



Trustees' Report and Financial Statements For Cheshire Community Foundation Limited

(A company limited by guarantee)

For the year ended **31 December 2020**



Registered number: 07731278 | Charity number: 1143711

CONTENTS

Page Number

Legal and Administrative Information	3
Trustees' Report	4
Auditors' Report	14
Statement of Financial Activities	
Balance Sheet	
Cash Flow Statement	
Notes Forming Part of the Financial Statements	

CHESHIRE COMMUNITY FOUNDATION LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

LEGAL AND ADMINISTRATIVE INFORMATION

Registered Charity No:	1143711	
Registered Company No:	07731278	
Registered Office:	Sension House, Denton Drive, Northwich, Cheshire, CW9 7LU	
Trustees:	Howard Platt D.L. Andrew Butters Diane Brown Nick Mason Sarah Callander Beckett D.L. Jeannie France-Hayhurst Sean Humphreys Terry Inns	Chair Treasurer Chair of Grants Panel

The directors of the charitable company, Cheshire Community Foundation Limited (the Foundation), are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees.

Executives:	Zoe Sheppard Margaret Cheshire Angela Richardson	Chief Executive Chief Operations Officer Grants Director
Solicitors:	Gorvins Solicitors, Dale House, Tiviot Dale, Stockport SK1 1TA	
Bankers:	Santander, Bootle, Merseyside L30 4GB	
Auditors:	Beever and Struthers Chartered Accountants, St George's House 215-219 Chester Road, Manchester M15 4JE	
Investment Managers:	CCLA, Senator House, 85 Queen Victoria Street, London, EC4V 4ET	
Company Secretary:	Charles Agar, FDR Law, 1-5 Palmyra Square South, Warrington, WA1 1BZ	

CHESHIRE COMMUNITY FOUNDATION LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees of Cheshire Community Foundation (CCF), who are also Directors of the Foundation for the purposes of the Companies Act, are pleased to present their Annual Report for the year ended 31 December 2020.

Introduction and Overview of 2020

Since the Foundation started grant-making in October 2012 we have awarded over **£8 million** in grants to **1,449** grantees. We have provided funds for voluntary and community organisations, charities, and social enterprises, who are working to address priority needs in Cheshire and Warrington and for whom a small amount of money can make a really big difference.

2020 was an exceptional year for CCF. The charity adapted its approach with the emergence and development of the Covid-19 pandemic to raise funds and ensure appropriate grant-making processes were in place to respond to local needs that transpired and changed over the year. The incredible hard work, commitment and flexibility of the staff team and their effective relationships with a wide range of donors, funding partners, statutory organisations, infrastructure organisations and local charities made a significant contribution to the overall results achieved.

CCF were delighted to manage a successful Cheshire & Warrington Covid-19 fund-raising campaign instigated by the Lord Lieutenant and the High Sheriff of Cheshire. The generosity of local donors for the Appeal, and, in December, the End Food Poverty Appeal, enabled CCF to raise more than **£645,000** locally. The Steve Morgan Foundation's offer to support this appeal was much appreciated and enabled an innovative partnership approach, securing over £210,000 for grant-making.

Our Cheshire Minds Matter appeal was launched during the year and raised **£419,000** of funds towards building the capacity of the voluntary sector and improving partnerships to support mental wellbeing. This ensures that people's mental health problems are managed quickly, long-term negative outcomes are minimised and everybody, no matter how disadvantaged, is able to access appropriate services, particularly in view of the current economic conditions, where unemployment and poverty and disadvantage have had a huge impact on mental health. The need has become more acute because of the pandemic.

As a member of the network UK Community Foundations, CCF were pleased to distribute over **£800,000** of national funding, with significant support from the National Emergencies Trust and Department of Culture, Media and Sport, to enable grants to local charities responding to Covid-19.

Additionally, CCF were delighted to secure a 5-year partnership with Assura plc, to manage their national community grants programme and local giving. The programme is supporting people of all ages including vulnerable people affected by the Covid-19 pandemic who need support for their mental health and wellbeing post-covid-19, people with mild to moderate depression and anxiety, people with long-term and enduring mental health problems, people that frequently use primary care services, vulnerable groups and people who are socially isolated (low-income single mothers, recently bereaved elderly people, people with chronic physical illness, those recently made redundant, those with caring responsibilities, new communities and people living in places with the highest levels of disadvantage (due to income deprivation, poorly paid jobs, lack of access to support) who are often at a much higher risk of experiencing mental health problems.

What CCF does

Our expertise is in ensuring that the money received from donors is directed towards making the biggest difference to people's lives. Our core activity involves connecting the people who want to give with the most effective grass-roots charities and not-for-profit organisations, directly helping those most in need, whilst enabling our donors to feel proud that they have made a real difference.

CHESHIRE COMMUNITY FOUNDATION LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

Our aim is to make giving to charity an enjoyable, uplifting experience, where our donors can see how vulnerable lives are changed as a direct result of the donations they make. Investing wisely in charities is not as easy as it sounds, and we are conscious that our donors do not have the time to manage incoming requests for support, pore over charity accounts and business plans, review budgets and project plans, check governance and make sure that the money awarded is spent as it was intended. We manage all aspects of the process for our donors such as due diligence, payments, and project monitoring, whilst sharing the project impact, successes and stories of the people helped through the donations made.

CCF offers individuals, families, corporates, charitable trusts and foundations the opportunity to outsource their charitable giving, ensuring that their investment in the local community is well informed, focused and supported by comprehensive reporting, giving donors complete confidence that they really have changed the lives of people who need our help. We can advise donors on where the acute needs are in Cheshire and Warrington, so their fund can be used to address priority areas of need in our local community. Alternatively, if donors are clear on the cause(s) they would like to support, we can connect them to voluntary organisations that support the people they are passionate about helping.

Understanding need in Cheshire and Warrington

We continue to work closely with public sector partners, key expert stakeholders and donors to decide on the impact, types of projects and beneficiaries to be supported which include young people; older people; people with disabilities; people with mental health issues. We advise our donors where the areas of real need are in Cheshire and Warrington, so they can rest assured that they will be supporting vulnerable people who really need their help. Our agreed long-term aims are:

- To improve mental health and wellbeing.
- To tackle poverty and disadvantage.
- To help to develop education, skills, and employment.
- To build stronger communities across Cheshire.

