THE VIRGIN MONEY FOUNDATION

England & Wales · Charity number 1161290

Details

Status	Registered
Legal form	Charitable company
Company number	09457101
Registered	2015-04-15
Register	View on the Charity Commission register

Contact

Address	Jubilee House Gosforth Newcastle Upon Tyne NE3 4PL
Phone	03301233624
Email	INFO@VIRGINMONEYFOUNDATION.ORG.UK
Website	www.virginmoneyfoundation.org.uk

Activities

Objects: THE ONLY OBJECTS FOR WHICH THE CHARITY IS ESTABLISHED ARE FOR THE PUBLIC BENEFIT:1) TO PROMOTE THE SUSTAINABLE REGENERATION OF SOCIALLY OR ECONOMICALLY DEPRIVED COMMUNITIES IN THE UK BY WHATEVER CHARITABLE MEANS THE TRUSTEES THINK FIT INCLUDING (BUT NOT LIMITED TO) BY PROVIDING SOCIAL INVESTMENT IN COMMUNITY HOUSING AND BUILDING PROJECTS, PROMOTING OPPORTUNITIES FOR YOUTH WORK, EDUCATION, TRAINING AND ENTERPRISE ESPECIALLY IN SUCH PROJECTS, RELIEVING UNEMPLOYMENT AND THE PROMOTION OF OTHER COMMUNITY BASED PROJECTS; AND2) TO FURTHER SUCH OTHER EXCLUSIVELY CHARITABLE PURPOSES IN THE UK ACCORDING TO THE LAW OF ENGLAND & WALES AS THE TRUSTEES IN THEIR ABSOLUTE DISCRETION FROM TIME TO TIME DETERMINE (“THE OBJECTS”).

Activities: Promoting the sustainable regeneration of socially or economically deprived communities in the UK, including by providing social investment in community housing and building projects, promoting opportunities for youth work, education, training and enterprise especially in such projects, relieving unemployment and the promotion of other community based projects.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Other Finance, Provides Services
- **What:** General Charitable Purposes, Other Charitable Purposes
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,269,600	£3,200,600	£1,880,600	0
2023-09-30	£1,832,100	£2,233,800	£1,811,600	0
2022-09-30	£1,883,800	£1,725,200	£2,213,300	0
2021-09-30	£2,051,800	£1,975,900	£2,054,700	0
2020-09-30	£1,601,500	£1,311,800	£1,978,800	0

Trustees

Name	Role	Appointed
Amanda Janet Jordan		2021-07-01
Edward Spencer Younger		2021-03-23
Emma Isaac		2024-08-06
Hannah Elizabeth Underwood		2020-12-12
KEITH MERRIN		2021-03-23
Keith Richard Burge		2020-10-20
Lynsey Wilson		2026-03-17
Mazin Alkirwi		2023-03-01
Tamara Dewhirst		2026-03-17

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THE VIRGIN MONEY FOUNDATION

England & Wales - Charity number 1161290

Accounts

MONEY FOUNDATION

Annual Report and Accounts for the period ended 31 March 2025

Registered Charity: 1161290 and SC050400
Registered Company: 09457101

Contents

Company Information	03
Chair's Statement	04
Our Approach	05
Trustees' Report	09
Independent Auditor's Report	28
Statement of Financial Activities	31
Balance Sheet	32
Cash Flow Statement	33
Note to the Financial Statements	35

Company Information

The Virgin Money Foundation (the 'Foundation') is a registered charity supported by Virgin Money UK PLC, which together with its subsidiaries and controlled entities is referred to as 'Virgin Money' or the 'Group' in this Annual Report. The sole member of the Foundation is Clydesdale Bank PLC which is a wholly owned subsidiary of Virgin Money.

Following the acquisition of Virgin Money by Nationwide Building Society (Nationwide) on 1 October 2024, the Foundation's accounting reference date was changed from 30 September to 31 March in order to align to Nationwide's accounting reference date. The financial statements have therefore been prepared for the 18-month period ended 31 March 2025. Nationwide is a building society incorporated and registered in England and Wales.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Foundation's Memorandum and Articles of Association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 2 October 2019. The Trustees' report on pages 9 to 27 has been prepared to satisfy the Directors' report requirements of the Companies Act 2006 as applicable to small companies.

Reference and Administrative Information

Trustees (who are also the Directors for the purposes of company law):
Amanda Jordan (Chair)
Hannah Underwood (Vice Chair)
Lorna Bennie
Keith Burge
Edward Younger
Keith Merrin
Mazin Alkirwi
Emma Isaac (appointed 6 August 2024)
Joanne Curry (resigned 26 June 2024)

Company Secretary:
Lorna McMillan

Bankers:
Clydesdale Bank PLC
177 Bothwell Street
Glasgow G2 7ER

Lloyds Bank plc
25 Gresham Street
London EC2V 7HN

Nationwide Building Society
Nationwide House
Pipers Way
Swindon SN38 1NW

Independent Auditor:
Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

Registered office:
Jubilee House
Gosforth
Newcastle upon Tyne NE3 4PL

Registered Company No:
09457101 (Company limited by guarantee)

"Since launching our Digital Inclusion strategy the team have done an incredible job in bringing this vision to life. With every meeting we hold and every application we consider this focus feels ever more relevant to the pressing social issues of our time. Due to our rich history and trusted relationships with grass roots Community Anchors we are uniquely positioned to contribute new impacts and new insights to the wider Digital Inclusion movement in the UK."

Hannah Underwood
Vice Chair

"It was a privilege to serve as Vice Chair of the Virgin Money Foundation during its formative first nine years. I witnessed firsthand the growth of inspiring community activists and social entrepreneurs; the empowerment of young people finding pathways into employment; and the vital support offered to families in need of a safe place to call home. Community Anchor organisations were strengthened to offer stability and hope to local people through both the highs and lows. The experience deepened my understanding of corporate philanthropy and, above all, volunteering as a Trustee has been one of the most enriching chapters of my life."

Joanne Curry MBE, DL
Retiring Vice Chair

Charity No:
Registered in England and Wales Charity No. 1161290
Registered in Scotland Charity No. SC050400

Chair's Statement

Welcome to the 2025 Annual Report and Accounts of the Virgin Money Foundation which covers the 18-month period ended 31 March 2025.

Over the past ten years, the Virgin Money Foundation has had the privilege of partnering with exceptional organisations rooted in and committed to their local community. Through these relationships we have heard the vision that people have for their local area, the issues that impact the lives of people living there and have funded a broad range of projects working to bring about positive, lasting change in these communities. The work we have funded spans initiatives focused upon housing, employment, regeneration and youth work. Through this work, one of the cross-cutting issues we have seen grow in severity is the issue of digital exclusion.

The North East of England and Scotland - the places our funding is concentrated in - are two of the areas of the UK facing high levels of digital poverty. Digital poverty makes life even harder for people and communities who already face more challenges than most. It disproportionately impacts lower income communities, and has a compound effect on poverty, making it increasingly difficult for people with the least financial resource to access essential services and increasing the risk of social isolation and sustained economic hardship. In late 2023, we worked with our grantees to explore this and develop a new fund that would help them to address the issue in their neighbourhood. In January 2024 the Foundation's new strategy launched and with it we opened three new programmes of work which you will read about in this report.

Since launching the strategy, we have awarded multi-year grants to 23 organisations. Each are approaching the issue of digital poverty from a different angle. Some of these grants will fund a distinct programme of digital skills training for a local community or segment of it, coupled with providing access to devices and connectivity. Other grants are introducing digital inclusion 'by stealth', building it into the range of activities these community anchors already deliver in their local community, building the confidence and interest of local people to use technology in their day-to-day lives. During the period we brought on board a learning partner, who will support the Foundation and our grantees to explore more deeply issues of digital poverty and digital inclusion, draw out learnings and work with the board and executive to iterate our strategy based on these insights.

You will read in this report that the grants we have awarded across both our grant programmes over the last year are expected to benefit 50,000 people. For every individual the story will be different. The reason we need to go online, the services we need to access there, the skills we want to develop differ person to person and context to context, so too will be the support that is needed during this transition.

Our hope is that when we look back on the activity funded through this strategy and what was achieved, we will find that the communities we fund into are better resourced to secure jobs and income, access doctors' appointments, participate in learning opportunities, support children with homework, bid for housing and report housing issues and that they have the confidence, access and skills to participate in an increasingly online world, safely and on an equal footing with those with a higher household income.

I am delighted that we have been able to work closely with Virgin Money in the development of this new strategy. You will read in this report the tangible difference their staff are making in communities across the UK as volunteers in schools and community organisations, delivering our shared ambition of tackling digital poverty. During the financial period Virgin Money was acquired by Nationwide. We look forward in the years ahead to working with Nationwide to continue and expand our commitment to local communities, a clear proof point of our collective purpose of being *for the good of society.*

As we look back at the first year of our strategy, I would like to extend my greatest thanks for the astute and generous insights of the organisations who helped us to develop our new programmes and to our portfolio of grantees whose work is making a difference, building the digital skills, access and confidence of people.

Amanda Jordan
Chair of the Board of Trustees
25 June 2025

Our Approach

Bridging the Digital Divide, Building Brighter Futures

Imagine a world where everyone has the power to connect, learn, and thrive online. That's the vision driving the Virgin Money Foundation's mission to tackle digital poverty and create lasting change in communities across the UK.

Our Heartbeat

We believe in the power of community-led solutions. That's why we focus our efforts in the North East of England and Glasgow, working hand-in-hand with local heroes who know their neighbourhoods best. Our approach is simple: provide the resources and support they need to make a real difference.

More Than Just Grants

A Strategic Approach

We're not just handing out money; we're investing in a brighter future. Our new Theory of Change guides our strategy, ensuring every pound we spend has maximum impact.
We're all about hyper-localised solutions, empowering trusted community organisations to create tailored programs that truly meet the needs of their residents.

£2,036.3k
awarded

29,000
children impacted

213
champions

Looking Ahead

Building a Digitally Inclusive Future

We're not stopping here. We're committed to expanding our reach and deepening our impact.

We will continue to deliver our strategy, tackling digital poverty through our three core programmes: the Building Digital Skills Fund, the Volunteer and Connect Fund, and the Digital Champions Programme. In 2025, we will publish our newly developed Theory of Change and embed our learning framework. Our learning partner, BrightPurpose, will work with our portfolio of grantees to derive learning from the activity we are funding, challenge assumptions, and test our hypotheses. In addition to these programmes, we intend to develop a new national strategic partnership focused on tackling digital exclusion on a broader scale as we believe that everyone deserves the opportunity to thrive in the digital age.

Development Trust
ion - Glasgow

Trustees' Report

Objectives and Activities

The Foundation was incorporated on 25 February 2015 as a company limited by guarantee. It was registered as a charity on 15 April 2015 and in 2020 registered with the regulator for charities in Scotland - OSCR.

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives, planning future activities and setting the grant-making policy for the period.

The Foundation has been established for the public's benefit and has two documented objectives:

- To promote the sustainable regeneration of socially or economically deprived communities in the UK. This includes, but is not limited to, providing social investment in community housing and building projects, promoting opportunities for youth work, education, training and enterprise, relieving unemployment and the promotion of other community based projects; and
- To support other charitable purposes in the UK, as the Trustees in their absolute discretion determine.

Since its launch, the Foundation has awarded grants totalling £16 million. The Foundation currently concentrates its grant making on communities in the North East of England and in Glasgow. Within these geographies we fund organisations whose work benefits people in neighbourhoods at the top of the Index of Multiple Deprivation / Scottish Index of Deprivation.

Strategy

Measures of Success:

During the period, a new Theory of Change and Learning Framework has been developed, underpinning our new strategy. This details the measures of success we will be reporting against. The Theory of Change sets out:

Overall Impact
The headline impact we are seeking is a reduction in digital poverty as a result (in part or in full) of activities delivered or funded by the Virgin Money Foundation.

Primary Outcomes
The two primary outcomes that our programmes work towards are:

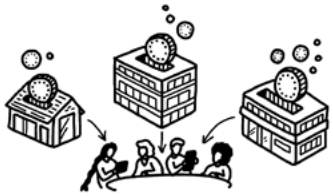
1. The number of people who have access to the kit and connection to get online as a result of our grant funded activity.
2. The number of people who have increased digital skills as a result of our grant funded activity.

Secondary Outcomes
These are additional measures of success relevant to individual grants we award and may be achieved as a consequence of achieving one of the primary outcomes.

Secondary outcomes may include the number of people who have improved employment prospects as a result of our grant funded activity or the number of people who are less socially isolated as a result of our grant funded activity.

Outputs
These are activities delivered in order to achieve the outcomes and overall impact.

Outputs may include: The number of people participating in digital skills development activities, the number of Digital Champion volunteers trained, the number of people supported by Digital Champions and the number of items of digital kit purchased through the Volunteer and Connect Fund.

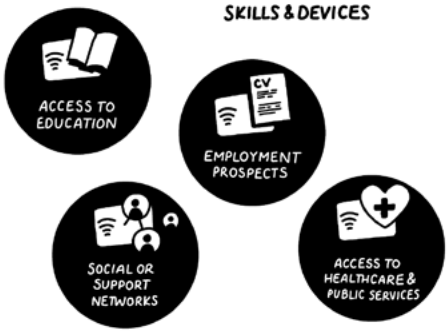


BUILDING DIGITAL SKILLS

MULTI-YEAR GRANTS TO COMMUNITY ANCHOR ORGANISATIONS TO DELIVER BESPOKE DIGITAL INCLUSION SUPPORT IN THEIR LOCAL COMMUNITY

DELIVERED & EMBEDDED INTO LOCAL COMMUNITIES

CONNECTIVITY, SKILLS & DEVICES



DIGITAL CHAMPIONS

VIRGIN MONEY VOLUNTEERS BASED IN LOCAL ORGANISATIONS SUCH AS FOOD BANKS, COMMUNITY CENTRES & LIBRARIES, OFFERING RESPONSIVE DIGITAL SUPPORT

TACKLING DIGITAL POVERTY

OUR WORKING HYPOTHESIS IS THAT HYPER-LOCALISED, TAILORED APPROACHES, DELIVERED BY TRUSTED LOCAL ORGANISATIONS, ARE NEEDED TO HELP THOSE EXPERIENCING DIGITAL POVERTY TO OVERCOME IT

VOLUNTEER & CONNECT

FUNDING FOR SCHOOLS IN WHICH VIRGIN MONEY COLLEAGUES VOLUNTEER, PROVIDING KIT & CONNECTIVITY TO YOUNG PEOPLE

BRIDGING THE GAPS OF ACCESS TO TECHNOLOGY

ENABLING OPPORTUNITY TO DEAL WITH DIGITAL CHALLENGES TO SERVICES & ISOLATION

Cranhill Development Trust
Location Glasgow

Charity - Peace of Mind
Location - Gateshead

Charity - Maryhill Integration Network
Location - Glasgow

Achievements and Performance

Building Digital Skills Fund

Between 2019 and 2023 the Virgin Money Foundation ran the Community Anchors' Fund, providing funding to neighbourhood based anchor organisations in the North East of England and Scotland. The Building Digital Skills Fund builds on these partnerships, resourcing community anchors in these locations to address digital poverty in their neighbourhood. The North East of England and Scotland are localities that experience high levels of digital exclusion and community anchor organisations are well placed to, or already are, responding to this, tackling digital exclusion and helping to close the digital divide.

The Building Digital Skills Fund provides grants of up to £100,000 spread over a period of up to three years. Applications to this fund are by invitation only. Building upon our hypotheses that hyper-localised, tailored approaches, delivered by trusted local organisations are what is needed to help people experiencing digital poverty to overcome it. This fund supports community organisations to create bespoke interventions that are right for their community.

The Fund launched in February 2024 and during the financial period, we awarded 23 grants totalling £2,036.3k. Of these 14 grants totalling £1,248.0k were awarded to organisations in the North East of England and nine grants totalling £788.3k to organisations across Glasgow. In Glasgow, the Fund is delivered in partnership with HFD Charitable Foundation. The grants awarded to date through the Building Digital Skills Fund are expected to increase the digital access or confidence of 26,000 people. Throughout our strategy we seek to target funds in communities with the highest levels of need. Digital poverty disproportionately impacts low-income households. Over 80% of the Building Digital Skills grants awarded during the period were awarded to organisations based in the top 20% of deprivation as detailed in the Index of Multiple Deprivation or Scottish Index of Deprivation.

Over 40% are based in areas in the top 5% of the Index of Multiple Deprivation / Scottish Index of Deprivation. 18% of our Building Digital Skills awards during the period were made to organisations working specifically with communities facing racial inequity.

23 grants totalling £2,036k

14 grants totalling £1,248k in North East England

9 grants totalling £788.3k in Glasgow

Volunteer and Connect Fund

Research suggests that 20% of children in the UK experience digital poverty. Through the Volunteer and Connect Fund, the Foundation works with colleagues across Virgin Money to help change this. Through the Fund, the Foundation provides grants of up to £5,000 to schools across the UK where a Virgin Money colleague provides sustained volunteering. The grants support digital inclusion initiatives, funding kit, connectivity, software or skills training to help children and their families become digitally connected and confident.

To ensure that our funds are spent where there is the greatest need, funding is only provided to schools in receipt of Pupil Premium or Pupil Equity Funding, and the level of grant is determined by the level of this funding.

The Fund launched in February 2024 and during the financial period we awarded 165 grants totalling £364.8k. The grants provided during the period are expected to increase the digital access or confidence of 29,000 children.

20%

of children in the UK experience digital poverty

165

grants have been awarded since February 2024

29,000

Children expected to benefit from the grants

Digital Champions Programme

As a corporate foundation, in addition to the distribution of funds, we have access to the time and expertise of colleagues across Virgin Money, each of whom are granted volunteering days by the bank. In order to tackle digital poverty in communities across the UK we have developed the Digital Champions Programme, providing Virgin Money colleagues with the training and resources they need to volunteer in their local community, supporting people with every day digital tasks.

The pilot of the Digital Champions programme launched in June 2024. During the financial period, 218 colleagues across Virgin Money were trained as Digital Champions and between them they have provided 897 support sessions to people experiencing digital exclusion sessions delivered.

June 2024
Digital Champions pilot launched

218
Virgin Money colleagues trained

897
digital exclusion support

Digitots: Sparking a Digital Future for Glasgow's Youngest Learners

The Problem

Digital exclusion continues to be a significant barrier for many families in Glasgow, particularly those with limited access to technology at home. Rosemount Lifelong Learning, a charity based in Royston, identified that young children were missing out on the opportunity to build essential digital skills during their early years. Many of the families supported by the charity do not have regular access to digital devices, making it difficult for parents and carers to support their children's digital learning or feel confident using technology themselves.

Recognising the importance of early digital literacy in today's tech-driven world, Rosemount sought to address this gap by creating opportunities for pre-school children to explore and become comfortable with technology in a safe, supportive, and play-based environment.

Charity: Rosemount Lifelong Learning

The Solution

With the support of a £99,600 grant from the Building Digital Skills Fund – a partnership between the HFD Charitable Foundation and Virgin Money Foundation – Rosemount Lifelong Learning launched Digitots. A pioneering initiative designed to help children aged three to five develop introductory digital skills. Delivered through engaging, play-based activities such as digital drawing on tablets, interactive games using a digital whiteboard, and exploration with various electronic devices, Digitots offers an accessible and fun way for children to gain confidence in using technology. The funding enabled the charity to appoint a part-time IT tutor and invest in new laptops to support not only the Digitots sessions but also wider efforts to tackle digital exclusion.

The programme currently runs weekly sessions for children attending the charity's nursery and builds upon the success of Digitbite, a wider initiative that introduces people of all ages to technologies such as 3D printers, virtual reality, and drones.

Beyond leading sessions with the children, the IT tutor also works closely with parents and carers, ensuring that families are supported in using the technology and feel confident extending their child's digital learning journey at home.

By equipping Glasgow's youngest learners – and their families – with essential digital skills, Rosemount Lifelong Learning is helping to ensure that everyone, regardless of their background, can thrive in an increasingly digital society.

> We're thrilled with the launch of Digitots and the opportunity it gives young children to explore technology in a fun and supportive environment. In today's world, it's more important than ever for kids to feel comfortable with technology, and starting early can make such a difference. Thanks to the support from HFD and Virgin Money Foundation, we've been able to bring in a dedicated IT tutor and provide the tools and resources needed to help both children and families overcome barriers and develop essential digital skills."

Sean Morrow, Chief Executive Officer at Rosemount Lifelong Learning

> The Digitots programme is a fantastic initiative introducing children to technology, while also equipping their families with the confidence to embrace digital services and tools. Rosemount Lifelong Learning is creating opportunities that will have a lasting impact. At the HFD Charitable Foundation, we're proud to support projects like this that make a real difference in communities and help to bridge the digital divide."

Lauren McKenzie, Ambassador for the HFD Charitable Foundation

> Ensuring that people have access to technology is essential for children as well as adults. It helps them to develop skills they will need as they go through the education system and beyond. The Digitots initiative is a brilliant programme and we are delighted to support Rosemount Lifelong Learning to launch this initiative through the Building Digital Skills Fund."

Nancy Doyle-Hall, Executive Director at the Virgin Money Foundation

Building Resilience Through Digital Inclusion

The Problem

Cranhill Development Trust has been a vital part of the Cranhill community since 2002, responding to complex local needs and supporting around 3,000 people each year. The Trust's core aims are to promote resilience, tackle poverty, and reduce social exclusion through a holistic range of programmes, opportunities, and community events.

In recognition of the growing need for digital skills within the community, Cranhill Development Trust was awarded £90,000 to employ a full-time Digital Inclusion Worker. This role focuses on improving digital literacy through one-to-one support, designated drop-in sessions, and group workshops. The funding also supports the integration of a digital strategy across all areas of the organisation.

Asif came to Cranhill Development Trust in January, shortly after moving to the area with his family. With limited English and no extended family nearby, he initially sought assistance with enrolling his children in primary school and nursery — a process requiring completion of online forms, which he found challenging due to a lack of digital skills and access to devices at home.

Following the successful enrolment of his children, Asif continued to receive one-to-one support with applications for financial assistance, including School Clothing Grants, Free School Meals, and the Best Start Grant for his youngest child entering nursery.

The Solution

Through the Digital Inclusion Worker, Cranhill Development Trust provided comprehensive support to Asif and his family. In addition to educational enrolments and benefit applications, he received help applying for Young Scot bus passes for his two eldest children, referral to the Thrive Under 5 programme, three £50 ASDA vouchers to support the family, Eid gifts for his children, and a bicycle to assist him with commuting to appointments and ESOL classes.

To ensure ongoing access to digital services, Cranhill Development Trust issued Asif with a desktop computer, a WiFi dongle, and a data SIM card, enabling him to manage important tasks such as contacting his doctor and accessing updates through the school app.

Asif is now actively engaging with further support services at Cranhill Development Trust, including welfare advice, health and wellbeing activities, children's activities, and ESOL (English for Speakers of Other Languages) classes. He has repeatedly praised the outstanding work of Cranhill Development Trust, commenting that without the charity's support, he and his family would have faced significant financial and emotional hardship.

This case highlights how digital access and community support can create pathways to greater resilience, independence, and wellbeing for newly arrived families.

Empowering Young People to Build a Brighter Future

The Problem

Moving On Durham is the leading youth homelessness charity in Durham, supporting vulnerable young people to secure safe, stable homes for over 30 years. They work with 16 to 25 year olds who have experienced or are at risk of homelessness, driven by the belief that every young person deserves a safe home and the opportunity for a fresh start. By helping individuals work towards their personal goals and aspirations, Moving On Durham aims to break the cycle of homelessness.

In 2021, Rachel approached Moving On Durham after receiving an eviction notice from her previous accommodation, where she had endured severe emotional, physical, and financial abuse. It quickly became clear that she needed more than just a safe place to live — she needed support to rebuild her confidence, regain her independence, and pursue a future she could be proud of.

Rachel expressed a strong desire to return to education. However, she worried that attending college in person would negatively affect her mental health. Without access to digital tools and support, furthering her education seemed out of reach.

The Solution

Thanks to a grant of £89,178 from the Virgin Money Foundation's Building Digital Skills Fund, Moving On Durham was able to strengthen its support for young people like Rachel. The funding allowed them to appoint a dedicated Digital Inclusion Worker to create personalised digital skills plans, install fibre broadband in all their properties, and ensure that each young person had access to suitable hardware.

Working alongside Rachel, Moving On Durham explored distance learning options and identified the Open University as an ideal pathway. She subsequently enrolled in a BA (Hons) Degree in Criminology and Psychology, which she began on 1st February 2025.

Moving On Durham provided a reliable internet connection, a high-specification laptop, and practical support to complete her student finance application and prepare for the course.

This support was transformational. Moving On Durham reflected that without the Virgin Money Foundation's investment, such opportunities would have remained out of reach. This case powerfully demonstrates how access to the right resources, alongside dedicated guidance, can remove barriers and empower young people to take control of their futures.

Building Skills, Restoring Confidence

The Problem

John approached Hospitality & Hope, a local community charity in South Tyneside, seeking support after a life-changing diagnosis of sleep apnoea. As a result of his condition, he lost his driving licence and, subsequently, his job as a lorry driver — a career he had dedicated over 30 years to.

Facing mounting financial pressures and struggling to secure new employment through a local job agency, John's savings quickly dwindled, and the situation began to take a toll on his mental health. With no previous experience of using computers, he found modern job-seeking processes overwhelming and inaccessible.

The Solution

Alongside wider support from Hospitality & Hope, John was introduced to Amy, a Digital Champion through the Digital Champions programme. Amy took the time to listen to his experiences and aspirations, and together they worked on building his digital skills from the ground up.

Over several sessions, Amy helped John to create a professional CV, apply for jobs online, and engage directly with his mortgage provider for financial support while he sought new employment. Despite his initial lack of digital experience, John quickly gained confidence and new skills.

Thanks to this dedicated support, John successfully secured a job, in a role closely aligned with his previous experience and interests. He expressed heartfelt thanks to Amy for her patience and encouragement.

Later, John returned to Amy for further assistance after receiving a suspicious message from his bank. Amy provided guidance on recognising scams and fraud, and explained how to safely verify messages by contacting the bank directly.

This case highlights how digital inclusion, combined with compassionate support, can empower individuals to rebuild their lives, regain independence, and protect themselves in an increasingly digital world.

Colleagues In The Community Fund

The introduction of The Foundation's new strategy has focused all our activity upon the strategic goal of tackling digital poverty. As a result of this we have retired our previous funding programmes. In the first few months of the financial period our Colleagues in the Community Fund was still in operation. Through this fund we supported the wider volunteering efforts of Virgin Money colleagues by awarding small grants to the community organisations they volunteered with.

During the financial period the Foundation awarded 38 grants through the Colleagues in the Community Fund totalling £19.0k.

Young Change Makers Fellowship Programme

Co-funded by the National Lottery Community Fund and delivered in partnership with Northern Soul, the Young Change Makers Fellowship Programme provided funding, mentoring and leadership development support to young people with the potential to change society for the better starting in their own community. The programme closed at the end of FY23 and during this financial period underwent an external evaluation. In line with the findings of the evaluation and in light of the launch of our new digital inclusion focused strategy we took the decision to not re-open the programme and instead to grant fund Northern Soul to develop The Spark Programme, a leadership development programme for young people across the North of England. With their permission, the grant awarded included the balance of restricted funds provided by the National Lottery Community Fund for the Young Change Makers Programme.

Cranhill Development Trust
Location: Cranhill

Connecting Charity Leaders

Beyond The Grant

During the period the Foundation has concentrated its non-financial support to grantees on the resourcing of peer support learning circles. Through the learning circles we aim to provide a safe, confidential space for leaders to reflect on both their own practice and on the challenges and opportunities in their wider field. The Community Anchors learning circle has been meeting since February 2020 and members have supported one another through the many ups and downs of the last five years. Going forwards the learning circle will seek to resource leaders as they tackle digital poverty in their communities.

"I have really valued the opportunity that the group offers me to meet regularly with my peer group who are all experiencing similar issues to myself whilst striving to do the best for beneficiaries in what are extremely challenging times for the sector. The Learning circle participant has been absolutely invaluable to me over the last couple of years as we weathered Covid, emerged from Covid and now are impacted by the cost of living crisis. Whilst I absolutely love my role as Chief Officer it can sometimes be quite a lonely place. I have found that the group offers me a place to share knowledge, skills, ideas and offers support too as well as the odd test and challenge. It encourages me to take some time out for reflection."

Plans For Future Periods

During the year ahead we will continue to deliver our strategy, tackling digital poverty through our three programmes: the Building Digital Skills Fund, the Volunteer and Connect Fund and the Digital Champions Programme. Underpinning this, during 2025 we will publish our newly developed Theory of Change and embed our new learning framework. Our learning partner, BrightPurpose, will work with our portfolio of grantees to derive learning from the activity we are funding, challenge assumptions and test our hypothesis.

In addition to the three programmes of work outlined above, in future periods we intend to develop a new national strategic partnership focused upon tackling digital exclusion.

Financial Investment Policy

The Foundation is in the fortunate position that its benefactor, Virgin Money, has agreed to fund the majority of the Foundation's operating costs in addition to making a grant for charitable distribution. Accordingly, the Foundation's investment policy is concerned exclusively with funds intended for distribution according to the Foundation's charitable purpose.

In this respect, the Foundation has received, and will continue to receive, relatively large amounts of funds that accumulate prior to deployment to beneficiaries. Accumulation of funds is exacerbated by (1) any delay in allocation and then deployment and (2) the necessity to retain absolute assets against absolute liabilities – e.g. where the Foundation has made a commitment without conditions over an extended period of time.

The Trustees expect that from time to time there may be some accumulation of funds prior to deployment and, as such, have adopted a clear investment policy for the Foundation as follows:

Unless the Board of Trustees specifically agrees otherwise:

1. The Foundation must hold at least 100% of the value of any condition-less committed funding calls expected within the next six months in immediately realisable cash on deposit. Amounts due from notice accounts may count towards this figure to the extent that (a) notice has been given and acknowledged and (b) funds will be freely available at least 14 days prior to the Foundation's corresponding funding commitments.
2. The Foundation must hold the balance of any unconditional funding commitments either in immediately realisable cash on deposit or in cash realisable within 120 or fewer days.
3. The Foundation may hold up to 50% of its uncommitted funds in AA or better rated government bonds provided (i) any funds so committed are realisable within 181 or fewer days (ii) any currency risk is hedged completely and (iii) no credit risk is taken other than systemic and/or counterparty risk – i.e. any securities are bought on a yield to redemption basis.
4. The balance of uncommitted funds must be held as cash realisable within 181 or fewer days.
5. Any cash on deposit must be held within an institution approved by the Trustees having regard first to its creditworthiness, second to the rate of interest being paid and third the extent to which the proposed institution and/or financial product constitutes an ethical investment.
6. No more than £2 million should be held with any one institution without the Trustees' explicit prior approval, to be renewed at each Trustees meeting, and there is a normal presumption against this.

West End Refugee Service
Location - Newcastl upon Tyne

Social Investment Policy

The parameters of the Foundation's policy on social investment are set out in the financial investment policy above, and its grant making activity undertaken in support of its charitable purposes, the Foundation considers and, if thought fit, undertakes social investment as a means of both furthering the Foundation's charitable purposes and with the potential to generate a financial return.

The power for the Foundation to make such social investments derives from statute and further provisions as to the Foundation's power to make social investments by way of loan are set out in the Operating Framework Agreement made with the Foundation's sole member. The Foundation's policy on social investments adheres to the following guidance from the Charity Commission:

> "Programme related investments (also known as social investments) are made directly in pursuit of the organisation's charitable purposes. Although they can generate some financial return (funding may or may not be provided on commercial terms), the primary purpose for making them is not financial but to further the objects of the funding charity."

The Trustees consider that the primary motivation for making any social investment must be the achievement of social impact in the context of the Foundation's charitable objects; any financial return generated is regarded as secondary. The Foundation's social investment activity is not a replacement for its grant making activity, which will continue to be the primary means of furthering the Foundation's charitable purposes.

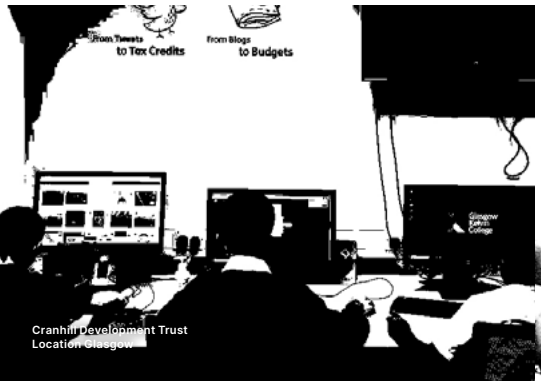
During the 18-month period to 31 March 2025, the Foundation did not make any new programme related social investments.

Reserves Policy

The Trustees review the reserves policy annually and monitor the level of reserves throughout the period. Unrestricted funds are held with the aim of enabling the Foundation to meet its current funding commitments. In addition, the Trustees have agreed that it is prudent to hold sufficient reserves to cover 3-6 months non-grant expenditure for contingency purposes.

General reserves are unrestricted funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Foundation and that have not been designated for other purposes.

Cranhill Development Trust
Location Glasgow



Cranhill Development Trust
Location: Glasgow

Charity - West End Refugee Service
Location - Newcastl upon Tyne

West End Refugee Service
Location: Newcastle upon Tyne

Financial Review

£3,269.6k
Total income 18 months to 31 March 2025

£1,832.1k
Total income 12 months to 31 March 2023

Total income

Grants & Donations from Virgin Money
£2,286.0k

HFD Charitable Foundation
£200k

Other smaller donations
£105.6k

Donated services (Virgin Money)
£658.3k

Income

Income in the period totalled £3,269.6k (12 months to 30 September 2023: £1,832.1k). The Foundation received grants and donations of £2,286.0k (12 months to 30 September 2023: £1,143.0k) from Virgin Money in the period, £200k (12 months to 30 September 2023: £100k) from HFD Charitable Foundation and other smaller donations totalling £105.6k (12 months to 30 September 2023: £144.8k). In addition, Virgin Money donated services to the Foundation totalling £658.3k (12 months to 30 September 2023: £438.6k). The donated services represent the provision of the Foundation's core staff as well as office space, technology, legal and accountancy support, and the remuneration of the auditors.

Expenditure

Expenditure in the period totalled £3,200.6k (12 months to 30 September 2023: £2,233.8k). The Foundation's expenditure was used to fund charitable causes and support the running of the Foundation, the activities of which are entirely charitable and accord with its objectives.

The Foundation awarded grants in the period totalling £2,533.7k (12 months to 30 September 2023: £1,552.2k) and rescinded two previously awarded grants of £1.0k (12 months to 30 September 2023: £2.7k). Grants were made for amounts between £500 and £106,000. In addition, the Foundation paid £12.2k (12 months to 30 September 2023: £236.7k) towards programme costs and made an adjustment to previously recognised costs pertaining to the Social and sustainable housing fund of £5.7k.

The Foundation also incurred £661.4k (12 months to 30 September 2023: £447.6k) of operational costs, comprising £658.3k (12 months to 30 September 2023: £438.6k) of services donated by Virgin Money, £3.1k (12 months to 30 September 2023: £3.9k) relating to bank charges and £Nil (12 months to 30 September 2023: £5.1k) of services funded by the Big Lottery and the National Lottery Community Funds.

Reserves

The Foundation's reserves at 31 March 2025 totalled £1,880.6k (30 September 2023: £1,811.6k), comprising restricted reserves of £85.1k (30 September 2023: £96.0k) and unrestricted reserves of £1,795.5k (30 September 2023: £1,715.6k).

The unrestricted reserves include £1,622.5k for grant-making and £173.0k as a contingency for non grant-making expenditure in line with our reserves policy.

Structure, Governance and Management

The structure, governance and management of the Foundation are as follows:

- The Foundation was incorporated as a private company limited by guarantee (Company no. 09457101) on 25 February 2015.
- The Foundation was subsequently registered as a charity on 15 April 2015 (Charity no. 1161290) and operates in accordance with its Memorandum and Articles of Association. In August 2020, the Foundation registered with the regulator for charities in Scotland (Charity no. SC050400).
- Clydesdale Bank PLC is the sole member of the Foundation, but the Foundation is governed by an independent Board of Trustees, who set the strategy of the Foundation and approve all grants.
- The Trustees have identified the major risks to which the Foundation is exposed and approved a Risk and Control Framework for the Foundation. The major risks are the failure to secure ongoing funding sufficient to deliver the Foundation's strategy, and the misuse of charitable funds due to the failure to follow proper process in the assessment and allocation of funds or due to the recipient organisation misusing the funds.
  A detailed Operating Framework Agreement is in place with Virgin Money detailing both the financial support and provision of services the Foundation can expect to receive from the bank. The Audit, Finance and Risk Committee provide governance oversight of the Foundation's risks.
- The Foundation has a conflicts of interest policy, and a register of Trustee interests is maintained. Trustees declare any conflicts of interest at the start of each Board meeting and withdraw from discussions and decisions where there is any actual or potential conflict.
- The Foundation has a Governance Manual which:
  (i) Provides an overview of the governance structures and processes by which the Trustees control and supervise the activities of the Foundation;
  (ii) Provides an outline of the Foundation's management structure and operational governance; and
  (iii) Summarises the Foundation's approach to conflicts of interest and brand protection.

Blyth Resource and Initiative

Trustees

The Trustees who served during the period and up to the date of signing the financial statements are listed on page 3. Lorna Bennie is an employee of Virgin Money. The Foundation's policies regarding Trustees are as follows:

- Virgin Money appoints the Trustees, but Virgin Money and the Trustees must use their reasonable endeavours to ensure that at least 50% of the Trustees at any one time are not employees, directors or officers of Virgin Money. The Trustees may also co-opt up to three Trustees.
- Trustees initially serve in office for one year, after which they must retire but shall be eligible for re-appointment. Following re-appointment, all Trustees can serve in office for multiple consecutive terms, subject to each term being no longer than three years.
- It is the Foundation's policy that every Trustee should, if necessary, receive training when appointed to the Board, and subsequently as required or requested. The Foundation's induction process is designed to ensure that every new Trustee understands their responsibilities.
- During the financial period the Foundation appointed a new Trustee and Chair of the Audit, Finance and Risk Committee.
- The Board has appointed a Funding Recommendations Panel which considers all funding recommendations for amounts between £2,001 and £60,000.

