants made during the year met their objectives of supporting disadvantaged people across the North East and maintaining previous commitments to some organisations. Whilst the pandemic has impacted many organisations, the Foundation has remained largely unaffected and has been able to maintain its level of grant funding.

● Key performance indicators

The entity's key performance indicators are the number of grants given in the financial year as outlined above.

LGA Foundation

(A company limited by guarantee)

Trustees' report (continued)
Year ended 5 April 2021

Achievements and performance

• Going concern

Covid-19 has significantly impacted the UK. Whilst initially this has impacted both the valuation of investments and the expected future cash flows and income of the Foundation the trustees have considered the ongoing impact of Covid-19 and the potential impact on investment returns over the coming months and are confident that the charity has sufficient liquidity to meet existing and future committed grant awards and charitable activities.

After considering the above and making appropriate enquiries, the trustees have a reasonable expectation that the company 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. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

• Reserves policy

The Foundation has no fixed cost base and employs no staff. Consequently it has no need to hold reserves to cover future costs. At 5 April 2021 unrestricted reserves stood at £6,705,653 (2020:£4,770,289) of which £6,514,719 (2020:£3,673,607) are tied up in investments held for future income generation and £220,886 (2020:£1,105,929) is held as cash.

• Financial review

During the year the charity received donations of £1,237,215 (2020:£82,411) in the form of shares from trustees, investment income of £100,168 (2020:£88,892) and made grants totalling £176,861 (2020:£153,935).

During the COVID-19 outbreak we paused our normal core funding programme while we distributed emergency funding to charities and community groups who were supporting some of the most vulnerable people in our communities whilst maintaining grant funding to organisations we had already made commitments to. Charitable causes supported include the welfare and development of vulnerable young people, carers and disadvantaged women. The following grants over £10,000 have been made in the year:

Urban Green	£16,650
North Benwell Youth Project	£15,000
Kids Cabin	£15,000
Northbourne Youth Initiative	£15,000
Denton Youth & Community Project Limited	£10,000
Calvert Trust	£10,000
Rape Crisis Tyneside and Northumberland	£10,000
Newcastle Women's Aid	£10,000
Acorns Project	£10,000
Tyneside Women's Health	£10,000
Wearside Women in Need	£10,000
The Angelou Centre	£10,000

• Material investments policy

The trustees work closely with their appointed investment managers in order to maximise the future returns to the charity. Investments are held for income generation to support the activities of the charity in the long term. The trustees meet with the investment managers on an annual basis to discuss the portfolio including social, environmental and ethical considerations taken into account when investing.

LGA Foundation

(A company limited by guarantee)

Trustees' report (continued)
Year ended 5 April 2021

● Plans for future periods

We will continue to focus on youth charities, women's charities and other community organisations that can help us deliver our purpose of building stronger, healthier communities in deprived areas of Tyneside and the wider north east region we support.

Looking further ahead, the nationwide lockdown in response to the COVID-19 pandemic has heightened awareness of the importance of nature for people's health and wellbeing. Given the urgent need for action on both climate and biodiversity as well as the public health benefits that ensue, the trustees will continue exploring opportunities to deliver a significant woodland creation project in the north east of England in the foreseeable future. Work on this project to identify a suitable site commenced during the year to 5 April 2021 and will be actively pursued through 2021/22.

Structure, governance and management

● Constitution

The company is a charitable company limited by guarantee. The company was incorporated on 9 November 2010 and is governed by the Memorandum and Articles of Association. The board of directors are the charity trustees and make decisions on behalf of the charity collectively.

● Method of appointment or election of trustees

The future appointment of trustees is to be made by the founding trustees during their lifetime. During the year, Dianne Mackay was appointed to the board.

● Policies adopted for the induction and training of trustees

New trustees are fully briefed by the existing trustees on the aims, objectives and finances of the Foundation. Further training is considered on a needs basis.

● Principle risks and uncertainties

The trustees consider that they have identified the major risks to the charity and have established sufficient controls to mitigate these risks.

LGA Foundation

(A company limited by guarantee)

Trustees' report (continued) Year ended 5 April 2021

Statement of trustees' responsibilities

The trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the trustees' 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. 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 company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable charity's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

The auditor, UNW LLP, has indicated its willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees on 28 January 2022 and signed on their behalf by:

DocuSigned by:

Susan E Reece

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Mrs S E Reece
Trustee



Independent auditor's report to the Members of LGA Foundation

Opinion

We have audited the financial statements of LGA Foundation ('the charitable company') for the year ended 5 April 2021 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, 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 5 April 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 United Kingdom, including the Financial Reporting Council'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.