In 2020 CCF recognised the need to support the voluntary sector with emergency relief and longer-term strategic funding to enable charities within the sector to adapt and thrive during the Covid-19 pandemic.

Fundraising

We aim to increase donations to existing funds, set up new funds and encourage donations into our Trustee Managed Fund and have been inspired by the generosity of donors in the past year. It is important to us that our donors are engaged in the work CCF does and are proud of the difference their donation makes. There has been an increase in the value of repeat donations from donors, who have provided feedback saying they are delighted with the service we provide.

We have been pleased to build partnerships with Charitable Trusts, Foundations and other funders and provide an effective grant management service to organisations such as Assura to assist in their charitable giving. During the year we have worked collaboratively either to share information about our grant making, to avoid duplication and overlap and/or to support other funders to distribute funds through grants programmes and match funding initiatives, working with MBNA Foundation, Steve Morgan Foundation, Holroyd Foundation, Westminster Foundation and The Chester Bluecoat Charity.

Our objective is to provide a valuable service for donors and maintain our strong sustainable financial position by ensuring that we have sufficient unrestricted funds available to meet our operational costs. We aim to have a robust grant making processes with appropriate due diligence to make sure every penny is well spent in making a difference. In 2020 we have further developed our relationship with the three local authorities in Cheshire East, Cheshire West and Chester and Warrington to understand the support available from the local authorities and governmental resources.

CHESHIRE COMMUNITY FOUNDATION LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

We recognise the importance of taking a longer-term approach and we were pleased to complete fund-raising activities for the third year of the Young Minds Matter programme following the positive feedback and evaluation of the programme. In order to support our longer-term strategies, we aim to further add to our endowment funds as this will assist sustained grant making.

Giving options

We are always grateful for all donations, of any value.

- Donations to Core Costs, which are always welcome as they help to support our dedicated team.
- Regular donations to the Cheshire 100 Club, which contribute towards core costs.
- On-line donations to campaigns such as the Covid-19 Emergency Response.
- Donations under £10,000 can be given to support any of our general funds, for example, our Small Grants Programme, and donors receive an annual report to advise how the money in that fund has been spent.
- Alternatively, donors can set up their own fund from £10,000 upwards, where they can decide on what they would like to support and over what duration they would like the fund to be spent. Again, we offer 12 monthly reporting and liaise with our donors during our rounds of grant-making (when we decide on which voluntary organisations will be supported), to agree with our donors which projects they would like to support.
- Endowment funds can be set up for larger funds or where donors are looking to provide longer-term support for the local community.

Other opportunities for investment

CCF's Grants Programmes: Supporting a wide and diverse range of projects tackling multiple disadvantages across Cheshire.

Trustee Managed Funds: Donors have the option of donating into a fund which is managed by our Trustees, who make the decisions about how the money should be used to create the greatest impact.

Geographic Funds: Provide a way for both individuals and companies to pool resources to make a bigger impact in places where they live or work. **The Knutsford Fund** was a new geographical fund operational in 2020 for the first time and operates alongside the **Cheshire West Fund** already in place.

Donor Directed Funds: In 2020 we were able to continue to help our donors support projects that fall within the remit of the aims and objectives of their funds. We have been delighted to be able to support Assura PLC, based in Warrington, by managing a new £3 million fund on their behalf over three years. The Assura Community Fund distributes grants to charitable organisations supporting wellbeing, that are situated within 15 miles of an Assura building.

We are pleased also to continue to assist Bentley Motors to maximise their generous donations by supporting charities within a 20-mile radius of the Bentley Headquarters in Crewe.

Our priorities in 2020

Our biggest priority during 2020 was responding to the impact of Covid-19. Cheshire Community Foundation, as part of the UK Community Foundation network, were pleased to be involved in supporting the community response to the Pandemic. Our President, Lord Lieutenant David Briggs and Nick Hopkinson, High Sheriff of Cheshire for 2020, spearheaded a fundraising appeal managed by the Foundation, to enable grant making activity for those impacted by the pandemic and a launched a further appeal specifically to support food poverty.

CHESHIRE COMMUNITY FOUNDATION LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Foundation also distributed funds allocated to Cheshire and Warrington to support vulnerable people affected by the pandemic from the National Emergencies Trust, Department of Culture Media and Sport, Barclays Bank, Cooperative Bank, Bentley Motors, Assura PLC and our many of our existing, generous donors.

A significant proportion of funds awarded (£951,803) supported people affected by the Covid-19 Pandemic.

Mental health

CCF had previously identified mental health within our communities as the area that required the most urgent support and the impact of Covid-19 required that this remained a priority. The link between poverty and disadvantage and mental health is acknowledged although it is an area that is often misunderstood where conditions are hard to identify and where people are often confused and reluctant to seek help. Mental health can have widespread repercussions which go far beyond the individual. Although mental health issues are very personal, the quality of everyone's mental health affects every aspect of the life in our communities. Early intervention is critical as, if not dealt with early on, mental health problems can escalate into more serious issues.

The charities delivering as part of our Young Minds Matter programme, a 3-year programme initiated in 2018, highlighted that their work was making a significant difference to the well-being of the **400** young people benefitting. As a result of their impact report our donors were pleased to support funding for Year 3 for the programme.

We launched our **Cheshire Minds Matter** appeal and raised **£419,000** of funds towards building the capacity of the voluntary sector and improving partnerships to support mental wellbeing. This ensures that people's mental health problems are addressed quickly, long-term negative outcomes are minimised or prevented and that access to appropriate services is available, particularly in view of the pandemic and the current economic conditions, where unemployment and poverty and disadvantage have had a huge impact on mental health.

Working towards sustainability

During 2020 we continued to move towards completing our sustainability objective with donated services contributing significantly to the running of the Charity. We would like to thank all our generous supporters for all the help they give us. We are extremely grateful.

- Our CEO is working on a pro bono basis.
- Our Trustees have provided pro bono financial advice and consultancy.
- A Trustee has provided pro bono support through his PR and marketing business, Mason Media.
- EMR has donated computers and IT services.
- We have received sponsorship to cover the full cost of all the events that have taken place during the year.
- Our Company Secretary has provided pro bono legal advice and consultancy.