  The Funding Recommendations Panel makes a recommendation regarding funding to the full Board of Trustees. All final decisions regarding the structure of the Foundation's funding programmes and the allocation of funds to individual projects are agreed by a majority vote of the Foundation's Trustees at a formal meeting of the Board. Trustees are required to excuse themselves from voting and influencing the discussion should any potential or actual conflict of interest arise in relation to a potential project. In the event of no clear decision being reached as a result of a vote, the Chair has the deciding vote.
- Funding decisions of under £2,000 are delegated to the Executive Director who reports these funding decisions to the board on a regular basis.
- During the period, the Foundation held a combination of in-person and virtual meetings. All meetings took place as scheduled.

The Trustees do not receive any emoluments for their role as Trustees although the Foundation meets the costs of the Trustees' travel to and from meetings, plus accommodation where required (within the bounds of its adopted expenses policy).

Additionally, the Foundation's Articles of Association permit that Trustees may be paid for services delivered to the Foundation and/or its beneficiaries. As a matter of practice, the Board has adopted a policy that (a) a proper procurement process will be followed that considers alternative potential providers alongside the Trustee that proposes to provide services; (b) any Trustee that may potentially benefit shall not be part of the relevant procurement discussion or decision; and (c) if any Trustee does provide services, the Charity Commission must be notified at the time and the matter then recorded as a related party transaction in the next published accounts.

Justice Prince
Location - Newcastle upon Tyne

Since the date of publication of the last Annual Report, there have been no matters in respect of which a Trustee has recused themself from discussion at the Board due to a potential conflict of interest.

Colleagues and Remuneration

The Trustees delegate day-to-day management of the Foundation to the Executive Director, who is supported by a Executive Director, Grants and Learning Manager, Grants Officer, Engagement & Communications Manager and an Administrator. During the period, the Grants and Learning Manager was on extended absence, and their role was covered by a Virgin Money colleague secondment.

All Foundation colleagues are employed by Virgin Money and therefore matters of salary and review are administered in line in the organisation's Remuneration Policy. The Chair of the Board of Trustees provides detailed feedback on the performance of the Executive Director as part of the annual review process.

Key Relationships

During the period the Foundation expended funds from Virgin Money, National Lottery Community Fund and HFD Charitable Foundation. Virgin Money also covers the majority of the Foundation's operating costs via donations and provides additional operational support.

Guarantees

In the event of the Foundation being wound up, the liability of the sole member of the Foundation, Clydesdale Bank PLC, is limited to £1. The total number of such guarantees at 31 March 2025 was 1. The member is only entitled to voting rights in the Foundation and does not have a beneficial interest.

Disclosure of Information to Auditors

In so far as the Trustees who held office at the date of approval of this Trustees' Report are aware:

- there is no relevant audit information of which the Foundation's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Going Concern

The Trustees have made an assessment of the Foundation's ability to continue as a going concern and are satisfied that it has the resources to continue in business for at least 12 months from the approval of the financial statements.

The Foundation's use of the going concern basis for preparation of the accounts is discussed in note 1 to the financial statements.

Post Balance Sheet Events

There have been no significant events between 31 March 2025 and the date of approval of the annual financial statements which would require a change to or additional disclosure in the financial statements.

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial period. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

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

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approval

The Trustees have agreed these financial statements, which have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the Board of Trustees and signed on its behalf on 25 June 2025 by:

Amanda Jordan

Amanda Jordan
Chair of the Board of Trustees

Independent Auditor's Report

Independent Auditor's Report to the member of the Virgin Money foundation

Opinion

We have audited the financial statements of The Virgin Money Foundation ("the charitable company") for the period ended 31 March 2025 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement, and the related notes 1 to 16, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the period 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 below. 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 the provisions available for small entities, in circumstances set out in note 1.2 to the financial statements, 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 12 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the trustee's ability to continue as a going concern.

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 in the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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 and the strategic report prepared for the purpose of company law, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have identified no material misstatements in the Directors' report included within the trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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' exemption in preparing the Trustees' Annual Report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 27, 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 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 management either intends to liquidate the charitable company or to cease operations, or has 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.

Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities Act 2011, 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) ('the SORP' – 2nd edition – October 2019), and applicable accounting standards in the United Kingdom (UK GAAP).
- We understood how The Virgin Money Foundation is complying with those frameworks having an oversight of those charged with governance the culture of honesty and ethical behaviour and whether a strong emphasis is placed on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence, which could persuade individuals not to commit fraud because of the likelihood of detection and punishment.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur by actions such as the ones detailed above, along with specific procedures on high-fraud risk areas.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved inquiries of internal legal counsel, executive management and inspection of correspondence with regulators.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at **https://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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Ernst & Young LLP
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Blake Adlem (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP,
Statutory Auditor
Edinburgh
25 June 2025

Statement of Financial Activities

(Including income and expenditure account)

For the period ended

	Note	18 months to 31 March 2025			12 months to 30 September 2023		
		Unrestricted funds £'000	**Restricted funds £'000**	**Total funds £'000**	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Income from:							
Donations and legacies	**2**	**3,049.9**	**200.0**	**3,249.9**	1,726.4	100.0	1,826.4
Other income	**3**	**19.7**	**-**	**19.7**	5.7	-	5.7
Total income		**3,069.6**	**200.0**	**3,269.6**	1,732.1	100.0	1,832.1
Expenditure on:							
Charitable activities	4	**(2,989.3)**	**(211.3)**	**(3,200.6)**	(1,946.2)	(287.6)	(2,233.8)
Total expenditure		**(2,989.3)**	**(211.3)**	**(3,200.6)**	(1,946.2)	(287.6)	(2,233.8)
Net income/ (expenditure) in funds for the period	5	**80.3**	**(11.3)**	**69.0**	(214.1)	(187.6)	(401.7)
Transfers between funds		**(0.4)**	**0.4**	**-**	**-**	**-**	**-**
Net movement in funds for the period		**79.9**	**(10.9)**	**69.0**	(214.1)	(187.6)	(401.7)
Reconciliation of funds:							
Total funds brought forward		**1,715.6**	**96.0**	**1,811.6**	1,929.7	283.6	2,213.3
Total funds carried forward		**1,795.5**	**85.1**	**1,880.6**	1,715.6	96.0	1,811.6

The statement of financial activities includes all gains and losses recognised in the period. All income and expenditure derives from continuing operations.
The accompanying notes form an integral part of these financial statements.

Balance Sheet

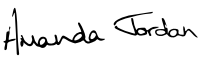
As at

	Note	**31 March 2025 £'000**	30 September 2023 £'000
Non-current assets			
Programme related investments	7	**222.3**	208.5
Current assets			
Debtors	8	**100.0**	100.0
Cash at bank and in hand	9	**3,025.2**	2,160.4
Total current assets		**3,125.2**	2,260.4
Liabilities			
Creditors: Amounts falling due within the year	10	**(828.6)**	(607.3)
Net current assets		**2,296.6**	1,653.1
Total assets less current liabilities		**2,518.9**	1,861.6
Creditors: Amounts falling due after one year	10	**(638.3)**	(50.0)
Total net assets	14	**1,880.6**	1,811.6
The funds of the charity			
Restricted income funds	12	**85.1**	96.0
Unrestricted income funds	13	**1,795.5**	1,715.6
Total charity funds	14	**1,880.6**	1,811.6

The accompanying notes form an integral part of these financial statements.

The financial statements have been prepared in accordance with the provisions of the small companies' regime.

The financial statements were approved and authorised for issue by the Board of Trustees and were signed on its behalf on 25 June 2025:



Amanda Jordan
Chair of the Board of Trustees

Cash Flow Statement

For the period

		18 months to 31 Mar 2025 £'000	12 months to 30 Sep 2023 £'000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	(a)	**878.6**	(476.8)
Cash flows from investing activities			
Net cash used in investment activities		**(13.8)**	(65.2)
Change in cash and cash equivalents in the period		**864.8**	(542.0)
Cash and cash equivalents at the beginning of the period		**2,160.4**	2,702.4
Cash and cash equivalents at the end of the period	(b)	**3,025.2**	2,160.4

(a) Reconciliation of net movement in funds to net cash flows from operating activities

	18 months to 31 Mar 2025 £'000	12 months to 30 Sep 2023 £'000
Net movement in funds (as per the statement of financial activities)	**69.0**	(401.7)
Adjustments for:		
Increase in debtors	**-**	(50.0)
Increase/(decrease) in creditors	**809.6**	(25.1)
Net cash provided by/(used in) operating activities	**878.6**	(476.8)

Cash flow statement (continued)

(b) Analysis of cash and cash equivalents

	18 months to 31 Mar 2025 £'000	12 months to 30 Sep 2023 £'000
Cash at bank and in hand	**3,025.2**	2,160.4
Total cash and cash equivalents	**3,025.2**	2,160.4

(c) Analysis of changes in net debt

	At 1 Oct 2022 £'000	**Cash flows £'000**	**At 30 Sep 2023 £'000**	Cash flows £'000	At 31 Mar 2025 £'000
Cash	**2,702.4**	**(542.0)**	**2,160.4**	864.8	3,025.2

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

1. Accounting policies

1.1 Reporting entity
The Virgin Money Foundation is a company limited by guarantee incorporated in England and Wales and has no share capital. The sole member of the Foundation is Clydesdale Bank PLC which is a wholly owned subsidiary of Virgin Money. In the event of being wound up, the liability of the member in respect of the guarantee is limited to £1.

Following the acquisition of Virgin Money by Nationwide Building Society (Nationwide) on 1 October 2024, the Foundation's accounting reference date was changed from 30 September to 31 March in order to align to Nationwide's accounting reference date. The financial statements have therefore been prepared for the 18-month period ended 31 March 2025. Nationwide is a building society incorporated and registered in England and Wales.

Nationwide Building Society is registered at Nationwide House, Pipers Way, Swindon, SN38 1NW. Nationwide's consolidated annual report and accounts can be obtained from this address or at nationwide.co.uk.

1.2 Basis of preparation
The 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 note.

The financial statements, which should be read in conjunction with the Trustees' Report, are prepared in compliance with the Companies Act 2006, the Charities Act 2011, 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) ('the SORP' – 2nd edition – October 2019) and applicable accounting standards in the United Kingdom (UK GAAP).

The Foundation has adjusted the formats from those prescribed by the Companies Act 2006 to include headings that are relevant to its activities, to enable it to show a true and fair view.

The Foundation's financial statements are presented in pounds sterling, which is the functional currency of the Foundation.

1.3 Going concern
Virgin Money continues to adhere to the pledge to provide up to £400,000 per annum of financial support to the Foundation to cover its operating costs, as well as an annual donation of at least £1.1 million per annum (to be invested in charitable causes), until at least December 2026. The Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future and at least 12 months from the approval of the financial statements. Accordingly, the Trustees continue to believe the going concern basis of accounting to be appropriate in preparing the financial statements.

1.4 Climate change
The potential impact of climate-related risks on the Foundation's financial position and performance has been considered in preparing the financial statements.

This involved undertaking an assessment at a Virgin Money level over the assets (both financial and non-financial) and evaluating whether the observable effects of physical and transitional risk of climate change would have a material impact on the financial position and performance in the current period. It is widely understood and appreciated that the effects of climate change will not be significant in the short term and that the inherent risks and uncertainties in quantifying the effect of climate change in the financial statements are considerable and more likely to impact in the longer term.

1.5 Accounting policies
The principal accounting policies, which have been applied consistently in the preparation of the financial statements, are set out below.

(a) Reserves policy
The Trustees review the reserves policy annually and monitor the level of reserves throughout the period. Unrestricted funds are held with the aim of enabling the Foundation to meet its current funding commitments. In addition, the Trustees have agreed that it is prudent to hold sufficient reserves to cover 3-6 months of non-grant expenditure for contingency purposes.

General reserves are unrestricted funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Foundation and that have not been designated for other purposes.

(b) Fund accounting
Designated funds comprise unrestricted funds that have been set aside at the discretion of the Trustees for specific purposes. An analysis of each designated fund is set out in note 13.

Restricted funds are subject to specific restrictions imposed by the originator of the income. These include grants and contracts from institutions for provision of specific grants to beneficiaries, activities or services. Costs are charged against the specific fund in line with donor rules. An analysis of the restricted funds is set out in note 12. Income and gains are allocated to the appropriate fund.

(c) Programme related investments
Programme related investments are held at cost less any impairment provision, as the Foundation is unable to obtain a reliable estimate of fair value. Programme related investments are assessed for objective evidence of impairment at the end of each reporting period.

(d) Cash and cash equivalents
Cash and cash equivalents comprise cash and bank balances.

(e) Income resources
Income, including donations and grants, is recognised when there is evidence of entitlement, receipt is probable, and its amount can be measured reliably. In the case of a grant, evidence of entitlement is considered to exist when the formal offer of funding is communicated to the Foundation. Where grants contain terms or performance conditions which have not been met at the reporting period, the grant received is deferred as a liability and shown in the balance sheet as deferred income. Deferred income is then released to income in the reporting period in which the performance related or other conditions that limit recognition are met.

Grants from governments and organisations which provide core funding, or are of a general nature, are included as 'Income from donations and legacies. Income is recognised in accordance with the terms of the funding agreement or contract.

Donated services and facilities are included as 'Income from donations and legacies' at their estimated value to the Foundation when received, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time.

(f) Resources expended
Grants payable are made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to the grant is outside the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Foundation that would permit the Foundation to avoid making future payment(s), settlement is probable, and the effect of discounting is material. The discount rate used is the average rate of investment yield in the period in which the grant award is made.

A contingent liability is identified and disclosed for those grants resulting from:

- A possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control; or
- A present obligation following a grant offer where settlement is either not considered probable or the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

Allocation of expenditure
Charitable activities include the direct costs of the grant awards and the indirect support costs of delivering the grant programmes. Staff costs are apportioned on the basis of the approximate time allocated by the Executive Director and other officers between the Foundation's charitable objectives and governance. Where possible, other costs are allocated on an individual basis to the relevant objective or to governance costs. If costs are not directly attributable to particular objective(s) or to governance, they are apportioned using the same basis as staff costs. The allocation methodology is reviewed annually to ensure that it is still appropriate.

(g) Taxation
The Foundation is a registered charity and is thus exempt from tax on income and gains falling within chapter 3 of part 11 of the Corporation Tax Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to charitable objects. No tax charges have arisen.

Irrecoverable VAT is not separately analysed and is charged to the statement of financial activities when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

2. Donations and legacies

	18 months to 31 March 2025			12 months to 30 September 2023		
	Unrestricted funds £'000	**Restricted funds £'000**	**Total funds £'000**	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Virgin Money grant	**2,286.0**	**-**	**2,286.0**	1,143.0	-	1,143.0
Other donations	**105.6**	**200.0**	**305.6**	144.8	100.0	244.8
Virgin Money donation of services	**658.3**	**-**	**658.3**	438.6	-	438.6
Total	**3,049.9**	**200.0**	**3,249.9**	1,726.4	100.0	1,826.4

The Group provides the Foundation with services, including provision of the Foundation's core staff, office space and technology, legal and accountancy support. The value of these services is treated as a donation to the Foundation. Further analysis of the services donated by the Group is shown in note 4.

3. Other income

	18 months to 31 March 2025			12 months to 30 September 2023		
	Unrestricted funds £'000	**Restricted funds £'000**	**Total funds £'000**	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Bank interest	**19.7**	**-**	**19.7**	5.7	-	5.7
Total	**19.7**	**-**	**19.7**	5.7	-	5.7

4. Expenditure on charitable activities

(a) Charitable activities by objective

	18 months to 31 March 2025						
	Grants			Support costs			
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000	Total £'000
Programmes:							
Colleagues in the Community Fund	18.0	-	18.0	4	-	4.0	22.0
Social and Sustainable Capital Fund	(5.7)	-	(5.7)	(1.3)	-	(1.3)	(7.0)
National Lottery Community Fund #iwill Fund Grant	-	1.1	1.1	-	-	-	1.1
Ripple fund	8.0	-	8.0	1.8	-	1.8	9.8
National Lottery Community Fund Partnerships England Wide	58.4	58.5	116.9	12.9	-	12.9	129.8
Building Digital Skills Fund Glasgow – HFD Award Funding	636.4	151.7	788.1	140.7	-	140.7	928.8
Building Digital Skills Fund NE	1,248.0	-	1,248.0	276.0	-	276.0	1,524.0
Volunteer Connect	364.8	-	364.8	80.7	-	80.7	445.5
Governance	-	-	-	146.6	-	146.6	146.6
Total	2,327.9	211.3	2,539.2	661.4	-	661.4	3,200.6

4. Expenditure on charitable activities (continued)

12 months to 30 September 2023

	Grants			Support costs			
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Total £'000
Programmes:							
Community Anchors' Fund – North East	649.5	-	649.5	150.1	-	150.1	799.6
Colleagues in the Community Fund	106.9	-	106.9	24.7	-	24.7	131.6
Social and Sustainable Capital Fund	1.6	-	1.6	0.4	-	0.4	2.0
Community Anchors' Fund - Glasgow	314.8	157.4	472.2	72.8	-	72.8	545.0
National Lottery Community Fund #iwill Fund Grant	0.4	8.7	9.1	0.1	0.1	0.2	9.3
Ripple fund	4.0	-	4.0	0.9	-	0.9	4.9
National Lottery Community Fund Partnerships England Wide	116.4	116.4	232.8	26.9	5.0	31.9	264.7
Community Entrepreneur Fellowships Leading the Way	91.4	-	91.4	21.1	-	21.1	112.5
10% COL Fund	218.7	-	218.7	50.5	-	50.5	269.2
Governance	-	-	-	95.0	-	95.0	95.0
Total	1,503.7	282.5	1,786.2	442.5	5.1	447.6	2,233.8

4. Expenditure on charitable activities (continued)

(b) Support costs

	18 months to 31 Mar 2025 £'000	12 months to 30 Sep 2023 £'000
Staff costs relating to charitable activities	**301.0**	221.0
Staff costs relating to governance	**96.7**	66.5
Governance costs	**49.9**	28.5
Other costs	**213.8**	131.6
Total support costs	**661.4**	447.6

Support costs comprise £658.3k (12 months to 30 September 2023: £443.7k) of services provided by the Group and £3.1k (12 months to 30 September 2023: £3.9k) relating to bank charges. £658.3k (12 months to 30 September 2023: £438.6k) of services were donated by the Group and £Nil (12 months to 30 September 2023: £5.1k) of services were funded by the Big Lottery and the National Lottery Community Funds.

The Group has a framework agreement with the Foundation to provide support services. Under the terms of this agreement, the Foundation is provided with staff, office space, and facilities.

The Group also provides human resources services, IT and other administrative support to the Foundation. All support costs relate to the Foundation's grant-making activities and are incurred by the Group and donated to the Foundation.

4. Expenditure on charitable activities (continued)

(c) Auditor's remuneration

	18 months to 31 Mar 2025 £'000	12 months to 30 Sep 2023 £'000
Fees payable to the Foundation's auditors for the audit of the Foundation's Annual Report and Accounts	**8.9**	6.9
Total auditor's remuneration	**8.9**	6.9

The statutory audit fee was included within the Group audit fee and paid by the Group's main trading subsidiary, Clydesdale Bank PLC. The value of this service is £8.9k (12 months to 30 September 2023: £6.9k) and has been treated as a donation from Clydesdale Bank PLC. The amount of non-audit fees in the period was £Nil (12 months to 30 September 2023: £Nil).

5. Net income/(expenditure) for the period

Net income/(expenditure) for the period is stated after charging:

	18 months to 31 Mar 2025 £'000	12 months to 30 Sep 2023 £'000
Auditor's remuneration	**8.9**	6.9
Trustees' expenses	**9.1**	6.4
Bank charges	**3.1**	3.9

None of the Trustees (12 months to 30 September 2023: none) received any emoluments in respect of services to the Foundation. Trustees' expenses include amounts reimbursed to Trustees for out of pocket expenses and amounts paid to third parties for costs including travel, accommodation, subsistence and training. Trustees are reimbursed for travel when claimed. During the period, Trustees expenses of £9.1k (12 months to 30 September 2023: £6.4k) were incurred in regards to nine (12 months to 30 September 2023: eight) Trustees. These expenses were funded by the Group and treated as a donation to the Foundation.

6. Employee information

The Foundation did not directly employ any staff during the period (12 months to 30 September 2023: none). The services of individuals were obtained from the Group as a donation of service to the Foundation. The table below shows the total costs for staff working for the Foundation but employed and paid by the Group.

	18 months to 31 Mar 2025 £'000	12 months to 30 Sep 2023 £'000
Wages and salaries	**307.1**	218.7
Social security costs	**31.4**	20.3
Other pension costs	**59.0**	48.3
Colleague recognition	**0.2**	0.2
Total staff costs	**397.7**	287.5

6. Employee information (continued)

£Nil (12 months to 30 September 2023: £5.0k) of the staff costs were funded by the Big Lottery and the National Lottery Community Funds.

The monthly average number of persons working for the Foundation but employed and paid by the Group during the 18 months ended 31 March 2025 was four (12 months to 30 September 2023: four).

The number of employees receiving total employee benefits (excluding employer pension costs) of greater than £60,000 are as follows.

	18 months to 31 Mar 2025 Number [1]	12 months to 30 Sep 2023 Number
£60,001 - £70,000	-	-
£70,001 - £80,000	-	-
£80,001 - £90,000	-	1
£90,001 - £100,000	**1**	1
£100,001 - £110,000	-	-
Total	**1**	2

(1) The current period allocation is based on annual salary to ensure comparability with the prior period.

7. Programme related investments

As at	31 Mar 2025 £'000	30 Sep 2023 £'000
Non-current assets		
Social and Sustainable Housing Limited Partnership	**222.3**	208.5
Total	**222.3**	208.5

During 2021 the Foundation became a limited partner and awarded £250.0k as a programme related investment in the Social and Sustainable Housing Fund (SASH). Funds of £250.0k are designated for this purpose (note 13). The SASH pools resources from a number of social investors, including the Foundation, and lends money to Social Sector Organisations providing housing for vulnerable people in the United Kingdom.

As at 31 March 2025, £238.9k had been provided to the SASH, and recognised as a programme related investment, of which, £16.6k has been returned to the Foundation and recognised as a capital repayment. The three-year investment period has now come to a close and the SASH fund has reached a mature fully invested portfolio. Funds will continue to be returned during the 10 to 12 year portfolio period.

8. Debtors

As at	31 Mar 2025 £'000	30 Sep 2023 £'000
Accrued income due in less than 1 year	**100.0**	100.0
Total	**100.0**	100.0

9. Cash at bank and in hand

As at	31 Mar 2025 £'000	30 Sep 2023 £'000
Cash and bank balances	**3,025.2**	2,160.4
Total	**3,025.2**	2,160.4

10. Creditors

Amounts falling due within one year

As at	31 Mar 2025 £'000	30 Sep 2023 £'000
Accruals for grants payable	**828.6**	607.0
Other liabilities	**-**	0.3
Total	**828.6**	607.3

Amounts falling due within one year

As at	31 Mar 2025 £'000	30 Sep 2023 £'000
Accruals for grants payable	**638.3**	50.0
Total	**638.3**	50.0

10. Creditors (continued)

Reconciliation of grants payable

As at	31 Mar 2025 £'000	30 Sep 2023 £'000
Opening balances brought forward	**657.0**	666.9
Grants awarded	**2,539.2**	1,786.2
Grants paid	**(1,729.3)**	(1,796.1)
Grants payable carried forward	**1,466.9**	657.0

11. Contingent liabilities

Contingent liabilities are disclosed unless the possibility of their existence is remote. The Trustees are not aware of any significant contingent liabilities as at 31 March 2025 (30 September 2023: none).

12. Restricted income funds

The movements on the restricted funds are as follows:

	Fund balances as at 1 Oct 2023 £'000	**Income £'000**	**Expenditure £'000**	**Transfer between funds £'000**	**Fund balances as at 31 Mar 2025 £'000**
National Lottery Community Fund #iwill fund Grant	**1.1**	**-**	**(1.1)**	**-**	**-**
Community Anchors' Fund - Glasgow	**36.8**	**-**	**-**	**(36.8)**	**-**
National Lottery Community Fund Partnerships England Wide	**58.1**	**-**	**(58.5)**	**0.4**	**-**
Building Digital Skills Glasgow – HFD Award	**-**	**200.0**	**(151.7)**	**36.8**	**85.1**
Total	**96.0**	**200.0**	**(211.3)**	**0.4**	**85.1**

	Fund balances as at 1 Oct 2022 £'000	Income £'000	Expenditure £'000	Transfer between funds £'000	Fund balances as at 30 Sep 2023 £'000
National Lottery Community Fund #iwill fund Grant	9.9	-	(8.8)	-	1.1
Community Anchors' Fund - Glasgow	94.2	100.0	(157.4)	-	36.8
National Lottery Community Fund Partnerships England Wide	179.5	-	(121.4)	-	58.1
Total	283.6	100.0	(287.6)	-	96.0

13. Unrestricted income funds

The movements on the unrestricted funds are as follows:

	Fund balances as at 1 Oct 2023 £'000	Income £'000	Expenditure £'000	Transfer between funds £'000	Fund balances as at 31 Mar 2025 £'000
General funds	**1,162.8**	**3,069.6**	**(2,300.2)**	**(824.1)**	**1,108.1**
Designated: Community Entrepreneurs Fellowship Programme	**176.6**	**-**	**-**	**(176.6)**	**-**
Designated: Social and Sustainable Capital Fund	**244.3**	**-**	**5.7**	**-**	**250.0**
Designated: Community Anchors Fund Glasgow – HFD Award Funding	**73.9**	**-**	**-**	**(73.9)**	**-**
Designated: Building Digital Skills Glasgow	**-**	**-**	**(636.4)**	**1,073.8**	**437.4**
Designated: National Lottery Community Fund Partnerships England Wide	**58.0**	**-**	**(58.4)**	**0.4**	**-**
Total	**1,715.6**	**3,069.6**	**(2,989.3)**	**(0.4)**	**1,795.5**

13. Unrestricted income funds (continued)

	Fund balances as at 1 Oct 2022 £'000	Income £'000	Expenditure £'000	Transfer between funds £'000	Fund balances as at 30 Sep 2023 £'000
General funds	794.2	1,732.1	(1,402.1)	38.6	1,162.8
Designated: Community Entrepreneurs Fellowship Programme	268.0	-	(91.4)	-	176.6
Designated: Community Anchors NE	10.0	-	(19.5)	9.5	-
Designated: Social and Sustainable Capital Fund	245.9	-	(1.6)	-	244.3
Designated: Heart of Community Fund	206.8	-	-	(206.8)	-
Designated: Community Anchors Fund Glasgow – HFD Award Funding	188.7	-	(314.8)	200.0	73.9
Designated: National Lottery Community Fund #iwill fund Grant	26.7	-	(0.4)	(26.3)	-
Designated: National Lottery Community Fund Partnerships England Wide	189.4	-	(116.4)	(15.0)	58.0
Total	1,929.7	1,732.1	(1,946.2)	-	1,715.6

14. Analysis of net assets between funds

	Unrestricted			
	General Fund	**Designated Fund**	**Restricted Fund**	**31 Mar 2025 Total**
	£'000	**£'000**	**£'000**	**£'000**
Total assets	**1,987.4**	**1,161.8**	**198.3**	**3,347.5**
Total liabilities	**(879.3)**	**(474.4)**	**(113.2)**	**(1,466.9)**
Net assets	**1,108.1**	**687.4**	**85.1**	**1,880.6**

	Unrestricted			
	General Fund	Designated Fund	Restricted Fund	30 Sep 2023 Total
	£'000	£'000	£'000	£'000
Total assets	1,566.4	722.8	179.7	2,468.9
Total liabilities	(403.6)	(170.0)	(83.7)	(657.3)
Net assets	1,162.8	552.8	96.0	1,811.6

15. Related party transactions

	Transaction value for 18 months to 31 Mar 2025 £'000	**Balance outstanding as at 31 Mar 2025 £'000**	Transaction value for 12 months to 30 Sep 2023 £'000	Balance outstanding as at 30 Sep 2023 £'000
Donations received from Virgin Money subsidiary undertakings:				
Grant and additional donations	**2,286.0**	**-**	1,143.0	-
Donation of services	**658.3**	**-**	438.6	-
Recharges and trading balances with Virgin Money subsidiary undertakings	**658.3**	**-**	443.7	(0.3)
Interest received and cash deposit held with Virgin Money subsidiary undertakings	**14.7**	**1,290.2**	5.1	1,272.4

16. Grants Awarded

A full breakdown of grants awarded can be viewed on the Virgin Money Foundation website at: **http://www.virginmoneyfoundation.org.uk/grants-2025**

MONEY FOUNDATION

THE VIRGIN MONEY FOUNDATION

England & Wales - Charity number 1161290

Accounts

Registered Charity: 1161290 and SC050400
Registered Company: 09457101

The Virgin Money Foundation

Annual Report and Accounts
for the year ended 30 September 2023

Classification: Private

The Virgin Money Foundation

Contents

	Page
Company information	2
Chair's statement	3
Trustees' report	4
Independent auditor's report	14
Statement of financial activities	17
Balance sheet	18
Cash flow statement	19
Notes to the financial statements	20

Classification: Private

The Virgin Money Foundation

Company information

The Virgin Money Foundation (the 'Foundation') is a registered charity supported by Virgin Money UK PLC, which together with its subsidiaries and controlled entities is referred to as 'Virgin Money' or the 'Group' in this Annual Report.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Foundation's Memorandum and Articles of Association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 2 October 2019. The Trustees' report on pages 4 to 13 has been prepared to satisfy the Directors' report requirements of the Companies Act 2006 as applicable to small companies.

Reference and Administrative Information

Trustees (who are also the Directors for the purposes of company law):	Amanda Jordan (Chair) Joanne Curry (Vice Chair) Lorna Bennie Keith Burge Hannah Underwood Edward Younger Keith Merrin Alison Kidd (resigned 31 March 2023) Laura Christer (resigned 29 March 2023) Abigail Walker (resigned 5 July 2023) Mazin Alkirwi (appointed 1 March 2023)
Company Secretary:	Lorna McMillan
Bankers:	Clydesdale Bank PLC 30 St Vincent Place Glasgow G1 2HL Lloyds Bank plc 25 Gresham Street London EC2V 7HN Nationwide Building Society Nationwide House Pipers Way Swindon SN38 1NW
Independent Auditor:	Ernst & Young LLP Atria One 144 Morrison Street Edinburgh EH3 8EX
Registered office:	Jubilee House Gosforth Newcastle upon Tyne NE3 4PL
Registered Company No:	09457101 (Company limited by guarantee)
Charity No:	Registered in England and Wales Charity No. 1161290 Registered in Scotland Charity No. SC050400

Classification: Private

The Virgin Money Foundation

Chair's statement

Welcome to the 2023 Annual Report and Accounts of the Virgin Money Foundation.

Since 2015 the Virgin Money Foundation has awarded over £13 million to local charities working to create positive change in their community. We have purposefully invested in neighbourhood level organisations – those that know their community best and what is needed to tackle the issues that hold them back.

Over the past 5 years our Community Anchors Programme has awarded over 130 grants to charities across the North East of England and the City of Glasgow, enabling local people to provide vital services, support one another and build new skills. During COVID-19 we witnessed these organisations take the lead in supporting local households through the pandemic. They provided food parcels, supported home education and ensured that people were not cut off in their isolation, but remembered and cared for. During the last year we have seen them once again provide vital emergency support, this time during a cost of living crisis.

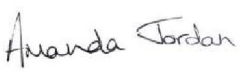
No one has been immune to the rising cost of living, The communities our funded organisations serve rank at the top of the Index of Multiple Deprivation / Scottish Index of Multiple Deprivation. These communities already experienced low household incomes and many lived with the impacts of poverty, over the past year these issues have deepened. In response, Community Anchors' have opened Warm Zones and Food Pantries, they have listened to the needs across their neighbourhoods and responded with action designed to reduce the impacts of the cost of living crisis on their community.

As with many funders, we recognised that charities as well as households feel the effects of rising costs. The bills charities pay increase often at a time where demand for their services and resources escalate. In recognition of this we made a decision to provide a 10% uplift on all live community anchors grants and made this additional discretionary award in December 2022. The award was unrestricted but many of the Community Anchors' chose to spend it on creating or extending emergency provision in their community.

This year has been an important one with regards to the development of the Foundation's own strategy. Over the past 5 years we have learnt a significant amount regarding the ways in which Community Anchors support local people. It's clear, that as the trusted people in a local place they are often able to effectively address issues that matter to local people in a way that few can. One of these issues that some of our funded organisations have been addressing is the impact that digital exclusion has on local people. With benefits and better housing being applied for online, medical appointments being hosted on-line, schools providing on-line learning opportunities and employment opportunities being advertised and applied for on-line, digital skills and connectivity has become absolutely key.

Digital exclusion is both a cause of poverty and deepened by it. With joined up support and effort it is an issue that can be effectively tackled, paving the way for a range of positive outcomes. The North East of England and Glasgow are two of the areas of the UK facing the highest levels of digital exclusion. Community Anchors are well placed to, or already are, responding to this, tackling digital exclusion and helping to close the digital divide. Over the last few months the Foundation has developed a new strategy focusing on this key issue. During FY24 we will work with community anchor organisations to develop new grant programmes focused on this issue. We are delighted that Virgin Money have agreed a new funding settlement resourcing our work in this area. The bank has set its own goal of tackling digital exclusion, and under our new strategy we will work collaboratively to tackle digital exclusion and its effects.

During the year the board said goodbye to three Trustees, Laura Christer, Alison Kidd and Abi Walker and appointed Maz Alkirwi as Trustee and Chair of the Audit, Finance and Risk Committee. I would like to thank both the trustees who have retired and the current board for their commitment, energy and vision as we embark on our new strategic focus. As ever, my final thanks is reserved for our funded organisations who teach us so much about the strengths of their communities and the ways in which positive change can happen.



Amanda Jordan
Chair of the Board of Trustees
12 December 2023

Classification: Private

Trustees' report

Objectives and activities

The Foundation was incorporated on 25 February 2015 as a company limited by guarantee. It was registered as a charity on 15 April 2015 and in 2020 successfully applied for dual registration with the regulator for charities in Scotland - OSCR. The Foundation launched with an initial focus on the North East of England but has expanded its grant programmes to Glasgow.

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives, planning future activities and setting the grant-making policy for the period.

The Foundation has been established for the public's benefit and has two documented objectives:

- to promote the sustainable regeneration of socially or economically deprived communities in the UK. This includes, but is not limited to, providing social investment in community housing and building projects, promoting opportunities for youth work, education, training and enterprise, relieving unemployment and the promotion of other community based projects; and
- to support other charitable purposes in the UK, as the Trustees in their absolute discretion determine.

The Foundation typically provides both financial and non-financial support to charities and social enterprises through its grant-making programmes

Measures of success

Since launch the Foundation has awarded over £13 million in grants. The Trustees of the Foundation have approved a Theory of Change which details the activity the Foundation will undertake and how it will measure success. Measures over the last year include:

- the number of grants awarded;
- the % of funds spent in areas at the top of the Index of Multiple Deprivation / Scottish Index of Multiple Deprivation
- the value of grants;
- the outcomes achieved by grant recipients.

During FY24 a new impact framework will be developed in line with our new strategy. This will set out the measures of success and the Foundation's approach to measuring its success against these measures

Strategy

During the financial period the Foundation has continued to deliver work informed by its Theory of Change. Its grant programmes have focussed upon:

- Supporting neighbourhood-based organisations working with a broad cross section of the community to drive positive change in places that need support the most
- Backing entrepreneurs through leadership development programmes and grants to develop their ideas and organisations
- Supporting community organisations that Virgin Money colleagues volunteer with
- providing non-financial support to our funded organisations through matching them with skilled volunteers within Virgin Money

In addition to the above, in response to the Cost of Living crisis and the impacts the rising cost of living has had upon community anchor organisations, the Foundation provided grantees with a one off additional payment to help meet unforeseen rising costs.

During the year substantial work has taken place to review the Foundation's existing work and develop a new strategy. The development of the new strategy has been led by the Board and the Foundation has consulted with multiple stakeholders as part of this process. The Foundation expects to launch its new strategy in FY24. The strategy will be focused upon reducing digital exclusion in communities at the top of the Index of Multiple Deprivation.

Classification: Private

Achievements and performance

Community Anchors' Fund – North East of England

The Community Anchors Fund aims to build meaningful and enduring partnerships with innovative and committed local community organisations. These are vital local organisations that act as the 'bedrock' in a neighbourhood, providing a place where people feel welcome, problems are solved and good ideas are helped to grow. During FY23 many of these organisations were responding to significant economic challenges in their community.

There is a breadth of organisations supported through this fund, but they are typically small charities deeply rooted in a specific place. The Community Anchors' Fund provides these organisations with grants to cover core costs or to support new or existing projects. The award can be spread over one, two or three years.

During the financial period the Foundation awarded 23 grants through the Community Anchors' Fund totalling £649.5k (FY22: 15 grants totalling £444.9k).

Of the funds awarded during the financial period, 65% were provided to fund the day to day running costs of Community Anchor organisations (core costs) and 35% of the funds were awarded for specified activities or project costs.

The Virgin Money Foundation awards grants to organisations working in communities in the top 20% of the Index of Multiple Deprivation. During the financial period 74% of the organisations awarded funding through the Community Anchors' Fund in the North East of England were based in areas in the top 5% of the Index of Multiple Deprivation. As such the fund is supporting communities that are facing the greatest social and economic challenges.

Of the grants awarded, 78% of grants were multi year awards, providing financial reassurance and stability to the charities over a longer period of time.

Community Anchors' Fund - Glasgow

The Community Anchors' Fund expanded into Glasgow in 2020 with the support of both Virgin Money and the HFD Charitable Foundation. The Foundation is grateful for the support of knowledgeable Glasgow-based funders and partners who help identify community anchor organisations who are invited to apply to the fund.

During the financial period 18 grants were awarded through the Community Anchors' Fund Glasgow totalling £472.2k (FY22: 7 grants totalling £203.0k), taking the total awarded through the fund since launch to over £1million.

Of the grants awarded during the financial period, 27% were provided to fund the day to day running costs of Community Anchor organisations (core costs) and 63% of the funds were awarded for specified activities or project costs.