Independent auditor's report to the Members of LGA Foundation (continued)

Other information

The other information comprises the information included in the 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 trustees' 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 trustees' report and from the requirement to prepare a strategic report.



Independent auditor's report to the Members of LGA Foundation (continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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.

Auditor's 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.

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

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the trustees and other management (as required by auditing standards) and from inspection of the charitable company's legal correspondence, and we discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; data protection and certain aspects of company legislation, recognising the nature of the charitable company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Through these procedures, we became aware of actual or suspected non-compliance and considered the effect as part of our procedures on the related financial statement items. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in any further disclosure within our report or the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely



Independent auditor's report to the Members of LGA Foundation (continued)

the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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

DocuSigned by:

Anne Hallowell

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**Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor**

Chartered Accountants
Newcastle upon Tyne

28 January 2022

LGA Foundation

(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account) Year ended 5 April 2021

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Donations and legacies	2	1,237,215	1,237,215	82,411
Investments	3	100,168	100,168	88,892
Total income		1,337,383	1,337,383	171,303
Expenditure on:				
Investment management expenses		29,391	29,391	25,096
Charitable activities		219,451	219,451	182,259
Total expenditure		248,842	248,842	207,355
Net income/(expenditure) before net gains/(losses) on investments		1,088,541	1,088,541	(36,052)
Net gains/(losses) on investments		846,823	846,823	(313,593)
Net movement in funds		1,935,364	1,935,364	(349,645)
Reconciliation of funds:				
Total funds brought forward		4,770,289	4,770,289	5,119,934
Net movement in funds		1,935,364	1,935,364	(349,645)
Total funds carried forward		6,705,653	6,705,653	4,770,289

All funds in both years are unrestricted.

The notes on pages 13 to 21 form part of these financial statements.

LGA Foundation

(A company limited by guarantee)

Balance sheet

At 5 April 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	7	1,972	3,944
Investments	8	6,514,698	3,673,607
		<u>6,516,670</u>	<u>3,677,551</u>
Current assets			
Debtors	9	21	-
Cash at bank and in hand		220,886	1,105,929
		<u>220,907</u>	<u>1,105,929</u>
Creditors: amounts falling due within one year	10	(31,924)	(13,191)
Net current assets		<u>188,983</u>	<u>1,092,738</u>
Net assets		<u><u>6,705,653</u></u>	<u><u>4,770,289</u></u>
Charity funds			
Restricted funds	11	-	-
Unrestricted funds	11	6,705,653	4,770,289
Total funds		<u><u>6,705,653</u></u>	<u><u>4,770,289</u></u>

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

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

The financial statements were approved and authorised for issue by the trustees on 28 January 2022 and signed on their behalf by:

DocuSigned by:

Susan E Reece

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Mrs S E Reece

Trustee

The notes on pages 13 to 21 form part of these financial statements.

LGA Foundation

(A company limited by guarantee)

Statement of cash flows Year ended 5 April 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	1,009,057	380,091
Cash flows from investing activities		
Dividends, interests and rents from investments	100,168	88,892
Proceeds from sale of investments	4,276,788	3,319,943
Purchase of investments	(6,271,056)	(3,290,910)
Net cash (used in)/provided by investing activities	(1,894,100)	117,925
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(885,043)	498,016
Cash and cash equivalents at the beginning of the year	1,105,929	607,913
Cash and cash equivalents at the end of the year	220,886	1,105,929

The notes on pages 13 to 21 form part of these financial statements

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

LGA 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.

The financial statements are prepared in pounds sterling which is the functional currency of the charity and are rounded to the nearest £1.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the directors 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 Going concern

The financial statements have been prepared on a going concern basis.

Given the matters outlined in the trustees' report, particularly those in relation to Covid-19, the trustees have considered the additional risks presented and all factors they believe might reasonably impact upon the future outlook of the charity. The charity holds substantial investment assets but maintains sufficient cash reserves to allow it to meet its ongoing commitments. Despite the volatility in the investment market since the year end, investment values have recovered to be comparable with their levels at the balance sheet date and consequently the directors have a reasonable expectation that the company 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.

1.4 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.

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.

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2021

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

1.6 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following basis:

Website	-	3 years straight line
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1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the statement of financial activities incorporating income and expenditure account.

1.8 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.

1.9 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.

1.10 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.

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2021

1. Accounting policies (continued)

1.11 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.

1.12 Fund accounting

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

1.13 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.

In preparing these financial statements the directors do not consider there were any significant areas of judgement or accounting estimates that were required in applying the company's accounting policies as set out above.

2. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	1,237,215	1,237,215	72,500
Gift aid	-	-	9,911
	<u>1,237,215</u>	<u>1,237,215</u>	<u>82,411</u>
Total 2020	<u>82,411</u>	<u>82,411</u>	

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2021

3. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Dividends	99,790	99,790	83,537
Interest received	378	378	5,355
	<u>100,168</u>	<u>100,168</u>	<u>88,892</u>
Total 2020	<u>88,892</u>	<u>88,892</u>	

4. Grants

	Grants 2021 £	Total funds 2021 £	Total funds 2020 £
Grants to beneficiaries	176,861	176,861	153,935
	<u>176,861</u>	<u>176,861</u>	<u>153,935</u>
Total 2020	<u>153,935</u>	<u>153,935</u>	

Further details of grants awarded, which are all to institutions, are given in the trustees' report.

5. Analysis of expenditure by activities

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Grant-making activities	176,861	42,590	219,451	182,259
	<u>176,861</u>	<u>42,590</u>	<u>219,451</u>	<u>182,259</u>
Total 2020	<u>153,935</u>	<u>28,324</u>	<u>182,259</u>	

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2021

5. Analysis of expenditure by activities (continued)

Analysis of direct costs

During the year, there were 32 grants (2020:22) totalling £176,861 (2020:£153,934).

Analysis of support costs

	Grant-making activities 2021 £	Total funds 2021 £	Total funds 2020 £
Sundry costs	4,010	4,010	1,760
Legal and professional fees	33,539	33,539	14,782
Audit and accountancy fees	3,069	3,069	9,810
Amortisation	1,972	1,972	1,972
	<u>42,590</u>	<u>42,590</u>	<u>28,324</u>
Total 2020	<u>28,324</u>	<u>28,324</u>	

6. Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor for the audit of the company's annual accounts	2,600	2,600
Fees payable to the company's auditor in respect of:		
All taxation advisory services not included above	-	6,210
All non-audit services not included above	1,000	1,000

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2021

7. Intangible assets

	Website £
Cost	
At 6 April 2020	5,916
At 5 April 2021	<u>5,916</u>
Amortisation	
At 6 April 2020	1,972
Charge for the year	1,972
At 5 April 2021	<u>3,944</u>
Net book value	
At 5 April 2021	<u><u>1,972</u></u>
At 5 April 2020	<u><u>3,944</u></u>

8. Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2020	3,673,607
Additions	6,271,056
Disposals	(3,804,325)
Revaluations	374,360
At 5 April 2021	<u><u>6,514,698</u></u>
Net book value	
At 5 April 2021	<u><u>6,514,698</u></u>
At 5 April 2020	<u><u>3,673,607</u></u>

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2021

9. Debtors

	2021 £	2020 £
Prepayments and accrued income	21	-

10. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	5,242	8,928
Accruals and deferred income	26,682	4,263
	31,924	13,191

11. Statement of funds

Statement of funds - current year

	Balance at 6 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2021 £
Unrestricted funds					
General funds	4,770,289	1,337,383	(248,842)	846,823	6,705,653

Statement of funds - prior year

	Balance at 6 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2020 £
Unrestricted funds					
General Funds	5,119,934	171,303	(207,355)	(313,593)	4,770,289

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2021

12. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Intangible fixed assets	1,972	1,972
Fixed asset investments	6,514,698	6,514,698
Current assets	220,907	220,907
Creditors due within one year	(31,924)	(31,924)
Total	6,705,653	6,705,653

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Total funds 2020 £
Intangible fixed assets	3,944	3,944
Fixed asset investments	3,673,607	3,673,607
Current assets	1,105,929	1,105,929
Creditors due within one year	(13,191)	(13,191)
Total	4,770,289	4,770,289

LGA Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 5 April 2021

13. 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)	1,935,364	(349,645)
Adjustments for:		
Amortisation charges	1,972	1,972
Gains/(losses) on investments	(846,823)	313,593
Dividends, interests and rents from investments	(100,168)	(88,892)
Decrease/(increase) in debtors	(21)	500,000
Increase in creditors	18,733	3,063
Net cash provided by operating activities	1,009,057	380,091

14. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	220,886	1,105,929

15. Analysis of changes in net debt

	At 6 April 2020 £	Cash flows £	At 5 April 2021 £
Cash at bank and in hand	1,105,929	(885,043)	220,886

16. Related party transactions

During the year fees totalling £10,706 (2020: £7,615) were paid to J Flynn, trustee, for services to the Foundation.

During the year donations of £1,237,215 was received from JP and SE Reece (2020: £72,500 from J P Reece, trustee, via Reece Group Limited).