In the long term, as donation levels increase, we are working towards full sustainability. However, in the interim, we are exceedingly grateful to individuals and organisations who have made contributions to our core costs.

This support has ensured that when philanthropists donate to named funds and discretionary funds, typically just a maximum of 12% of their donation goes towards our costs, including the costs of assessing grant applications and undertaking appropriate due diligence on grantees. The result is that a minimum of 88% of the amounts donated to named and discretionary funds directly supports local groups and organisations.

CHESHIRE COMMUNITY FOUNDATION LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

GRANT-MAKING

In 2020 we made grant awards of **£2,813,226**. During the year, our grant awards supported projects covering health, wellbeing and serious illness, including mental health, disability and access issues; development towards stronger diverse communities (4% of our grants were awarded to BAME communities this year), including community support, social inclusion and works to reduce poverty and disadvantage; attempts to reduce both social and rural isolation; caring responsibilities as well as supporting family life; counselling, advising, mentoring and volunteering as well as improving access to education, learning, training and employment.

Our grant making continues to be under-pinned by our commitment to connect the people who want to give back, with the most effective grass-roots charities and not-for-profit organisations, directly helping those most in need, whilst enabling our donors to feel proud that they have made a real difference. The Foundation works closely with donors to match donors wishes with key areas of need.

We want Cheshire to be a place where, regardless of where they live:

- People can feel fulfilled and reach their full potential.
- People can achieve economic, social, mental, and physical wellbeing.
- Inequalities in life expectancy, health and employment opportunity are reduced.
- People share a strong sense of community.
- Voluntary and community-based activity can thrive and flourish.

To achieve this, we ensure that we strive to:

- Understand the needs and aspirations of people in Cheshire, recognising that 'disadvantage' can take many forms.
- Develop community investment programmes that are responsive and flexible, to take account of changing and emerging needs.
- Be responsive to the wishes of fund holders and donors.
- Ensure that our investment makes a significant difference to people's lives.

Grants Awarded by Impact Theme	% of Grants Awarded by Need
Advance people's physical and mental health, wellbeing, and safety	59
Promote reduction of isolation and disadvantage and access to local services	24
Improve life skills, education, employability, and enterprise	12
Maximise ability to strengthen community cohesion and build social capacity	4
Connect people with the arts, culture, and heritage	1
TOTAL	100%

CHESHIRE COMMUNITY FOUNDATION LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

Grants Awarded by Key Programmes - Values	Amount Awarded	Percentage of Total
CCF Covid-19 Response Ph 1 – National Emergencies Trust	£675,013	24.00
The Assura Community Fund	£550,174	19.00
Cheshire Minds Matter	£419,062	15.00
CCF Covid-19 Response Ph 2 – Department for Digital, Culture, Media, and Sport	£218,992	8.00
MBNA's Inspiring Education	£217,830	8.00
9 x Small Grants Programmes < £100k	£182,154	6.50
Proactive Donor Charity Matching	£163,699	6.00
Young Minds Matter	£149,861	5.00
CCF Main Grants Programme	£129,409	4.50
Knutsford Main Grants Programme	£107,032	4.00
TOTAL	£2,813,226	100%

Overview of grants distribution

We processed **659** (2019: 236) full applications requesting **£3,271,581** (2019: £1,230,342) and awarded **440** (2019: 155) grants totalling **£2,813,226** (2019: total value £1,197,486) supporting a total of 294,692 beneficiaries (2019: 80,000) with 196,272 individuals receiving direct support (2019: 40,456).

This represents.

- 179% increase in applications processed.
- 165% increase in requested grant funds.
- 183% increase in grants awarded.
- 134% increase in funds awarded.
- 268% increase in total beneficiaries.
- 385% increase in direct beneficiaries.

In 2020, our grant making team continued to work strategically on a Cheshire and Warrington-wide basis, making links across sectors and working proactively to bring about change. This has included developing and strengthening on-going relationships with the voluntary and community organisations that we work with and forging links with several strategic partners who can help support our organisation's ongoing capacity. Our thanks particularly go to Cheshire Connect, Cheshire West Voluntary Action, Cheshire East CVS and Warrington Voluntary Action who have helped raise awareness of our grant making.

To ensure the Foundation fulfils its objectives and to maximise public benefit, applicant groups were required to show that they have charitable objects (though they need not be registered charities). Each grant application is assessed against standard criteria including evidence of need, community use and involvement, governance, finances, and organisational ability to manage, together with the ability to achieve powerful and measurable outcomes. Each applicant group provided a detailed application, its constitution, accounts, child protection and vulnerable adults policies as applicable.

FINANCIAL REVIEW

We received new donations of **£4,983,456** in the year (2019: £1,277,928) of which **£4,927,360** was donated for granting.

We received investment income from endowments of **£176,509** (2019: £165,281).

CHESHIRE COMMUNITY FOUNDATION LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

During the year, we paid and were in the process of paying grants (including small awards) totalling **£2,848,684** (2019: £1,347,816) of which some £35,000 had been awarded in 2019. The amount granted included **£132,522** paid directly by donors in 2020.

We held endowment funds of **£5.875** million at the end of December 2020.

We held restricted funds, i.e. named funds and discretionary funds, of **£3.152** million on 31st December 2020.

The Charity's core fund increased during the year, and stands at a sum of **£330,658**, representing 1.2 years of core costs. The Trustees believe this is essential to maintain grant making activity in times of uncertainty.

INVESTMENT POLICY

The Board has a Finance, Risk, Operations and Grants Committee consisting of four Trustees, external advisers and is attended by the Chief Executive and Chief Operations Officer. This committee oversees the management of funds to ensure an appropriate investment policy with regard to risk and the need to balance capital and income return.

All our endowment monies are invested by CCLA in the COIF Charities Investment Fund. We were required to invest Community First endowment funds, which received government matched funding, with CCLA. However, we have also used this investment manager for other endowment funds based on performance and the scale of the non-Community First endowments. The Trustees have passed a total return resolution for permanent endowments.