The Virgin Money Foundation awards grants to organisations working in communities in the top 20% of the Index of Multiple Deprivation. During the financial period 78% of the organisations awarded funding through the Community Anchors' Fund in Glasgow were based in areas in the top 5% of the Index of Multiple Deprivation. As such the fund is supporting communities facing the highest economic challenges.

Of the grants awarded, 78% of grants were multi year awards, providing financial reassurance and stability to the charities over a longer period of time.

Classification: Private

Young Change Makers Fellowship Programme

Co-funded by National Lottery Community Fund and delivered in partnership with Northern Soul, the Young Change Makers programme aims to support young people with the vision to create positive sustainable change in their community. It provides funding, mentoring and leadership development to young people who have the potential to change society for the better starting in their local community.

During the year we funded a further 11 people through the fund. Grants through the fund totalled £100.8k and programme costs totalled £132.0k. Leadership development was provided by partner Northern Soul and supported by 47 Virgin Money volunteers who supported the young change makers to develop their business plans and social initiatives. The programme closed at the end of the financial period and is currently being evaluated.

Leading the Way

Leading the Way is a leadership development programme co-funded with Power to Change. The programme was designed for leaders who have not previously benefitted from significant investment in their personal or organisational development. A total of 19 leaders from community organisations in the North East of England and Yorkshire and Humber were selected to join a 16 month programme which started in June 2022. A second cohort launched in summer 2023. NCVO were appointed as the learning partner following a tender process and the evaluation of the first cohort has been conducted. Findings from this evaluation were used in the planning for the second cohort.

During the financial period, 20 community leaders were awarded places on Leading The Way. Awards were made by Power To Change on behalf of the partnership. Virgin Money Foundation provided £91.4k to Power To Change, this funding covered 50% of the cost of each place on the programme.

Colleagues in the Community Fund

In addition to its main grants programmes, the Virgin Money Foundation works with Virgin Money to support colleague volunteering. Utilising funds provided for this purpose, the Virgin Money Foundation operates a small grants programme called the Colleagues in The Community Fund. Through the fund, Virgin Money colleagues are able to apply for a grant of up to £500 for a local charity that they regularly volunteer with.

During the financial period the Foundation awarded 219 grants through the Colleagues in the Community Fund totalling £108.8k and rescinded four previously awarded grants of £2k (FY22: 52 grants totalling £25.9k).

Social and Sustainable Housing Fund

In FY21 the Foundation awarded £250.0k as a programme related investment in the Social and Sustainable Housing Fund (SASH). The SASH pools resources from a number of social investors, including the Foundation, and lends money to Social Sector Organisations providing housing for vulnerable people in the United Kingdom. At 30 September 2023, £214.1k had been provided to the SASH, with a remaining £35.9k still to be drawn. This is the Foundation's first social investment and through the investment we intend to learn about the usefulness and application of social investment in addressing housing needs.

Classification: Private

Beyond the Grant

The Foundation provides a range of additional support to funded organisations that we call our Beyond the Grant Programme. Through the programme the Foundation harnesses the assets, people and wider opportunities from our relationship with Virgin Money. In total this year Virgin Money colleagues logged 784 volunteer hours for the Foundation. This includes hours recorded by the 47 Virgin Money colleagues who supported the Young Change Maker Programme. Each young person was matched with a range of colleagues from across Virgin Money; a mentor and in addition a team of 3-4 colleagues who formed a method group. These colleagues met with the young people on a monthly basis and played a crucial role in their development throughout the six month programme by providing guidance, support and valuable knowledge to enhance their learning. Feedback at the end of the programme suggested a reciprocal benefit - that the presence of Virgin Money colleagues helped to create opportunities for growth and success for the young change makers and that in return colleagues were able to expand their own knowledge, leadership skills and perspectives.

During the financial period the Foundation ran two 'Being a Great Trustee' workshops to colleagues across Virgin Money, a total of 28 colleagues took part in preparation for applying for Trustee roles in their local community. A third workshop is scheduled to be delivered later this year.

A leadership development programme SPARK was piloted with six leaders from across Virgin Money supporting two organisations funded by the Foundation to progress strategy and marketing projects. The feedback of the pilot was positive, providing opportunities for Virgin Money colleagues to experience leadership in a different context and the charities benefiting from external skills and perspectives.

Plans for future periods

The Foundation has developed a new strategy which it will launch in FY24. In line with this strategy the Foundation is planning to:

- Develop a new Theory of Change and impact framework
- Launch a new grant fund providing grants for digital inclusion projects in the North East of England and in Glasgow
- Continue to concentrate grant-making in areas that need the money most. Our grants will support communities in the top 20% of the Index of Multiple Deprivation / Scottish Index of Multiple Deprivation. We remain committed to ensuring our funds support people to create change where there is greatest need.
- Launch a new small grants fund supporting digital inclusion initiatives in organisations across the UK nominated by Virgin Money colleagues.
- Develop new strategic partnerships to collectively tackle digital exclusion.

Financial investment policy

The Foundation is in the fortunate position that its benefactor, Virgin Money, has agreed to fund the majority of the Foundation's operating costs in addition to making a grant for charitable distribution. Accordingly, the Foundation's investment policy is concerned exclusively with funds intended for distribution according to the Foundation's charitable purpose.

In this respect, the Foundation has received, and will continue to receive, relatively large amounts of funds that accumulate prior to deployment to beneficiaries. Accumulation of funds is exacerbated by (1) any delay in allocation and then deployment and (2) the necessity to retain absolute assets against absolute liabilities – e.g. where the Foundation has made a commitment without conditions over an extended period of time.

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The Trustees expect that from time to time there may be some accumulation of funds prior to deployment and, as such, have adopted a clear investment policy for the Foundation as follows:

Unless the Board of Trustees specifically agrees otherwise:

1. The Foundation must hold at least 100% of the value of any condition-less committed funding calls expected within the next 6 months in immediately realisable cash on deposit. Amounts due from notice accounts may count towards this figure to the extent that (a) notice has been given and acknowledged and (b) funds will be freely available at least 14 days prior to the Foundation's corresponding funding commitments.
2. The Foundation must hold the balance of any unconditional funding commitments either in immediately realisable cash on deposit or in cash realisable within 120 or fewer days.
3. The Foundation may hold up to 50% of its uncommitted funds in AA or better rated government bonds provided (i) any funds so committed are realisable within 181 or fewer days (ii) any currency risk is hedged completely and (iii) no credit risk is taken other than systemic and/or counterparty risk – i.e. any securities are bought on a yield to redemption basis.
4. The balance of uncommitted funds must be held as cash realisable within 181 or fewer days.
5. Any cash on deposit must be held within an institution approved by the Trustees having regard first to its creditworthiness, second to the rate of interest being paid and third the extent to which the proposed institution and/or financial product constitutes an ethical investment.
6. No more than £2 million should be held with any one institution without the Trustees' explicit prior approval, to be renewed at each Trustees meeting, and there is a normal presumption against this.

Social investment policy

The parameters of the Foundation's policy on social investment are set out in the financial investment policy above, and its grant making activity undertaken in support of its charitable purposes, the Foundation considers and, if thought fit, undertakes social investment as a means of both furthering the Foundation's charitable purposes and with the potential to generate a financial return.

The power for the Foundation to make such social investments derives from statute and further provisions as to the Foundation's power to make social investments by way of loan are set out in the Operating Framework Agreement made with the Foundation's sole member. The Foundation's policy on social investments adheres to the following guidance from the Charity Commission:

"Programme related investments (also known as social investments) are made directly in pursuit of the organisation's charitable purposes. Although they can generate some financial return (funding may or may not be provided on commercial terms), the primary purpose for making them is not financial but to further the objects of the funding charity."

The Trustees consider that the primary motivation for making any social investment must be the achievement of social impact in the context of the Foundation's charitable objects; any financial return generated is regarded as secondary. The Foundation's social investment activity is not a replacement for its grant making activity, which will continue to be the primary means of furthering the Foundation's charitable purposes.

During FY23 the Foundation did not make any new programme related social investments.

Reserves policy

The Trustees review the reserves policy annually and monitor the level of reserves throughout the period. Unrestricted funds are held with the aim of enabling the Foundation to meet its current funding commitments. In addition, the Trustees have agreed that it is prudent to hold sufficient reserves to cover 3-6 months non-grant expenditure for contingency purposes.

General reserves are unrestricted funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Foundation and that have not been designated for other purposes.

Classification: Private

Trustees' report

Financial review

Summary financial information for period ended	12 months to 30 Sep 2023 £'000	12 months to 30 Sep 2022 £'000
Grants and donations received	**1,826.4**	1,881.3
Other income	**5.7**	2.5
Expenditure on charitable activities	**(1,786.2)**	(1,276.1)
Other expenditure	**(447.6)**	(449.1)
Net income	**(401.7)**	158.6
Restricted income funds	**96.0**	283.6
Unrestricted income funds	**1,715.6**	1,929.7
Total funds carried forward	**1,811.6**	2,213.3

Income

Income in FY23 totalled £1,832.1k (FY22: £1,883.8k). The Foundation received grants and donations of £1,143.0k (FY22: £1,143.0k) from Virgin Money in the period, £100k (FY22: £100k) from HFD Charitable Foundation and other smaller donations totalling £144.8k (FY22: £212.5k). In addition, Virgin Money donated services to the Foundation totalling £438.6k (FY22: £425.8k). The donated services represent the provision of the Foundation's core staff as well as office space, technology, legal and accountancy support, and the remuneration of the auditors.

Expenditure

Expenditure in FY23 totalled £2,233.8k (FY22: £1,725.2k). The Foundation's expenditure was used to fund charitable causes and support the running of the Foundation, the activities of which are entirely charitable and accord with its objectives.

The Foundation awarded grants in FY23 totalling £1,552.2k (FY22 £1,076.4k) and rescinded five previously awarded grants of £2.7k (FY22 £0.5k). Grants were made for amounts between £400 and £33,000. In addition, the Foundation paid £236.7k (FY22: £200.2k) towards programme costs.

The Foundation also incurred £447.6k (FY22 £449.1k) of operational costs, comprising £438.6k (FY22: £425.8k) of services donated by Virgin Money, £3.9k (FY22: £3.0k) relating to bank charges and £5.1k (2023: £20.3k) of services funded by the Big Lottery and the National Lottery Community Funds.

Reserves

The Foundation's reserves at 30 September 2023 totalled £1,811.6k (FY22: £2,213.3k), comprising restricted reserves of £96.0k (FY22: £283.6k) and unrestricted reserves of £1,715.6k (FY22: £1,929.7k).

The unrestricted reserves include £1,542.6k for grant-making and £173.0k as a contingency for non grant-making expenditure in line with our reserves policy.

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Designated Funds

The unrestricted funds for grant-making include the following designated funds:

Designation	Amount £'000	Likely timing of expenditure
Funds that have been awarded as programme related investments	244.3	FY24-FY25
Community Anchors' Fund Glasgow	73.9	FY24-FY25
Funding matched with National Lottery Community Fund Partnerships England Wide	58.0	FY24-FY25
Community Entrepreneurs Fellowship Programme	176.6	FY24-FY25

Structure, governance and management

The structure, governance and management of the Foundation are as follows:

- The Foundation was incorporated as a private company limited by guarantee (Company no. 09457101) on 25 February 2015.
- The Foundation was subsequently registered as a charity on 15 April 2015 (Charity no. 1161290) and operates in accordance with its Memorandum and Articles of Association. In August 2020, the Foundation registered with the regulator for charities in Scotland (Charity no. SC050400).
- Clydesdale Bank PLC is the sole member of the Foundation, but the Foundation is governed by an independent Board of Trustees, who set the strategy of the Foundation and approve all grants.
- The Trustees have identified the major risks to which the Foundation is exposed and approved a Risk and Control Framework for the Foundation. The major risks are the failure to secure ongoing funding sufficient to deliver the Foundation's strategy, and the misuse of charitable funds due to the failure to follow proper process in the assessment and allocation of funds or due to the recipient organisation misusing the funds. A detailed Operating Framework Agreement is in place with Virgin Money detailing both the financial support and provision of services the Foundation can expect to receive from the bank. The Audit, Finance and Risk Committee provide governance oversight of the Foundation's Risks.
- The Foundation has a conflicts of interest policy, and a register of Trustee interests is maintained. Trustees declare any conflicts of interest at the start of each Board meeting and withdraw from discussions and decisions where there is any actual or potential conflict.
- The Foundation has a Governance Manual which:
    (i) provides an overview of the governance structures and processes by which the Trustees control and supervise the activities of the Foundation;
    (ii) provides an outline of the Foundation's management structure and operational governance; and
    (iii) summarises the Foundation's approach to conflicts of interest and brand protection.

Classification: Private

Trustees' report

Trustees

The Trustees who served during the period and up to the date of signing the financial statements are listed on page 2. Lorna Bennie and Alison Kidd are employees of Virgin Money. The Foundation's policies regarding Trustees are as follows:

- Virgin Money appoints the Trustees, but Virgin Money and the Trustees must use their reasonable endeavours to ensure that at least 50% of the Trustees at any one time are not employees, directors or officers of Virgin Money. The Trustees may also co-opt up to three Trustees.
- Trustees initially serve in office for one year, after which they must retire but shall be eligible for re-appointment. Following re-appointment, all Trustees can serve in office for multiple consecutive terms, subject to each term being no longer than three years.
- It is the Foundation's policy that every Trustee should, if necessary, receive training when appointed to the Board, and subsequently as required or requested. The Foundation's induction process is designed to ensure that every new Trustee understands their responsibilities.
- During the financial period the Foundation appointed a new Trustee and Chair of the Audit, Finance and Risk Committee.
- The Board has appointed a Funding Recommendations Panel which considers all funding recommendations for amounts between £2,001 and £60,000. The Funding Recommendations Panel makes a recommendation regarding funding to the full Board of Trustees. All final decisions regarding the structure of the Foundation's funding programmes and the allocation of funds to individual projects are agreed by a majority vote of the Foundation's Trustees at a formal meeting of the Board. Trustees are required to excuse themselves from voting and influencing the discussion should any potential or actual conflict of interest arise in relation to a potential project. In the event of no clear decision being reached as a result of a vote, the Chair has the deciding vote.
- Funding decisions of under £2,000 are delegated to the Executive Director who reports these funding decisions to the board on a regular basis.
- During the period, the Foundation held a combination of in-person and virtual meetings. All meetings took place as scheduled.

The Trustees do not receive any emoluments for their role as Trustees although the Foundation meets the costs of the Trustees' travel to and from meetings, plus accommodation where required (within the bounds of its adopted expenses policy).

Additionally, the Foundation's Articles of Association permit that Trustees may be paid for services delivered to the Foundation and/or its beneficiaries. As a matter of practice, the Board has adopted a policy that (a) a proper procurement process will be followed that considers alternative potential providers alongside the Trustee that proposes to provide services; (b) any Trustee that may potentially benefit shall not be part of the relevant procurement discussion or decision; and (c) if any Trustee does provide services, the Charity Commission must be notified at the time and the matter then recorded as a related party transaction in the next published accounts.

Classification: Private

Trustees' report

Since the date of publication of the last Annual Report, there have been no matters in respect of which a Trustee has recused themself from discussion at the Board due to a potential conflict of interest. In the period, the Foundation also made payments to Power to Change, GLT Partners Limited and Northern Soul, who are led by former Trustees of the Foundation who stepped down from the Board in previous financial years, details of which were disclosed in the 2020 and 2021 Annual Reports.

Colleagues and remuneration

The Trustees delegate day-to-day management of the Foundation to the Executive Director, who is supported by a Programme Manager, a Grants and Learning Manager, a Programme Co-ordinator and an Administrator. During the period, the Grants and Learning Manager was on extended absence, their role was covered by a Virgin Money colleague secondment.

All Foundation colleagues are employed by Virgin Money and therefore matters of salary and review are administered in line with the organisation's Remuneration Policy. The Chair of the Board of Trustees provides detailed feedback on the performance of the Executive Director as part of the annual review process.

Key relationships

During the period the Foundation expended funds from Virgin Money, National Lottery Community Fund and HFD Charitable Foundation.. Leading the Way is delivered in partnership with Power to Change with each party contributing funds over a three year period. Virgin Money also covers the majority of the Foundation's operating costs via donations and provides additional operational support.

Guarantees

In the event of the Foundation being wound up, the liability of the sole member of the Foundation, Clydesdale Bank PLC, is limited to £1. The total number of such guarantees at 30 September 2023 was 1. The member is only entitled to voting rights in the Foundation and does not have a beneficial interest.

Disclosure of information to auditors

In so far as the Trustees who held office at the date of approval of this Trustees' Report are aware:

- there is no relevant audit information of which the Foundation's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Going concern

The Trustees have made an assessment of the Foundation's ability to continue as a going concern and are satisfied that it has the resources to continue in business for at least 12 months from the approval of the financial statements.

The Foundation's use of the going concern basis for preparation of the accounts is discussed in note 1 to the financial statements.

Post balance sheet events

There have been no significant events between 30 September 2023 and the date of approval of the annual financial statements which would require a change to or additional disclosure in the financial statements.

Classification: Private

Trustees' report

Statement of Trustees' responsibilities

The Trustees (who are also Directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

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

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approval

The Trustees have agreed these financial statements, which have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the Board of Trustees and signed on its behalf on 12 December 2023 by:

Amanda Jordan

Chair of the Board of Trustees

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Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF THE VIRGIN MONEY FOUNDATION

Opinion

We have audited the financial statements of The Virgin Money Foundation ("the charitable company") for the year ended 30 September 2023 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes 1 to 16, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 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 below. 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 the provisions available for small entities, in circumstances set out in note 1.2 to the financial statements, 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 12 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the trustee's ability to continue as a going concern

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 in the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

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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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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 purpose 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 light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have identified no material misstatements in Directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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' exemption in preparing the Trustees' Annual Report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities 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 management either intends to liquidate the charitable company or to cease operations, or has 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.

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Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company.
- We understood how Virgin Money Foundation is complying with those frameworks by having an oversight of those charged with governance, the culture of honesty and ethical behaviour and whether a strong emphasis is placed on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence, which could persuade individuals not to commit fraud because of the likelihood of detection and punishment.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur by actions such as the ones detailed above, along with specific procedures on high fraud-risk areas.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved inquiries of internal legal counsel, executive management and inspection of correspondence with regulators.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://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 member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Blake Adlem (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP,
Statutory Auditor,
Edinburgh
12 December 2023

Classification: Private

The Virgin Money Foundation

Statement of financial activities
(Including income and expenditure account)

For the year ended 30 September

	Note	2023			2022		
		Unrestricted funds £'000	**Restricted funds £'000**	**Total funds £'000**	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Income from:							
Donations and legacies	2	**1,726.4**	**100.0**	**1,826.4**	1,781.3	100.0	1,881.3
Other income	3	**5.7**	**-**	**5.7**	2.5	-	2.5
Total income		**1,732.1**	**100.0**	**1,832.1**	1,783.8	100.0	1,883.8
Expenditure on:							
Charitable activities	4	**(1,946.2)**	**(287.6)**	**(2,233.8)**	(1,481.1)	(244.1)	(1,725.2)
Total expenditure		**(1,946.2)**	**(287.6)**	**(2,233.8)**	(1,481.1)	(244.1)	(1,725.2)
Net income/(expenditure) in funds for the period	5	**(214.1)**	**(187.6)**	**(401.7)**	302.7	(144.1)	158.6
Transfers between funds		**-**	**-**	**-**	-	-	-
Net movement in funds for the period		**(214.1)**	**(187.6)**	**(401.7)**	302.7	(144.1)	158.6
Reconciliation of funds:							
Total funds brought forward		**1,929.7**	**283.6**	**2,213.3**	1,627.0	427.7	2,054.7
Total funds carried forward		**1,715.6**	**96.0**	**1,811.6**	1,929.7	283.6	2,213.3

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derives from continuing operations.

The accompanying notes form an integral part of these financial statements.

Classification: Private

The Virgin Money Foundation

Balance sheet

As at 30 September

	Note	2023 £'000	2022 £'000
Non-current assets			
Programme related investments	7	**208.5**	143.3
Current assets			
Debtors	8	**100.0**	50.0
Cash at bank and in hand	9	**2,160.4**	2,702.4
Total current assets		**2,260.4**	2,752.4
Liabilities			
Creditors: Amounts falling due within the year	10	**(607.3)**	(645.4)
Net current assets		**1,653.1**	2,107.0
Total assets less current liabilities		**1,861.6**	2,250.3
Creditors: Amounts falling due after one year	10	**(50.0)**	(37.0)
Total net assets	14	**1,811.6**	2,213.3
The funds of the charity			
Restricted income funds	12	**96.0**	283.6
Unrestricted income funds	13	**1,715.6**	1,929.7
Total charity funds	14	**1,811.6**	2,213.3

The accompanying notes form an integral part of these financial statements.

The financial statements have been prepared in accordance with the provisions of the small companies' regime.

The financial statements were approved and authorised for issue by the Board of Trustees and were signed on its behalf on 12 December 2023:

Amanda Jordan

Amanda Jordan

Chair of the Board of Trustees

Classification: Private

The Virgin Money Foundation

Cash flow statement

For the year ended 30 September

		2023 £'000	2022 £'000
Cash flows from operating activities			
Net cash provided by operating activities	(a)	**(476.8)**	471.3
Cash flows from investing activities			
Net cash used in investment activities		**(65.2)**	(60.7)
Change in cash and cash equivalents in the period		**(542.0)**	410.6
Cash and cash equivalents at the beginning of the period		**2,702.4**	2,291.8
Cash and cash equivalents at the end of the period	(b)	**2,160.4**	2,702.4

(a) Reconciliation of net movement in funds to net cash flows from operating activities

	2023 £'000	2022 £'000
Net movement in funds (as per the statement of financial activities)	**(401.7)**	158.6
Adjustments for:		
(Increase)/ decrease in debtors	**(50.0)**	273.5
(Decrease)/ increase in creditors	**(25.1)**	39.2
Net cash provided by/(used in) operating activities	**(476.8)**	471.3

(b) Analysis of cash and cash equivalents

	2023 £'000	2022 £'000
Cash at bank and in hand	**2,160.4**	2,702.4
Total cash and cash equivalents	**2,160.4**	2,702.4

(c) Analysis of changes in net debt

	At 30 September 2021 £'000	Cash flows £'000	At 30 September 2022 £'000	**Cash flows £'000**	**At 30 September 2023 £'000**
Cash	2,291.8	410.6	2,702.4	**(542.0)**	**2,160.4**

The accompanying notes form an integral part of these financial statements.

Classification: Private

Notes to the financial statements

1. Accounting policies

1.1 Reporting entity

The Virgin Money Foundation is a company limited by guarantee incorporated in England and Wales and has no share capital. The sole member of the Foundation is Clydesdale Bank PLC within the Virgin Money UK PLC Group. In the event of being wound up, the liability of the member in respect of the guarantee is limited to £1. The financial statements of Virgin Money UK PLC may be obtained from Virgin Money UK PLC's registered office at Jubilee House, Gosforth, Newcastle upon Tyne, NE3 4PL.

1.2 Basis of preparation

The 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 note.

The financial statements, which should be read in conjunction with the Trustees' Report, are prepared in compliance with the Companies Act 2006, the Charities Act 2011, 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) ('the SORP' – 2nd edition – October 2019) and applicable accounting standards in the United Kingdom (UK GAAP).

The Foundation has adjusted the formats from those prescribed by the Companies Act 2006 to include headings that are relevant to its activities, to enable it to show a true and fair view.

The Foundation's financial statements are presented in pounds sterling, which is the functional currency of the Foundation.

1.3 Going concern

Virgin Money UK PLC continues to adhere to the pledge to provide up to £400,000 per annum of financial support to the Foundation to cover its operating costs, as well as an annual donation of at least £1.1 million per annum (to be invested in charitable causes), until at least December 2026. The Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future and at least 12 months from the approval of the financial statements. Accordingly, the Trustees continue to believe the going concern basis of accounting to be appropriate in preparing the financial statements.

1.4 Climate change

The potential impact of climate-related risks on the Foundation's financial position and performance has been considered in preparing the financial statements.

This involved undertaking an assessment at a Virgin Money UK PLC Group level over the assets (both financial and non-financial) and evaluating whether the observable effects of physical and transitional risk of climate change would have a material impact on the financial position and performance in the current year. It is widely understood and appreciated that the effects of climate change will not be significant in the short term and that the inherent risks and uncertainties in quantifying the effect of climate change in the financial statements are considerable and more likely to impact in the longer term.

1.5 Accounting policies

The principal accounting policies, which have been applied consistently in the preparation of the financial statements, are set out below.

Classification: Private

1. Accounting policies (continued)

(a) Reserves policy

The Trustees review the reserves policy annually and monitor the level of reserves throughout the year. Unrestricted funds are held with the aim of enabling the Foundation to meet its current funding commitments. In addition, the Trustees have agreed that it is prudent to hold sufficient reserves to cover 3-6 months of non-grant expenditure for contingency purposes.

General reserves are unrestricted funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Foundation and that have not been designated for other purposes.

(b) Fund accounting

Designated funds comprise unrestricted funds that have been set aside at the discretion of the Trustees for specific purposes. An analysis of each designated fund is set out in note 13.

Restricted funds are subject to specific restrictions imposed by the originator of the income. These include grants and contracts from institutions for provision of specific grants to beneficiaries,

activities or services. Costs are charged against the specific fund in line with donor rules. An analysis of the restricted funds is set out in note 12. Income and gains are allocated to the appropriate fund.

(c) Programme related investments

Programme related investments are held at cost less any impairment provision, as the Foundation is unable to obtain a reliable estimate of fair value. Programme related investments are assessed for objective evidence of impairment at the end of each reporting period. Any income received on programme related investments is recognised as other income.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances.

(e) Income resources

Income, including donations and grants, is recognised when there is evidence of entitlement, receipt is probable, and its amount can be measured reliably. In the case of a grant, evidence of entitlement is considered to exist when the formal offer of funding is communicated to the Foundation. Where grants contain terms or performance conditions which have not been met at the reporting period, the grant received is deferred as a liability and shown in the balance sheet as deferred income. Deferred income is then released to income in the reporting period in which the performance related or other conditions that limit recognition are met.

Grants from governments and organisations which provide core funding, or are of a general nature, are included as 'Income from donations and legacies. Income is recognised in accordance with the terms of the funding agreement or contract.

Donated services and facilities are included as 'Income from donations and legacies' at their estimated value to the Foundation when received, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time.

Classification: Private

1. Accounting policies (continued)

(f) Resources expended

Grants payable are made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to the grant is outside the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Foundation that would permit the Foundation to avoid making future payment(s), settlement is probable, and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made.

A contingent liability is identified and disclosed for those grants resulting from:

- A possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control; or
- A present obligation following a grant offer where settlement is either not considered probable or the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

Allocation of expenditure

Charitable activities include the direct costs of the grant awards and the indirect support costs of delivering the grant programmes. Staff costs are apportioned on the basis of the approximate time allocated by the Executive Director and other officers between the Foundation's charitable objectives and governance. Where possible, other costs are allocated on an individual basis to the relevant objective or to governance costs. If costs are not directly attributable to particular objective(s) or to governance, they are apportioned using the same basis as staff costs. The allocation methodology is reviewed annually to ensure that it is still appropriate.

(g) Taxation

The Foundation is a registered charity and is thus exempt from tax on income and gains falling within chapter 3 of part 11 of the Corporation Tax Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to charitable objects. No tax charges have arisen.

Irrecoverable VAT is not separately analysed and is charged to the statement of financial activities when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

Classification: Private

2. Donations and legacies

	2023 Unrestricted £'000	2023 Restricted £'000	2023 Total £'000	2022 Unrestricted £'000	2022 Restricted £'000	2022 Total £'000
Virgin Money grant	**1,143.0**	**-**	**1,143.0**	1,143.0	-	1,143.0
Other donations	**144.8**	**100.0**	**244.8**	212.5	100.0	312.5
Virgin Money donation of services	**438.6**	**-**	**438.6**	425.8	-	425.8
Total	**1,726.4**	**100.0**	**1,826.4**	1,781.3	100.0	1,881.3

The Group provides the Foundation with services, including provision of the Foundation's core staff, office space and technology, legal and accountancy support. The value of these services is treated as a donation to the Foundation. Further analysis of the services donated by the Group is shown in note 4.

3. Other income

	2023 Unrestricted £'000	2023 Restricted £'000	2023 Total £'000	2022 Unrestricted £'000	2022 Restricted £'000	2022 Total £'000
Bank interest	**5.7**	**-**	**5.7**	2.5	-	2.5
Total	**5.7**	**-**	**5.7**	2.5	-	2.5

Classification: Private

4. Expenditure on charitable activities

(a) Charitable activities by objective

	2023						
	Grants			Support costs			
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000	Total £'000
Programmes:							
Community Anchors' Fund – North East	**649.5**	**-**	**649.5**	**150.1**	-	**150.1**	**799.6**
Colleagues in the Community Fund	**106.9**	**-**	**106.9**	**24.7**	-	**24.7**	**131.6**
Social and Sustainable Capital Fund	**1.6**	**-**	**1.6**	**0.4**	-	**0.4**	**2.0**
Community Anchors' Fund - Glasgow	**314.8**	**157.4**	**472.2**	**72.8**	-	**72.8**	**545.0**
National Lottery Community Fund #iwill Fund Grant	**0.4**	**8.7**	**9.1**	**0.1**	**0.1**	**0.2**	**9.3**
Ripple fund	**4.0**	**-**	**4.0**	**0.9**	**-**	**0.9**	**4.9**
National Lottery Community Fund Partnerships England Wide	**116.4**	**116.4**	**232.8**	**26.9**	**5.0**	**31.9**	**264.7**
Community Entreprenuer Fellowships Leading the Way	**91.4**	**-**	**91.4**	**21.1**	-	**21.1**	**112.5**
10% COL Fund	**218.7**	**-**	**218.7**	**50.5**	**-**	**50.5**	**269.2**
Governance	**-**	**-**		**95.0**	-	**95.0**	**95.0**
Total	**1,503.7**	**282.5**	**1,786.2**	**442.5**	**5.1**	**447.6**	**2,233.8**

	2022						
	Grants			Support costs			
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000	Total £'000
Programmes:							
Community Anchors' Fund – North East	444.9	-	444.9	141.2	-	141.2	586.1
Colleagues in the Community Fund	25.9	-	25.9	8.2	-	8.2	34.1
Social and Sustainable Fund	1.2	-	1.2	0.4	-	0.4	1.6
Community Anchors Fund Glasgow	135.3	67.7	203.0	43.0	-	43.0	246.0
National Lottery Community Fund #iwill Fund Grant	157.6	100.9	258.5	50.2	10.2	60.4	318.9
National Lottery Community Fund Partnership England Wide	55.3	55.3	110.6	17.6	10.0	27.6	138.2
Community Entreprenuer Fellowship Leading the Way	232.0	-	232.0	73.6	-	73.6	305.6
Governance	-	-		94.7	-	94.7	94.7
Total	1,052.2	223.9	1,276.1	428.9	20.2	449.1	1,725.2

Classification: Private

4. Expenditure on charitable activities (continued)

(b) Support costs

	2023 £'000	2022 £'000
Staff costs relating to charitable activities	**221.0**	228.7
Staff costs relating to governance	**66.5**	66.0
Governance costs	**28.5**	25.2
Other costs	**131.6**	129.2
Total support costs	**447.6**	449.1

Support costs comprise £443.7k (2022: £446.1k) of services provided by the Group and £3.9k (2022: £3k) relating to bank charges. £438.6k (2022: £425.8k) of services were donated by the Group and £5.1k (2023: £20.3k) of services were funded by the Big Lottery and the National Lottery Community Funds.

The Group has a framework agreement with the Foundation to provide support services. Under the terms of this agreement, the Foundation is provided with staff, office space, and facilities.

The Group also provides human resources services, IT and other administrative support to the Foundation. All support costs relate to the Foundation's grant-making activities and are incurred by the Group and donated to the Foundation.

(c) Auditor's remuneration

	2023 £'000	2022 £'000
Fees payable to the Foundation's auditors for the audit of the Foundation's Annual Report and Accounts	**6.9**	6.6
Total auditor's remuneration	**6.9**	6.6

The statutory audit fee was included within the Group audit fee and paid by the Group's main trading subsidiary, Clydesdale Bank PLC. The value of this service is £6.9k (2022: £6.6k) and has been treated as a donation from Clydesdale Bank PLC. The amount of non-audit fees in 2023 was £Nil (2022: £Nil).

Classification: Private

5. Net income/(expenditure) for the period

Net income/(expenditure) for the period is stated after charging:

	2023	2022
	£'000	£'000
Auditor's remuneration	**6.9**	6.6
Trustees' expenses	**6.4**	5.0
Bank charges	**3.9**	3.0

None of the Trustees (2022: none) received any emoluments in respect of services to the Foundation. Trustees' expenses include amounts reimbursed to Trustees for out of pocket expenses and amounts paid to third parties for costs including travel, accommodation, subsistence and training. Trustees are reimbursed for travel when claimed. During the year, Trustees expenses of £6.4k (2022: £5.0k) were incurred in regards to eight (2022: eight) Trustees. These expenses were funded by the Group and treated as a donation to the Foundation.

6. Employee information

The Foundation did not directly employ any staff during the year (2022: none). The services of individuals were obtained from the Group as a donation of service to the Foundation. The table below shows the total costs for staff working for the Foundation but employed and paid by the Group.

	2023	2022
	£'000	£'000
Wages and salaries	**218.7**	191.9
Social security costs	**20.3**	21.5
Other pension costs	**48.3**	81.3
Colleague recognition	**0.2**	-
Total staff costs	**287.5**	294.7

£5.0k (2022: £20.2K) of the staff costs were funded by the Big Lottery and the National Lottery Community Funds with the balance being a donated service from the Group.

The monthly average number of persons working for the Foundation but employed and paid by the Group during the 12 months ended 30 September 2023 was four (2022: five).

The number of employees receiving total employee benefits (excluding employer pension costs) of greater than £60,000 are as follows.

	2023	2022
	No	No
£60,001 - £70,000	**-**	-
£70,001 - £80,000	**-**	1
£80,001 - £90,000	**1**	1
£90,001 - £100,000	**1**	-
£100,001 - £110,000	**-**	-
Total	**2**	2

Classification: Private

7. Programme related investments

As at	2023	2022
	£'000	£'000
Non-current assets		
Social and Sustainable Housing Limited Partnership	**208.5**	143.3
Total	**208.5**	143.3

During 2021 the Foundation became a limited partner and awarded £250.0k as a programme related investment in the Social and Sustainable Housing Fund (SASH). The SASH pools resources from a number of social investors, including the Foundation, and lends money to Social Sector Organisations providing housing for vulnerable people in the United Kingdom.

As at 30 September 2023, £214.1k had been provided to the SASH, of which £208.5k is recognised as a programme related investment, £5.6k is recognised as expenditure attributable to Management Fees and General Expenses, with a remaining £35.9k still to be drawn. Funds of £250.0k are designated for this purpose, see note 13. These funds are due to be returned to the Foundation at the end of 10-12 years following receipt.

8. Debtors

As at	2023	2022
	£'000	£'000
Accrued income due in less than 1 year	**100.0**	50.0
Total	**100.0**	50.0

9. Cash at bank and in hand

As at	2023	2022
	£'000	£'000
Cash and bank balances	**2,160.4**	2,702.4
Total	**2,160.4**	2,702.4

Classification: Private

10. Creditors

Amounts falling due within one year

As at	2023	2022
	£'000	£'000
Accruals for grants payable	**607.0**	629.9
Other liabilities	**0.3**	15.5
Total	**607.3**	645.4

Amounts falling due after one year

	2023	2022
	£'000	£'000
Accruals for grants payable	**50.0**	37.0
Total	**50.0**	37.0

Reconciliation of grants payable

	2023	2022
	£'000	£'000
Opening balances brought forward	**666.9**	643.2
Grants awarded	**1,786.2**	1,276.1
Grants paid	**(1,796.1)**	(1,252.4)
Grants payable carried forward	**657.0**	666.9

11. Contingent liabilities

Contingent liabilities are disclosed unless the possibility of their existence is remote. The Trustees are not aware of any significant contingent liabilities as at 30 September 2023 (30 September 2022: none).