In 2020 the COIF Charities Investment Fund delivered a **9.78%** total return (2019: 22.43%). This was positive against the benchmark comparator (3.95%), in a year of fluctuating investment returns. The relative performance against benchmark was supported by both asset allocation and stock selection. This total return comprised an income yield of just under 3% with the remainder representing portfolio growth.

The Foundation seeks to support its work with the returns generated from an investment portfolio. Inevitably the portfolio is exposed to a number of potential risks, these include:

- **Risk of permanent loss:** The portfolio may be invested in assets which fail, leading to a permanent and substantial loss of the sum invested.
- **Market fluctuations:** The value of investments may fall or rise over time. Sales at depressed valuations could result in a loss of capital. Fluctuations can occur in the broad investment market, in sectors or in individual securities.
- **Income risk:** Income from the portfolio might decline. This could be the result of a general or broadly-based decline in income payments or as a result of lower payments from an individual asset or group of assets.
- **Interest rate risk:** Changes in prevailing interest rates or in expectations for future interest rates could affect the value of assets held. Fixed interest investments may be particularly exposed to this risk. If interest rates are expected to rise faster or further than previously, then fixed interest investments may fall in value. Conversely, if interest rates reduce more than expected, fixed interest investments may rise.
- **Currency or foreign exchange risk:** Investment in overseas investment markets may result in exposure to foreign currencies. Changes in exchange rates may have an effect on the value of the assets as reported in sterling.
- **Liquidity risk:** The portfolio may invest in assets where liquidity, the ability to buy and sell, deteriorates making it difficult to liquidate the position should that be desired.
- **Inflation risk:** The real value of the assets will be affected by the rate of inflation.

CHESHIRE COMMUNITY FOUNDATION LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

- **Costs and charges:** Costs and charges will erode value and excessive costs could have a detrimental impact on values over time.

To mitigate these risks, we follow a prudent investment policy and monitor the progress of investments on a regular basis. The portfolio is actively managed by expert advisers who operate in a clear risk framework. Holdings are diversified by asset type, geographic location, sector, and individual security. All assets considered for investment are individually assessed and regularly reviewed to ensure that they are and remain of an appropriate high quality. Most importantly, the assets held are believed to be a strong match to the Foundation's investment objectives and notwithstanding the inevitable risk exposures involved with any investment strategy, are considered likely over time to provide investment returns which support the Foundation's work. In light of the investment uncertainty arising this year we have consulted with CCLA and are maintaining portfolios in line with their recommendations.

As further endowment monies are raised, the Trustees will keep our investment policy under review, possibly adding additional fund managers.

Funds derived from revenue donations for grant-making and core costs are retained in bank accounts term deposits and the COIF Charities Deposit Fund.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Cheshire Community Foundation Limited is a company limited by guarantee, company number 07731278 and a registered charity, registration number 1143711. The Trustees of the charity and its principal advisers are listed on page 3.

The Foundation is governed by its Memorandum and Articles of Association. The Articles of Association set out the powers of the Board of Trustees; there are currently eight Trustees.

The objects of the Charity, as set out in the Memorandum and Articles of Association, are:

- The promotion of any charitable purposes for benefit of the community in the County of Cheshire.
- Other exclusive charitable purposes in the United Kingdom and elsewhere which are, in the opinion of directors, beneficial to the community with a preference of those in the area of benefit.

We are supported by an excellent Executive Team: Zoe Sheppard is our Chief Executive Officer and is assisted by our Chief Operations Officer, Margaret Cheshire and Grants Director, Angela Richardson. The supporting team has developed to reflect the increased activity and includes a Grants Manager, Karen Ziesler, our Business Coordinator, Carole Royle, a part-time Team Administrator, Iona Moxon, and a part-time Finance Officer who works on a consultancy basis. We have continued to invest in the services of a part-time Development Director who works on a consultancy basis, who is supported by two part-time employees, Susie Roberts and Debbie Smith, and a part-time marketing and communications assistant, who works on a consultancy basis.

The CCF team was supported throughout the year by 30 grant panellists, together with other volunteers who have supported the team on fund development and grant-making.

The Board of Trustees of Cheshire Community Foundation Limited is responsible and accountable for strategic direction and collectively setting and monitoring the Foundation's impact against its vision, mission, and objectives. As guardians of the Foundation, all Trustees are equally responsible in law for the Board's actions and decisions.

CHESHIRE COMMUNITY FOUNDATION LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

As Directors of the company, all Trustees take legal and fiscal responsibility for the funds entrusted to them. The Trustees are responsible for ensuring that the Foundation is performing well and is delivering on the charitable objectives for which it was set up, in accordance with its Memorandum and Articles, as well as ensuring that goals outlined in its Business Plans are achieved. The full Board of Trustees meets quarterly. Between Board meetings business is conducted by sub-committees with delegated responsibility for operational oversight. The two sub-committees during the year ended 31st December 2020 were:

- Finance, Risk, Operations and Grants Committee
- Remuneration Committee

The above committees have a Terms of Reference document which sets out the powers and authority delegated to them. These can be found in both the Trustee and Staff Handbook. In addition to the above committees, there is also a Grants Strategy Review Committee.

The Finance, Risk, Operations and Grants Committee has been delegated responsibility for the Foundation's grant making function and currently consists of the Chief Executive, Zoe Sheppard, the Chief Operating Officer, Margaret Cheshire, our Chair, Howard Platt, Andrew Butters (finance), Diane Brown (grant-making) and Terry Inns. The Finance, Risk, Operations and Grants Committee is jointly chaired by Andrew Butters and Diane Brown. The Committee approves recommendations made to it by the Foundation's Grant Panels and takes responsibility for the appropriate allocation of grant awards from the restricted funds under its management (both discretionary and donor advised). The Committee also has delegated powers to veto decisions made by the Grant Panels but only:

- Where it feels that the Panel's recommendations are in breach of some duty for which they, as Trustees of the Foundation, are responsible; or
- Where the Grants Committee is in possession of significant information relating to the application, to which the Grant Panel was not privy.

All grant applications are assessed at Grant Panel for evidence of need, community benefit and value for money.

The Committee has also been delegated responsibility for overseeing all audit, financial, investment, and risk management aspects of Cheshire Community Foundation Limited.

A Remuneration Committee meets once a year (at year end) to discuss staff remuneration and reward and consists of the full Board of Trustees.