Classification: Private

12. Restricted income funds

The movements on the restricted funds are as follows:

	Fund balances brought forward at 1 October 2022 £'000	Income £'000	Expenditure £'000	Fund balances carried forward at 30 September 2023 £'000
National Lottery Community Fund #iwill fund Grant	**9.9**	**-**	**(8.8)**	**1.1**
Community Anchors' Fund - Glasgow	**94.2**	**100.0**	**(157.4)**	**36.8**
National Lottery Community Fund Partnerships England Wide	**179.5**	**-**	**(121.4)**	**58.1**
Total	**283.6**	**100.0**	**(287.6)**	**96.0**

	Fund balances brought forward at 1 October 2021 £'000	Income £'000	Expenditure £'000	Fund balances carried forward at 30 September 2022 £'000
National Lottery Community Fund #iwill fund Grant	121.0	-	(111.1)	9.9
Community Anchors' Fund - Glasgow	61.9	100.0	(67.7)	94.2
National Lottery Community Fund Partnerships England Wide	244.8	-	(65.3)	179.5
Total	427.7	100.0	(244.1)	283.6

Classification: Private

13. Unrestricted income funds

The movements on the unrestricted funds are as follows:

	Opening balances brought forward at 1 October 2022 £'000	Income £'000	Expenditure £'000	Transfer between funds £'000	Fund balances carried forward at 30 September 2023 £'000
General funds	**794.2**	**1,732.1**	**(1,402.1)**	**38.6**	**1,162.8**
Designated: Community Entrepreneurs Fellowship Programme	**268.0**	**-**	**(91.4)**	**-**	**176.6**
Designated: Community Anchors NE	**10.0**	**-**	**(19.5)**	**9.5**	**-**
Designated: Social and Sustainable Capital Fund	**245.9**	**-**	**(1.6)**	**-**	**244.3**
Designated: Heart of Community Fund	**206.8**	**-**	**-**	**(206.8)**	**-**
Designated: Community Anchors Fund Glasgow – HFD Award Funding	**188.7**	**-**	**(314.8)**	**200.0**	**73.9**
Designated: National Lottery Community Fund #iwill fund Grant	**26.7**	**-**	**(0.4)**	**(26.3)**	**-**
Designated: National Lottery Community Fund Partnerships England Wide	**189.4**	**-**	**(116.4)**	**(15.0)**	**58.0**
Total	**1,929.7**	**1,732.1**	**(1,946.2)**	**-**	**1,715.6**

	Opening balances brought forward at 1 October 2021 £'000	Income £'000	Expenditure £'000	Transfer between funds £'000	Fund balances carried forward at 30 September 2022 £'000
General funds	300.9	1,783.8	(899.7)	(390.8)	794.2
Designated: Community Entrepreneurs Fellowship Programme	500.0	-	(232.0)	-	268.0
Designated: Community Anchors NE	10.0	-	-	-	10.0
Designated: Social and Sustainable Capital Fund	247.1	-	(1.2)	-	245.9
Designated: Heart of Community Fund	88.5	-	-	118.3	206.8
Designated: Community Anchors Fund Glasgow – HFD Award Funding	124.0	-	(135.3)	200.0	188.7
Designated: National Lottery Community Fund #iwill fund Grant	111.8	-	(157.6)	72.5	26.7
Designated: National Lottery Community Fund Partnerships England Wide	244.7	-	(55.3)	-	189.4
Total	1,627.0	1,783.8	(1,481.1)	-	1,929.7

Classification: Private

14. Analysis of net assets between funds

	Unrestricted			
	General Fund	**Designated Fund**	**Restricted Fund**	**30 Sep 2023 Total**
	£'000	**£'000**	**£'000**	**£'000**
Total assets	**1,566.4**	**722.8**	**179.7**	**2,468.9**
Total liabilities	**(403.6)**	**(170.0)**	**(83.7)**	**(657.3)**
Net assets	**1,162.8**	**552.8**	**96.0**	**1,811.6**

	Unrestricted			
	General Fund	Designated Fund	Restricted Fund	30 Sep 2022 Total
	£'000	£'000	£'000	£'000
Total assets	1,215.2	1,327.9	352.6	2,895.7
Total liabilities	(421.0)	(192.4)	(69.0)	(682.4)
Net assets	794.2	1,135.5	283.6	2,213.3

15. Related party transactions

	Transaction value for 12 months to 30 Sep 2023 £'000	**Balance outstanding as at 30 September 2023 £'000**	Transaction value for 12 months to 30 Sep 2022 £'000	Balance outstanding as at 30 September 2022 £'000
Donations received from Virgin Money UK PLC subsidiary undertakings:				
Grant and additional donations	**1,143.0**	**-**	1,143.0	-
Donation of services	**438.6**	**-**	425.8	-
Recharges and trading balances with Virgin Money UK PLC subsidiary undertakings	**443.7**	**(0.3)**	449.1	(15.5)
Interest received from Virgin Money UK PLC subsidiary undertakings	**5.1**	**1,272.4**	2.4	1,467.3

Laura Christer was appointed as a Trustee of the Foundation on 29 April 2022 and is employed by West End Women and Girls. During 2021, prior to her being appointed as a trustee, the Foundation awarded a grant of £50k to West End Women and Girls and paid £37.5k. The remaining £12.5k of the grant was still outstanding as at 30 September 2022 and has been fully paid during the year ended 30 September 2023.

Classification: Private

16. Grants awarded

Name of institution	2023 £'000
11th Hamilton Brownies	0.5
1st Barrhead Scout Group	0.5
1st Dalmilling Brownies	0.5
1st Howwood Brownies	0.5
1st Monkstown Scout Group	0.5
1st Ponteland Scout Group	0.5
1st/3rd Renfrew Boys' Brigade Company	0.5
212th Glasgow Boys Brigade Company	0.5
2381 (Ilminster) Squadron Royal Air Force Air Cadets	0.5
23rd Dewsbury Guides	0.5
242nd Glasgow Rainbows	0.5
3D DrumChapel	3.0
4th Helensburgh Scout Group	0.5
5th Whitley Bay (St. George's) Scout Group	0.5
700 Club	3.0
A Way Out	2.7
Abdul Jabbaar Ahmed	4.2
Action For Children	3.0
Action Foundation	25.0
Action Foundation	3.0
Action Foundation	2.5
Air Training Corps No 1777	0.5
Andys Man Club	0.5
Annexe Communities	2.6
Auchterarder & District Community Sports Hub	0.5
Auckland Youth and Communities Centre	3.0
Ayr Storm Basketball Club	0.5
Ayr Sub Aqua Club	0.5
Ayrshire Communities Education and Sport	0.5
Back on the Map	30.0
Back on the Map	3.0
Balloan Football Club	0.5
Barnesbury CC	0.5
Barrhead Bowling Club	0.5
Be Kind	0.5
Bedlington United Sporting Club	0.5
Bellahouston Harriers	0.5
Belvoir Tri Club	0.5
Big League CIC	2.5
Bilton Hall	30.0
Bilton Hall Community Trust	3.0
Blackhall Community Centre	30.0
Blantyre Soccer Academy SCIO	0.5
Blaydon Community Football Club	0.5
Blofield Primary School Parent Teacher Association	0.5
Blyth Resource and Initiative Centre	30.0
Bosom Family Support	0.5

Classification: Private

Name of institution	2023 £'000
Bridgend Farmhouse	0.5
Bridgend Farmhouse	0.5
Bridgeton Community Learning Campus	25.8
Bridgeton Community Learning Campus	3.0
Bridgeton Community Learning Campus	2.6
Bright Futures NE	0.5
British Octopush Association	0.5
British Octopush Association	0.5
Brunton Park Scout Group	0.5
Building Futures East	3.0
Bullion Community Resource Centre	30.0
Bullion Hall	3.0
Bun Sgoil Ghaidhlig Loch Abar Parent Council	0.5
Calder High School PTA	0.5
Cambuslang Red Star FC	0.5
Canvey Island RFC	0.5
Carleith Parents Committee	0.5
Carluke United 2010s	0.5
Carolside Sports Club	0.5
Castle Semple Rowing Club	0.5
Castlemilk Law	30.0
Castlemilk Law and Money Advice Centre	3.0
Caton Church Scout Group	0.5
CFC Singers (Clydebank Athletic)	0.5
Chelsea Pimblott	10.0
Chopwell Regeneration CIO	30.0
Community Campus 87 Ltd	3.0
Community Central Hall	17.0
Community Central Hall	1.7
Community Central Hall	2.8
Community Central Hall (additional grant)	17.2
Community Ventures	3.0
Compact for Race and Equality	3.0
Cornforth Partnership	3.0
Cowpen Quy Community Association	3.0
Crookston Community Group	2.7
Crossroads Youth and Community Association	3.0
Crossway Football Club	0.5
Cullercoats Football Club	0.5
Cumbernauld and Kilsyth Care	0.5
Cuminestown Youth Active Football Club	0.5
D Unit Combat Sports Hub	0.5
Dalmuir Bowling Club	0.5
Dami Fawehinmi	10.0
Darlington 21st Allstars JFC	0.5
Darlington Town Girls	0.5
Disability Sport Glasgow (SCIO)	0.5

Classification: Private

Name of institution	2023 £'000
Dragon Tale Theatre Group	0.5
Drumchapel Amateurs 2012	0.5
Drumchapel Amateurs Football Club	0.5
Drymen Youth Cafe	0.5
Dumbarton Area Council on Alcohol	0.5
Dumfries and Galloway Advocacy Service	0.5
Dundonnell Mountain Rescue Team SCIO	0.5
Dunnington U16 FC	0.5
Durham Football Club	0.5
Dynamite Gymnastics Club	0.5
Easington Lane Community Access Point	30.0
Easington Lane Community Acess Point	3.0
East Cleveland Youth Housing	30.0
East Cleveland Youth Housing Trust	3.0
East Cleveland Youth Housing Trust	3.0
Eastwood Entertainers	0.5
Edberts House	3.0
Edward Maxfield	10.0
EK Reds FC 09s	0.5
Emma Redfern	10.0
England Amputee Football Association	0.5
FARE	22.5
FARE Scotland	2.3
Farhad Gohar	9.3
Fatmata Sesay	8.1
FC Hartlepool	0.5
Felling Magpies Youth Football Club	0.5
Finnian Oldfield	10.0
Fintry Primary School Parent Council and Fundraising Committee	0.5
Fir Park Corner	0.5
Fir Park Corner FC	0.5
FISCUS	29.9
Fiscus North Ltd	3.0
Footprints in the Community	25.7
Footprints In The Community	2.8
Footprints In The Community	2.6
Forth Amateur Football Club	0.5
Friends of Bramham School	0.5
Friends of Jesmond Library	0.5
Friends Of Locke Park	0.5
Friends of Pickering Infant & Nursery School	0.5
Friends of Ryton Junior School	0.5
Friends of Singlegate School	0.5
FROG	30.0
Fuse Youth Café	30.0
Fuse Youth Café	3.0
Future Regeneration of Grangetown	3.0

Classification: Private

Name of institution	2023 £'000
Garscube Harriers	0.5
Gartcosh Primary Parent Council	0.5
Gateshead Cleveland Hall CA	0.5
Glasgow Children's Holiday Scheme	0.5
Glasgow Children's Holiday Scheme	0.5
Glasgow Frontrunners	0.5
Glasgow Street Aid	0.5
Glencairn Primary School Parent Council	0.5
Glenvale FC 2011	0.5
Go Forth and Clyde	0.5
Goal- Driven CIC	0.5
Gosforth Garden Village Association	0.5
Gosforth Park First School Parent Teacher Association	0.5
Govan Community Project	10.7
Govan Community Project	3.0
Govan Community Project	1.1
Govan Youth Information Project	30.0
Govanhill Baths Community Trust	2.0
Govanhill Baths Community Trust	29.4
Govanhill Baths Community Trust	0.5
Govanhill Baths Community Trust	3.0
Govanhill Baths Community Trust	2.9
Govanhill Community Development Trust	30.0
Govanhill Community Development Trust	3.0
Greasbrough Youth Football Club	0.5
Greenock Morton Community Trust	0.5
Greenside Cricket Club	0.5
Groundwork NE	3.0
Groundwork North East and Cumbria	29.7
Gryffe High School PTA	0.5
Hadston House Youth and Community Projects	3.8
HAMILTON OPERATIC AND DRAMATIC CLUB	0.5
Hartlepower	13.4
Hartlepower	1.3
Hawarden Rangers Football Club	0.5
Hillam and Monk Fryston Cricket Club	0.5
Hillsborough Pumas Junior Football	0.5
Hospitality and Hope	2.9
Immingham Pilgrims A.F.C.	0.5
Insch & District Football Club	0.5
Inverclyde Tourist Group	0.5
Irvine Vics United 2011 FC	0.5
Irvine Victoria 2004s	0.5
Jackson Church Summer Club	0.5
Jarrow Football Club	0.5
Jewish Community Council of Gateshead	3.0
Joel- The Complete Package	0.5

Classification: Private

Name of institution	2023 £'000
Johnstone Burgh Community Football Club	0.5
Just For Women Centre	2.7
Just For Women Centre CIC	26.9
Justice Prince	3.0
Kellingley Welfare Junior Football Club	0.5
Kilbarchan Amateur Athletic Club	0.4
Kilbarchan Pipe Band	0.5
Killingworth Young Peoples Club	0.5
Killingworth Young Peoples Club	0.5
Kilmarnock Road Children and Young People's Centre	3.0
Kilpatrick FC	0.5
Kingsgate Community Church	0.5
Kirkcaldy Community Football Partnership	0.5
Kirkliston Children's Gala Day	0.5
Knottingley Mustangs	0.5
Lambhill Stables	3.0
Lanark Pantomime Club	0.5
Larbert Musical Theatre	0.5
Leeds All Stars Majorettes	0.5
Leeds Autism Services	0.5
Lenzie Youth Club (2010 age group)	0.5
LinKes	30.0
LinKes	3.0
LinKes	3.0
Linthwaite Football Club	0.5
Linthwaite Football Club	0.5
Lisa Eigbadon	9.5
Litter Free Pudsey	0.5
Loch Lomond Rugby Club Minis and Juniors	0.5
Macduff School Fund	0.5
Martha and Mary's Association	0.5
Meadowhead Community Learning Trust	0.5
Meadowwell Connected	3.0
Mearns Kirk Helping Hands	0.5
Mearns Kirk Helping Hands	0.5
Medicinema	0.5
Mill United Boys Club 2008	0.5
Montrose Baptist Church	0.5
Morpeth Harriers & Athletic Club	0.5
Morton in the Community	0.5
Mount Vernon Primary School Parent Council	0.5
Moving On Durham	3.0
New Fordley Juniors Football Club	0.5
New Rhythms for Glasgow	29.8
Newbiggin Hall Junior Football Club	0.5
North East Sport	0.5
North Lanarkshire Figure Skating Club	0.5

Classification: Private

Name of institution	2023 £'000
North Leeds Leopards Rugby League Club	0.5
Oasis Community Housing	2.0
Our Lady of the Missions Football Club 2012	0.5
Pallion Action Group	5.0
PANACHE GYMNASTICS	0.5
Parents at Swillington School	0.5
Peace of Mind	29.6
Peace of Mind	2.5
Peace of Mind	3.0
PEEK	30.0
PEEK	3.0
Pelsall Villa Colts	0.5
Perth Green Community Association	2.5
Phoebe Hanson	0.0
Phoenix Girl's Football Club	0.5
Pollokshields United Football Club	0.5
Pontefract Community Kitchen	0.5
Ponteland United	0.5
Port Glasgow Juniors Community Sports Club	0.5
Prestwick Community Council	0.5
Riverside Community Health Project	30.0
Riverside girls football team	0.5
Rockets Community Foundation	0.5
Rosemount Lifelong Learning	2.0
Rosemount Lifelong Learning	20.0
Ruth Haslam	10.0
Ryan Dube	9.9
Safe Anchor Trust	0.5
Saltburn Athletic Junior Football Club	0.5
Saltney Gymnastics Club	0.5
Scredington Village Hall & Playing Fields	0.5
Seafield Primary School Parent Teacher Association	0.5
SHARP	3.0
Sheffield Steelers Junior Football Club	0.5
Shettleston Harriers	0.5
Shildon Alive	30.0
Shiney Advice and Resource Project (ShARP)	30.0
Shipley Memories Group	0.5
Shotton Partnership	30.0
Shotton Partnership 2000 Ltd.	3.0
Shotton Partnership 2000 Ltd.	3.0
Smart Works Newcastle	0.5
Social Flock	0.5
Soundsational Community Music	0.5
South Gosforth First School Parents Association	0.5
South West Arts & Music Project (SWAMP)	30.0
Spenborough and District Athletic Club	0.5

Classification: Private

Name of institution	2023 £'000
St Mary's Primary Parent Council	0.5
St Mirren Youth Football Club	0.5
St Pauls Spennymoor Centre Ltd	2.9
St Peter's Church	0.5
Standwithkylenow	0.5
Stanningley Albion JFC & Open Age Football Team	0.5
Stewartry Rugby Football Club	0.5
Stow Kids Club	0.3
Strathaven Dynamos U16 Girls Team	0.5
Style Options	0.5
Sunderland Bangladesh International Centre	3.0
Sunderland Broom Hockey Club	0.5
Support and Grow North East	0.5
Supporting Homeless, Assisting Refugees Everywhere	0.5
The Ataxia-Telangiectasia Society	0.5
The Friends of Barshaw Park	0.5
The Friends of St Joseph's School	0.5
The Jeely Piece Club	30.0
The Loft Youth Centre	0.5
The Millin Charity	29.9
The Pyramid at Anderston	0.5
The Rosse Charitable Trust for St Martins Womersley	0.5
The Rotary Club of York Vikings Trust	0.5
The SSC (A Club for the Youth of Scotland)	0.5
The Tilly Ladies	0.5
The Well Multicultural Resource Centre	30.0
The Well Multi-Cultural Resource Centre	3.0
The Well Multi-Cultural Resource Centre	3.0
The Wharton Trust	30.0
Third Lanark Football Club	0.5
Thorn Athletic 2006 Blues	0.5
Throckley Community Hall Limited	0.5
Tingley Athletic Football Club	0.5
Tir Conaill Harps GAC	0.5
Tynemouth Amateur Swimming Club (TASC)	0.5
Ubuntu Multicultural Centre	2.9
Ubuntu Multicultural Centre	19.4
UTD Sports Football Academy	0.5
Victoria Park Football Club	0.5
Volunteer Glasgow	0.5
Volunteer Glasgow	0.5
Walbottle Village Primary School	0.5
West End Refugee Service	3.0
West End Refugee Service	3.0
West of Scotland Cricket Club	0.5
West of Scotland Deaf Children Society	0.5
West Park United FC	0.5

Classification: Private

Name of institution	2023 £'000
West View Advice & Resource Centre Ltd	3.8
Whiston Pre School	0.5
Whiteleys Retreat	0.5
Wilnecote Sports and Recreational Association	0.5
Wisewood Youth Group	0.3
Wolviston Football Club	0.5
Wombourne All-stars FC	0.5
Wombwell Main Blue Team	0.5
Womens Health In South Tyneside (WHIST)	3.0
Woodlands Community Development Trust	29.7
Woodlands Community Development Trust	3.0
Woodlands Community Development Trust	3.0
Woodside Paisley Karate Club	0.5
Wortley Football Club	0.5
Wrekenton Nou Camp YFC	0.5
Wrexham Rugby Club	0.5
Wrexham Rugby Union Football Club	0.5
YMCA Newcastle	3.0
YMCA North Tyneside	3.0
Ysgol Gymraeg Nant Caerau PTFA	0.5
Programme Costs	236.7
Cancelled Grants	(2.7)
Rounding	(0.5)
Total grants awarded in the 12 months to 30 September 2023 (note 4)	**1,786.2**

Classification: Private

Notes to the financial statements

16. Grants awarded

Name of institution	2022 £'000
11th Hamilton Brownies	0.5
11th St Andrews Scout Group	0.5
1st Thurstaston Scout Group	0.5
242nd City of Glasgow Rainbow Unit	0.5
48th Glasgow Scouts	0.5
5th Milngavie Guides	0.5
Action Station South Tyneside LTD	8.0
Annexe Communities	26.0
Ardgowan Thistle Football Club	0.5
Argo Boxing Club	0.5
Back on the Map	8.0
Balfron High School Parent Council	0.5
BALTIC Centre for Contemporary Art	34.0
Bangor Football & Athletic Club Ltd	0.5
Big Ideas	27.5
Bradford Organic Communities Service	8.0
Bridgeton Community Learning Campus	30.0
Bright Minds , Big Futures	11.9
Building Futures East	30.0
Capital of Cycling	8.0
Clydebank Athletic	0.5
Companions Real Bread CIC	0.5
Company of Others	8.0
Cornforth Partnership	30.0
Cowpen Quay Community Association	30.0
Cranhill Development Trust	30.0
CREST	30.0
Crookston Community Group	27.0
Crossroads Youth & Community Association	30.0
Dynamite Gymnastics Club	0.5
East Cleveland Youth Housing Trust	8.0
Falkirk Vineyard Church	0.5
Family Voice Sheffield C.I.C.	8.0
Friends of Monklands Canal	0.5
Glasgow Care Foundation	0.5
Glasgow Tigers Academy	0.5
Glencairn Primary Parents Council	0.5
Govanhill Community Development Trust	30.0
Grace House North East	29.0
Home-Start Telford & Wrekin	0.5
Hospitality and Hope	0.5
Jewish Community Council of Gateshead	30.0
Johnstone Burgh Community Football Club	0.5
Justice Prince	30.0
Killingworth Young People's Club	0.5
Kilmarnock Road Children and Young People’s Family Resource Centre	30.0
Kilpatrick FC - 2009	0.5
Kilpatrick FC - 2012's	0.5

Classification: Private

Notes to the financial statements

Name of institution	2022 £'000
Kindness Homeless Street Team Glasgow SCIO	0.5
Leeds Autism	0.5
Leeds Community Spaces	8.0
Lenzie Youth Club	0.5
Live Well North East C.I.C	8.0
Local Services 2 You Ltd.	8.0
Loudoun Montgomery Parent Council	0.5
Martha and Mary Association	0.5
Meadow well connected	30.0
Means Kirk Helping Hands	0.5
Mill United	0.5
Moving on Durham	30.0
Neilston FC Youth Academy	0.5
New Writing North	10.0
Northbourne Youth Initiative	37.4
Northern Roots	30.0
Our Lady of the Missions Football Club	0.5
Oxgang Primary School Parent Teacher Association	0.5
Patchwork Project	35.2
Port Glasgow Juniors Club 2001	0.5
REfUSE C.I.C.	8.0
Riverside Stage Company	0.5
Rotary Club of York Vikings Trust Fund	0.5
Rotherham Hawks Basketball Club	0.5
Scholemoor Beacon	8.0
Scottish Handball Association	0.5
Shotton Partnership 2000 Ltd.	30.0
Silsden AFC Juniors & Ladies	0.5
SKY Positive Minds	8.0
Spartans Football Club (Youth)	0.5
Spartans Football Club (Youth)	0.5
St Annes Football Club	0.5
St John the Baptist VP School Home School Association	0.5
St Mary's Primary School Parent Council	0.5
Strathaven Dynamos	0.5
Sunderland Bangladeshi International Centre	30.0
Syngenta Juveniles Football Club	0.5
The Big League CIC	25.0
The Big League CIC	8.0
The British Octopush Association	0.5
The Cornforth Partnership	8.0
The Customs House	35.0
The Kirkgate Centre	8.0
The Super Power Agency	0.5
The Tilly Ladies	0.5
The Well Multi-Cultural Resource Centre	30.0
Ubuntu Multicultural Centre CIC	8.0
Wearside Women In Need	8.0

Classification: Private

Notes to the financial statements

Name of institution	2022 £'000
West End Refugee Service	30.0
West Park United Football Club	0.5
West View Advice & Resource Centre Ltd	8.0
Whitelees Primary School Parent Council	0.5
Whitley Bay Juniors FC	0.4
Women's Health in South Tyneside	30.0
YMCA Newcastle	30.0
Programme Costs Paid Direct	200.2
Returned Grant	(0.5)
Total grants awarded in the 12 months to 30 September 2022 (note 4)	1,276.1

Classification: Private

THE VIRGIN MONEY FOUNDATION

England & Wales - Charity number 1161290

Accounts

Registered Company: 09457101
Registered Charity: 1161290 and SC050400

The Virgin Money Foundation

Annual Report and Accounts
for the year ended 30 September 2022

The Virgin Money Foundation

Contents

	Page
Company information	2
Chair’s statement	3
Trustees’ report	4
Independent auditor’s report	14
Statement of financial activities	17
Balance sheet	18
Cash flow statement	19
Notes to the financial statements	20

The Virgin Money Foundation

Company information

The Virgin Money Foundation (the 'Foundation') is a registered charity supported by Virgin Money UK PLC, which together with its subsidiaries and controlled entities is referred to as 'Virgin Money' or the 'Group' in this Annual Report.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Foundation's Memorandum and Articles of Association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 2 October 2019. The Trustees' report on pages 4 to 13 has been prepared to satisfy the Directors' report requirements of the Companies Act 2006 as applicable to small companies.

Reference and Administrative Information

Trustees (who are also the Directors for the purposes of company law):	Amanda Jordan (Chair) Joanne Curry (Vice Chair) Lorna Bennie Keith Burge Hannah Underwood Edward Younger Keith Merrin Alison Kidd Laura Christer (appointed 29 April 2022) Abigail Walker (appointed 7 April 2022)
Company Secretary:	Lorna McMillan
Bankers:	Clydesdale Bank PLC 30 St Vincent Place Glasgow G1 2HL Lloyds Bank plc 25 Gresham Street London EC2V 7HN Nationwide Building Society Nationwide House Pipers Way Swindon SN38 1NW
Independent Auditor:	Ernst & Young LLP Atria One 144 Morrison Street Edinburgh EH3 8EX
Registered office:	Jubilee House Gosforth Newcastle upon Tyne NE3 4PL
Registered Company No:	09457101 (Company limited by guarantee)
Charity No:	Registered in England and Wales Charity No. 1161290 Registered in Scotland Charity No. SC050400

The Virgin Money Foundation

Chair's statement

Welcome to the 2022 Annual Report and Accounts of the Virgin Money Foundation.

This was my first full year as Chair of the Virgin Money Foundation and one in which we continued to support community entrepreneurs and community organisations working to drive local change. Our ambition is that local people are better able to lead social change, that local community organisations are strengthened and that resilient communities are able to tackle poverty at its roots.

Through our strategic 'Community Anchor' grants programme, we work with local organisations who play a vital, practical role in reducing the impact of poverty in the neighbourhoods in our target areas of the North East of England and Glasgow (in partnership with the HFD Foundation). Community anchors are home to food banks or community pantries, run furniture recycling schemes, provide guidance and training in cooking on a budget, support 'grow your own' schemes, act as a base for benefit maximisation projects and debt advice, link people to sources of lower cost credit, tackle fuel and data poverty and provide employment support and training. Others operate in the private rented sector providing a good standard of housing and practical support to their tenants - many working with young people as they leave local authority care. In other words those organisations that are the mainstays of neighbourhoods especially in difficult times.

We have also built on our proud track record of investing in young people as leaders of social action and social change. We recognise the need to give young people opportunities and continue the flow of social entrepreneurs into communities. In this final round of the #Iwill Take Action Fund we supported projects under three themes, all led by young people: Crisis, Poverty and Isolation; Arts and Heritage and Community Justice. We have been delighted to partner with the #IWill campaign and this helped us to launch our own Young Change Makers Programme in 2021 and over this last year we have supported the nine young people whose social change projects are tackling key issues in their local community across the North of England. We are grateful to the support of the National Lottery Community Fund who provided match funding for both programmes.

During the year we commissioned two external evaluations to learn more about the impact of our work with young people. When place is given central importance in youth social action we would like to better understand and share the impact this has both on the young person's sense of belonging to that place and the impact on others in that place. An evaluation of our Young Change Makers Fellowship Programme will help us learn about how best to support young people to create change.

During 2022 we also launched a new programme to support established leaders of social change in the North East and Yorkshire and Humber. 'Leading the Way', in partnership with Power to Change, aims to increase the confidence, resilience, skills and networks of people running community enterprises, including community businesses, organisations and trading charities, to enable them to develop their leadership and deepen the positive impact their organisation has in their community. We recruited our first cohort of 19 community leaders in June this year, each receiving a package of support worth approximately £25,000 in value.

The Foundation appointed two new Trustees for this year, both young people who had completed a one year term as Board Observers. I extend my thanks to all my fellow Trustees for their time, energy and commitment over the last 12 months and to the Foundation team, led by Nancy Doyle-Hall and her cover during family leave, Kate Bradley. They have been a tremendous support for me in my first year.

We must not forget that these are difficult times for many people. Like all funders, we are very concerned about the cost-of-living crisis and its impact on communities where cost of living challenges are not new but have become more acute. As we look ahead to 2023 and beyond, we want to build on our reputation, using sector knowledge, funds, brand power and our people to help drive the national agenda around the poverty premium and the root causes of poverty. I look forward to continuing this work.

Amanda Jordan
Chair of the Board of Trustees
14 December 2022

Trustees' report

Objectives and activities

The Foundation was incorporated on 25 February 2015 as a company limited by guarantee. It was registered as a charity on 15 April 2015 and in 2020 successfully applied for dual registration with the regulator for charities in Scotland - OSCR. The Foundation launched with an initial focus on the North East of England but has expanded its grant programmes to Glasgow and to other communities across the North of England.

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives, planning future activities and setting the grant-making policy for the period.

The Foundation has been established for the public's benefit and has two documented objectives:

- to promote the sustainable regeneration of socially or economically deprived communities in the UK. This includes, but is not limited to, providing social investment in community housing and building projects, promoting opportunities for youth work, education, training and enterprise, relieving unemployment and the promotion of other community based projects; and
- to support other charitable purposes in the UK, as the Trustees in their absolute discretion determine.

The Foundation typically provides both financial and non-financial support to charities and social enterprises through its grant-making programmes.

Measures of success

Since launch the Foundation has awarded almost £12 million in grants. The Trustees of the Foundation have approved a Theory of Change which details the activity the Foundation will undertake and how it will measure success. Measures currently include:

- the number of grants awarded;
- the value of grants;
- the level of Beyond the Grant activity offered by the Foundation; and
- the outcomes achieved by grant recipients.

Strategy

The Foundation develops funding programmes informed by its Theory of Change. During the year the Foundation's grant programmes continued to focus on:

- using the Virgin Money brand to bring people together to think through the key issues the Foundation seeks to address, find solutions and work for change;
- investing in solutions, backing entrepreneurs and organisations to drive positive change within communities; and
- providing non-financial support to beneficiaries and resourcing them to sustain, scale or replicate these initiatives in places where they are needed most.

In September 2022 the Trustees of the Foundation met to discuss its strategy and review the Theory of Change. Trustees were of the view that the Theory of Change should evolve in recognition of the commitment to young people and community leaders, leading social change alongside strengthening community organisations tackling the root causes of poverty. A more in-depth strategy review will take place in the first half of the next financial year to ensure the Foundation continues to learn through its activities and to consider and implement changes required to ensure effectiveness.

Trustees' report

Achievements and performance

Community Anchors' Fund

The Community Anchors Fund aims to build meaningful and enduring partnerships with innovative and committed local community organisations. These are vital local organisations that act as the 'bedrock' in a neighbourhood, providing a place where people feel welcome, problems solved and good ideas are helped to grow. There is a breadth of organisations supported but these are typically small charities deeply rooted in a specific place. The Community Anchors' Fund provides these organisations with grants to cover core costs or to support new or existing projects. The award can be spread over one, two or three years.

During the financial period the Foundation awarded 15 grants through the Community Anchors' Fund totalling £444.9k (FY21: £585.3k).

Of the grants awarded during the financial period, 54% were for core costs and 46% for specified activities or project costs.

Of the grants awarded, five were for a single year, seven were spread over two years and three were spread over three years.

Community Anchors' Fund Glasgow

Community Anchors expanded into Glasgow in 2020 with the support of both Virgin Money and the HFD Charitable Foundation. Community Anchors Glasgow is not an open grants programme at this time. The Foundation is grateful for the support of knowledgeable Glasgow-based funders and partners who help identify community anchor organisations who are invited to apply to the fund for up to £30,000 for project or running costs. Priority is given to organisations which help people impacted most by the rising cost of living and organisations supporting people to move people out of poverty and provide a longer-term sustainable solution.

During the financial period 7 grants were awarded through the Community Anchors' Fund Glasgow totalling £203.0k (FY21: £389.1k), taking the total awarded through the fund since launch to over £700k.

Of the grants awarded during the financial period, 42% were for core costs and 58% for specified activities or project costs.

Of the grants awarded, three were for a single year, three were spread over two years and one was spread over three years.

#iwill Take Action Fund

In early 2022 the Foundation made the final awards through the second round of the #iwill Take Action Fund utilising funding awarded to the Foundation through the National Lottery Community Fund #iwill fund grant. The #iwill Fund is made possible thanks to £50 million joint investment from The National Lottery Community Fund and the Department for Digital, Culture, Media and Sport (DCMS) to support young people to access high quality social action. The Foundation is a match-funder of the #iwill Fund(1).

The #iwill Fund brings together a group of organisations that all contribute funding to embed meaningful social action into the lives of young people. Social action involves activities such as campaigning, fundraising and volunteering. The #iwill Fund supports the aims of the #iwill campaign - to make involvement in social action a part of life for young people, by recognising the benefit for both young people and their communities.

The #iwill Take Action Fund, supports youth-led initiatives in which young people are taking the lead in creating positive change in their community. In the second round of this fund we specifically welcomed applications for activity in which young people are supporting their local community to recover from the effects of COVID-19. We invited applications under three themes:

- Crisis, Poverty and Isolation
- Arts and Heritage
- Community Justice

We awarded 9 grants through the fund during the FY22 financial period, totalling £250k (FY21: £320k).

Theme of work	Number of grants	Combined Grant Total
Crisis, Poverty and Isolation	2	£72,608
Community Justice	3	£68,370
Arts and Heritage	4	£109,040

(1) In the financial statements detailed in notes 4a,12 and 13 funding provided by the National Lottery Community Fund for the #iwill Take Action Fund is listed under the title National Lottery Community Fund #iwill Fund grant. This is the name of the funding programme through which their funds were provided.

Young Change Makers Fellowship Programme

In FY21 the Foundation launched the Young Change Makers Fellowship Programme utilising funding provided by National Lottery Community Fund Partnerships England Wide(2). The Young Change Makers Fellowship Programme supports young people aged between 18 and 25 from the North East, North West and Yorkshire and Humber who are working to create positive change in their local community. All 9 grant awards for Cohort 1 were made in FY21 but delivery of the programme continued in FY22.

(2) In the financial statements detailed in notes 4a,12 and 13 funding provided by the National Lottery Community Fund for the Young Change Makers Programme is listed under the title National Lottery Community Fund Partnerships England Wide. This is the name of the funding programme through which their funds were provided.

Leading the Way

Leading the Way opened for applications in December 2021 in partnership with Power to Change who were awarded a grant towards programme management. A total of 19 leaders from community organisations and community businesses across the North East and Yorkshire and Humber were selected to join a 16 month programme which started in June 2022. The programme has been designed for leaders who have not benefitted from significant investment in their personal or organisational development. A second cohort will run from April 2023 to July 2024. NCVO were appointed as the learning partner following a tender process.

Colleagues in the Community Fund

Following the acquisition of Virgin Money by CYBG PLC in 2018 and the integration of the two businesses, the Yorkshire and Clydesdale Bank Foundation (YCBF) was wound down and closed. Funding previously directed by Clydesdale Bank PLC to YCBF was instead donated to the Foundation. With this additional funding the Foundation launched a new grants programme in FY20 supporting the charities with whom bank colleagues have a long-term volunteering relationship. Grants are for up to £500.

During the financial period the Foundation awarded 52 grants through the Colleagues in the Community Fund totalling £25,857 (FY21: £40,713).

Social and Sustainable Housing Fund

In FY21 the Foundation awarded £250,000 as a programme related investment in the Social and Sustainable Housing Fund (SASH). The SASH pools resources from a number of social investors, including the Foundation, and lends money to Social Sector Organisations providing housing for vulnerable people in the United Kingdom. At 30 September 2022, £147,366 had been provided to the SASH, with a remaining £102,634 still to be drawn. This is the Foundation's first social investment and through the investment we intend to learn about the usefulness and application of social investment in addressing housing need.

Beyond the Grant

The Foundation provides a range of additional support to funded organisations that we call 'beyond the grant'. Externally we delivered a series of five Masterclasses in partnership with GLT, the topics being; North East communities post Brexit, Women in Leadership, Equity, Diversity and Inclusion, Future Funding and Social impact. In total 676 community leaders attended these Masterclasses.

Beyond the Grant also includes harnessing the assets, people and wider opportunities from our relationship with Virgin Money. In total Virgin Money colleagues logged 348 volunteer hours for the Foundation.

This year a 'Being a Great Trustee' programme was delivered with Yes We Can Govern. A total of 22 Virgin Money colleagues took part with the aim of taking up trustee roles in their local community. Through a mentoring programme, six colleagues were matched with leaders from charities and community organisations. Virgin Money's Internal Audit team also delivered a workshop attended by nine organisations.

The Young Change Makers programme was enhanced by support from 30 Virgin Money colleagues acting as mentors and joining method groups for each young person. One of the Young Change Makers also secured a place on the Virgin StartUp programme.

The Virgin Money Learning and Development team delivered a 'Springboard' programme, to support woman in their careers and offered three spaces to women from the Foundation's funded organisations. Working with the Leadership Development team, a pilot programme launched in September this year to provide strategic consultancy to our partner community organisations by members of the extended leadership team. The pilot will be evaluated to capture learning and inform the future strategy for colleague skills-based volunteering.

Plans for future periods

The Foundation continues to evolve its programmes in line with its strategy and needs. In the next financial period it is planning the following:

- Continue to concentrate grant-making in areas that need the money most. During the financial period 84% of the value of the Foundation's grants were spent in communities in the top 20% of the Index of Multiple Deprivation and 52% spent in the top 5% of the Index of Multiple Deprivation. We remain committed to ensuring our funds support people to create change where there is greatest need.
- Continue to support Community Anchors in the North East of England and in Glasgow to provide access to services, to increase skills and wellbeing and reduce isolation and provide emergency relief as the cost of living crisis grows.
- Explore additional geographies to deliver localised enduring impact.
- Recruit the second cohort of Young Change Makers and explore the future of this programme beyond its current funding term.
- Recruit the second cohort of community leaders through Leading the Way, supporting them to develop their leadership skills and increase the impact of their organisation.
- Engage more Virgin Money colleagues in skills-centred volunteering to increase the impact of our funded organisations.
- Share learning from evaluations of our programmes for young people and community leaders.

Financial investment policy

The Foundation is in the fortunate position that its benefactor, Virgin Money, has agreed to fund the majority of the Foundation's operating costs in addition to making a grant for charitable distribution. Accordingly, the Foundation's investment policy is concerned exclusively with funds intended for distribution according to the Foundation's charitable purpose.

In this respect, the Foundation has received, and will continue to receive, relatively large amounts of funds that accumulate prior to deployment to beneficiaries. Accumulation of funds is exacerbated by (1) any delay in allocation and then deployment and (2) the necessity to retain absolute assets against absolute liabilities – e.g. where the Foundation has made a commitment without conditions over an extended period of time.

The Trustees expect that from time to time there may be some accumulation of funds prior to deployment and, as such, have adopted a clear investment policy for the Foundation as follows:

Unless the Board of Trustees specifically agrees otherwise:

1. The Foundation must hold at least 100% of the value of any condition-less committed funding calls expected within the next 6 months in immediately realisable cash on deposit. Amounts due from notice accounts may count towards this figure to the extent that (a) notice has been given and acknowledged and (b) funds will be freely available at least 14 days prior to the Foundation's corresponding funding commitments.
2. The Foundation must hold the balance of any unconditional funding commitments either in immediately realisable cash on deposit or in cash realisable within 120 or fewer days.
3. The Foundation may hold up to 50% of its uncommitted funds in AA or better rated government bonds provided (i) any funds so committed are realisable within 181 or fewer days (ii) any currency risk is hedged completely and (iii) no credit risk is taken other than systemic and/or counterparty risk – i.e. any securities are bought on a yield to redemption basis.
4. The balance of uncommitted funds must be held as cash realisable within 181 or fewer days.
5. Any cash on deposit must be held within an institution approved by the Trustees having regard first to its creditworthiness, second to the rate of interest being paid and third the extent to which the proposed institution and/or financial product constitutes an ethical investment.
6. No more than £2 million should be held with any one institution without the Trustees' explicit prior approval, to be renewed at each Trustees meeting, and there is a normal presumption against this.