The Board

The Board continues to review its skills, diversity, and expertise on an annual basis to ensure continued good governance and delivery of the Foundation's objectives and Business Plans. All Trustees also have an individual annual appraisal meeting with the Chair of the Board.

Trustees remain committed to their ongoing training and development. This includes visiting other Community Foundations, liaising with other Community Foundation Trustees, working with UK Community Foundations (UKCF), attending UKCF meetings and events, participating in internal training and development sessions and attending appropriate external training. The Chair of the Foundation, Howard Platt, has attended several meetings of UKCF Chairs.

The Board has not made any new Trustee appointments during 2020. A full skills audit and diversity overview has been undertaken in readiness for the search and recruitment of new Trustees.

The Trustees confirm that they have again complied with the duty in the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities of Cheshire Community Foundation Limited.

Cheshire Community Foundation Limited is a Quality Accredited member of UKCF.

CHESHIRE COMMUNITY FOUNDATION LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

RESERVES POLICY

The Board continues to maintain a level of unrestricted reserves appropriate to its commitments over the coming years. Although the Charity Commission guidance is to ensure a minimum of six months' running costs are held at any time, the Board's objective is to hold one years' running cost in unrestricted reserves. At £330,658, the unrestricted reserves as of 31 December 2020 represented 1.2 year's core costs, which continues to be a satisfactory position in light on the existing economic uncertainty. The reserves policy will be kept under review.

RISK MANAGEMENT

The Board of Trustees recognises that it is responsible for risk management and for maintaining a sound system of internal control that supports the achievement of aims and objectives, whilst safeguarding the funds and assets for which it is responsible. The Board also accepts responsibility for ensuring that risks to which the Foundation is exposed are regularly reviewed and that appropriate steps are taken to mitigate any potential damage. A regular review of all risks takes place at Finance, Risk, Operations and Grants Committee meetings and a review of red-rated risks takes place at quarterly Board Meetings.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also the directors of Cheshire Community Foundation Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations and in accordance with United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees, as directors, to prepare financial statements that give a true and fair view of the state of affairs of the Charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make sound judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Each Trustee who was a Trustee of the charitable company at the date this report was approved, has taken all steps that he/she ought to have taken as a Trustee in order to make themselves aware of any relevant audit information (as defined by the Companies Act 2006) and ensure that the auditors are aware of all relevant information (as defined).

As far as each Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware. This confirmation is given and should be interpreted in accordance with the provisions of 418 of the Companies Act 2006.

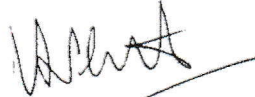
CHESHIRE COMMUNITY FOUNDATION LIMITED
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

This report has been prepared in accordance with provisions within Part 15 of the Companies Act 2006 as they relate to small companies.

Signed on behalf of the Board of Trustees:



Andrew Butters
(Treasurer)



Howard Platt
(Chair)

13th May 2021

CHESHIRE COMMUNITY FOUNDATION LIMITED
AUDITORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF CHESHIRE COMMUNITY FOUNDATION LIMITED (REGISTERED NUMBER: 07731278)

We have audited the financial statements of Cheshire Community Foundation Limited “the charitable company” for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as of 31 December 2020 and of its net income and net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees’ use of the going concern basis of accounting in the preparation of the accounts 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 charity’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 section of this report.

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 (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. 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.

The notes form part of these financial statements

CHESHIRE COMMUNITY FOUNDATION LIMITED
AUDITORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

In connection with our audit of the financial statements 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report which includes the Directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report included within 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 the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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 set out on page 13, 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.

CHESHIRE COMMUNITY FOUNDATION LIMITED
AUDITORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

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.

- Obtained an understanding of the nature and sector of the Company along with reviewing the financial performance and reviewing policies in place.
- We communicated the laws and regulations with the audit team to ensure that they were alert of any indications which would highlight any non-compliance during the audit.
- Reviewed copies of board minutes from throughout the year and any that have taken place after the year end.
- Matters were also discussed with the finance officer during the planning process and throughout the audit fieldwork in relation to any cases of fraud or non-compliance of laws and regulations which may have taken place during the year.
- Discussed and obtained an understanding in relation to the process for journals being posted into the finance system.
- Reviewed a sample of journals posted throughout the year to ensure that management override had not taken place.
- Discussed the accounting estimates and calculations behind these such as depreciation calculation, investment portfolio valuation, income recognition and transfers between funds.

Because of the inherent limitations of an audit, there is risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The 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 <http://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 Charity'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 Charity'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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



13th May 2021

Mark Bradley (Senior Statutory Auditor)
For and on behalf of
BEEVER AND STRUTHERS
Statutory Auditor

The notes form part of these financial statements

CESHIRE COMMUNITY FOUNDATION LIMITED
AUDITORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Beehive Lions Drive
Shadsworth Business Park
Blackburn BB1 2QS
Date:

The notes form part of these financial statements

CHESHIRE COMMUNITY FOUNDATION LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds £	Restricted fund £	Endowment fund £	2020 Total funds £	2019 Total funds £
	Notes					
INCOME AND ENDOWMENTS FROM						
Donations and legacies	3	43,596	821,424	12,500	877,520	475,946
Charitable activities	5					
Charitable activities		6,800	4,105,936	-	4,112,736	814,731
Investment income	4	<u>4,577</u>	<u>1,350</u>	<u>176,509</u>	<u>182,436</u>	<u>176,475</u>
Total		54,973	4,928,710	189,009	5,172,692	1,467,152
EXPENDITURE ON						
Raising funds	6	99,121	-	-	99,121	86,206
Charitable activities	7					
Charitable activities		163,520	2,866,235	-	3,029,755	1,490,299
Other		<u>2,774</u>	<u>-</u>	<u>-</u>	<u>2,774</u>	<u>2,559</u>
Total		265,414	2,866,235	-	3,131,649	1,579,064
Net gains on investments		<u>-</u>	<u>-</u>	<u>352,501</u>	<u>352,501</u>	<u>803,491</u>
NET INCOME		(210,441)	2,062,475	541,510	2,393,544	691,569
Transfers between funds	17	<u>288,665</u>	<u>(112,156)</u>	<u>(176,509)</u>	<u>-</u>	<u>-</u>
Net movement in funds		78,224	1,950,319	365,001	2,393,544	691,569
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>252,434</u>	<u>1,202,139</u>	<u>5,510,281</u>	<u>6,964,854</u>	<u>6,273,285</u>
TOTAL FUNDS CARRIED FORWARD		<u>330,658</u>	<u>3,152,458</u>	<u>5,875,282</u>	<u>9,358,398</u>	<u>6,964,854</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

CHESHIRE COMMUNITY FOUNDATION LIMITED
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds	Restricted fund	Endowment fund	2020 Total funds	2019 Total funds
	Notes	£	£	£	£	£
FIXED ASSETS						
Tangible assets	13	32	-	-	32	171
Investments	14	-	-	5,875,282	5,875,282	5,510,281
		32	-	5,875,282	5,875,314	5,510,452
CURRENT ASSETS						
Debtors	15	1,498	4,775	-	6,273	7,805
Cash at bank and in hand		352,466	3,347,340	-	3,699,806	1,576,047
		353,964	3,352,115	-	3,706,079	1,583,852
CREDITORS						
Amounts falling due within one year	16	(23,339)	(199,656)	-	(222,995)	(129,450)
NET CURRENT ASSETS		330,625	3,152,459	-	3,483,084	1,454,402
TOTAL ASSETS LESS CURRENT LIABILITIES		330,657	3,152,459	5,875,282	9,358,398	6,964,854
NET ASSETS		330,657	3,152,459	5,875,282	9,358,398	6,964,854
FUNDS	17					
Unrestricted funds					330,658	252,434
Restricted funds					3,152,458	1,202,139
Endowment funds					5,875,282	5,510,281
TOTAL FUNDS					9,358,398	6,964,854

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

The financial statements were approved by the Board of Trustees on 13th May 2021 and were signed on its behalf by:


Andrew Butters
Trustee

The notes form part of these financial statements

CHESHIRE COMMUNITY FOUNDATION LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
	Notes	£	£
Cash flows from operating activities:			
Cash generated from operations	1	<u>1,953,823</u>	<u>(271,835)</u>
Net cash provided by (used in) operating activities		<u>1,953,823</u>	<u>(271,835)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		-	(65)
Purchase of fixed asset investments		(12,500)	(387,893)
Sale of fixed asset investments		-	182,578
Interest received		5,927	11,194
Dividends received		<u>176,509</u>	<u>165,281</u>
Net cash provided by (used in) investing activities		<u>169,936</u>	<u>(28,905)</u>
Change in cash and cash equivalents in the reporting period		2,123,759	(300,740)
Cash and cash equivalents at the beginning of the reporting period		<u>1,576,047</u>	<u>1,876,787</u>
Cash and cash equivalents at the end of the reporting period		<u><u>3,699,806</u></u>	<u><u>1,576,047</u></u>

The notes form part of these financial statements

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	2,393,544	691,569
Adjustments for:		
Depreciation charges	139	749
Interest received	(5,927)	(11,194)
Dividends received	(176,509)	(165,281)
(Gains) on investments	(352,501)	(803,481)
Decrease in debtors	1,531	5,535
Increase in creditors	<u>93,546</u>	<u>10,268</u>
Net cash provided by (used in) operating activities	<u><u>1,953,823</u></u>	<u><u>(271,835)</u></u>

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. CHARITY STATUS

The charity is a company limited by guarantee incorporated in England and Wales. The members of the company are the Trustees named on page 3. In the event of the charity being wound up, the liability, in respect of the guarantee is limited to £1 per member of the charity. The charity number is 1143711.

The address of its registered office is:

Sension House
Denton Drive
Northwich
Cheshire
CW9 7LU

2. ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income

All income is recognised in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Incoming resources are received in cash by way of grants and donations.

Grants receivable are accounted for in the period in which they are awarded and are allocated to the fund to which they relate.

Costs of raising funds includes the costs of brochures, advertising, fundraising and other promotional events designed to increase public awareness of the foundation, together with other costs directly attributable to fundraising activities.

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Cash donations in support of the foundation's activities are included in full in the statement of financial activities on a receivable basis.

Investment returns are drawn in accordance with a total return policy and transferred to restricted funds for distribution, with an agreed proportion transferred to cover management and administration costs.

Expenditure

All 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.

Costs of raising funds are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

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

Governance costs include those costs incurred in the governance of the Charity's assets and are associated with constitutional and statutory requirements.

Support costs include the central functions and have been allocated to activity cost categories on the basis of a direct charge wherever possible and in other cases, an estimate of time spent by category.

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- 33% on cost
Fixtures and fittings	- 33% on cost
Computer equipment	- 50% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The cost of raising and administering such funds is an agreed donation which is taken to the unrestricted funds through a transfer. All costs are charged against unrestricted funds.

The endowment fund is a restricted fund under the terms of the Trust deed and in the case of Community First endowments the funds must be held permanently. There are also expendable endowment funds, created by transfers from the endowment funds from excess gains over RPI. The endowment fund purpose is to ensure a suitable income stream to finance the ongoing activities of the charity. It is represented by a portfolio of investments, which is managed by investment managers who have been given discretionary powers to acquire and dispose of investments within the policy set by the Trustees.

Investment income, gains and losses are allocated to the appropriate fund.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

Investments

All investments are carried at their fair value. Holdings in common investment funds are stated at their mid-market price. The statement of financial activities included the net gains and losses arising on revaluations and disposals throughout the year. Asset sales and purchases are recognised at the date of trade at cost. Investments are managed using the total investment return methodology.