Social investment policy

During FY21 the Foundation developed a policy on social investment. In addition to its financial investment activity, the parameters of which are set out in the financial investment policy above, and its grant making activity undertaken in support of its charitable purposes, the Foundation considers and, if thought fit, undertakes social investment as a means of both furthering the Foundation's charitable purposes and with the potential to generate a financial return.

The power for the Foundation to make such social investments derives from statute and further provisions as to the Foundation's power to make social investments by way of loan are set out in the Operating Framework Agreement made with the Foundation's sole member. The Foundation's policy on social investments adheres to the following guidance from the Charity Commission:

"Programme related investments (also known as social investments) are made directly in pursuit of the organisation's charitable purposes. Although they can generate some financial return (funding may or may not be provided on commercial terms), the primary purpose for making them is not financial but to further the objects of the funding charity."

The Trustees consider that the primary motivation for making any social investment must be the achievement of social impact in the context of the Foundation's charitable objects; any financial return generated is regarded as secondary. The Foundation's social investment activity is not a replacement for its grant making activity, which will continue to be the primary means of furthering the Foundation's charitable purposes.

During FY22 the Foundation did not make any new programme related social investments.

Reserves policy

The Trustees review the reserves policy annually and monitor the level of reserves throughout the period. Unrestricted funds are held with the aim of enabling the Foundation to meet its current funding commitments. In addition, the Trustees have agreed that it is prudent to hold sufficient reserves to cover 3-6 months non-grant expenditure for contingency purposes.

General reserves are unrestricted funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Foundation and that have not been designated for other purposes.

Trustees' report

Financial review

Summary financial information for period ended	12 months to 30 Sep 2022 £'000	12 months to 30 Sep 2021 £'000
Grants and donations received	**1,881.3**	2,047.8
Other income	**2.5**	4.0
Expenditure on charitable activities	**(1,276.1)**	(1,455.8)
Other expenditure	**(449.1)**	(520.1)
Net income	**158.6**	75.9
Restricted income funds	**283.6**	427.7
Unrestricted income funds	**1,929.7**	1,627.0
Total funds carried forward	**2,213.3**	2,054.7

Income

Income in FY22 totalled £1,883.8k (FY21: £2,051.8k). The Foundation received grants and donations of £1,143.0k (FY21: £1,143.0k) from Virgin Money in the period, £nil (FY21: £270k) from National Lottery Community Fund and £100.0k (FY21: £100k) from HFD Charitable Foundation. The Foundation also received other smaller donations totalling £212.5k (FY21: £95.3k). In addition, Virgin Money donated services to the Foundation totalling £425.8k (FY21: £439.5k). The donated services represent the provision of the Foundation's core staff as well as office space, technology, legal and accountancy support, and the remuneration of the auditors.

Expenditure

Expenditure in FY22 totalled £1,725.2k (FY21: £1,975.9k). The Foundation's expenditure was used to fund charitable causes and support the running of the Foundation, the activities of which are entirely charitable and accord with its objectives.

The Foundation awarded 103 grants in FY22 totalling £1,076.4k (FY21 £1,445k) and received a refund of one previously awarded grant of £0.5k (FY21 £2.9k). Grants were made for amounts between £400 and £37,400. In addition, the Foundation paid £200.2k (FY21: £13.7k) towards programme costs.

The Foundation also incurred £449.1k (£520.1k) of operational costs, comprising £425.8k (FY21: £439.5k) of services donated by Virgin Money, £nil donated by Ridgeway Partners (FY21: £78.0k) and £3.0k (FY21: £2.6k) relating to bank charges.

Reserves

The Foundation's reserves at 30 September 2022 totalled £2,213.3k (FY21: £2,054.7k), comprising restricted reserves of £283.6k (FY21: £427.7k) and unrestricted reserves of £1,929.7k (FY21: £1,627.0k).

The unrestricted reserves include £1,754.7k for grant-making and £175.0k as a contingency for non grant-making expenditure in line with our reserves policy.

Designated Funds

The unrestricted funds for grant-making include the following designated funds:

Designation	Amount £'000	Likely timing of expenditure
Funds that have been awarded as programme related investments	245.9	FY22-FY25
Heart of the Community Fund	206.8	FY22-FY23
Community Anchors' Fund Ubuntu	10.0	FY22
Community Anchors' Fund Glasgow	188.7	FY22-FY23
Funding matched with National Lottery Community Fund Partnerships England Wide	189.4	FY22-FY23
Funding matched with National Lottery Community Fund #iwill Fund grant	26.7	FY23
Community Entrepreneurs Fellowship Programme	268.0	FY23-FY24

Structure, governance and management

The structure, governance and management of the Foundation are as follows:

- The Foundation was incorporated as a private company limited by guarantee (Company no. 09457101) on 25 February 2015.
- The Foundation was subsequently registered as a charity on 15 April 2015 (Charity no. 1161290) and operates in accordance with its Memorandum and Articles of Association. In August 2020, the Foundation registered with the regulator for charities in Scotland (Charity no. SC050400).
- Clydesdale Bank PLC is the sole member of the Foundation, but the Foundation is governed by an independent Board of Trustees, who set the strategy of the Foundation and approve all grants.
- The Trustees have identified the major risks to which the Foundation is exposed and approved a Risk and Control Framework for the Foundation. The major risks are the failure to secure ongoing funding sufficient to deliver the Foundation's strategy, and the misuse of charitable funds due to the failure to follow proper process in the assessment and allocation of funds or due to the recipient organisation misusing the funds. In addition, the current COVID-19 pandemic and its implications upon the Foundation's operations and future plans are risks that the Board is mindful of. The Foundation has established clear processes and governance structures to address and monitor its key risks, including control actions to reduce the likelihood and impact of each of the aforementioned risks. A detailed Operating Framework Agreement is in place with Virgin Money detailing both the financial support and provision of services the Foundation can expect to receive from the bank. The Audit, Finance and Risk Committee provide governance oversight of the Foundation's Risks.
- The Foundation has a conflicts of interest policy, and a register of Trustee interests is maintained. Trustees declare any conflicts of interest at the start of each Board meeting and withdraw from discussions and decisions where there is any actual or potential conflict.
- The Foundation has a Governance Manual which:
    (i) provides an overview of the governance structures and processes by which the Trustees control and supervise the activities of the Foundation;
    (ii) provides an outline of the Foundation's management structure and operational governance; and
    (iii) summarises the Foundation's approach to conflicts of interest and brand protection.

Trustees' report

Trustees

The Trustees who served during the period and up to the date of signing the financial statements are listed on page 2. Lorna Bennie and Alison Kidd are employees of Virgin Money. The Foundation's policies regarding Trustees are as follows:

- Virgin Money appoints the Trustees, but Virgin Money and the Trustees must use their reasonable endeavours to ensure that at least 50% of the Trustees at any one time are not employees, directors or officers of Virgin Money. The Trustees may also co-opt up to three Trustees.
- Trustees initially serve in office for one year, after which they must retire but shall be eligible for re-appointment. Following re-appointment, all Trustees can serve in office for multiple consecutive terms, subject to each term being no longer than three years.
- It is the Foundation's policy that every Trustee should, if necessary, receive training when appointed to the Board, and subsequently as required or requested. The Foundation's induction process is designed to ensure that every new Trustee understands their responsibilities.
- During the last financial period the Foundation recruited two new Trustees who were previously young Board Observers.
- During the financial period the Foundation undertook an open recruitment process for a new Trustee who will be appointed in December 2022 subject to Board approval and satisfactory completion of the pre-appointment checks.
- The Board has appointed a Funding Recommendations Panel which considers all funding recommendations for amounts of £60,000 or less. The Funding Recommendations Panel makes a recommendation regarding funding to the full Board of Trustees. All final decisions regarding the structure of the Foundation's funding programmes and the allocation of funds to individual projects are agreed by a majority vote of the Foundation's Trustees at a formal meeting of the Board. Trustees are required to excuse themselves from voting and influencing the discussion should any potential or actual conflict of interest arise in relation to a potential project. In the event of no clear decision being reached as a result of a vote, the Chair has the deciding vote.
- During the period, the Foundation held a combination of in-person and virtual meetings. All meetings took place as scheduled. Continuing its COVID-19 protocol, the Trustees agreed that in between Board meetings, funding decisions that would usually be taken to the Funding Recommendations Panel could be delegated to any two Trustees. Decisions made by these Trustees were made on behalf of the full Board and were final. This extraordinary process was established in 2020 to enable the Foundation to expedite its funding decisions during the pandemic, ensuring funding was distributed to communities without undue delay.

The Trustees do not receive any emoluments for their role as Trustees although the Foundation meets the costs of the Trustees' travel to and from meetings, plus accommodation where required (within the bounds of its adopted expenses policy).

Additionally, the Foundation's Articles of Association permit that Trustees may be paid for services delivered to the Foundation and/or its beneficiaries. As a matter of practice, the Board has adopted a policy that (a) a proper procurement process will be followed that considers alternative potential providers alongside the Trustee that proposes to provide services; (b) any Trustee that may potentially benefit shall not be part of the relevant procurement discussion or decision; and (c) if any Trustee does provide services, the Charity Commission must be notified at the time and the matter then recorded as a related party transaction in the next published accounts.

Since the date of publication of the last Annual Report, there have been no matters in respect of which a Trustee has recused themself from discussion at the Board due to a potential conflict of interest. In the period, the Foundation appointed two new Trustees, Laura Christer (appointed 29th April 2022) and Abigail Walker (appointed 7th April 2022). Laura Christer is employed by West End Women and Girls and Abigail Walker is employed by Action Foundation. Both organisations received grant awards in FY21 (refer to note 15). In the period, the Foundation also made payments to Power to Change, GLT Partners Limited and Northern Soul, who are led by former Trustees of the Foundation who stepped down from the Board in previous financial years, details of which were disclosed in the 2020 and 2021 Annual Reports.

Colleagues and remuneration

The Trustees delegate day-to-day management of the Foundation to the Executive Director, who is supported by a Programme Manager, a Grants and Learning Manager, a Programme Co-ordinator and an Administrator. During the period, the Executive Director and Programme Co-ordinator were on Family Leave and their respective roles were covered by an external appointment and a Virgin Money colleague secondment.

All Foundation colleagues are employed by Virgin Money and therefore matters of salary and review are administered in line with the organisation's Remuneration Policy. The Chair of the Board of Trustees provides detailed feedback on the performance of the Executive Director as part of the annual pay review process.

Key relationships

During the period the Foundation expended funds from Virgin Money, National Lottery Community Fund, HFD Charitable Foundation, and donations from Virgin Money staff. Leading the Way is delivered in partnership with Power to Change with each party contributing funds over a three year period. Virgin Money also covers the majority of the Foundation's operating costs via donations and provides additional operational support.

Guarantees

In the event of the Foundation being wound up, the liability of the sole member of the Foundation, Clydesdale Bank PLC, is limited to £1. The total number of such guarantees at 30 September 2022 was 1. The member is only entitled to voting rights in the Foundation and does not have a beneficial interest.

Disclosure of information to auditors

In so far as the Trustees who held office at the date of approval of this Trustees' Report are aware:

- there is no relevant audit information of which the Foundation's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Going concern

The Trustees have made an assessment of the Foundation's ability to continue as a going concern and are satisfied that it has the resources to continue in business for at least 12 months from the approval of the financial statements.

The Foundation's use of the going concern basis for preparation of the accounts is discussed in note 1 to the financial statements.

Post balance sheet events

There have been no significant events between 30 September 2022 and the date of approval of the annual financial statements which would require a change to or additional disclosure in the financial statements.

Trustees' report

Statement of Trustees' responsibilities

The Trustees (who are also Directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

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

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approval

The Trustees have agreed these financial statements, which have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the Board of Trustees and signed on its behalf on 14 December 2022 by:

Amanda Jordan

Chair of the Board of Trustees

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF THE VIRGIN MONEY FOUNDATION

Opinion

We have audited the financial statements of The Virgin Money Foundation ("the charitable company") for the year ended 30 September 2022 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes 1 to 16, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2022 and of its incoming resources and application of resources, 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 below. 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 the provisions available for small entities, in circumstances set out in note 1.2 to the financial statements, 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial
- statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 in the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report

Opinion on other matter 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 purpose 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 light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have identified no material misstatements in Directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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' exemption in preparing the Trustees' Annual Report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 14, 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 management either intends to liquidate the charitable company or to cease operations, or has 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.

A further description of our responsibilities for the audit of the financial statements is located on the

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

Independent auditor's report

Use of our report

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

Blake Adlem (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP,
Statutory Auditor,
Edinburgh
14 December 2021

The Virgin Money Foundation

Statement of financial activities
(Including income and expenditure account)

For the year ended 30 September

	Note	2022			2021		
		Unrestricted funds £'000	**Restricted funds £'000**	**Total funds £'000**	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Income from:							
Donations and legacies	2	**1,781.3**	**100.0**	**1,881.3**	1,677.8	370.0	2,047.8
Other income	3	**2.5**	**-**	**2.5**	4.0	-	4.0
Total income		**1,783.8**	**100.0**	**1,883.8**	1,681.8	370.0	2,051.8
Expenditure on:							
Charitable activities	4	**(1,481.1)**	**(244.1)**	**(1,725.2)**	(1,660.2)	(315.7)	(1,975.9)
Total expenditure		**(1,481.1)**	**(244.1)**	**(1,725.2)**	(1,660.2)	(315.7)	(1,975.9)
Net income/(expenditure) in funds for the period	5	**302.7**	**(144.1)**	**158.6**	21.6	54.3	75.9
Transfers between funds		**-**	**-**	**-**	-	-	-
Net movement in funds for the period		**302.7**	**(144.1)**	**158.6**	21.6	54.3	75.9
Reconciliation of funds:							
Total funds brought forward		**1,627.0**	**427.7**	**2,054.7**	1,605.4	373.4	1,978.8
Total funds carried forward		**1,929.7**	**283.6**	**2,213.3**	1,627.0	427.7	2,054.7

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derives from continuing operations.

The accompanying notes form an integral part of these financial statements.

The Virgin Money Foundation

Balance sheet

As at 30 September

	Note	2022 £'000	2021 £'000
Non-current assets			
Programme related investments	7	**143.3**	82.6
Current assets			
Debtors	8	**50.0**	323.5
Cash at bank and in hand	9	**2,702.4**	2,291.8
Total current assets		**2,752.4**	2,615.3
Liabilities			
Creditors: Amounts falling due within the year	10	**(645.4)**	(604.2)
Net current assets		**2,107.0**	2,011.1
Total assets less current liabilities		**2,250.3**	2,093.7
Creditors: Amounts falling due after one year	10	**(37.0)**	(39.0)
Total net assets	14	**2,213.3**	2,054.7
The funds of the charity			
Restricted income funds	12	**283.6**	427.7
Unrestricted income funds	13	**1,929.7**	1,627.0
Total charity funds	14	**2,213.3**	2,054.7

The accompanying notes form an integral part of these financial statements.

The financial statements have been prepared in accordance with the provisions of the small companies' regime.

The financial statements were approved and authorised for issue by the Board of Trustees and were signed on its behalf on 14 December 2022:

Amanda Jordan

Chair of the Board of Trustees

The Virgin Money Foundation

Cash flow statement

For the year ended 30 September

		2022 £'000	2021 £'000
Cash flows from operating activities			
Net cash provided by operating activities	(a)	**471.3**	256.6
Cash flows from investing activities			
Net cash used in investment activities		**(60.7)**	(82.6)
Change in cash and cash equivalents in the period		**410.6**	174.0
Cash and cash equivalents at the beginning of the period		**2,291.8**	2,117.8
Cash and cash equivalents at the end of the period	(b)	**2,702.4**	2,291.8

(a) Reconciliation of net movement in funds to net cash flows from operating activities

	2022 £'000	2021 £'000
Net movement in funds (as per the statement of financial activities)	**158.6**	75.9
Adjustments for:		
Decrease in debtors	**273.5**	21.6
Increase in creditors	**39.2**	159.1
Net cash provided by/(used in) operating activities	**471.3**	256.6

(b) Analysis of cash and cash equivalents

	2022 £'000	2021 £'000
Cash at bank and in hand	**2,702.4**	2,291.8
Total cash and cash equivalents	**2,702.4**	2,291.8

(c) Analysis of changes in net debt

	At 30 September 2020 £'000	Cash flows £'000	At 30 September 2021 £'000	**Cash flows £'000**	**At 30 September 2022 £'000**
Cash	2,117.8	174.0	2,291.8	**410.6**	**2,702.4**

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

1. Accounting policies

1.1 Reporting entity

The Virgin Money Foundation is a company limited by guarantee incorporated in England and Wales and has no share capital. The sole member of the Foundation is Clydesdale Bank PLC within the Virgin Money UK PLC Group. In the event of being wound up, the liability of the member in respect of the guarantee is limited to £1. The financial statements of Virgin Money UK PLC may be obtained from Virgin Money UK PLC's registered office at Jubilee House, Gosforth, Newcastle upon Tyne, NE3 4PL.

1.2 Basis of preparation

The 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 note.

The financial statements, which should be read in conjunction with the Trustees' Report, are prepared in compliance with the Companies Act 2006, the Charities Act 2011, 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) ('the SORP' – 2nd edition – October 2019) and applicable accounting standards in the United Kingdom (UK GAAP).

The Foundation has adjusted the formats from those prescribed by the Companies Act 2006 to include headings that are relevant to its activities, to enable it to show a true and fair view.

The Foundation's financial statements are presented in pounds sterling, which is the functional currency of the Foundation.

1.3 Going concern

Virgin Money UK PLC continues to adhere to the pledge to provide up to £400,000 per annum of financial support to the Foundation to cover its operating costs, as well as an annual donation of at least £1.1 million per annum (to be invested in charitable causes), until at least December 2023. The Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future and at least 12 months from the approval of the financial statements. Accordingly, the Trustees continue to believe the going concern basis of accounting to be appropriate in preparing the financial statements.

1.4 Accounting policies

The principal accounting policies, which have been applied consistently in the preparation of the financial statements, are set out below.

(a) Reserves policy

The Trustees review the reserves policy annually and monitor the level of reserves throughout the year. Unrestricted funds are held with the aim of enabling the Foundation to meet its current funding commitments. In addition, the Trustees have agreed that it is prudent to hold sufficient reserves to cover 3-6 months of non-grant expenditure for contingency purposes.

General reserves are unrestricted funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Foundation and that have not been designated for other purposes.

1. Accounting policies (continued)

(b) Fund accounting

Designated funds comprise unrestricted funds that have been set aside at the discretion of the Trustees for specific purposes. An analysis of each designated fund is set out in note 13.

Restricted funds are subject to specific restrictions imposed by the originator of the income. These include grants and contracts from institutions for provision of specific grants to beneficiaries,

activities or services. Costs are charged against the specific fund in line with donor rules. An analysis of the restricted funds is set out in note 12. Income and gains are allocated to the appropriate fund.

(c) Programme related investments

Programme related investments are held at cost less any impairment provision, as the Foundation is unable to obtain a reliable estimate of fair value. Programme related investments are assessed for objective evidence of impairment at the end of each reporting period. Any income received on programme related investments is recognised as other income.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances.

(e) Income resources

Income, including donations and grants, is recognised when there is evidence of entitlement, receipt is probable, and its amount can be measured reliably. In the case of a grant, evidence of entitlement is considered to exist when the formal offer of funding is communicated to the Foundation. Where grants contain terms or performance conditions which have not been met at the reporting period, the grant received is deferred as a liability and shown in the balance sheet as deferred income. Deferred income is then released to income in the reporting period in which the performance related or other conditions that limit recognition are met.

Grants from governments and organisations which provide core funding, or are of a general nature, are included as 'Income from donations and legacies. Income is recognised in accordance with the terms of the funding agreement or contract.

Donated services and facilities are included as 'Income from donations and legacies' at their estimated value to the Foundation when received, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time.

(f) Resources expended

Grants payable are made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to the grant is outside the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Foundation that would permit the Foundation to avoid making future payment(s), settlement is probable, and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made.

1. Accounting policies (continued)

A contingent liability is identified and disclosed for those grants resulting from:

- A possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control; or
- A present obligation following a grant offer where settlement is either not considered probable or the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

Allocation of expenditure

Charitable activities include the direct costs of the grant awards and the indirect support costs of delivering the grant programmes. Staff costs are apportioned on the basis of the approximate time allocated by the Executive Director and other officers between the Foundation's charitable objectives and governance. Where possible, other costs are allocated on an individual basis to the relevant objective or to governance costs. If costs are not directly attributable to particular objective(s) or to governance, they are apportioned using the same basis as staff costs. The allocation methodology is reviewed annually to ensure that it is still appropriate.

(g) Taxation

The Foundation is a registered charity and is thus exempt from tax on income and gains falling within chapter 3 of part 11 of the Corporation Tax Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to charitable objects. No tax charges have arisen.

Irrecoverable VAT is not separately analysed and is charged to the statement of financial activities when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

2. Donations and legacies

	2022 Unrestricted £'000	**2022 Restricted £'000**	**2022 Total £'000**	2021 Unrestricted £'000	2021 Restricted £'000	2021 Total £'000
Virgin Money grant	**1,143.0**	**-**	**1,143.0**	1,143.0	-	1,143.0
Donations from National Lottery Community Fund #iwill fund Grant	**-**	**-**	**-**	-	270.0	270.0
Other donations	**212.5**	**100.0**	**312.5**	95.3	100.0	195.3
Virgin Money donation of services	**425.8**	**-**	**425.8**	439.5	-	439.5
Total	**1,781.3**	**100.0**	**1,881.3**	1,677.8	370.0	2,047.8

The Group provides the Foundation with services, including provision of the Foundation's core staff, office space and technology, legal and accountancy support. The value of these services is treated as a donation to the Foundation. Further analysis of the services donated by the Group is shown in note 4.

3. Other income

	2022 Unrestricted £'000	**2022 Restricted £'000**	**2022 Total £'000**	2021 Unrestricted £'000	2021 Restricted £'000	2021 Total £'000
Bank interest	**2.5**	**-**	**2.5**	4.0	-	4.0
Total	**2.5**	**-**	**2.5**	4.0	-	4.0

4. Expenditure on charitable activities

(a) Charitable activities by objective

	2022						
	Grants			Support costs			
	Unrestricted £'000	**Restricted £'000**	**Total £'000**	**Unrestricted £'000**	**Restricted £'000**	**Total £'000**	**Total £'000**
Programmes:							
Community Anchors' Fund – North East	**444.9**	**-**	**444.9**	**141.2**	**-**	**141.2**	**586.1**
Colleagues in the Community Fund	**25.9**	**-**	**25.9**	**8.2**	**-**	**8.2**	**34.1**
Social and Sustainable Capital Fund	**1.2**	**-**	**1.2**	**0.4**	**-**	**0.4**	**1.6**
Community Anchors' Fund - Glasgow	**135.3**	**67.7**	**203.0**	**43.0**	**-**	**43.0**	**246.0**
National Lottery Community Fund #iwill Fund Grant	**157.6**	**100.9**	**258.5**	**50.2**	**10.2**	**60.4**	**318.9**
National Lottery Community Fund Partnerships England Wide	**55.3**	**55.3**	**110.6**	**17.6**	**10.0**	**27.6**	**138.2**
Community Entreprenuer Fellowships Leading the Way	**232.0**	**-**	**232.0**	**73.6**	**-**	**73.6**	**305.6**
Governance	**-**	**-**		**94.7**	**-**	**94.7**	**94.7**
Total	**1,052.2**	**223.9**	**1,276.1**	**428.9**	**20.2**	**449.1**	**1,725.2**

	2021						
	Grants			Support costs			
	Unrestricted[(1)] £'000	Restricted[(1)] £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000	Total £'000
Programmes:							
Community Anchors' Fund – North East	585.3	-	585.3	181.3	-	181.3	766.6
Colleagues in the Community Fund	40.7	-	40.7	12.6	-	12.6	53.3
Community Resilience Fund	20.0	-	20.0	6.2	-	6.2	26.2
Heart of the Community Fund	2.9	-	2.9	0.9	-	0.9	3.8
Ripple Fund	282.3	106.8	389.1	87.4	-	87.4	476.5
Community Anchors' Fund - Glasgow	158.5	158.5	317.0	49.1	-	49.1	366.1
National Lottery Community Fund #iwill Fund Grant	50.4	50.4	100.8	15.6	-	15.6	116.4
Governance	-	-	-	167.0	-	167.0	167.0
Total	1,140.1	315.7	1,455.8	520.1	-	520.1	1,975.9

4. Expenditure on charitable activities (continued)

(b) Support costs

	2022	2021
	£'000	£'000
Staff costs relating to charitable activities	**228.7**	196.4
Staff costs relating to governance	**66.0**	60.1
Governance costs	**25.2**	106.9
Other costs	**129.2**	156.7
Total support costs	**449.1**	520.1

Support costs comprise £446.1k (2021: £439.5k) of services provided by the Group, £nil (2021: £78.0k) of services provided by Ridgeway Partners and £3.0k (2021: £2.6k) relating to bank charges. £425.8k (2021: £439.5k) of services were donated by the Group, £Nil donated by Ridgeway Partners (2021: £78.0k) and £20.3k (2021: £Nil) of services were funded by the Big Lottery and the National Lottery Community Funds.

The Group has a framework agreement with the Foundation to provide support services. Under the terms of this agreement, the Foundation is provided with staff, office space, and facilities.

The Group also provides human resources services, IT and other administrative support to the Foundation. All support costs relate to the Foundation's grant-making activities and are incurred by the Group and donated to the Foundation.

(c) Auditor's remuneration

	2022	2021
	£'000	£'000
Fees payable to the Foundation's auditors for the audit of the Foundation's Annual Report and Accounts	**6.6**	6.2
Total auditor's remuneration	**6.6**	6.2

The statutory audit fee was included within the Group audit fee and paid by the Group's main trading subsidiary, Clydesdale Bank PLC. The value of this service is £6.6k (2021: £6.2k) and has been treated as a donation from Clydesdale Bank PLC. The amount of non-audit fees in 2022 was £Nil (2021: £Nil).

5. Net income/(expenditure) for the period

Net income/(expenditure) for the period is stated after charging:

	2021	2020
	£'000	£'000
Auditor's remuneration	**6.6**	6.2
Trustees' expenses	**5.0**	1.7
Bank charges	**3.0**	2.6

None of the Trustees (2021: none) received any emoluments in respect of services to the Foundation. Trustees' expenses include amounts reimbursed to Trustees for out of pocket expenses and amounts paid to third parties for costs including travel, accommodation, subsistence and training. Trustees are reimbursed for travel when claimed. During the year, Trustees expenses of £5.0k (2021: £1.7k) were incurred in regards to eight (2021: four) Trustees. These expenses were funded by the Group and treated as a donation to the Foundation.

6. Employee information

The Foundation did not directly employ any staff during the year (2021: none). The services of individuals were obtained from the Group as a donation of service to the Foundation. The table below shows the total costs for staff working for the Foundation but employed and paid by the Group.

	2022	2021
	£'000	£'000
Wages and salaries	**191.9**	216.1
Social security costs	**21.5**	16.1
Other pension costs	**81.3**	24.2
Colleague recognition	**-**	0.1
Total staff costs	**294.7**	256.5

£20.2k of the staff costs were funded by the Big Lottery and the National Lottery Community Funds with the balance being a donated service from the Group.

The monthly average number of persons working for the Foundation but employed and paid by the Group during the 12 months ended 30 September 2022 was five (2021: six).

The number of employees receiving total employee benefits (excluding employer pension costs) of greater than £60,000 are as follows.

	2022	2021
	No	No
£60,001 - £70,000	**-**	1
£70,001 - £80,000	**1**	-
£80,001 - £90,000	**1**	-
£90,001 - £100,000	**-**	-
£100,001 - £110,000	**-**	1
Total	**2**	2

7. Programme related investments

As at	2022	2021
	£'000	£'000
Non-current assets		
Social and Sustainable Housing Limited Partnership	**143.3**	82.6
Total	**143.3**	82.6

During 2021 the Foundation became a limited partner and awarded £250.0k as a programme related investment in the Social and Sustainable Housing Fund (SASH). The SASH pools resources from a number of social investors, including the Foundation, and lends money to Social Sector Organisations providing housing for vulnerable people in the United Kingdom.

As at 30 September 2022, £147.4k had been provided to the SASH, of which £143.3k is recognised as a programme related investment, £4.0k is recognised as expenditure attributable to Management Fees and General Expenses, with a remaining £102.6k still to be drawn. Funds of £250.0k are designated for this purpose, see note 13. These funds are due to be returned to the Foundation at the end of 10-12 years following receipt.

8. Debtors

As at	2022	2021
	£'000	£'000
Accrued income due in less than 1 year	**50.0**	323.5
Total	**50.0**	323.5

9. Cash at bank and in hand

As at	2022	2021
	£'000	£'000
Cash and bank balances	**2,702.4**	2,291.8
Total	**2,702.4**	2,291.8

10. Creditors

Amounts falling due within one year

As at	2022	2021
	£'000	£'000
Accruals for grants payable	**629.9**	604.2
Other liabilities	**15.5**	-
Total	**645.4**	604.2

Amounts falling due after one year

	2022	2021
	£'000	£'000
Accruals for grants payable	**37.0**	39.0
Total	**37.0**	39.0

Reconciliation of grants payable

	2022	2021
	£'000	£'000
Opening balances brought forward	**643.2**	479.3
Grants awarded	**1,276.1**	1,455.8
Grants paid	**(1,252.4)**	(1,291.9)
Grants payable carried forward	**666.9**	643.2

11. Contingent liabilities

Contingent liabilities are disclosed unless the possibility of their existence is remote. The Trustees are not aware of any significant contingent liabilities as at 30 September 2022 (30 September 2021: none).

12. Restricted income funds

The movements on the restricted funds are as follows:

	Fund balances brought forward at 1 October 2021 £'000	**Income £'000**	**Expenditure £'000**	**Fund balances carried forward at 30 September 2022 £'000**
National Lottery Community Fund #iwill fund Grant	121.0	**-**	**(111.1)**	**9.9**
Community Anchors' Fund - Glasgow	61.9	**100.0**	**(67.7)**	**94.2**
National Lottery Community Fund Partnerships England Wide	244.8	**-**	**(65.3)**	**179.5**
Total	427.7	**100.0**	**(244.1)**	**283.6**

	Fund balances brought forward at 1 October 2020 £'000	Income £'000	Expenditure £'000	Fund balances carried forward at 30 September 2021 £'000
National Lottery Community Fund #iwill fund Grant	9.5	270.0	(158.5)	121.0
Community Anchors' Fund - Glasgow	68.7	100.0	(106.8)	61.9
National Lottery Community Fund Partnerships England Wide	295.2	-	(50.4)	244.8
Total	373.4	370.0	(315.7)	427.7

13. Unrestricted income funds

The movements on the unrestricted funds are as follows:

	Opening balances brought forward at 1 October 2021 £'000	**Income £'000**	**Expenditure £'000**	**Transfer between funds £'000**	**Fund balances carried forward at 30 September 2022 £'000**
General funds	300.9	**1,783.8**	**(899.7)**	**(390.8)**	**794.2**
Designated: Community Entrepreneurs Fellowship Programme	500.0	**-**	**(232.0)**	**-**	**268.0**
Designated: Community Anchors NE	10.0	**-**	**-**	**-**	**10.0**
Designated: Social and Sustainable Capital Fund	247.1	**-**	**(1.2)**	**-**	**245.9**
Designated: Heart of Community Fund	88.5	**-**	**-**	**118.3**	**206.8**
Designated: Community Anchors Fund Glasgow – HFD Award Funding	124.0	**-**	**(135.3)**	**200.0**	**188.7**
Designated: National Lottery Community Fund #iwill fund Grant	111.8	**-**	**(157.6)**	**72.5**	**26.7**
Designated: National Lottery Community Fund Partnerships England Wide	244.7	**-**	**(55.3)**	**-**	**189.4**
Total	1,627.0	**1,783.8**	**(1,481.1)**	**-**	**1,929.7**

	Opening balances brought forward at 1 October 2020 £'000	Income £'000	Expenditure £'000	Transfer between funds £'000	Fund balances carried forward at 30 September 2021 £'000
General funds	682.7	1,211.8	(1,166.1)	(427.5)	300.9
Designated: Community Entrepreneurs Fellowship Programme	-	-	-	500.0	500.0
Designated: Community Anchors NE	-	-	-	10.0	10.0
Designated: Social and Sustainable Capital Fund	250.0	-	(2.9)	-	247.1
Designated: Heart of Community Fund	88.5	-	-	-	88.5
Designated: Community Anchors Fund Glasgow – HFD Award Funding	206.3	200.0	(282.3)	-	124.0
Designated: National Lottery Community Fund #iwill fund Grant	82.8	270.0	(158.5)	(82.5)	111.8
Designated: National Lottery Community Fund Partnerships England Wide	295.1	-	(50.4)	-	244.7
Total	1,605.4	1,681.8	(1,660.2)	-	1,627.0

14. Analysis of net assets between funds

	Unrestricted			
	General Fund	**Designated Fund**	**Restricted Fund**	**30 Sep 2022 Total**
	£'000	**£'000**	**£'000**	**£'000**
Total assets	**1,215.2**	**1,327.9**	**352.6**	**2,895.7**
Total liabilities	**(421.0)**	**(192.4)**	**(69.0)**	**(682.4)**
Net assets	**794.2**	**1,135.5**	**283.6**	**2,213.3**

	Unrestricted			
	General Fund	Designated Fund	Restricted Fund	30 Sep 2021 Total
	£'000	£'000	£'000	£'000
Total assets	706.5	1,467.5	523.9	2,697.9
Total liabilities	(405.6)	(141.4)	(96.2)	(643.2)
Net assets	300.9	1,326.1	427.7	2,054.7

15. Related party transactions

	Transaction value for 12 months to 30 Sep 2022 £'000	**Balance outstanding as at 30 September 2022 £'000**	Transaction value for 12 months to 30 Sep 2021 £'000	Balance outstanding as at 30 September 2021 £'000
Donations received from Virgin Money UK PLC subsidiary undertakings:				
Grant and additional donations	**1,143.0**	**-**	1,143.0	-
Donation of services	**425.8**	**-**	439.5	-
Recharges and trading balances with Virgin Money UK PLC subsidiary undertakings	**449.1**	**(15.5)**	442.1	-
Interest received from Virgin Money UK PLC subsidiary undertakings	**2.4**	**-**	4.0	-

Laura Christer was appointed as a Trustee of the Foundation on 29 April 2022 and is employed by West End Women and Girls. During 2021, prior to her being appointed as a trustee, the Foundation awarded a grant of £50k to West End Women and Girls and paid £37.5k. The remaining £12.5k of the grant was still outstanding as at 30 September 2022.

Abigail Walker was appointed as a Trustee of the Foundation on 7 April 2022 and is employed by Action Foundation. During 2021, prior to her being appointed a trustee, the Foundation awarded a grant of £30k to Action Foundation and paid £15k. The remaining £15k was paid during the current financial year with £nil outstanding as at 30 September 2022.