Cash at bank and in hand

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

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

Financial instruments

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

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

3. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	<u>877,520</u>	<u>475,946</u>
	<u>877,520</u>	<u>475,946</u>

4. INVESTMENT INCOME

	2020	2019
	£	£
Other fixed asset investment	176,509	165,281
Deposit account interest	<u>5,927</u>	<u>11,194</u>
	<u>182,436</u>	<u>176,475</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2020	2019
	£	£
Charitable activities	<u>4,112,736</u>	<u>814,731</u>

6. RAISING FUNDS

Raising donations and legacies

	2020	2019
	£	£
Staff costs	56,347	47,017
Postage and stationery	66	350
Sundries	-	30
Consultancy	33,288	36,050
Marketing and publicity	7,563	2,055
Website and database developed IT	<u>1,857</u>	<u>704</u>
	<u>99,121</u>	<u>86,206</u>

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Awards to Charities	Grant funding of activities (See note 8)	Totals
	£	£	£	£
Charitable activities	<u>163,520</u>	<u>17,550</u>	<u>2,848,685</u>	<u>3,029,755</u>

	Basis of Allocation	2020 £	2019 £
Grants distributed	Direct	2,848,685	1,346,066
Awards to charities	Direct	17,550	1,750
Staff costs	Staff time	105,615	95,308
Staff and board training	Staff time	-	250
Travel and meeting expenses	Staff time	1,287	5,305
Subscriptions	Direct	4,619	4,255
Consultancy	Direct	18,961	11,867
Insurance	Staff time	879	786
Office costs	Direct	1,081	3,420
Telephones	Staff time	2,303	2,411
IT Maintenance	Staff time	394	177
Website and database	Direct	12,427	4,708
Stationery and postage	Usage	134	711
Marketing and publicity	Direct	-	30
Research	Direct	4,896	60
Sundries	Direct	665	587
Audit and accountancy	Direct	8,366	9,620
Bank charges	Direct	1,753	2,239
Depreciation	Direct	<u>140</u>	<u>749</u>
		<u>3,029,755</u>	<u>1,490,299</u>

8. GRANTS PAYABLE

	2020 £	2019 £
Charitable activities	<u>2,848,685</u>	<u>1,346,066</u>

The total grants paid to institutions during the year was as follows:

	2020 £	2019 £
Grants	<u>2,848,685</u>	<u>1,346,066</u>

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

9. NET INCOME

Net income is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation - owned assets	139	749
Other operating leases	-	2,513
Auditors' remuneration – audit fee	4,370	4,180
Auditors' remuneration – accounts preparation	<u>1,750</u>	<u>1,750</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

11. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	146,331	131,876
Social security costs	8,240	6,047
Pension contributions	<u>7,390</u>	<u>4,402</u>
	<u>161,961</u>	<u>142,325</u>

Wages and salaries include a holiday pay accrual of £nil (2019: £nil).

Key management personnel of the charity are the Chief Executive in post during the year, the total remuneration cost for 2020 amounted to £nil (2019: Nil). Since March 2016, the Chief Executive has worked on a pro bono basis.

The average monthly number of employees during the year was as follows:

	2020	2019
Fundraising and grant giving	3	3
Charitable and grant giving	1	1
Management	<u>1</u>	<u>-</u>
	<u>5</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	52,898	209,415	213,633	475,946
Charitable activities				
Charitable activities	12,749	801,982	-	814,731
Investment income	<u>8,407</u>	<u>2,787</u>	<u>165,281</u>	<u>176,475</u>
Total	74,054	1,014,184	378,914	1,467,152
EXPENDITURE ON				
Raising funds	86,206	-	-	86,206
Charitable activities				
Charitable activities	142,483	1,347,816	-	1,490,299
Other	<u>2,559</u>	<u>-</u>	<u>-</u>	<u>2,559</u>
Total	231,248	1,347,816	-	1,579,064
Net gains/(losses) on investments	<u>-</u>	<u>-</u>	<u>803,481</u>	<u>803,481</u>
NET INCOME/(EXPENDITURE)	(157,194)	(333,632)	1,182,395	691,569
Transfers between funds	<u>133,870</u>	<u>39,729</u>	<u>(173,599)</u>	<u>-</u>
Net movement in funds	(23,324)	(293,903)	1,008,796	691,569
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>275,758</u>	<u>1,496,042</u>	<u>4,501,485</u>	<u>6,273,285</u>
TOTAL FUNDS CARRIED FORWARD	<u>252,434</u>	<u>1,202,139</u>	<u>5,510,281</u>	<u>6,964,854</u>

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

13. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2020	2,116	3,066	3,338	8,520
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2020	<u>2,116</u>	<u>3,066</u>	<u>3,338</u>	<u>8,520</u>
DEPRECIATION				
At 1 January 2020	1,998	3,013	3,338	8,349
Charge for year	<u>118</u>	<u>21</u>	<u>-</u>	<u>139</u>
At 31 December 2020	<u>2,116</u>	<u>3,034</u>	<u>3,338</u>	<u>8,488</u>
NET BOOK VALUE				
At 31 December 2020	<u>-</u>	<u>32</u>	<u>-</u>	<u>32</u>
At 31 December 2019	<u>118</u>	<u>53</u>	<u>-</u>	<u>171</u>

14. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2020	5,510,281
Additions	12,500
Disposals	-
Revaluations	<u>352,501</u>
At 31 December 2020	<u>5,875,282</u>
NET BOOK VALUE	
At 31 December 2020	<u>5,875,282</u>
At 31 December 2019	<u>5,510,281</u>

There were no investment assets outside the UK.

The investments are held to provide an investment return to the charity. All investments are held in common investment funds and are valued at the mid-market price.

Total return is applied to all expendable endowment fund investments.

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

14. FIXED ASSET INVESTMENTS continued

	Endowment	Unapplied total return released to income	Total Endowment
At 1 January 2020			
Gift Component of Endowment:	4,049,834	-	4,049,834
Unapplied total return	-	1,460,447	1,460,447
Reallocation of funds	132,500	(132,500)	-
Total	4,182,334	1,327,947	5,510,281
Movements in the reporting period:			
Gift of expendable endowment	12,500	-	12,500
Dividends and Interest	-	176,509	176,509
Realised and Unrealised Gains	-	352,501	352,501
Total	12,500	529,010	541,510
Unapplied total return released to income	-	(176,509)	(176,509)
Net movements in reporting period	-	(176,509)	(176,509)
At 31 December 2020			
Gift Component of Endowment:	4,194,834	-	4,194,834
Unapplied total return	-	1,680,448	1,680,448
Total	4,194,834	1,680,448	5,875,282

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Other debtors	-	6,048
Prepayments	6,273	1,757
	<u>6,273</u>	<u>7,805</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Social security and other taxes	6,560	2,908
Grants payable	184,756	119,259
Accruals and deferred income	13,029	7,283
Other creditors	18,650	-
	<u>222,995</u>	<u>129,450</u>

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

17. MOVEMENT IN FUNDS

	At 01/01/20	Net movement in funds	Transfers between funds	At 31/12/20
	£	£	£	£
Unrestricted funds				
General fund	252,434	(210,441)	288,665	330,658
Restricted funds				
Flow Through Funds	1,202,139	2,062,475	(112,156)	3,152,458
Endowment funds				
Endowment - Permanent	5,171,031	509,060	(165,756)	5,514,335
Endowment - Expendable	339,250	32,450	(10,753)	360,947
TOTAL FUNDS	<u>6,964,854</u>	<u>2,393,544</u>	<u>-</u>	<u>9,358,398</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	54,973	(265,414)	-	(210,441)
Restricted funds				
Flow Through Funds	4,928,710	(2,866,235)	-	2,062,475
Endowment funds				
Endowment	189,009	-	352,501	541,510
TOTAL FUNDS	<u>5,172,692</u>	<u>(3,131,649)</u>	<u>352,501</u>	<u>2,393,544</u>

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 01/01/19	Net movement in funds	Transfers between funds	At 31/12/19
	£	£	£	£
Unrestricted Funds				
General fund	275,758	(157,194)	133,870	252,434
Restricted Funds				
Flow Through Funds	1,496,042	(333,632)	39,729	1,202,139
Endowment funds				
Endowment - Permanent	4,242,863	1,134,863	(206,695)	5,171,031
Endowment - Expendable	258,622	47,532	33,096	339,250
TOTAL FUNDS	<u>6,273,285</u>	<u>691,569</u>	<u>-</u>	<u>6,964,854</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	74,054	(231,248)	-	(157,194)
Restricted funds				
Flow Through Funds	1,014,184	(1,347,816)	-	(333,632)
Endowment funds				
Endowment	378,914	-	803,481	1,182,395
TOTAL FUNDS	<u>1,467,152</u>	<u>(1,579,064)</u>	<u>803,481</u>	<u>691,569</u>

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

17. MOVEMENT IN FUNDS - continued

RESTRICTED FUND MOVEMENT

Incoming	Movement in Resources				As at 31 December 2020
	As at 1 January 2020	Incoming	Outgoing	Transfer	
Donor advised funds	£	£	£	£	£
Warrington Community fund	299,182	-	(77,106)	45,219	267,295
Inspiring Education	328,331	-	(328,331)	-	-
Anonymous funds	100,117	-	(29,722)	13,926	84,321
Assura	-	2,696,144	(803,961)	-	1,892,183
End Food Poverty	-	42,998	(16,814)	10,000	36,184
Other funds	474,509	908,829	(535,242)	(285,301)	562,795
UKCF Covid	-	817,962	(789,635)	-	28,327
Cheshire & Warrington Covid	-	461,427	(284,073)	104,000	281,354
Total Restricted Funds	<u>1,202,129</u>	<u>4,927,360</u>	<u>(2,864,884)</u>	<u>(112,156)</u>	<u>3,152,459</u>

Fund	Purpose
Warrington Community	Supporting projects which meet the needs of older people in Warrington
Inspiring Education	Donor directed fund
Anonymous fund	Donor directed fund
Assura Fund	Supporting health-improving work by charities and local groups in the communities
End food poverty, UKCF Covid & Cheshire & Warrington Covid funds	Relieving hardship to charities and communities in Cheshire & Warrington arising from the Covid emergency

UNRESTRICTED FUND MOVEMENT

	Movement in Resources				As at 31 December 2020
	As at 1 January 2020	Incoming	Outgoing	Transfers	
	£	£	£	£	£
General funds	<u>252,434</u>	<u>54,973</u>	<u>(265,414)</u>	<u>288,665</u>	<u>330,658</u>
Total Unrestricted Funds	<u>252,434</u>	<u>54,973</u>	<u>(265,414)</u>	<u>288,665</u>	<u>330,658</u>

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

17. MOVEMENT IN FUNDS - continued

ENDOWMENT FUND MOVEMENT

	Movement in Resources				
	As at 1 January 2020	Incoming	Outgoing	Gains and Losses and Transfers	As at 31 December 2020
	£	£	£	£	£
Permanent Endowments					
Community First Funds	4,714,015	-	-	301,492	5,015,507
Warrington Young Peoples	341,918			21,868	363,786
Other funds	115,099	12,500	-	7,444	135,041
Expendable Endowments					
Warrington Community	117,861	-	-	7,538	125,400
Anonymous fund	221,388	-	-	14,159	235,547
Other funds	-				
Total Endowment Funds	5,510,281	12,500	-	352,501	5,875,281

Fund	Purpose
Community First Funds	Various donor funds under a 50% government match scheme promoted by UK Community Foundations to support charitable and community causes generally in Cheshire and Warrington.
Warrington Young Peoples	For under 25 years old young people in Warrington experiencing difficulties.
Warrington Community	Supporting projects which meet the needs of older people in Warrington.
Anonymous fund	Donor directed fund.

Transfers between funds

During the financial year, there were transfers from Endowment funds to Restricted funds of £176,509 net. (2019: £173,601). Of this:

- Investment income of £176,509 was transferred to restricted funds in the same category
- There were no transfers otherwise as the only other movements to endowment funds were their unrealised gains in the year. See note 14

Transfers from Restricted funds to Unrestricted funds totalling £288,665 (2019: £133,870) were made in respect of management fees agreed with donors.

18. CONTINGENT LIABILITIES

At the 31 December there were grants awarded of £nil (2019: £118,867), where the conditions had not yet been met.

CHESHIRE COMMUNITY FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

19. RELATED PARTY DISCLOSURES

Aggregated trustee donations to the foundation during the year totalled £10,450 (2019: £1,750).

Zoe Sheppard, Chief Executive, sacrificed salary for the financial year (2019: sacrificed salary for the financial year).

No trustee expenses were claimed in the period (2019: £nil).

During the year, Cheshire Community Foundation received £Nil in donations from Locker Group Limited (2019: £25,000), an organisation of which H W Platt is a director.