16. Grants awarded

Name of institution	2022 £'000
11th Hamilton Brownies	0.5
11th St Andrews Scout Group	0.5
1st Thurstaston Scout Group	0.5
242nd City of Glasgow Rainbow Unit	0.5
48th Glasgow Scouts	0.5
5th Milngavie Guides	0.5
Action Station South Tyneside LTD	8.0
Annexe Communities	26.0
Ardgowan Thistle Football Club	0.5
Argo Boxing Club	0.5
Back on the Map	8.0
Balfron High School Parent Council	0.5
BALTIC Centre for Contemporary Art	34.0
Bangor Football & Athletic Club Ltd	0.5
Big Ideas	27.5
Bradford Organic Communities Service	8.0
Bridgeton Community Learning Campus	30.0
Bright Minds , Big Futures	11.9
Building Futures East	30.0
Capital of Cycling	8.0
Clydebank Athletic	0.5
Companions Real Bread CIC	0.5
Company of Others	8.0
Cornforth Partnership	30.0
Cowpen Quay Community Association	30.0
Cranhill Development Trust	30.0
CREST	30.0
Crookston Community Group	27.0
Crossroads Youth & Community Association	30.0
Dynamite Gymnastics Club	0.5
East Cleveland Youth Housing Trust	8.0
Falkirk Vineyard Church	0.5
Family Voice Sheffield C.I.C.	8.0
Friends of Monklands Canal	0.5
Glasgow Care Foundation	0.5
Glasgow Tigers Academy	0.5
Glencairn Primary Parents Council	0.5
Govanhill Community Development Trust	30.0
Grace House North East	29.0
Home-Start Telford & Wrekin	0.5
Hospitality and Hope	0.5
Jewish Community Council of Gateshead	30.0
Johnstone Burgh Community Football Club	0.5
Justice Prince	30.0
Killingworth Young People's Club	0.5
Kilmarnock Road Children and Young People’s Family Resource Centre	30.0
Kilpatrick FC - 2009	0.5
Kilpatrick FC - 2012's	0.5

Name of institution	2022 £'000
Kindness Homeless Street Team Glasgow SCIO	0.5
Leeds Autism	0.5
Leeds Community Spaces	8.0
Lenzie Youth Club	0.5
Live Well North East C.I.C	8.0
Local Services 2 You Ltd.	8.0
Loudoun Montgomery Parent Council	0.5
Martha and Mary Association	0.5
Meadow well connected	30.0
Means Kirk Helping Hands	0.5
Mill United	0.5
Moving on Durham	30.0
Neilston FC Youth Academy	0.5
New Writing North	10.0
Northbourne Youth Initiative	37.4
Northern Roots	30.0
Our Lady of the Missions Football Club	0.5
Oxgang Primary School Parent Teacher Association	0.5
Patchwork Project	35.2
Port Glasgow Juniors Club 2001	0.5
REfUSE C.I.C.	8.0
Riverside Stage Company	0.5
Rotary Club of York Vikings Trust Fund	0.5
Rotherham Hawks Basketball Club	0.5
Scholemoor Beacon	8.0
Scottish Handball Association	0.5
Shotton Partnership 2000 Ltd.	30.0
Silsden AFC Juniors & Ladies	0.5
SKY Positive Minds	8.0
Spartans Football Club (Youth)	0.5
Spartans Football Club (Youth)	0.5
St Annes Football Club	0.5
St John the Baptist VP School Home School Association	0.5
St Mary's Primary School Parent Council	0.5
Strathaven Dynamos	0.5
Sunderland Bangladeshi International Centre	30.0
Syngenta Juveniles Football Club	0.5
The Big League CIC	25.0
The Big League CIC	8.0
The British Octopush Association	0.5
The Cornforth Partnership	8.0
The Customs House	35.0
The Kirkgate Centre	8.0
The Super Power Agency	0.5
The Tilly Ladies	0.5
The Well Multi-Cultural Resource Centre	30.0
Ubuntu Multicultural Centre CIC	8.0
Wearside Women In Need	8.0

Notes to the financial statements

Name of institution	2022 £'000
West End Refugee Service	30.0
West Park United Football Club	0.5
West View Advice & Resource Centre Ltd	8.0
Whitelees Primary School Parent Council	0.5
Whitley Bay Juniors FC	0.4
Women's Health in South Tyneside	30.0
YMCA Newcastle	30.0
Programme Costs Paid Direct	200.2
Returned Grant	(0.5)
Total grants awarded in the 12 months to 30 September 2022 (note 4)	**1,276.1**

16. Grants awarded

Name of institution	2021 £'000
11th Hamilton Brownies	0.5
1st Brunton Park Guides	0.5
1st Ponteland Scouts	0.5
24th Woodend Scouts	0.5
2nd Churwell Brownies	0.5
3D Drumchapel	20.0
3D Drumchapel	30.0
4th Helensburgh Scout Group	0.5
4th/85th Dunblane Scout Group	0.2
5th Scarborough (Wreyfield Drive(Brownie Unit	0.5
700 Club	30.0
A Way Out	27.0
Action for Children	29.8
Action Foundation	30.0
Arbroath Rugby Rhinos	0.5
Auckland Youth & Community Centre	30.0
Bangor Football & Athletic Club Ltd	0.5
Barnesbury Cycling Club	0.5
Bedlington United Sporting Club	0.5
Blacktoft Beacon District Scouts	0.5
Blyth Town Juniors	0.5
Bridging the Gap (Gorbals Ecumenical Project)	3.6
Bright Futures NE	48.0
Bright Minds Big Futures	1.0
British Octopush Association	0.5
Campbeltown Junior Agricultural Club	0.5
Care and Repair North East Wales	0.5
Cassiltoun Housing Association Limited	10.0
Castle Semple Rowing Club	0.5
CFC Singers (Clydebank Mercury)	0.5
Chopwell Regeneration CIO	30.0
Citizens Advice Newcastle	0.5
Clifton Rangers JFC	0.5
Clyde Amateur Rowing Club	0.5
Colony Park Football Club	0.5
Community Campus 87 Ltd	30.0
Community Central Hall	10.7
Community Ventures (Middlesbrough) Ltd	30.0
Connect Community Trust	30.0
Craigneuk Community Sports Trust	0.5
Crossroads Youth & Community Association	17.2
Curious Arts LTD	0.5
Drumchapel Amateurs	0.5
Dumbarton and District Women's Aid	0.5
Easington Lane Community Access Point	30.0
East Cleveland Youth Housing Trust	30.0
Edberts House	30.0
Ella-Grace Gregoire	10.0
Elloughton Blackburn Football Club	0.5
Equi-Power Central Scotland RDA SCIO	0.5

FARE Scotland Ltd	20.0

Name of institution	2021 £'000
Fir Park Corner FC	0.5
Forfar Farmington FC	0.5
Friends of Chirk Bank Playing Fields	0.5
Friends of St Joseph's Catholic Primary School	0.5
Friends of St Stephen's Primary School	0.5
Future Regeneration of Grangetown	30.0
Gage Oxley	10.0
Glan Aber Tennis Club	0.5
Glasgow Children's Holiday scheme	0.5
Glenvale 2011	0.5
Glenvale FC	0.5
Govan Community Project	30.0
Govanhill Baths Community Trust	30.0
Grange First School Parents Teachers and Friends Association	0.5
Gullane Athletic Amateur Football Club	0.5
Hospitality and Hope	29.3
Irvine Running Club	0.5
Jack Drum Arts	49.9
Jaiden Corfield	10.0
Justice Prince CIC	30.0
Kilbarchan AAC	0.5
Kilbarchan PS Parent Council	0.5
Kilbarchan Scout Group	0.5
Killingworth Young People's Club	0.5
Kobie Eyo-Huson	10.0
Lambhill Stables Ltd	40.0
Limehurst Lions ARLFC	0.5
LINKES (SCIO)	40.0
Louisa-Rose Mackleston	10.0
Macduff School Fund	0.5
Martha and Mary Association	0.5
Maryhill Integration Network SCIO	10.0
Meadowhead Community Learning Trust	0.5
Milton 2011s	0.5
Milton Primary School Parent Council and PTA	0.5
Mohamed Maxomed	10.0
Mortal Fools	0.5
Moving on (Durham) Ltd	30.0
Neilston FC Youth Academy	0.5
New Farnley Cricket Club	0.5
Newcastle upon Tyne Y.M.C.A	40.1
North Leeds Leopards Rugby League Club	0.5
North Tyneside Voluntary Organisations Development Agency	42.5
North Tyneside YMCA	30.0
North United Communities Limited	10.0
Open Door (North East)	20.0
Patchwork Project	1.0
Peace of Mind CIO	24.9
Percy Park Pirates Touch Club	0.5
Perth Green Community Association CIO	24.5

Name of institution	2021 £'000
Portree & Braes Community Trust	0.5
Rosemount Lifelong Learning	27.5
Rossvale Community Football Club	0.5
Rothwell Town AFC	0.5
Roukagia Afaan	10.0
Sarah Ashley	10.0
Savannah Thompson	10.0
South Ayrshire Toy Bank	0.5
South West Arts & Music Project	30.0
St Josephs Parent Council	0.5
St Stephens Primary Parent Council	0.5
Stonelaw High Parent Council	0.5
Stow Parent Council	0.5
Summerhill Trust	0.5
The Big Bad Wolf Children's Theatre Company	0.5
The Big League CIC	19.8
The Buddy Beat	0.5
The Junction Foundation	46.6
Ubuntu Multicultural Centre CIC	10.0
United Keith	0.5
Volunteer Glasgow	1.0
Water of Leith Conservation Trust	0.5
West End Refugee Service (WERS)	30.0
West End Women and Girls Centre	50.0
West Lothian County Cricket Association	0.5
West of Scotland Cricket Club	0.5
West Scotland Deaf Children's Society	0.5
Whiteleys Retreat	1.0
Wickersley Youth Junior Football Club	0.5
Wideopen & District Juniors Football Club	0.5
Wilnecote Sports and Recreation Association	0.5
Woodlands Community Development Trust	30.0
Wrexham Rugby Union Football Club	0.5
Wrexham Swimming Club	0.5
Young Enterprise	0.5
Youth Focus: North East	40.9
Grant returned – Darlington Mind	(2.9)
Programme costs paid direct	13.7
Total grants awarded in the 12 months to 30 September 2021 (note 4)	**1,455.8**

THE VIRGIN MONEY FOUNDATION

England & Wales - Charity number 1161290

Accounts

DocuSign Envelope ID: 4B0A7833-027C-430F-9FF2-C70D8040E448

Registered Company: 09457101
Registered Charity: 1161290 and SC050400

The Virgin Money Foundation

Annual Report and Accounts
for the year ended 30 September 2021

Classification: Private

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The Virgin Money Foundation

Contents

	Page
Company information	2
Chair's statement	3
Trustees' report	4
Independent auditor's report	15
Statement of financial activities	18
Balance sheet	19
Cash flow statement	20
Notes to the financial statements	21

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The Virgin Money Foundation

Company information

The Virgin Money Foundation (the 'Foundation') is a registered charity supported by Virgin Money UK PLC, which together with its subsidiaries and controlled entities is referred to as 'Virgin Money' or the 'Group' in this Annual Report.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Foundation's Memorandum and Articles of Association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 2 October 2019. The Trustees' report on pages 4 to 14 has been prepared to satisfy the Directors' report requirements of the Companies Act 2006 as applicable to small companies.

With effect from 27 March 2020, the financial year end of the Foundation was changed from 31 December to 30 September. Accordingly, the comparative period financial statements are prepared for 9 months from 1 January 2020 to 30 September 2020 and as a result, the comparative figures stated in the statement of financial activities, cash flow statement and the related notes are not entirely comparable.

Reference and Administrative Information

Trustees (who are also the Directors for the purposes of company law):	Edward Wakefield (Chair) (resigned 1 July 2021) Amanda Jordan (Chair) (appointed 1 July 2021) Joanne Curry (Vice Chair) Lorna Bennie Tim Davies-Pugh (resigned 23 March 2021) Emma Morris (resigned 23 March 2021) Mandip Sahota (resigned 1 July 2021) Catherine Guthrie (resigned 29 September 2021) Keith Burge (appointed 20 October 2020) Gregory Aldridge (appointed 22 October 2020 and resigned 29 September 2021) Hannah Underwood (appointed 15 December 2020) Edward Younger (appointed 23 March 2021) Keith Merrin (appointed 23 March 2021) Alison Kidd (appointed 29 September 2021)
Company Secretary:	Lorna McMillan
Bankers:	Clydesdale Bank PLC 30 St Vincent Place Glasgow G1 2HL Lloyds Bank plc 25 Gresham Street London EC2V 7HN Nationwide Building Society Nationwide House Pipers Way Swindon SN38 1NW
Independent Auditor:	Ernst & Young LLP Atria One 144 Morrison Street Edinburgh EH3 8EX
Registered office:	Jubilee House Gosforth Newcastle upon Tyne NE3 4PL
Registered Company No:	09457101 (Company limited by guarantee)
Charity No:	Registered in England and Wales Charity No. 1161290 Registered in Scotland Charity No. SC050400

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The Virgin Money Foundation

Chair's statement

Welcome to the 2021 Annual Report and Accounts of the Virgin Money Foundation.

Towards the end of the financial year I joined the Virgin Money Foundation as its new Chair of the Board of Trustees. Attracted to the work the Foundation does in the communities that need the support the most, I was delighted to join the Board to lead it through the Foundation's next chapter. The Foundation is now six years old and with each year it has developed and honed its practice. It remains wholly committed to the regeneration of communities that have experienced social and economic decline and has focused its activity over the past year on communities within the North East of England and Glasgow. A firm platform has been established and I want to pay tribute to the commitment and dedication of Edward Wakefield, who I have succeeded and the Trustees who have worked with him to support our experienced and highly knowledgeable executive team.

Following the outbreak of the COVID-19 pandemic in 2020, and the refocusing of the Foundations' funding and activity on the work of its grantees in supporting their community through the pandemic, at the start of FY21, the Foundation re-opened its strategic grant programmes. Over the past twelve months, the Foundation has supported community anchor organisations to be a point of stability and resource in their neighbourhoods, ensuring that basic needs were met, providing important community connection at a time where isolation had soared and giving people a way to respond to changing circumstances and levels of need in their community.

In recognition of the role that young people are able to play both in leading activity, supporting communities to recover from the impacts of COVID-19 and responding to the issues of social justice that have risen to the fore over the last year, the Foundation decided to provide further match funding to the #iwill Fund and in partnership with young people and youth organisations, re-designed the #iwill Take Action Fund so that it was best suited to the current time, re-opening it to applicants in spring 2021. We have been impressed by the range of initiatives, designed by young people that have been submitted to the fund and look forward to seeing the positive change this creates in local neighbourhoods.

As planned, during the financial year we also launched the Young Change Makers Programme and made our first awards to nine young people, whose social change projects are tackling key issues in their local community. These young people are drawn from across the North of England and are addressing local issues ranging from a lack of positive opportunities for young people in Manchester through to a need for better mental health provision for veterans in County Durham. This new programme, funded in partnership with National Lottery Community Fund, takes forward our strategic plan to support not only existing community anchors established and embedded in communities, but also the work of social entrepreneurs developing new solutions in local communities.

In addition to the development of new programmes, FY21 heralded significant changes for the Board of Trustees. As the Foundation turned six, many of its early Trustees came to the end of their tenure and retired from the Board, coupled with other planned retirements. In preparation for this the Foundation undertook an open recruitment process and brought five new Trustees onto the Board. At the end of the period, in anticipation of Edward Wakefield's retirement from the Board, the Trustees secured the pro bono support of Ridgeway Partners to search for a new Chair. Following a successful process, the handover of the Chair role commenced in summer 2021.

The task of the next financial year will be to build on all that has been achieved over the past six years, maximise the effectiveness of the strong board of Trustees we have in place and to review our strategy to ensure that through it, all the tools and resources available to us are utilised to make the greatest difference to the communities that need support the most. My thanks for their support in this work extends not only to my fellow Trustees but also to our staff team under the excellent leadership of Nancy Doyle-Hall. As we do this work our inspiration will remain the people and organisations who work tirelessly to create positive change in their local community. It is a constant privilege to support them in their work.

DocuSigned by:
Amanda Jordan
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Amanda Jordan
Chair of the Board of Trustees
15 December 2021

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Trustees' report

Objectives and activities

The Foundation was incorporated on 25 February 2015 as a company limited by guarantee. It was registered as a charity on 15 April 2015 and in 2020 successfully applied for dual registration with the regulator for charities in Scotland - OSCR. The Foundation launched with an initial focus on the North East of England but a medium-term ambition to become a national charity.

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives, planning future activities and setting the grant-making policy for the period.

The Foundation has been established for the public's benefit and has two documented objectives:

- to promote the sustainable regeneration of socially or economically deprived communities in the UK. This includes, but is not limited to, providing social investment in community housing and building projects, promoting opportunities for youth work, education, training and enterprise, relieving unemployment and the promotion of other community based projects; and
- to support other charitable purposes in the UK, as the Trustees in their absolute discretion determine.

The Foundation typically provides both financial and non-financial support to charities and social enterprises through its grant-making programmes.

Measures of success

Since launch the Foundation has awarded almost £11 million in grants. The Trustees of the Foundation have approved a Theory of Change which details the activity the Foundation will undertake and how it will measure success; this was last reviewed and updated in 2021. Measures currently include:

- the number of grants awarded;
- the value of grants;
- the level of Beyond the Grant activity offered by the Foundation; and
- the outcomes achieved by grant recipients.

Strategy

The Virgin Money Foundation develops funding programmes informed by its Theory of Change.

The Virgin Money Foundation develops funding programmes informed by its Theory of Change. In December 2020 and January 2021 the Trustees of the Foundation met to discuss its strategy. Trustees were of the view that the Theory of Change remained fit for purpose and developed a new plan for 2021-2025 detailing how the Foundation would work to achieve its Theory of Change. The new strategic plan emphasises the Foundation's commitment to make a real and lasting difference in the areas that require support the most and to be a Foundation that continuously learns from its activity. The strategy builds closely upon the 2019-2021 strategy, and retains a commitment to:

- use the Virgin Money brand to convene people to think through the key issues the Foundation seeks to address, find solutions and work for change;
- invest in solutions, backing entrepreneurs and organisations to drive positive change within communities; and
- provide non-financial support to beneficiaries and resource them to sustain, scale or replicate these initiatives in places where they are needed most.

As a result of the previous strategy a number of existing programmes were fully expended and then closed. New programmes set out in the strategy were launched during 2019 – 2021. In particular the Community Anchors' Fund, launched in 2019 in the North East of England and was expanded into the City of Glasgow in 2020, the Young Change Makers Programme launched in 2020 and the Leading The Way Programme, delivered in partnership with Power to Change launched to applicants in December 2021.

Following a period in which the Foundation paused its strategic grants programmes in order to invest funds into responding to the needs of its funded charities during COVID-19 lockdowns, the Foundation returned to its focus upon its strategic programmes in October 2020. Through its new strategic plan the Foundation will build upon these programmes. The strategy will be further reviewed in FY22 to ensure the Foundation

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continues to learn through its activities and to consider and implement changes required to ensure effectiveness.

Achievements and performance

Community Anchors' Fund

At the beginning of the financial period the Foundation re-opened its Community Anchors' Fund in the North East of England. As a foundation which exists to support the regeneration of communities that have experienced social and economic decline, supporting the social infrastructure of those communities is key. The Foundation provides this support through the Community Anchors' Fund. Community anchor organisations come in different forms, however, the form of the organisation is less important than the methods they employ. They are often the driving force in a local neighbourhood, the facilitator and supporter of community activity and a way that local people of all ages can be involved in determining their shared future. The Community Anchors' Fund provides these organisations with grants to cover core costs, and they can also be spent on designing and launching new activity or supporting existing projects. The award can be spread over one, two or three years.

During the financial period the Foundation awarded 21 grants through the Community Anchors' Fund totalling £585.3k.

Of the grants awarded during the financial period, 43% were for core costs and 57% for specified activities or project costs.

Of the grants awarded, seven were for a single year, twelve were spread over two years and two were spread over three years.

Community Anchors' Fund Glasgow

The Foundation expanded its Community Anchors' Fund into Glasgow during the previous financial period. With the support of co-funders, HFD Charitable Foundation, the fund has continued to develop during the financial period. In order to deploy funding quickly during the immediate impacts of COVID-19, the fund initially offered one year grants of up to £20,000. It offered funding to address the effects of COVID-19 on community anchors and their wider community. In spring 2021 the fund was re-launched offering grants of up to £30,000 to cover core or project costs. The awards could be spread over one, two or three years. In developing the fund, the foundations benefited from the insights of other grant-making trusts with long histories of working with community anchors throughout Glasgow. These trusts assisted the Virgin Money Foundation and HFD Charitable Foundation in creating a long list of potential grantees, who were then invited to apply for funding.

During the financial period 19 grants were awarded through the Community Anchors' Fund Glasgow totalling £389.1k, taking the total awarded through the fund since launch to £514k.

Of the grants awarded during the financial period, 75% were for core costs and 25% for specified activities or project costs.

Of the grants awarded, 14 were for a single year, three were spread over two years and two were spread over three years.

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#iwill Take Action Fund

Following the successful deployment of our #iwill Take Action Fund between 2017 and 2019, in spring 2021 the Foundation launched a second round of the #iwill Take Action Fund utilising funding awarded to the Foundation through the National Lottery Community Fund #iwill fund grant. The #iwill Fund is made possible thanks to £50 million joint investment from The National Lottery Community Fund and the Department for Digital, Culture, Media and Sport (DCMS) to support young people to access high quality social action. The Virgin Money Foundation is a match-funder of the #iwill Fund(1).

The #iwill Fund brings together a group of organisations that all contribute funding to embed meaningful social action into the lives of young people. Social action involves activities such as campaigning, fundraising and volunteering. The #iwill Fund supports the aims of the #iwill campaign - to make involvement in social action a part of life for young people, by recognising the benefit for both young people and their communities.

The Virgin Money Foundation's #iwill Take Action Fund, supports youth-led initiatives in which young people are taking the lead in creating positive change in their community. In the second round of this fund we specifically welcomed applications for activity in which young people are supporting their local community to recover from the effects of COVID-19. We invited applications under three themes:

- Crisis, Poverty and Isolation.
- Arts and Heritage.
- Community Justice.

We awarded 9 grants through the fund during the FY21 financial period, totalling £320k.

Theme of work	Number of grants	Combined Grant Total
Crisis, Poverty and Isolation	6	£172,116
Community Justice	2	£98,023
Arts and Heritage	1	£49,944

(1) In the financial statements detailed in notes 4a,12 and 13 funding provided by the National Lottery Community Fund for the #iwill Take Action Fund is listed under the title National Lottery Community Fund #iwill Fund grant. This is the name of the funding programme through which their funds were provided.

Young Change Makers Fellowship Programme

Within the FY20 accounts we set out our intention to launch the Young Change Makers Fellowship Programme during FY21 utilising funding provided by National Lottery Community Fund Partnerships England Wide(2).

The fellowship programme launched to applicants in winter 2020 and we have made awards to the first cohort of young people who will be supported through the fund.

The Young Change Makers Fellowship Programme supports young people aged between 18 and 25 from the North East, North West and Yorkshire and Humber who are working to create positive change in their local community. The programme provides each individual with:

- A grant of up to £10,000
- A travel bursary to cover the costs of researching community driven projects.
- A supporting peer group of young people committed to creating change.
- A mentor to help them develop as a leader.
- Leadership development to support them to grow their idea and develop their skills.

We have awarded 9 fellowships during the financial period.

(2) In the financial statements detailed in notes 4a,12 and 13 funding provided by the National Lottery Community Fund for the Young Change Makers Programme is listed under the title National Lottery Community Fund Partnerships England Wide. This is the name of the funding programme through which their funds were provided.

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Community Resilience Fund

In response to the challenges caused by COVID-19 and the extraordinary role played by charities in supporting their local community through the pandemic, the Virgin Money Foundation created the Community Resilience Fund. The fund which supported organisations through the immediate impacts of COVID-19 was almost fully deployed at the end of FY20. The final award for £20,000 was made at the beginning of FY21.

Colleagues in the Community Fund

Following the acquisition of Virgin Money by CYBG and the integration of the two businesses, the Yorkshire and Clydesdale Bank Foundation (YCBF) was wound down and closed. Funding previously directed by Clydesdale Bank PLC to YCBF was instead donated to the Foundation. With this additional funding in FY20 the Foundation launched a new grants programme supporting the charities with whom bank colleagues have a long-term volunteering relationship. Grants are for up to £500.

During the financial period the Foundation awarded 82 grants through the Colleagues in the Community Fund totalling £40,713.

Social and Sustainable Housing Fund

During the financial period we awarded £250,000 as a programme related investment in the Social and Sustainable Housing Fund (SASH). The SASH pools resources from a number of social investors, including the Foundation, and lends money to Social Sector Organisations providing housing for vulnerable people in the United Kingdom. The funds of £250,000 were designated in the previous period's accounts for this purpose. As at 30 September 2021, £85,459 had been provided to the SASH, with a remaining £164,541 still to be drawn. The investment takes forward the Foundation's commitment to invest in affordable, good quality housing for people impacted by homelessness. It is the Foundation's first social investment. Through the investment we intend to learn about the usefulness and application of social investment in addressing housing need.

Beyond the Grant

As part of its intention to offer a wide range of support to charities beyond grant-giving, during the period the Foundation further developed its Beyond the Grant programme. Virgin Money colleagues continued to volunteer for charities the Foundation funds, providing pro bono support, sharing much needed skills. The Foundation believes that such interactions provide outstanding personal development for the volunteers and increase the resilience and capacity of the organisations it funds.

In addition to volunteering, the Foundation continued to work with Virgin Money colleagues to tailor a range of training courses, making them available to the Foundation's funded charities. During the period Virgin Money colleagues designed and delivered 26 workshops for funded charities including leadership training and governance training.

During the year the Foundation worked with Yes We Can Govern, an external training provider to design and deliver a pilot Trustee Programme to 37 colleagues from across the bank which aimed to generate increased interest in trusteeships. The Foundation is working with colleagues who have finished the programme to match them with local organisations looking for new Trustees.

As a result of continuing COVID-19 restrictions, the Foundation's externally facilitated learning circles remain online. The learning circles continue to provide a much needed peer support for leaders in funded organisations to come together to share challenges and work to find potential solutions during unprecedented times in the sector.

During the period the Foundation, alongside Virgin Money's Organisational Development Team, has developed a mentoring programme training colleagues from across the bank to support individuals from the charity sector through a mentoring relationship. We look forward to piloting this programme in FY22.

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Plans for future periods

The Foundation continues to develop new programmes in line with its strategy. In the next financial period it is planning the following:

- Continue to concentrate grant-making in areas that need the money most. During the financial period over 90% of the value of the Foundation's grants were spent in communities in the top 20% of the Index of Multiple Deprivation and over 60% were spent in areas in the top 5% of the Index of Multiple Deprivation. We remain committed to ensuring our funds support people to create change where there is the greatest need.
- Continue to support Community Anchors in the North East of England and the City of Glasgow to be places of connection, belonging and the nucleus for community led regeneration.
- Learn from the first cohort of the Young Change Makers Fellowship Programme, adapt and launch the second cohort and look at options for the continuation of this programme beyond its current funding term.
- Develop and launch a leadership development programme in the North East of England and Yorkshire and the Humber for Community Entrepreneurs, supporting them to develop their leadership skills and increase the impact of their organisation.
- Offer a mentoring programme for staff within our funded organisations.

Financial investment policy

The Foundation is in the fortunate position that its benefactor, Virgin Money, has agreed to fund the majority of the Foundation's operating costs in addition to making a grant for charitable distribution. Accordingly, the Foundation's investment policy is concerned exclusively with funds intended for distribution according to the Foundation's charitable purpose.

In this respect, the Foundation has received, and will continue to receive, relatively large amounts of funds that accumulate prior to deployment to beneficiaries. Accumulation of funds is exacerbated by (1) any delay in allocation and then deployment and (2) the necessity to retain absolute assets against absolute liabilities – e.g. where the Foundation has made a commitment without conditions over an extended period of time.

The Trustees expect that from time to time there may be some accumulation of funds prior to deployment and, as such, have adopted a clear investment policy for the Foundation as follows:

Unless the Board of Trustees specifically agrees otherwise:

1. The Foundation must hold at least 100% of the value of any condition-less committed funding calls expected within the next 6 months in immediately realisable cash on deposit. Amounts due from notice accounts may count towards this figure to the extent that (a) notice has been given and acknowledged and (b) funds will be freely available at least 14 days prior to the Foundation's corresponding funding commitments.
2. The Foundation must hold the balance of any unconditional funding commitments either in immediately realisable cash on deposit or in cash realisable within 120 or fewer days.
3. The Foundation may hold up to 50% of its uncommitted funds in AA or better rated government bonds provided (i) any funds so committed are realisable within 181 or fewer days (ii) any currency risk is hedged completely and (iii) no credit risk is taken other than systemic and/or counterparty risk – i.e. any securities are bought on a yield to redemption basis.
4. The balance of uncommitted funds must be held as cash realisable within 181 or fewer days.
5. Any cash on deposit must be held within an institution approved by the Trustees having regard first to its creditworthiness, second to the rate of interest being paid and third the extent to which the proposed institution and/or financial product constitutes an ethical investment.
6. No more than £2 million should be held with any one institution without the Trustees' explicit prior approval, to be renewed at each Trustees meeting, and there is a normal presumption against this.

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Social investment policy

During FY21 the Virgin Money Foundation developed a policy on social investment. In addition to its financial investment activity, the parameters of which are set out in the financial investment policy above, and its grant making activity undertaken in support of its charitable purposes, the Foundation considers and, if thought fit, undertakes social investment as a means of both furthering the Foundation's charitable purposes and with the potential to generate a financial return.

The power for the Foundation to make such social investments derives from statute and further provisions as to the Foundation's power to make social investments by way of loan are set out in the Operating Framework Agreement made with the Foundation's sole member. The Foundation's policy on social investments adheres to the following guidance from the Charity Commission:

"Programme related investments (also known as social investments) are made directly in pursuit of the organisation's charitable purposes. Although they can generate some financial return (funding may or may not be provided on commercial terms), the primary purpose for making them is not financial but to further the objects of the funding charity."

The Trustees consider that the primary motivation for making any social investment must be the achievement of social impact in the context of the Foundation's charitable objects; any financial return generated is regarded as secondary. The Foundation's social investment activity is not a replacement for its grant making activity, which will continue to be the primary means of furthering the Foundation's charitable purposes.

During FY21:

- One new £250,000 programme related investment was made to the Social and Sustainable Housing Fund.

Reserves policy

The Trustees review the reserves policy annually and monitor the level of reserves throughout the period. Unrestricted funds are held with the aim of enabling the Foundation to meet its current funding commitments. In addition, the Trustees have agreed that it is prudent to hold sufficient reserves to cover 3-6 months non-grant expenditure for contingency purposes.

General reserves are unrestricted funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Foundation and that have not been designated for other purposes.

Financial review

Summary financial information for period ended	**12 months to 30 Sep 2021 £'000**	9 months to 30 Sep 2020 (restated)(1) £'000
Grants and donations received	**2,047.8**	1,590.7
Other income	**4.0**	10.8
Expenditure on charitable activities	**(1,455.8)**	(984.2)
Other expenditure	**(520.1)**	(327.6)
Net income	**75.9**	289.7
Restricted income funds	**427.7**	373.4
Unrestricted income funds	**1,627.0**	1,605.4
Total funds carried forward	**2,054.7**	1,978.8

(1) Refer to note 1.5 for details.

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Income

Income in 2021 totalled £2,051.8k (2020: £1,601.5k). The Foundation received grants and donations of £1,143.0k (2020: £750.0k) from Virgin Money in the period, £270.0k from National Lottery Community Fund and £100.0k from HFD Charitable Foundation. The Foundation also received a donation of £78.0k of pro bono services provided by Ridgeway Partners for the recruitment of the new Chair and other smaller donations totalling £17.3k. In addition, Virgin Money donated services to the Foundation totalling £439.5k (2020: £314.2k). The donated services represent the provision of the Foundation's core staff as well as office space, technology, legal and accountancy support, and the remuneration of the auditors.

Expenditure

Expenditure in 2021 totalled £1,975.9k. The Foundation's expenditure was used to fund charitable causes and support the running of the Foundation, the activities of which are entirely charitable and accord with its objectives.

The Foundation awarded 141 grants in 2021 totalling £1,445.0k and received a refund of a previously awarded grant of £2.9k. Grants were made for amounts between £200 and £50,000. In addition the Foundation paid £13.7k towards programme costs.

The Foundation also incurred £520.1k of operational costs, comprising £439.5k of services donated by Virgin Money, £78.0k relating to the pro bono recruitment costs provided by Ridgeway Partners and £2.6k relating to bank charges.

Reserves

The Foundation's reserves at 30 September 2021 totalled £2,054.7k, comprising restricted reserves of £427.7k and unrestricted reserves of £1,627.0k.

The unrestricted reserves include £1,452.0k for grant-making and £175k as a contingency for non grant-making expenditure in line with our reserves policy.

Designated Funds

The unrestricted funds for grant-making include the following designated funds:

Designation	Amount £'000	Likely timing of expenditure
Funds that have been awarded as programme related investments	247.1	FY22-FY25
Heart of the Community Fund	88.5	FY23
Community Anchors' Fund Ubuntu	10.0	FY22
Community Anchors' Fund Glasgow	124.0	FY22-FY23
Funding matched with National Lottery Community Fund Partnerships England Wide	244.7	FY22-FY23
Funding matched with National Lottery Community Fund #iwill Fund grant	111.8	FY22
Community Entrepreneurs Fellowship Programme	500.0	FY22-FY23

Structure, governance and management

The structure, governance and management of the Foundation are as follows:

- The Foundation was incorporated as a private company limited by guarantee (Company no. 09457101) on 25 February 2015.
- The Foundation was subsequently registered as a charity on 15 April 2015 (Charity no. 1161290) and operates in accordance with its Memorandum and Articles of Association. In August 2020, the Foundation registered with the regulator for charities in Scotland (Charity no. SC050400).

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- Clydesdale Bank PLC is the sole member of the Foundation, but the Foundation is governed by an independent Board of Trustees, who set the strategy of the Foundation and approve all grants.
- The Trustees have identified the major risks to which the Foundation is exposed and approved a Risk and Control Framework for the Foundation. The major risks are the failure to secure ongoing funding sufficient to deliver the Foundation's strategy, and the misuse of charitable funds due to the failure to follow proper process in the assessment and allocation of funds or due to the recipient organisation misusing the funds. In addition, the current COVID-19 pandemic and its implications upon the Foundation's operations and future plans are risks that the Board is mindful of. The Board is confident that the Foundation's Business Continuity Plan is adequate to mitigate this risk and is reviewing its strategy regularly in light of this emerging situation, to ensure it acts in such a way as to increase the resilience of the organisations it funds. The Foundation has established clear processes and governance structures to address and monitor its key risks, including control actions to reduce the likelihood and impact of each of the aforementioned risks. A detailed Operating Framework Agreement is in place with Virgin Money detailing both the financial support and provision of services the Foundation can expect to receive from the bank. The Audit, Finance and Risk Committee provide governance oversight of the Foundation's Risks.
- The Foundation has a conflicts of interest policy, and a register of Trustee interests is maintained. Trustees declare any conflicts of interest at the start of each Board meeting and withdraw from discussions and decisions where there is any actual or potential conflict.
- The Foundation has a Governance Manual which:
    (i) provides an overview of the governance structures and processes by which the Trustees control and supervise the activities of the Foundation;
    (ii) provides an outline of the Foundation's management structure and operational governance; and
    (iii) summarises the Foundation's approach to conflicts of interest and brand protection.

Trustees

The Trustees who served during the period and up to the date of signing the financial statements are listed on page 2. Lorna Bennie and Alison Kidd are employees of Virgin Money as was Catherine Guthrie during her term as Trustee. The Foundation's policies regarding Trustees are as follows:

- Virgin Money appoints the Trustees, but Virgin Money and the Trustees must use their reasonable endeavours to ensure that at least 50% of the Trustees at any one time are not employees, directors or officers of Virgin Money. The Trustees may also co-opt up to three Trustees.
- Trustees initially serve in office for one year, after which they must retire but shall be eligible for re-appointment. Following re-appointment, all Trustees can serve in office for multiple consecutive terms, subject to each term being no longer than three years.
- It is the Foundation's policy that every Trustee should, if necessary, receive training when appointed to the Board, and subsequently as required or requested. The Foundation's induction process is designed to ensure that every new Trustee understands their responsibilities.
- During the last financial period the Foundation undertook an open recruitment process for new Trustees as a result of which the Board recruited five new Trustees. Four of these trustees joined the Board during the current financial year.
- During the financial period the Foundation undertook an open recruitment process for a new Chair of Trustees. As a result of this process, Amanda Jordan was appointed as Chair in July 2021.
- The Board has appointed a Funding Recommendations Panel which considers all funding recommendations for amounts of £60,000 or less. The Funding Recommendations Panel makes a recommendation regarding funding to the full Board of Trustees. All final decisions regarding the structure of the Foundation's funding programmes and the allocation of funds to

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individual projects are agreed by a majority vote of the Foundation's Trustees at a formal meeting of the Board. Trustees are required to excuse themselves from voting and influencing the discussion should any potential or actual conflict of interest arise in relation to a potential project. In the event of no clear decision being reached as a result of a vote, the Chair has the deciding vote.

- During the period, as a result of social distancing requirements due to COVID-19, the majority of meetings took place remotely utilising video conferencing. All meetings took place as scheduled. Continuing its COVID-19 protocol, the Trustees agreed that in between Board meetings, funding decisions that would usually be taken to the Funding Recommendations Panel could be delegated to any two Trustees. Decisions made by these Trustees were made on behalf of the full Board and were final. This extraordinary process was established in 2020 to enable the Foundation to expedite its funding decisions during the pandemic, ensuring funding was distributed to communities without undue delay. This amendment to the Foundation's set process was agreed in light of the extreme pressure faced by local charities as a result of the pandemic.

The Trustees do not receive any emoluments for their role as Trustees although the Foundation meets the costs of the Trustees' travel to and from meetings, plus accommodation where required (within the bounds of its adopted expenses policy).

Additionally, the Foundation's Articles of Association permit that Trustees may be paid for services delivered to the Foundation and/or its beneficiaries. As a matter of practice, the Board has adopted a policy that (a) a proper procurement process will be followed that considers alternative potential providers alongside the Trustee that proposes to provide services; (b) any Trustee that may potentially benefit shall not be part of the relevant procurement discussion or decision; and (c) if any Trustee does provide services, the Charity Commission must be notified at the time and the matter then recorded as a related party transaction in the next published accounts.

Since the date of publication of the last Annual Report, there have been two matters (excluding internal matters relating to Board composition) in respect of which a Trustee has recused themself from discussion at the Board due to a potential conflict of interest. Both were in relation to the relevant Trustee's role with partner organisations to the Foundation – Power to Change and GLT Partners Limited. The relevant Trustee stepped down from the Board of the Foundation before the related companies provided any services paid for by the Foundation and, even prior to this, took no part in Board discussions relating to the relevant programmes or selection of partners. In addition, the Foundation made a payment to a company led by a former Trustee, Northern Soul, this was the first tranche of funding relating to the National Lottery Community Fund project, details of which were disclosed in the 2020 Annual Report.

Colleagues and remuneration

The Trustees delegate day-to-day management of the Foundation to the Executive Director, who is supported by a Programme Manager, a Programme Officer, a Programme Co-ordinator and an Administrator.

All Foundation colleagues are employed by Virgin Money and therefore matters of salary and review are administered in line with the organisation's Remuneration Policy. The Chair of the Board of Trustees provides detailed feedback on the performance of the Executive Director as part of the annual pay review process.

Key relationships

During the period the Foundation expended funds from Virgin Money, National Lottery Community Fund, HFD Charitable Foundation, and donations from Virgin Money staff. Virgin Money also covers the majority of the Foundation's operating costs via donations and provides additional operational support.

Guarantees

In the event of the Foundation being wound up, the liability of the sole member of the Foundation, Clydesdale Bank PLC, is limited to £1. The total number of such guarantees at 30 September 2021 was 1. The member is only entitled to voting rights in the Foundation and does not have a beneficial interest.

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Disclosure of information to auditors

In so far as the Trustees who held office at the date of approval of this Trustees' Report are aware:

- there is no relevant audit information of which the Foundation's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Going concern

The Trustees have made an assessment of the Foundation's ability to continue as a going concern and are satisfied that it has the resources to continue in business for at least 12 months from the approval of the financial statements. This assessment has taken into account the impact of COVID-19 on the Foundation's current financial position and results and the potential impact in future financial periods.

The Foundation's use of the going concern basis for preparation of the accounts is discussed in note 1 to the financial statements.

Post balance sheet events

There have been no significant events between 30 September 2021 and the date of approval of the annual financial statements which would require a change to or additional disclosure in the financial statements.

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Trustees' report

Statement of Trustees' responsibilities

The Trustees (who are also Directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

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

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approval

The Trustees have agreed these financial statements, which have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the Board of Trustees and signed on its behalf on 15 December 2021 by:

DocuSigned by:
Amanda Jordan
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Amanda Jordan

Chair of the Board of Trustees

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Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF THE VIRGIN MONEY FOUNDATION

Opinion

We have audited the financial statements of The Virgin Money Foundation ("the charitable company") for the year ended 30 September 2021 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes 1 to 16, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 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 below. 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 the provisions available for small entities, in circumstances set out in note 1.2 to the financial statements, 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charitable company's ability to continue as a going concern.

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 in the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 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 the other information, we are required to report that fact.

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We have nothing to report in this regard.

Opinion on other matter 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 purpose 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 light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have identified no material misstatements in the Directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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' exemption in preparing the Trustees' Annual Report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 14, 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 management either intends to liquidate the charitable company or to cease operations, or has 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.

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Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, Charities Act 2011 and the 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).
- We understood how the charitable company is complying with those frameworks by inquiring with the charitable company's Legal Counsel and Head of Regulatory, Conduct and Compliance Risk regarding their knowledge of any instances of actual or suspected noncompliance, inspecting the policies and procedures regarding compliance with laws and regulations and investigating any such noncompliance. We understood key entity-level controls in place, which are aimed at ensuring compliance or identifying and responding to any instances of noncompliance with laws and regulations, promoting a culture of honesty, ethical behaviour and fraud prevention.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur by obtaining an understanding of the charitable company's fraud risk assessment process, inspecting the charitable company's fraud prevention policies and inquiring with appropriate levels of management and other personnel.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing key entity-level controls, inquiring with the charitable company's Legal Counsel and Head of Fraud Strategy Integration regarding their knowledge of any actual or suspected fraud or noncompliance, reviewing legal and regulatory correspondence, the litigation register and Board minutes.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://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 member, 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 member those matters we are required to state to the member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Ernst & Young LLP
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Blake Adlem (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP,
Statutory Auditor,
Edinburgh
15 December 2021

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The Virgin Money Foundation

Statement of financial activities
(Including income and expenditure account)

For the period

	Note	12 months ended 30 September 2021			9 months ended 30 September 2020		
		Unrestricted funds £'000	**Restricted funds £'000**	**Total funds £'000**	Unrestricted funds (restated)[1] £'000	Restricted funds (restated)[1] £'000	Total funds £'000
Income from:							
Donations and legacies	2	**1,677.8**	**370.0**	**2,047.8**	1,195.5	395.2	1,590.7
Other income	3	**4.0**	**-**	**4.0**	10.8	-	10.8
Total income		**1,681.8**	**370.0**	**2,051.8**	1,206.3	395.2	1,601.5
Expenditure on:							
Charitable activities	4	**(1,660.2)**	**(315.7)**	**(1,975.9)**	(1,269.7)	(42.1)	(1,311.8)
Total expenditure		**(1,660.2)**	**(315.7)**	**(1,975.9)**	(1,269.7)	(42.1)	(1,311.8)
Net income/(expenditure) in funds for the period	5	**21.6**	**54.3**	**75.9**	(63.4)	353.1	289.7
Transfers between funds		**-**	**-**	**-**	-	-	-
Net movement in funds for the period		**21.6**	**54.3**	**75.9**	(63.4)	353.1	289.7
Reconciliation of funds:							
Total funds brought forward		**1,605.4**	**373.4**	**1,978.8**	1,668.8	20.3	1,689.1
Total funds carried forward		**1,627.0**	**427.7**	**2,054.7**	1,605.4	373.4	1,978.8

(2) Refer to note 1.5 for details.

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derives from continuing operations.

The accompanying notes form an integral part of these financial statements.

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The Virgin Money Foundation

Balance sheet

As at 30 September

	Note	2021 £'000	2020 (restated)[1] £'000
Non-current assets			
Programme related investments	7	**82.6**	-
Current assets			
Debtors	8	**323.5**	345.1
Cash at bank and in hand	9	**2,291.8**	2,117.8
Total current assets		**2,615.3**	2,462.9
Liabilities			
Creditors: Amounts falling due within the year	10	**(604.2)**	(380.6)
Net current assets		**2,011.1**	2,082.3
Total assets less current liabilities		**2,093.7**	2,082.3
Creditors: Amounts falling due after one year	10	**(39.0)**	(103.5)
Total net assets	14	**2,054.7**	1,978.8
The funds of the charity			
Restricted income funds	12	**427.7**	373.4
Unrestricted income funds	13	**1,627.0**	1,605.4
Total charity funds	14	**2,054.7**	1,978.8

(1) Refer to note 1.5 for details.

The accompanying notes form an integral part of these financial statements.

The financial statements have been prepared in accordance with the provisions of the small companies' regime.

The financial statements were approved and authorised for issue by the Board of Trustees and were signed on its behalf on 15 December 2021:

DocuSigned by:
Amanda Jordan
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Amanda Jordan

Chair of the Board of Trustees

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The Virgin Money Foundation

Cash flow statement

For the period

		12 months to 30 Sep 2021 £'000	9 months to 30 Sep 2020 £'000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	(a)	**256.6**	(240.6)
Cash flows from investing activities			
Net cash used in investment activities		**(82.6)**	-
Change in cash and cash equivalents in the period		**174.0**	(240.6)
Cash and cash equivalents at the beginning of the period		**2,117.8**	2,358.4
Cash and cash equivalents at the end of the period	(b)	**2,291.8**	2,117.8

(a) Reconciliation of net movement in funds to net cash flows from operating activities

	12 months to 30 Sep 2021 £'000	9 months to 30 Sep 2020 £'000
Net movement in funds (as per the statement of financial activities)	**75.9**	289.7
Adjustments for:		
Decrease/(increase) in debtors	**21.6**	(345.1)
Increase/(decrease) in creditors	**159.1**	(185.2)
Net cash provided by/(used in) operating activities	**256.6**	(240.6)

(b) Analysis of cash and cash equivalents

	12 months to 30 Sep 2021 £'000	9 months to 30 Sep 2020 £'000
Cash at bank and in hand	**2,291.8**	2,117.8
Total cash and cash equivalents	**2,291.8**	2,117.8

(c) Analysis of changes in net debt

	At 1 January 2020 £'000	Cash flows £'000	At 30 September 2020 £'000	**Cash flows £'000**	**At 30 September 2021 £'000**
Cash	2,358.4	(240.6)	2,117.8	**174.0**	**2,291.8**

The accompanying notes form an integral part of these financial statements.

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Notes to the financial statements

1. Accounting policies

1.1 Reporting entity

The Virgin Money Foundation is a company limited by guarantee, incorporated in England and Wales and has no share capital. The sole membership of the Foundation was transferred from Virgin Money Holdings (UK) PLC to Clydesdale Bank PLC on 20 May 2021, the main trading company within the Virgin Money UK PLC Group. In the event of being wound up, the liability of the member in respect of the guarantee is limited to £1. The financial statements of Virgin Money UK PLC may be obtained from Virgin Money UK PLC's registered office at Jubilee House, Gosforth, Newcastle upon Tyne, NE3 4PL.

1.2 Basis of preparation

The 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 note.

The financial statements, which should be read in conjunction with the Trustees' Report, are prepared in compliance with the Companies Act 2006, the Charities Act 2011, 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) ('the SORP' – 2nd edition – October 2019) and applicable accounting standards in the United Kingdom (UK GAAP). The Trustees' report on pages 4 to 14 has been prepared to satisfy the Directors' report requirements of the Companies Act 2006 as applicable to small companies.

The Foundation has adjusted the formats from those prescribed by the Companies Act 2006 to include headings that are relevant to its activities, to enable it to show a true and fair view.

The Foundation's financial statements are presented in pounds sterling, which is the functional currency of the Foundation.

With effect from 27 March 2020, the financial year end of the Foundation was changed from 31 December to 30 September to align with the year-end of its ultimate parent company. Accordingly, the comparative period financial statements are prepared for 9 months from 1 January 2020 to 30 September 2020 and, as a result, the comparative figures stated in the statement of financial activities, cash flow statement and the related notes are not entirely comparable to the current 12 month period.

1.3 Going concern

Clydesdale Bank PLC continues to adhere to the pledge to provide up to £400,000 per annum of financial support to the Foundation to cover its operating costs, as well as an annual donation of at least £1.1 million per annum (to be invested in charitable causes), until at least December 2023. The Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future and at least 12 months from the approval of the financial statements. This assessment has taken account of the impact of COVID-19 on the Foundation's current financial position and results and the potential impact in future financial periods. Accordingly, the Trustees adopt the going concern basis in preparing the Annual Report and financial statements.

1.4 Accounting policies

The principal accounting policies, which have been applied consistently in the preparation of the financial statements, are set out below.

(a) Reserves policy

The Trustees review the reserves policy annually and monitor the level of reserves throughout the year. Unrestricted funds are held with the aim of enabling the Foundation to meet its current funding commitments. In addition, the Trustees have agreed that it is prudent to hold sufficient reserves to cover 3-6 months of non-grant expenditure for contingency purposes. General

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reserves are unrestricted funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Foundation and that have not been designated for other purposes.

1. Accounting policies (continued)

(b) Fund accounting

Designated funds comprise unrestricted funds that have been set aside at the discretion of the Trustees for specific purposes. An analysis of each designated fund is set out in note 13.

Restricted funds are subject to specific restrictions imposed by the originator of the income. These include grants and contracts from institutions for provision of specific grants to beneficiaries, activities or services. Costs are charged against the specific fund in line with donor rules. An analysis of the restricted funds is set out in note 12. Income and gains are allocated to the appropriate fund.

(c) Programme related investments

Programme related investments are held at cost less any impairment provision, as the Foundation is unable to obtain a reliable estimate of fair value. Programme related investments are assessed for objective evidence of impairment at the end of each reporting period. Any income received on programme related investments is recognised as other income.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances.

(e) Income resources

Income, including donations and grants, is recognised when there is evidence of entitlement, receipt is probable, and its amount can be measured reliably. In the case of a grant, evidence of entitlement is considered to exist when the formal offer of funding is communicated to the Foundation. Where grants contain terms or performance conditions which have not been met at the reporting period, the grant received is deferred as a liability and shown in the balance sheet as deferred income. Deferred income is then released to income in the reporting period in which the performance related or other conditions that limit recognition are met.

Grants from governments and organisations which provide core funding, or are of a general nature, are included as 'Income from donations and legacies'. Income is recognised in accordance with the terms of the funding agreement or contract.

Donated services and facilities are included as 'Income from donations and legacies' at their estimated value to the Foundation when received, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time.

(f) Resources expended

Grants payable are made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to the grant is outside the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Foundation that would permit the Foundation to avoid making future payment(s), settlement is probable, and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made.

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DocuSign Envelope ID: 4B0A7833-027C-430F-9FF2-C70D8040E448

1. Accounting policies (continued)

A contingent liability is identified and disclosed for those grants resulting from:

- A possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control; or
- A present obligation following a grant offer where settlement is either not considered probable or the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

Allocation of expenditure

Charitable activities include the direct costs of the grant awards and the indirect support costs of delivering the grant programmes. Staff costs are apportioned on the basis of the approximate time allocated by the Executive Director and other officers between the Foundation's charitable objectives and governance. Where possible, other costs are allocated on an individual basis to the relevant objective or to governance costs. If costs are not directly attributable to particular objective(s) or to governance, they are apportioned using the same basis as staff costs. The allocation methodology is reviewed annually to ensure that it is still appropriate.

(g) Taxation

The Foundation is a registered charity and is thus exempt from tax on income and gains falling within chapter 3 of part 11 of the Corporation Tax Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to charitable objects. No tax charges have arisen.

Irrecoverable VAT is not separately analysed and is charged to the statement of financial activities when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

1.5 Restatement of prior year comparatives

a) £82.8k of operating expenses incurred in relation to the #iwill Take Action restricted fund were incurred by the Foundation but not recognised against this fund and instead were incorrectly absorbed within unrestricted funds. As this expenditure was incurred prior to FY20, a restatement has been made to the opening funds position by reclassifying £82.8k from restricted funds to unrestricted funds.

b) In the prior year, £93.8k of grant making incurred in relation to the Community Anchors Fund – Glasgow was incorrectly recognised against this restricted fund. These grants actually related to the matched funding element that was to be funded from the designated unrestricted fund. As a result, £93.8k of grant making have been reclassified from restricted funds to unrestricted funds in the prior year.

In accordance with FRS 102 the adjustments noted above require restatement to the prior year financial statements. The impact of the restatements on the statement of financial activities and the balance sheet are set out below. There was no impact on the cash flow statement or on total funds.

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1.5 Restatement of prior year comparatives (continued)

Statement of financial activities
(Including income and expenditure account)

	9 months ended 30 September 2020 (as previously stated)			a) #iwill funds		b) HFD matched funding		9 months ended 30 September 2020 (restated)		
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Unrestricted funds £'000	Restricted funds £'000	Unrestricted funds £'000	Restricted funds £'000	Unrestricted funds (restated) £'000	Restricted funds (restated) £'000	Total funds £'000
Income from:										
Donations and legacies	1,195.5	395.2	1,590.7	-	-	-	-	1,195.5	395.2	1,590.7
Other income	10.8	-	10.8	-	-	-	-	10.8	-	10.8
Total income	1,206.3	395.2	1,601.5	-	-	-	-	1,206.3	395.2	1,601.5
Expenditure on:										
Charitable activities	(1,175.9)	(135.9)	(1,311.8)	-	-	(93.8)	93.8	(1,269.7)	(42.1)	(1,311.8)
Total expenditure	(1,175.9)	(135.9)	(1,311.8)	-	-	(93.8)	93.8	(1,269.7)	(42.1)	(1,311.8)
Net income/(expenditure) in funds for the period	30.4	259.3	289.7	-	-	(93.8)	93.8	(63.4)	353.1	289.7
Transfers between funds	-	-	-	-	-	-	-	-	-	-
Net movement in funds for the period	30.4	259.3	289.7	-	-	(93.8)	93.8	(63.4)	353.1	289.7
Reconciliation of funds:										
Total funds brought forward	1,586.0	103.1	1,689.1	82.8	(82.8)	-	-	1,668.8	20.3	1,689.1
Total funds carried forward	1,616.4	362.4	1,978.8	82.8	(82.8)	(93.8)	93.8	1,605.4	373.4	1,978.8

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1.5 Restatement of prior year comparatives (continued)

Balance sheet
As at 30 September

	2020 (as previously stated) £'000	a) #iwill funds £'000	b) HFD matched funding £'000	2020 (restated) £'000
Current assets				
Debtors	345.1	-	-	345.1
Cash at bank and in hand	2,117.8	-	-	2,117.8
Total current assets	2,462.9	-	-	2,462.9
Liabilities				
Creditors: Amounts falling due within the year	(380.6)	-	-	(380.6)
Net current assets	2,082.3	-	-	2,082.3
Total assets less current liabilities	2,082.3	-	-	2,082.3
Creditors: Amounts falling due after one year	(103.5)	-	-	(103.5)
Total net assets	1,978.8	-	-	1,978.8
The funds of the charity				
Restricted income funds	362.4	(82.8)	93.8	373.4
Unrestricted income funds	1,616.4	82.8	(93.8)	1,605.4
Total charity funds	1,978.8	-	-	1,978.8

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2. Donations and legacies

	12 months to			9 months to		
	30 Sep 2021 Unrestricted £'000	**30 Sep 2021 Restricted £'000**	**30 Sep 2021 Total £'000**	30 Sep 2020 Unrestricted £'000	30 Sep 2020 Restricted £'000	30 Sep 2020 Total £'000
Virgin Money grant	**1,143.0**	**-**	**1,143.0**	750.0	-	750.0
Donations from Big Lottery Fund #iwill fund Grant	**-**	**270.0**	**270.0**	-	295.2	295.2
Other donations	**95.3**	**100.0**	**195.3**	131.3	100.0	231.3
Virgin Money donation of services	**439.5**	**-**	**439.5**	314.2	-	314.2
Total	**1,677.8**	**370.0**	**2,047.8**	1,195.5	395.2	1,590.7

The Group provides the Foundation with services, including provision of the Foundation's core staff, office space and technology, legal and accountancy support. The value of these services is treated as a donation to the Foundation. Further analysis of the services donated by the Group is shown in note 4.

3. Other income

	12 months to			9 months to		
	30 Sep 2021 Unrestricted £'000	**30 Sep 2021 Restricted £'000**	**30 Sep 2021 Total £'000**	30 Sep 2020 Unrestricted £'000	30 Sep 2020 Restricted £'000	30 Sep 2020 Total £'000
Bank interest	**4.0**	**-**	**4.0**	10.8	-	10.8
Total	**4.0**	**-**	**4.0**	10.8	-	10.8

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DocuSign Envelope ID: 4B0A7833-027C-430F-9FF2-C70D8040E448

4. Expenditure on charitable activities

(a) Charitable activities by objective

	12 months to 30 September 2021						
	Grants			Support costs			
	Unrestricted £'000	**Restricted £'000**	**Total £'000**	**Unrestricted £'000**	**Restricted £'000**	**Total £'000**	**Total £'000**
Programmes:							
Community Anchors' Fund – North East	**585.3**	**-**	**585.3**	**181.3**	**-**	**181.3**	**766.6**
Colleagues in the Community Fund	**40.7**	**-**	**40.7**	**12.6**	**-**	**12.6**	**53.3**
Community Resilience Fund	**20.0**	**-**	**20.0**	**6.2**	**-**	**6.2**	**26.2**
Social and Sustainable Capital Fund	**2.9**	**-**	**2.9**	**0.9**	**-**	**0.9**	**3.8**
Community Anchors' Fund - Glasgow	**282.3**	**106.8**	**389.1**	**87.4**	**-**	**87.4**	**476.5**
National Lottery Community Fund #iwill Fund Grant	**158.5**	**158.5**	**317.0**	**49.1**	**-**	**49.1**	**366.1**
National Lottery Community Fund Partnerships England Wide	**50.4**	**50.4**	**100.8**	**15.6**	**-**	**15.6**	**116.4**
Governance	**-**	**-**	**-**	**167.0**	**-**	**167.0**	**167.0**
Total	**1,140.1**	**315.7**	**1,455.8**	**520.1**	**-**	**520.1**	**1,975.9**

	9 months to 30 September 2020						
	Grants			Support costs			
	Unrestricted[(1)] £'000	Restricted[(1)] £'000	Total £'000	Unrestricted (restated)[(1)] £'000	Restricted (restated)[(1)] £'000	Total £'000	Total £'000
Programmes:							
Community Anchors' Fund – North East	302.7	-	302.7	78.8	-	78.8	381.5
Colleagues in the Community Fund	52.3	-	52.3	13.6	-	13.6	65.9
Community Resilience Fund	344.7	-	344.7	89.8	-	89.8	434.5
Heart of the Community Fund	59.5	-	59.5	15.5	-	15.5	75.0
Ripple Fund	100.0	-	100.0	26.0	-	26.0	126.0
Community Anchors' Fund - Glasgow	93.8	31.2	125.0	24.5	-	24.5	149.5
National Lottery Community Fund #iwill Fund Grant	-	-	-	-	10.9	10.9	10.9
Governance	-	-	-	68.5	-	68.5	68.5
Total	953.0	31.2	984.2	316.7	10.9	327.6	1,311.8

(1) Refer to note 1.5 for details.

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4. Expenditure on charitable activities (continued)

(b) Support costs

	12 months to 30 Sep 2021 £'000	9 months to 30 Sep 2020 £'000
Staff costs relating to charitable activities	**196.4**	128.7
Staff costs relating to governance	**60.1**	50.1
Governance costs	**106.9**	18.4
Other costs	**156.7**	130.4
Total support costs	**520.1**	327.6

Support costs comprise £439.5k (2020: £325.0k) of services provided by the Group, £78.0k (2020: £Nil) of services provided by Ridgeway Partners and £2.6k (2020: £2.5k) relating to bank charges. £439.5k (2020: £314.0k) of services were donated by the Group, £78.0k donated by Ridgeway Partners and £Nil (2020: £10.9k) of services were funded by The National Lottery Community Fund #iwill Fund Grant.

The Group has a framework agreement with the Foundation to provide support services. Under the terms of this agreement, the Foundation is provided with staff, office space, and facilities.

The Group also provides human resources services, IT and other administrative support to the Foundation. All support costs relate to the Foundation's grant-making activities and are incurred by the Group and donated to the Foundation.

(c) Auditor's remuneration

	12 months to 30 Sep 2021 £'000	9 months to 30 Sep 2020 £'000
Fees payable to the Foundation's auditors for the audit of the Foundation's Annual Report and Accounts	**6.2**	5.2
Total auditor's remuneration	**6.2**	5.2

The statutory audit fee was included within the Group audit fee and paid by the Group's main trading subsidiary, Clydesdale Bank PLC. The value of this service is £6.2k (2020: £5.2k) and has been treated as a donation from Clydesdale Bank PLC. The amount of non-audit fees in 2021 was £Nil (2020: £Nil).

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5. Net income/(expenditure) for the period

Net income/(expenditure) for the period is stated after charging:

	12 months to 30 Sep 2021 £'000	9 months to 30 Sep 2020 £'000
Auditor's remuneration	**6.2**	5.2
Trustees' expenses	**1.7**	0.1
Bank charges	**2.6**	2.5

None of the Trustees (2020: none) received any emoluments in respect of services to the Foundation. Trustees' expenses include amounts reimbursed to Trustees for out of pocket expenses and amounts paid to third parties for costs including travel, accommodation, subsistence and training. Trustees are reimbursed for travel when claimed. During the year, Trustees expenses of £1.7k (2020: £0.1k) were incurred in regards to four (2020: one) Trustees. These expenses were funded by Virgin Money and treated as a donation to the Foundation.

6. Employee information

The Foundation did not directly employ any staff during the year (2020: none). The services of individuals were obtained from Virgin Money as a donation of service to the Foundation. The table below shows the total costs for staff working for the Foundation but employed and paid by Virgin Money.

	12 months to 30 Sep 2021 £'000	9 months to 30 Sep 2020 £'000
Wages and salaries	**216.1**	147.8
Social security costs	**16.1**	14.1
Other pension costs	**24.2**	16.8
Colleague recognition	**0.1**	-
Total staff costs	**256.5**	178.7

In addition to the above, the Foundation incurred staff costs of £8.9k (2020: £10.9k) which were paid with funds received from the National Lottery Community Fund in relation to the #iwill Take Action Fund. Included in the table above is the Executive Director of the Foundation who received total employee benefits (excluding employer pension costs) for the 12 month period of between £100.0k and £110.0k (2020: £70.0k and £80.0k for the 9 month period), one other employee received total employee benefits (excluding employer pension costs) of between £60.0k and £70.0k and four (2020: four) employees who received total employee benefits (excluding employer pension costs) of between £10.0k and £60.0k. The monthly average number of persons working for the Foundation but employed and paid by Virgin Money during the 12 months ended 30 September 2021 was six (2020: five).

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DocuSign Envelope ID: 4B0A7833-027C-430F-9FF2-C70D8040E448

7. Programme related investments

As at	30 Sep 2021	30 Sep 2020
	£'000	£'000
Non-current assets		
Social and Sustainable Housing Limited Partnership	**82.6**	-
Total	**82.6**	-

During the financial period the Foundation became a limited partner and awarded £250.0k as a programme related investment in the Social and Sustainable Housing Fund (SASH). The SASH pools resources from a number of social investors, including the Foundation, and lends money to Social Sector Organisations providing housing for vulnerable people in the United Kingdom.

As at 30 September 2021, £85.5k had been provided to the SASH. £82.6k is recognised as a programme related investment, £2.9k is recognised as expenditure attributable to Management Fees and General Expenses, with a remaining £164.5k still to be drawn. Funds of £250.0k are designated for this purpose, see note 13. These funds are due to be returned to the Foundation at the end of 10-12 years following receipt.

8. Debtors

As at	30 Sep 2021	30 Sep 2020
	£'000	£'000
Accrued income due in less than 1 year	**323.5**	206.6
Accrued income due in more than 1 year	**-**	138.5
Total	**323.5**	345.1

9. Cash at bank and in hand

As at	30 Sep 2021	30 Sep 2020
	£'000	£'000
Cash and bank balances	**2,291.8**	2,117.8
Total	**2,291.8**	2,117.8

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DocuSign Envelope ID: 4B0A7833-027C-430F-9FF2-C70D8040E448

10. Creditors

Amounts falling due within one year

As at	30 Sep 2021	30 Sep 2020
	£'000	£'000
Accruals for grants payable	**604.2**	375.8
Other liabilities	**-**	4.8
Total	**604.2**	380.6

Amounts falling due after one year

	30 Sep 2021	30 Sep 2020
	£'000	£'000
Accruals for grants payable	**39.0**	103.5
Total	**39.0**	103.5

Reconciliation of grants payable

	30 Sep 2021	30 Sep 2020
	£'000	£'000
Opening balances brought forward	**479.3**	667.4
Grants awarded	**1,455.8**	984.2
Grants paid	**(1,291.9)**	(1,172.3)
Grants payable carried forward	**643.2**	479.3

11. Contingent liabilities

Contingent liabilities are disclosed unless the possibility of their existence is remote. The Trustees are not aware of any significant contingent liabilities as at 30 September 2021 (30 September 2020: none).

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DocuSign Envelope ID: 4B0A7833-027C-430F-9FF2-C70D8040E448

12. Restricted income funds

The movements on the restricted funds are as follows:

	Fund balances brought forward at 1 October 2020 £'000	**Income £'000**	**Expenditure £'000**	**Fund balances carried forward at 30 September 2021 £'000**
Big Lottery Fund #iwill fund Grant	9.5	**270.0**	**(158.5)**	**121.0**
Community Anchors' Fund - Glasgow	68.7	**100.0**	**(106.8)**	**61.9**
National Lottery Community Fund Partnerships England Wide	295.2	**-**	**(50.4)**	**244.8**
Total	373.4	**370.0**	**(315.7)**	**427.7**

	Restated[1]			
	Fund balances brought forward at 1 January 2020 £'000	Income £'000	Expenditure £'000	Fund balances carried forward at 30 September 2020 £'000
Big Lottery Fund #iwill fund Grant	20.3	-	(10.8)	9.5
Community Anchors' Fund - Glasgow	-	100.0	(31.3)	68.7
National Lottery Community Fund Partnerships England Wide	-	295.2	-	295.2
Total	20.3	395.2	(42.1)	373.4

(1) Refer to note 1.5 for details. In addition to note 1.5, grant income of £395.2k which was previously disclosed as 'HFD Award & Lottery Funding' has now been more appropriately categorised into the two separate funds that this relates to being 'Community Anchors' Fund – Glasgow' (£100.0k) and 'National Lottery Community Fund Partnerships England Wide' (£295.2k).

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DocuSign Envelope ID: 4B0A7833-027C-430F-9FF2-C70D8040E448

13. Unrestricted income funds

The movements on the unrestricted funds are as follows:

	Opening balances brought forward at 1 October 2020 £'000	Income £'000	Expenditure £'000	Transfer between funds £'000	Fund balances carried forward at 30 September 2021 £'000
General funds	682.7	**1,211.8**	**(1,166.1)**	**(427.5)**	**300.9**
Designated: Community Entrepreneurs Fellowship Programme	-	**-**	**-**	**500.0**	**500.0**
Designated: Community Anchors NE	-	**-**	**-**	**10.0**	**10.0**
Designated: Social and Sustainable Capital Fund	250.0	**-**	**(2.9)**	**-**	**247.1**
Designated: Heart of Community Fund	88.5	**-**	**-**	**-**	**88.5**
Designated: Community Anchors Fund Glasgow – HFD Award Funding	206.3	**200.0**	**(282.3)**	**-**	**124.0**
Designated: Big Lottery Fund #iwill fund Grant	82.8	**270.0**	**(158.5)**	**(82.5)**	**111.8**
Designated: National Lottery Community Fund Partnerships England Wide	295.1	**-**	**(50.4)**	**-**	**244.7**
Total	1,605.4	**1,681.8**	**(1,660.2)**	**-**	**1,627.0**

In September 2021, the Foundation signed a Memorandum of Understanding with Power to Change Trustee Limited in relation to a new programme, the Community Entrepreneurs Leadership Programme. The Foundation has committed to contribute a maximum of £500,000 over a three year period in relation to this programme.

	Restated[1]				
	Opening balances brought forward at 1 January 2020 £'000	Income £'000	Expenditure £'000	Transfer between funds £'000	Fund balances carried forward at 30 September 2020 £'000
General funds	1,188.0	611.1	(1,116.4)	-	682.7
Designated: Social and Sustainable Capital Fund	250.0	-	-	-	250.0
Designated: Heart of Community Fund	148.0	-	(59.5)	-	88.5
Designated: Community Anchors Fund Glasgow – HFD Award Funding	-	300.1	(93.8)	-	206.3
Designated: Big Lottery Fund #iwill fund Grant	82.8	-	-	-	82.8
Designated: National Lottery Community Fund Partnerships England Wide	-	295.1	-	-	295.1
Total	1,668.8	1,206.3	(1,269.7)	-	1,605.4

(1) Refer to note 1.5 for details. In addition to note 1.5, net fund income of £501.4k which was previously disclosed within 'General funds' has now been more appropriately categorised into the two separate funds that this relates to being 'Designated: Community Anchors Fund Glasgow – HFD Award Funding' (£206.3k) and 'Community Fund Partnerships England Wide' (£295.1k).

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DocuSign Envelope ID: 4B0A7833-027C-430F-9FF2-C70D8040E448

14. Analysis of net assets between funds

	Unrestricted			
	General Fund	**Designated Fund**	**Restricted Fund**	**30 Sep 2021 Total**
	£'000	**£'000**	**£'000**	**£'000**
Total assets	**706.5**	**1,467.5**	**523.9**	**2,697.9**
Total liabilities	**(405.6)**	**(141.4)**	**(96.2)**	**(643.2)**
Net assets	**300.9**	**1,326.1**	**427.7**	**2,054.7**

	Restated[1]			
	Unrestricted			
	General Fund	Designated Fund	Restricted Fund	30 Sep 2020 Total
	£'000	£'000	£'000	£'000
Total assets	1,155.5	929.2	378.2	2,462.9
Total liabilities	(472.8)	(6.5)	(4.8)	(484.1)
Net assets	682.7	922.7	373.4	1,978.8

(1) Refer to note 1.5 for details.

15. Related party transactions

	Transaction value for 12 months to 30 Sep 2021 £'000	**Balance outstanding as at 30 September 2021 £'000**	Transaction value for 9 months to 30 Sep 2020 £'000	Balance outstanding as at 30 September 2020 £'000
Donations received from Virgin Money UK PLC subsidiary undertakings:				
Grant and additional donations	**1,143.0**	**-**	750.0	-
Donation of services	**439.5**	**-**	314.2	-
Donation from David Duffy[1]	**-**	**-**	100.0	-
Recharges and trading balances with Virgin Money UK PLC subsidiary undertakings	**442.1**	**-**	325.1	(4.8)
Interest received from Virgin Money UK PLC subsidiary undertakings	**4.0**	**-**	10.7	-

(1) David Duffy is the Virgin Money Group Chief Executive Officer.

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DocuSign Envelope ID: 4B0A7833-027C-430F-9FF2-C70D8040E448

16. Grants awarded

Name of institution	2021 £'000
11th Hamilton Brownies	0.5
1st Brunton Park Guides	0.5
1st Ponteland Scouts	0.5
24th Woodend Scouts	0.5
2nd Churwell Brownies	0.5
3D Drumchapel	20.0
3D Drumchapel	30.0
4th Helensburgh Scout Group	0.5
4th/85th Dunblane Scout Group	0.2
5th Scarborough (Wreyfield Drive(Brownie Unit	0.5
700 Club	30.0
A Way Out	27.0
Action for Children	29.8
Action Foundation	30.0
Arbroath Rugby Rhinos	0.5
Auckland Youth & Community Centre	30.0
Bangor Football & Athletic Club Ltd	0.5
Barnesbury Cycling Club	0.5
Bedlington United Sporting Club	0.5
Blacktoft Beacon District Scouts	0.5
Blyth Town Juniors	0.5
Bridging the Gap (Gorbals Ecumenical Project)	3.6
Bright Futures NE	48.0
Bright Minds Big Futures	1.0
British Octopush Association	0.5
Campbeltown Junior Agricultural Club	0.5
Care and Repair North East Wales	0.5
Cassiltoun Housing Association Limited	10.0
Castle Semple Rowing Club	0.5
CFC Singers (Clydebank Mercury)	0.5
Chopwell Regeneration CIO	30.0
Citizens Advice Newcastle	0.5
Clifton Rangers JFC	0.5
Clyde Amateur Rowing Club	0.5
Colony Park Football Club	0.5
Community Campus 87 Ltd	30.0
Community Central Hall	10.7
Community Ventures (Middlesbrough) Ltd	30.0
Connect Community Trust	30.0
Craigneuk Community Sports Trust	0.5
Crossroads Youth & Community Association	17.2
Curious Arts LTD	0.5
Drumchapel Amateurs	0.5
Dumbarton and District Women's Aid	0.5
Easington Lane Community Access Point	30.0
East Cleveland Youth Housing Trust	30.0
Edberts House	30.0
Ella-Grace Gregoire	10.0
Elloughton Blackburn Football Club	0.5
Equi-Power Central Scotland RDA SCIO	0.5
FARE Scotland Ltd	20.0

Classification: Private

DocuSign Envelope ID: 4B0A7833-027C-430F-9FF2-C70D8040E448

Name of institution	2021 £'000
Fir Park Corner FC	0.5
Forfar Farmington FC	0.5
Friends of Chirk Bank Playing Fields	0.5
Friends of St Joseph's Catholic Primary School	0.5
Friends of St Stephen's Primary School	0.5
Future Regeneration of Grangetown	30.0
Gage Oxley	10.0
Glan Aber Tennis Club	0.5
Glasgow Children's Holiday scheme	0.5
Glenvale 2011	0.5
Glenvale FC	0.5
Govan Community Project	30.0
Govanhill Baths Community Trust	30.0
Grange First School Parents Teachers and Friends Association	0.5
Gullane Athletic Amateur Football Club	0.5
Hospitality and Hope	29.3
Irvine Running Club	0.5
Jack Drum Arts	49.9
Jaiden Corfield	10.0
Justice Prince CIC	30.0
Kilbarchan AAC	0.5
Kilbarchan PS Parent Council	0.5
Kilbarchan Scout Group	0.5
Killingworth Young People's Club	0.5
Kobie Eyo-Huson	10.0
Lambhill Stables Ltd	40.0
Limehurst Lions ARLFC	0.5
LINKES (SCIO)	40.0
Louisa-Rose Mackleston	10.0
Macduff School Fund	0.5
Martha and Mary Association	0.5
Maryhill Integration Network SCIO	10.0
Meadowhead Community Learning Trust	0.5
Milton 2011s	0.5
Milton Primary School Parent Council and PTA	0.5
Mohamed Maxomed	10.0
Mortal Fools	0.5
Moving on (Durham) Ltd	30.0
Neilston FC Youth Academy	0.5
New Farnley Cricket Club	0.5
Newcastle upon Tyne Y.M.C.A	40.1
North Leeds Leopards Rugby League Club	0.5
North Tyneside Voluntary Organisations Development Agency	42.5
North Tyneside YMCA	30.0
North United Communities Limited	10.0
Open Door (North East)	20.0
Patchwork Project	1.0
Peace of Mind CIO	24.9
Percy Park Pirates Touch Club	0.5
Perth Green Community Association CIO	24.5

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Name of institution	2021 £'000
Portree & Braes Community Trust	0.5
Rosemount Lifelong Learning	27.5
Rossvale Community Football Club	0.5
Rothwell Town AFC	0.5
Roukagia Afaan	10.0
Sarah Ashley	10.0
Savannah Thompson	10.0
South Ayrshire Toy Bank	0.5
South West Arts & Music Project	30.0
St Josephs Parent Council	0.5
St Stephens Primary Parent Council	0.5
Stonelaw High Parent Council	0.5
Stow Parent Council	0.5
Summerhill Trust	0.5
The Big Bad Wolf Children's Theatre Company	0.5
The Big League CIC	19.8
The Buddy Beat	0.5
The Junction Foundation	46.6
Ubuntu Multicultural Centre CIC	10.0
United Keith	0.5
Volunteer Glasgow	1.0
Water of Leith Conservation Trust	0.5
West End Refugee Service (WERS)	30.0
West End Women and Girls Centre	50.0
West Lothian County Cricket Association	0.5
West of Scotland Cricket Club	0.5
West Scotland Deaf Children's Society	0.5
Whiteleys Retreat	1.0
Wickersley Youth Junior Football Club	0.5
Wideopen & District Juniors Football Club	0.5
Wilnecote Sports and Recreation Association	0.5
Woodlands Community Development Trust	30.0
Wrexham Rugby Union Football Club	0.5
Wrexham Swimming Club	0.5
Young Enterprise	0.5
Youth Focus: North East	40.9
Grant returned – Darlington Mind	(2.9)
Programme costs paid direct	13.7
Total grants awarded in the 12 months to 30 September 2021 (note 4)	**1,455.8**

Classification: Private

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16. Grants awarded

Name of institution	2020 £'000
10th Craigalmond Scout Group	0.5
11th St Andrew Scout Group	0.5
12th Glasgow Scout Group	0.5
180th Sheffield Scouts	0.5
1st Thurstaston Scout Group	0.5
1st Weston Green (All Saints) Scout Group	0.5
1st/3rd Renfrew Boys Brigade, The Boy's Brigade	0.5
212th Glasgow Boys' Brigade Company	0.5
242nd City of Glasgow Rainbow Unit	0.5
2nd Gourock Boys Brigade Company	0.5
5th Milngavie Guides	0.5
5th Scarborough Wreyfield Drive Brownies	0.5
6th Cramlington Scout Group	0.5
700 Club	10.0
A Way Out	6.0
Action Foundation	9.7
ADD Norfolk	1.0
Aldeby Parish Council	0.5
Argo Boxing Club	0.5
ArtAtWork	1.2
Auckland Youth and Community Centre	10.0
Baljaffray FC 2009	0.5
Batley Barracudas Octopush Club (Junior Tournament)	0.5
Batley Barracudas Octopush Club (New goals)	0.5
Berwick Youth Project	9.5
Bilton Hall Community Trust	25.0
Boomerang Cardiff	1.2
Bosom Family Support	0.5
Brayton Headstart	0.5
Bridgend Farmhouse	0.5
Bridgeton Community Learning Campus	10.0
Buckley Cricket Club	0.3
C4WS Homeless Project	1.0
CABS Cardiff	2.0
Calder High PTA	0.5
Cambuslang Rugby Club Junior Section	0.5
Cardonald Primary Parent Council	0.5
Carleith Parents Committee	0.5
CF TW&N	100.0
CFC Singers (Clydebank Mercury)	0.5
Charles Burrell Centre	10.0
Circle Collective	0.5
Clapton Common Boys Club	1.2
ClearCompany CIC	1.2
Coatham House	20.0
Community Campus 87 Ltd	10.0
Community Central Hall	10.0
Community Network CIC	10.0
Connect Community Trust	20.0
Cornforth Partnership	9.7
Costello Cobra's	0.5
Cramlington United Football Club	0.5
Cramlington Voluntary Youth Project	1.2
Cranhill Development Trust	20.0

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16. Grants awarded (continued)

Name of institution	2020 £'000
Crossroads Youth & Community Association	10.0
Crossway Football Club	0.5
Cylch Meithrin Trelai & Caerau	0.5
Drymen Primary School PTA	0.5
Dundonnell Mountain Rescue Team SCIO	0.5
Dynamite Gymnastics	0.5
Eaglesham Fair	0.4
Earsdon and Wellfield Community Association	0.5
East London Community Band	2.0
Edberts House	10.0
Emley Clarence Cricket Club	0.5
Emley Moor RFL Community Interest Company	0.5
Emmaus	10.0
ENYP	1.2
Equi-Power Central Scotland RDA (Riding for the Disabled)	0.5
Eternity Twirlers Majorettes	0.5
Falkirk Football Community Foundation	0.5
Family Gateway	20.0
FareShare Yorkshire	7.0
Fenham Association of Residents	50.0
Fir Park Corner FC	0.5
Fleet Pond Society	0.5
Footprints in the Community	27.7
Free Wheel North	2.0
Friends of Roseburn Park	2.0
Girl Guiding (1st Howwood Brownies)	0.5
GirlGuiding Scotland	0.5
Glasgow Children's Holiday Scheme	0.5
Glasgow City Girls Football Club	0.5
Glenvale 2011	0.5
Gorse Hill Studios	0.5
Govan Community Project	1.0
Govanhill Baths Community Trust	15.0
Grange First School Parents Teachers and Friends Association	0.5
Hackney Foodbank	2.0
Handcrafted	20.0
Hawarden Park Cricket Club	0.5
Hebron Trust	2.0
Home-Link Family Support	1.0
Hot Line Meals Service	1.2
Hull Dockers ARLFC Under 12's	0.5
Insch Trail Running Club	0.5
Irvine Victoria Youth Football 2004's	0.5
Jack Drum Arts	10.0
Jackson Church Summer Club	0.5
Jeanfield Swifts 2007	0.5
Jesters Gymnastics club	0.5
Justice Prince CIC	10.0

Classification: Private

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16. Grants awarded (continued)

Name of institution	2020 £'000
Kilbarchan Amateur Athletic Club	0.5
Kilbarchan Pipe Band	0.5
Kilbarchan Scout Group	0.5
Kilwinning Community Sports Club	0.5
Langbank Village Centre	0.5
Lapwing Lodge	0.5
Lasswade Athletic Club	0.5
Linskill and North Tyneside Community Development Trust	50.0
MaD Theatre Company	1.2
Manchester Carers Forum	1.0
Manor Community Childcare Centre Ltd	2.0
MCR Cares Ltd	1.2
Mill United	0.5
Milngavie Football Club	0.5
Milton of Leys Football Club	0.5
Milton Primary School Parent Council & PTA	0.5
Ministry of Stories	1.0
Mortal Fools	0.5
Moving on Durham	20.0
My Sisters Place	20.0
North East Circus Development Trust	0.5
North Ormesby Neighbourhood Development Trust	10.0
Once Upon a Smile	2.0
Opening Doors	0.5
Orkney Badminton Association Juniors	0.5
Our Lady of the Annunciation Football Club	0.5
Oxgang Primary School Parent Teacher Association	0.5
Pallion Action Group	50.0
Parish of Keighley	0.5
Park Villa Football Development	2.0
Parson Cross Community Development Forum	0.5
Passion for Learning C.I.C	0.5
Pennywell Youth Project	10.0
Playbusters	0.5
Port Glasgow Junior Football Club	0.5
Preshal Trust	10.0
Project Ability	0.5
Queensgate Pre School	0.5
Radio Tyneside	0.5
Re-Tune SCIO	1.0
Rosemount Lifelong Learning	10.0
Rossvale Football Club	0.5
Rothwell Town AFC	0.5
Samuel Montagu Youth Centre	0.5
Saxon Juniors Football Club	0.5
Scotia Amateur Swimming club	0.5
Scout Association	0.5
Sheffield Women's Counselling & Therapy Service	1.0
Shevington sharks arlfc	0.5
Skills & Volunteering Cymru (Student Volunteering Cardiff)	1.0
South Tyneside Churches KEY Project	10.0
Southside Boxing Academy	0.5

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16. Grants awarded (continued)

Name of institution	2020 £'000
Southside White Cart Football Club	0.5
St Fillan's Parent Council	0.5
St Mary's Duntocher Parent Council	0.5
St Mary's Primary School Parent Council	0.5
St Wilfreds Centre	2.0
Survivors of Depression in Transition	1.0
Tees Music Alliance	20.0
The Avenues Youth Project	1.2
The Colinton Tunnel	2.0
The DATIC Trust	0.5
The FAN Charity	1.2
The Feed CIC	10.0
The Judy Murray Foundation	0.5
The Junction Foundation	10.0
The Lenzie Bowling Club Ltd	0.5
The Purge Boxing Academy	0.5
The Super Power Agency	0.5
The Tilly Ladies	0.5
Touch Trust Ltd	1.2
Upper Teesdale Agricultural Support Services	50.0
Upton Junior Football Club	0.5
Victoria Park Pavillion Cic	0.5
Volunteer Glasgow (Fun day)	0.5
Volunteer Glasgow (Travel)	0.5
We Matter	1.2
Wearside YMCA	8.3
Wellingborough Town Cricket Club	0.5
West End Women and Girls	10.0
West Lothian Fencing Club	0.5
West Mercia Scout County	0.5
West of Scotland Cricket Club	0.5
West of Scotland Federation of Swimming Clubs for People with a Disability	0.5
West Scotland Deaf Children's Society	0.5
Whiteinch Centre	10.0
Wickersley Youngstars	0.5
Wisewood Juniors FC	0.5
Wolviston Football Club	0.5
Women's Health in South Tyneside	50.0
Woodlands Community Development Trust	10.0
YMCA Edinburgh	1.0
YMCA Newcastle	20.0
YMCA North Tyneside	10.0
Yorkshire Imperial Band	0.5
Your Voice Counts	0.5
Total grants awarded in the 9 months to 30 September 2020 (note 4)	**984.2**

Classification: Private

THE VIRGIN MONEY FOUNDATION

England & Wales - Charity number 1161290

Accounts

Registered Company: 09457101
Registered Charity: 1161290

The Virgin Money Foundation

Annual Report and Accounts
for the period ended 30 September 2020

Classification: Private

The Virgin Money Foundation

Contents

	Page
Company information	2
Chair's statement	3
Trustees' report	4
Independent auditor's report	14
Statement of financial activities	17
Balance sheet	18
Cash flow statement	19
Notes to the financial statements	20

Classification: Private

The Virgin Money Foundation

Company information

The Virgin Money Foundation (the 'Foundation') is a registered charity supported by Virgin Money UK PLC, which together with its subsidiaries and controlled entities is referred to as 'Virgin Money' or the 'Group' in this Annual Report.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Foundation's Memorandum and Articles of Association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 2 October 2019. The Trustees' report on pages 4 to 13 has been prepared to satisfy the Directors' report requirements of the Companies Act 2006 as applicable to small companies.

With effect from 27 March 2020, the financial year end of the Foundation was changed from 31 December to 30 September. Accordingly, the current financial statements are prepared for 9 months from 1 January 2020 to 30 September 2020 and as a result, the comparative figures stated in the statement of financial activities, cash flow statement and the related notes are not entirely comparable.

Reference and Administrative Information

Trustees (who are also the Directors for the purposes of company law):	Edward Wakefield (Chair) Joanne Curry (Vice Chair) Lorna Bennie (appointed 15 May 2020) Tim Davies-Pugh Emma Morris Ruth Ibegbuna (resigned 18 September 2020) Mandip Sahota Catherine Guthrie Keith Burge (appointed 20 October 2020) Gregory Aldridge (appointed 22 October 2020)
Company Secretary:	Lorna McMillan
Bankers:	Clydesdale Bank PLC 30 St Vincent Place Glasgow G1 2HL Lloyds Bank plc 25 Gresham Street London EC2V 7HN Nationwide Building Society Nationwide House Pipers Way Swindon SN38 1NW
Independent Auditor:	Ernst & Young LLP Atria One 144 Morrison Street Edinburgh EH3 8EX
Registered office:	Jubilee House Gosforth Newcastle upon Tyne NE3 4PL
Registered Company No:	09457101 (Company limited by guarantee)
Charity No:	Registered in England and Wales Charity No. 1161290 Registered in Scotland Charity No. SC050400

Classification: Private

The Virgin Money Foundation

Chair's statement

Few, if any, organisations reporting their activities over this recent period can have escaped the impact of the COVID-19 pandemic.

In our case, it's the undue impact on the communities that the Virgin Money Foundation exists to serve and support that has been particularly notable and our most prominent focus.

In the short term, issues relating to food poverty and social isolation have become particularly visible – but, as ever, economic and employment uncertainties tend to most affect the communities that least can afford them.

Accordingly, in March, as it was becoming apparent just how significantly COVID-19 would impact the communities that our beneficiaries are working in, we took the decision to release £850,000 of our unrestricted funds to charities whose work we already understood and whom were likely themselves to be financially impacted by the pandemic. Between March and September the Foundation awarded £747,000 of this to 37 charities, with more subsequent to the period end.

In these testing times, the power and importance of community action has never been so clear. And in this context, the Foundation's recent focus upon 'Community Anchors' has particular resonance. We have all needed a focal point for emergency support, community action and the co-ordination of COVID-19 response – and Community Anchors, being passionate, trusted, entrepreneur-led organisations, deeply rooted in their neighbourhood and committed to change for the better, have naturally taken on this role. We have been proud to be in a position to support a number of them, and their communities, in this particular hour of need.

The Foundation had long planned to extend its Community Anchor Programme to Glasgow during 2020 and despite the pandemic we managed to stick to this, our first major place-based fund in Scotland. The programme launched in May and to date has provided ten anchor organisations with grants. This funding has so far enabled front line activity with households impacted by social isolation, financial hardship and health concerns, and also provided organisations funding needed to reconfigure community hubs to make them COVID safe, to open outdoors activity areas, to collaborate with other charities or statutory services and work to ensure that no-one is without support.

Finding and supporting the next generation of Community Anchors is just as important as supporting established organisations. To that end, the Foundation has been developing a partnership with the National Lottery Community Fund, Northern Soul and a panel of youth advisors to create a Youth Fellowship Programme. This will launch in December 2020 and we hope will find, encourage, support and mentor another generation of individuals committed to creating positive change in the communities that most need it.

This 9 month period of account – shortened to adjust our year end to fit with that of our prime benefactor – has been particularly busy in extraordinary circumstances. I would like to thank our own executive team and our various funding partners for their unstinting work to see that the Foundation could provide optimal support quickly and effectively where most needed, our Trustees (old and new) in supporting them and also those Virgin Money staff who give their time and considerable expertise to make the Foundation's support to beneficiaries as effective as possible.

But as ever we reserve our greatest thanks for the Foundation's beneficiaries. The extraordinary nature of the circumstances in which we have all found ourselves is surpassed only by the commitment of the organisations and people that we are proud to support. It's your refusal to accept the status quo and your hard work that will protect and then deliver sustainable change for the better in the communities that most need it.

We all hope that 2021 will be a better year on which to report, and will continue to do all that we can to help communities recover, heal and then thrive.

Edward Wakefield
Chair of the Board of Trustees
17 December 2020

Classification: Private

Trustees' report

Objectives and activities

The Foundation was incorporated on 25 February 2015 as a company limited by guarantee. It was registered as a charity on 15 April 2015. The Foundation launched with an initial focus on the North East of England but a medium-term ambition to become a national charity.

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives, planning future activities and setting the grant-making policy for the period.

The Foundation has been established for the public's benefit and has two documented objectives:

- to promote the sustainable regeneration of socially or economically deprived communities in the UK. This includes, but is not limited to, providing social investment in community housing and building projects, promoting opportunities for youth work, education, training and enterprise, relieving unemployment and the promotion of other community based projects; and
- to support other charitable purposes in the UK, as the Trustees in their absolute discretion determine.

In practice, the first of these objectives presently commands the Trustees' exclusive attention.

The Foundation typically provides both financial and non-financial support to charities and social enterprises through its grant-making programmes.

During the financial period the Foundation registered with the regulator for charities in Scotland. This secondary registration was completed in light of the growing activity by the Foundation in Scotland.

Measures of success

Since launch the Foundation has awarded £9.5million in grants. The Trustees of the Foundation have approved a Theory of Change which details the activity the Foundation will undertake and how it will measure success; this was last reviewed and updated in 2019. Measures currently include:

- The number of grants awarded
- The value of grants
- The level of Beyond the Grant activity offered by the Foundation
- The outcomes achieved by grant recipients

Strategy

The Virgin Money Foundation develops funding programmes informed by its Theory of Change.

In December 2018 the Trustees of the Foundation approved a new strategic work plan for 2019-2021. Core to this strategic work plan is a commitment to:

- Use the Virgin Money brand to convene people to think through the key issues the Foundation seeks to address, find solutions and call for change.
- Invest in solutions, backing entrepreneurs to drive positive change within communities.
- Provide non-financial support to beneficiaries and resource them to sustain, scale or replicate these initiatives to places where they are needed most.

As a result of this strategy a number of existing programmes were fully expended and then closed. New programmes set out in the strategy were launched during 2019 - 2020 or are currently under development for launch during 2020 – 2021. In particular the Community Anchors' Fund, launched in 2019 in the North East of England and was expanded into the City of Glasgow in 2020.

In addition to the strategy set by the Trustees, during the financial period the Foundation made available funds to support charities through the COVID-19 pandemic and adapted existing funding programmes to better support charities through this unprecedented challenge.

The Trustees will finalise the Foundation's strategy review in January 2021 which will confirm the Foundation's ongoing strategy and set any new strategic goals.

Classification: Private

Achievements and performance

Community Anchors' Fund

In May 2019 the Foundation launched the Community Anchors' Fund in the North East of England. As a foundation which exists to support the regeneration of communities that have experienced social and economic decline, supporting the social infrastructure of those communities is key. The Foundation provides this support through the Community Anchors' Fund. Community Anchor organisations come in different forms, however, the form of the organisation is less important than the methods they employ. They are often the driving force in a local neighbourhood, the facilitator and supporter of community activity and a way that local people of all ages can be involved in determining their shared future. The Community Anchors' Fund provides these organisations with grants to cover core costs, and they can also be spent on designing and launching new activity or supporting existing projects. The award can be spread over one, two or three years.

During the financial period the Foundation awarded 7 grants through the Community Anchors' Fund totalling £302,731. Grants awarded through the Community Anchors' Fund after the pandemic had broken in the UK were provided with additional flexibility and with particular consideration for the additional pressures being felt by the Community Anchor and the community they support.

Of the grants awarded during the financial period, 71.4% were for core costs and 28.6% for specified activities or project costs.

Of the grants awarded, two were for a single year, three were spread over two years and two were spread over three years.

Community Anchors' Fund Glasgow

The Foundation had planned to expand the fund into Glasgow during FY2020, with the support of co-funders HFD Charitable Foundation. Work was undertaken at the beginning of 2020 in preparation for this. Due to both the impact of COVID-19 on grant-making processes and the need of Community Anchors for immediate funding to address the effects of COVID-19 on their organisation and wider community, in spring 2020 Virgin Money Foundation with HFD Charitable Foundation made adaptations to the programme to enable them to swiftly award grants of up to £20,000 in unrestricted, single year funding. In developing the fund, the Foundations benefited from the insights of other grant-making trusts with long histories of working with Community Anchors throughout Glasgow. These trusts assisted the Virgin Money Foundation and HFD Charitable Foundation in creating a long list of potential grantees, who were then invited to apply for funding.

During the financial period 10 grants were awarded through the Community Anchors' Fund Glasgow totalling £125,000.

As the UK moves from the emergency phase of COVID-19 into a more stable recovery phase, the Community Anchors Glasgow Programme will be further adapted to reintroduce multi-year funding.

Classification: Private

Community Resilience Fund

In response to the challenges caused by COVID-19 and the extraordinary role played by charities in supporting their local community through the pandemic, the Virgin Money Foundation created the Community Resilience Fund. The Fund, designed by the executive team in early 2020, was approved by the full Board at the end of March and launched in April. The Fund, which was by invitation only, provided organisations with whom the Foundation had an existing funding relationship and whose work continues to be aligned to the Foundation's charitable objectives, financial support to help meet the cost of new activity or replace income lost as a result of lockdown measures.

During the financial period the Foundation awarded 29 grants through the Community Resilience Fund totalling £344,660. One of the awards made was supplemented by an award from Clay Hill Charitable Trust.

In addition to deploying funds through programmes which directly supported the Foundation's charities through the impacts of COVID, the Foundation donated £100,000 to the Joint COVID-19 Response Fund created by the Community Foundation for Tyne, Wear and Northumberland. By partnering on this joint fund the Foundation was able to indirectly support vital local charities that the Foundation did not have a direct relationship with.

Heart of the Community Fund

The Heart of the Community Fund is a small grants programme delivered in partnership with the Virgin Money Lounges. Grants are awarded to small local charities whose activity supports a statistically disadvantaged community. Due to the physical infrastructure relating to the fund and the interactive nature of the grant-making, the Heart of the Community Fund paused operations during COVID-19.

During FY2020 46 grants were made through the Heart of the Community Fund, totalling £59,492.

The awards during the period were made across the following cities:

City	Number of grants awarded	Value of grants awarded
London	9	£10,498
Cardiff	6	£6,998
Manchester	6	£6,998
Sheffield	6	£7,000
Edinburgh	6	£7,000
Glasgow	6	£7,000
Norwich	6	£6,998
Leeds	1	£7,000

Colleagues in the Community Fund

Following the acquisition of Virgin Money by CYBG and the integration of the two businesses, the Yorkshire and Clydesdale Bank Foundation (YCBF) was wound down and closed. Funding previously directed by the bank to YCBF was instead donated to Virgin Money Foundation. With this additional funding The Foundation launched a new grants programme supporting the charities with whom bank colleagues have a long-term volunteering relationship. Grants are for up to £500.

During the financial period the Foundation awarded 105 grants through the Colleagues in the Community Fund totalling £52,314.

Classification: Private

Beyond the Grant

As part of its intention to offer a wide range of support to charities beyond grant-giving, the Foundation continued to develop its Beyond the Grant programme. The COVID-19 pandemic impacted on our ability to deliver in-person training and volunteer support, however Virgin Money colleagues continued to provide pro bono advice and support, sharing much needed skills and expertise with charities. Expertise provided included HR policies and processes, financial management and audit and website development. The Foundation believes that such interactions provide outstanding personal development for the volunteers and increase the resilience and capacity of the organisations it funds.

In addition to volunteering the Foundation worked with GLT Partners Ltd. to deliver the 2020 series of Virgin Money Foundation Masterclasses. The Masterclasses covered diversifying income, marketing, leadership through COVID-19, difficult decision making, powerful communities and social impact. The reach of the Masterclasses grew with 681 bookings, from 388 organisations across the UK. The Foundation also continued its relationship with The Good Things Foundation, offering workshops on video conferencing and social media marketing to organisations during the nationwide lockdown.

During the lockdown the Foundation moved its externally facilitated learning circles online. These safe spaces continued to provide much needed peer support for leaders in funded organisations to come together to share challenges and work to find potential solutions during unprecedented times in the sector.

The Foundation continued to work with Virgin Money to tailor its training courses, making them available to the Foundation's funded charities. During the period Virgin Money delivered a pilot Positive Leadership training programme to 21 individuals, which will be rolled out to funded charities during FY2021.

Plans for future periods

The Foundation continues to develop new programmes in line with its strategy. In the next financial period it is planning the following:

- Continue to concentrate grant-making in areas that need the money most. During the financial period over 90% of the value of the Foundation's grants were spent in communities in the top 20% of the Index of Multiple Deprivation. During FY2021, it will monitor its reach into areas in communities within the top 10% of the Index of Multiple Deprivation and additionally consider its reach into sections of the community which may experience social and economic decline not adequately captured by indices of deprivation.
- Continue to support Community Anchors in the North East of England and the City of Glasgow to be places of connection, belonging and the nucleus for community led regeneration.
- Explore the potential for repayable social finance to support organisations to purchase property to address homelessness.
- Launch the Youth Fellowship Programme, a fellowship for Young Changemakers, co-funded with National Lottery Community Fund and developed in partnership with Northern Soul and the Foundation's panel of Youth Advisors.
- Expand the Beyond the Grant Programme, and specifically offer a development programme for staff in Virgin Money, preparing them for Trusteeships in local charities.
- In all of its future activity, the Foundation will continue to monitor the impact of COVID-19 upon local charities and consider adapting its work where required to ensure it best supports communities in a changing landscape.
- Confirm the investment within the Social and Sustainable Housing Fund, utilising the designated fund assigned for this purpose.

Classification: Private

Investment policy

The Foundation is in the fortunate position that its prime benefactor, Virgin Money, has for the time being agreed to fund the majority of the Foundation's operating costs in addition to making a grant for charitable distribution. Accordingly, the Foundation's investment policy is concerned exclusively with funds intended for distribution according to the Foundation's charitable purpose.

In this respect, the Foundation has received, and will continue to receive, relatively large amounts of funds that accumulate prior to deployment to beneficiaries. Accumulation of funds is exacerbated by (1) any delay in allocation and then deployment and (2) the necessity to retain absolute assets against absolute liabilities – e.g. where the Foundation has made a commitment without conditions over an extended period of time.

The Trustees expect that from time to time there may be some accumulation of funds prior to deployment and, as such, have adopted a clear investment policy for the Foundation as follows:

Unless the Board of Trustees specifically agrees otherwise:

1. The Foundation must hold at least 100% of the value of any unconditional committed funding calls expected within the next 6 months in immediately realisable cash on deposit.
2. The Foundation must hold the balance of any unconditional funding commitments either in immediately realisable cash on deposit or in cash realisable within 120 or fewer days.
3. The Foundation may hold up to 50% of its uncommitted funds in AA or better rated government bonds provided (i) any funds so committed are realisable within 181 or fewer days (ii) any currency risk is hedged completely and (iii) no credit risk is taken other than systemic and/or counterparty risk – i.e. any securities are bought on a yield to redemption basis.
4. The balance of uncommitted funds must be held as cash realisable within 181 or fewer days.
5. Any cash on deposit must be held within an institution approved by the Board having regard first to its creditworthiness, second to the rate of interest being paid and third the extent to which the proposed institution and/or financial product constitutes an ethical investment.
6. No more than £2 million should be held with any one institution without the Board's explicit prior approval, to be renewed at each Board meeting, and there is a normal presumption against this.

Reserves policy

The Trustees review the reserves policy annually and monitor the level of reserves throughout the period. Unrestricted funds are held with the aim of enabling the Foundation to meet its current funding commitments. In addition, the Trustees have agreed that it is prudent to hold sufficient reserves to cover 3-6 months non-grant expenditure for contingency purposes.

General reserves are unrestricted funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Foundation and that have not been designated for other purposes.

Financial review

Summary financial information for period ended	**9 months to 30 Sep 2020 £'000**	12 months to 31 Dec 2019 £'000
Grants and donations received	**1,590.7**	1,558.6
Other income	**10.8**	12.4
Expenditure on charitable activities	**(984.2)**	(1,423.4)
Other expenditure	**(327.6)**	(427.4)
Net expenditure	**289.7**	(279.8)
Restricted income funds	**362.4**	103.1
Unrestricted income funds	**1,616.4**	1,586.0
Total funds carried forward	**1,978.8**	1,689.1

Classification: Private

Income

Income in 2020 totalled £1,602k (2019: £1,571k). The Foundation received grants and donations of £750k (2019: £1,126k) from Virgin Money in the period, £295k from National Lottery Community Fund, £100k from HFD Charitable Foundation, and £100k from the Virgin Money CEO, David Duffy. In addition, Virgin Money donated services to the Foundation totalling £314k (2019: £394k). The donated services represent the provision of the Foundation's core staff as well as office space, technology, legal and accountancy support, and the remuneration of the auditors.

Expenditure

Expenditure in 2020 totalled £1,312k. The Foundation's expenditure was used to fund charitable causes and support the running of the Foundation, the activities of which are entirely charitable and accord with its objectives.

The Foundation awarded 198 grants in 2020 totalling £984.2k. Grants were made for amounts between £400 and £100,000.

The Foundation also incurred £327.6k of operational costs, mainly comprising £314.2k of services donated by Virgin Money, £10.9k of services which were funded directly by the National Lottery Community Fund and £2.5k relating to bank charges.

Reserves

The Foundation's reserves at 30 September 2020 totalled £1,978.8k, comprising restricted reserves of £362.4k and unrestricted reserves of £1,616.4k.

The unrestricted reserves include £1,441.4k for grant-making and £175k as a contingency for non grant-making expenditure in line with our reserves policy.

Designated Funds

The unrestricted funds for grant-making include the following designated funds:

Designation	Amount	Likely timing of expenditure
Social and Sustainable Capital Fund	£250,000	2020-2021
Heart of the Community Fund	£88,500	2020-2021

Structure, governance and management

The structure, governance and management of the Foundation are as follows:

- The Foundation was incorporated as a private company limited by guarantee (Company no. 09457101) on 25 February 2015.
- The Foundation was subsequently registered as a charity on 15 April 2015 (Charity no. 1161290) and operates in accordance with its Memorandum and Articles of Association. In August 2020, the Foundation registered with the regulator for charities in Scotland (Charity no. SC050400).
- Virgin Money Holdings (UK) PLC is the sole member of the Foundation, but the Foundation is governed by an independent Board of Trustees, who set the strategy of the Foundation and approve all grants.

Classification: Private

Structure, governance and management (continued)

- The Trustees have identified the major risks to which the Foundation is exposed and approved a Risk and Control Framework for the Foundation. The major risks are the failure to secure ongoing funding sufficient to deliver the Foundation's strategy, and the misuse of charitable funds due to the failure to follow proper process in the assessment and allocation of funds or due to the recipient organisation misusing the funds. In addition, the current COVID-19 pandemic and its implications upon the Foundation's operations and future plans are risks that the Board is mindful of. The Board is confident that the Foundation's Business Continuity Plan is adequate to mitigate this risk and is reviewing its strategy regularly in light of this emerging situation, to ensure it acts in such a way as to increase the resilience of the organisations it funds. The Foundation has established clear processes and governance structures to address and monitor its key risks, including control actions to reduce the likelihood and impact of each of the aforementioned risks. A detailed Operating Framework Agreement is in place with Virgin Money detailing both the financial support and provision of services the Foundation can expect to receive from the bank. The Audit, Finance and Risk Committee provide governance oversight of the Foundation's Risks.
- The Foundation has a conflicts of interest policy, and a register of Trustee interests is maintained. Trustees declare any conflicts of interest at the start of each Board meeting, and withdraw from decisions where there is a conflict.
- The Foundation has a Governance Manual which:
    (i) provides an overview of the governance structures and processes by which the Trustees control and supervise the activities of the Foundation;
    (ii) provides an outline of the Foundation's management structure and operational governance; and
    (iii) summarises the Foundation's approach to conflicts of interest and brand protection.

Trustees

The Trustees who served during the period and up to the date of signing the financial statements are listed on page 2. Catherine Guthrie and Lorna Bennie are employees of Virgin Money. The Foundation's policies regarding Trustees are as follows:

- Virgin Money appoints the Trustees, but Virgin Money and the Trustees must use their reasonable endeavours to ensure that at least 50% of the Trustees at any one time are not employees, directors or officers of Virgin Money. The Trustees may also co-opt up to three Trustees.
- Trustees initially serve in office for one year, after which they must retire but shall be eligible for re-appointment. Following re-appointment, all Trustees can serve in office for multiple consecutive terms, subject to each term being no longer than three years.
- It is the Foundation's policy that every Trustee should, if necessary, receive training when appointed to the Board, and subsequently as required or requested. The Foundation's induction process is designed to ensure that every new Trustee understands his or her responsibilities.
- During the financial period the Foundation undertook an open recruitment process for new Trustees. In light of the upcoming retirement of a number of trustees who come to the end of their term in 2021, the Board recruited five new Trustees who will join the Board incrementally between September 2020 and March 2021.
- In adherence to its Board Diversity Policy the Foundation brought two Young Board Attenders onto the Board from March 2020. The Two Board Attenders, whilst not currently Trustees of the Foundation, are in attendance at Board Meetings and Sub Committees, providing a more youthful perspective on the strategy of the Foundation and building their own skills and expertise in charity governance. They are supported for a 24-month term by the 2027 Coalition who provide mentoring, training and peer support.

Classification: Private

Trustees (continued)

- The Board has appointed a Funding Recommendations Panel which considers all funding recommendations for amounts of £60,000 or less. The Funding Recommendations Panel makes a recommendation regarding funding to the full Board of Trustees. All final decisions regarding the structure of the Foundation's funding programmes and the allocation of funds to individual projects are agreed by a majority vote of the Foundation's Trustees at a formal meeting of the Board. Trustees are required to excuse themselves from voting and influencing the discussion should any conflict of interest arise in relation to a potential project. In the event of no clear decision being reached as a result of a vote, the Chairman has the deciding vote.
- During the period, as a result of social distancing requirements due to COVID-19, all meetings took place remotely utilising video conferencing. All meetings took place as scheduled. During the financial period the Trustees agreed that in between Board Meetings, funding decisions that would usually be taken to the Funding Recommendations Panel could be delegated to any two Trustees. Decisions made by these Trustees were made on behalf of the full board and were final. This extraordinary process was established to enable the Foundation to expedite its funding decisions during the pandemic, ensuring funding was distributed to communities without undue delay. This amendment to the Foundation's set process was agreed in light of the extreme pressure faced by local charities as a result of the pandemic.

The Trustees do not receive any emoluments for their role as Trustees although the Foundation meets the costs of the Trustees' travel to and from meetings, plus accommodation where required (within the bounds of its adopted expenses policy).

Additionally, the Foundation's Articles of Association permit that Trustees may be paid for services delivered to the Foundation and/or its beneficiaries. As a matter of practice, the Board has adopted a policy that (a) a proper procurement process will be followed that considers alternative potential providers alongside the Trustee that proposes to provide services; (b) any Trustee that may potentially benefit shall not be part of the relevant procurement decision; and (c) if any Trustee does provide services, the Charity Commission must be notified at the time and the matter then recorded as a related party transaction in the next published accounts.

Since the date of publication of the last annual report, there have been 2 matters (excluding internal matters relating to Board composition) in respect of which one or more Trustee(s) has recused themselves from discussion at the Board due to potential conflict of interest. Of these, one matter related to the relevant Trustee's role as Chief Executive Officer of a company that would be a partner to the Foundation if a particular application to the National Lottery Community Fund was successful – which it duly was. The relevant Trustee stepped down from the Board of the Foundation before the related company provided any services paid for by the Foundation and, even prior to this, took no part in Board discussions relating to the relevant application or selection of partner. The second matter, also disclosed in the prior year accounts, related to a contract awarded during 2019 and paid for during 2020. As previously reported, as per standard Foundation policy and the guidance provided by the Charity Commission, this arrangement was both reported to and acknowledged by the Charities Commission, which raised no objection. The Board confirms that the Trustee concerned was not part of the procurement decision in any way, that a full and professional tender process was undertaken and that the firm concerned won the tender based on best professional merit – being the prospective provider considered most likely to provide optimal benefit and development for the Foundation's beneficiaries – and value for money.

Colleagues and remuneration

The Trustees delegate day-to-day management of the Foundation to the Executive Director, who is supported by a Programme Manager, a Programme Officer, a Programme Co-ordinator and an Administrator.

All Foundation colleagues are employed by Virgin Money and therefore matters of salary and review are administered in line with the organisation's Remuneration Policy. The Chair of the Board of Trustees provides detailed feedback on the performance of the Executive Director as part of the annual pay review process.

Classification: Private

Key relationships

During the period the Foundation expended funds from Virgin Money, National Lottery Community Fund, HFD Charitable Foundation, and donations from Virgin Money staff. Virgin Money also covers the majority of the Foundation's operating costs via donations and provides additional operational support.

Guarantees

In the event of the Foundation being wound up, the liability of the sole member of the Foundation, Virgin Money Holdings (UK) PLC, is limited to £1. The total number of such guarantees at 30 September 2020 was 1. The member is only entitled to voting rights in the Foundation and does not have a beneficial interest.

Disclosure of information to auditors

In so far as the Trustees who held office at the date of approval of this Trustees' Report are aware:

- there is no relevant audit information of which the Foundation's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Going concern

The Trustees have made an assessment of the Foundation's ability to continue as a going concern and are satisfied that it has the resources to continue in business for at least 12 months from the approval of the financial statements. This assessment has taken into account the impact of COVID-19 on the Foundation's current financial position and results and the potential impact in future financial periods.

The Foundation's use of the going concern basis for preparation of the accounts is discussed in note 1.

Post balance sheet events

There have been no significant events between 30 September 2020 and the date of approval of the annual financial statements which would require a change to or additional disclosure in the financial statements.

Classification: Private

Trustees' report

Statement of Trustees' responsibilities

The Trustees (who are also Directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

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

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approval

The Trustees have agreed these financial statements, which have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the Board of Trustees and signed on its behalf on 17 December 2020 by:

Edward Wakefield
Chair of the Board of Trustees

Classification: Private

Independent auditors' report

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF THE VIRGIN MONEY FOUNDATION

Opinion

We have audited the financial statements of The Virgin Money Foundation for the period ended 30 September 2020 which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes 1 to 15, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2020 and of its incoming resources and application of resources, including its income and expenditure, for the period 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 below. 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Annual Report set out on pages 3 to 13, other than the financial statements and our auditor's report thereon. The Trustees 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 this report, we do not express any form of assurance conclusion thereon.

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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Classification: Private

Independent auditors' report

Opinion on other matter 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 and the strategic report prepared for the purpose of company law, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the Directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have identified no material misstatements in the strategic report or the Directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 exemption in preparing the Trustees' Annual Report.

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 management either intends to liquidate the charitable company or to cease operations, or has 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.

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

Classification: Private

Independent auditors' report

Use of our report

This report is made solely to the charitable company's member, 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 member those matters we are required to state to the member 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 company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Nathan Pietsch (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP,
Statutory Auditor, Edinburgh
17 December 2020

Classification: Private

The Virgin Money Foundation

Statement of financial activities
(Including income and expenditure account)

For the period

	Note	9 months ended 30 September 2020			12 months ended 31 December 2019		
		Unrestricted funds £'000	**Restricted funds £'000**	**Total funds £'000**	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Income from:							
Donations and legacies	2	**1,195.5**	**395.2**	**1,590.7**	1,558.6	-	1,558.6
Other income	3	**10.8**	**-**	**10.8**	12.4	-	12.4
Total income		**1,206.3**	**395.2**	**1,601.5**	1,571.0	-	1,571.0
Expenditure on:							
Charitable activities	4	**(1,175.9)**	**(135.9)**	**(1,311.8)**	(975.3)	(875.5)	(1,850.8)
Total expenditure		**(1,175.9)**	**(135.9)**	**(1,311.8)**	(975.3)	(875.5)	(1,850.8)
Net income/(expenditure) in funds for the period	5	**30.4**	**259.3**	**289.7**	595.7	(875.5)	(279.8)
Transfers between funds		**-**	**-**	**-**	(301.6)	301.6	-
Net movement in funds for the period		**30.4**	**259.3**	**289.7**	294.1	(573.9)	(279.8)
Reconciliation of funds:							
Total funds brought forward		**1,586.0**	**103.1**	**1,689.1**	1,291.9	677.0	1,968.9
Total funds carried forward		**1,616.4**	**362.4**	**1,978.8**	1,586.0	103.1	1,689.1

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derives from continuing operations.

The accompanying notes form an integral part of these financial statements.

Classification: Private

The Virgin Money Foundation

Balance sheet

As at

	Note	**30 Sep 2020 £'000**	31 Dec 2019 £'000
Current assets			
Debtors	7	**345.1**	-
Cash at bank and in hand	8	**2,117.8**	2,358.4
Total current assets		**2,462.9**	2,358.4
Liabilities			
Creditors: Amounts falling due within the year	9	**(380.6)**	(524.7)
Net current assets		**2,082.3**	1,833.7
Total assets less current liabilities		**2,082.3**	1,833.7
Creditors: Amounts falling due after one year	9	**(103.5)**	(144.6)
Total net assets	13	**1,978.8**	1,689.1
The funds of the charity			
Restricted income funds	11	**362.4**	103.1
Unrestricted income funds	12	**1,616.4**	1,586.0
Total charity funds	13	**1,978.8**	1,689.1

The accompanying notes form an integral part of these financial statements.

The financial statements have been prepared in accordance with the provisions of the small companies' regime.

The financial statements were approved and authorised for issue by the Board of Trustees and were signed on its behalf on 17 December 2020:

Edward Wakefield
Chair of the Board of Trustees

Classification: Private

The Virgin Money Foundation

Cash flow statement

For the period

		9 months to 30 Sep 2020 £'000	12 months to 31 Dec 2019 £'000
Cash flows from operating activities			
Net cash used in operating activities	(a)	**(240.6)**	(720.4)
Change in cash and cash equivalents in the period		**(240.6)**	(720.4)
Cash and cash equivalents at the beginning of the period		**2,358.4**	3,078.8
Cash and cash equivalents at the end of the period	(b)	**2,117.8**	2,358.4

(a) Reconciliation of net movement in funds to net cash flows from operating activities

	9 months to 30 Sep 2020 £'000	12 months to 31 Dec 2019 £'000
Net movement in funds (as per the statement of financial activities)	**289.7**	(279.8)
Adjustments for:		
(Increase)/decrease in debtors	**(345.1)**	515.3
Decrease in creditors	**(185.2)**	(955.9)
Net cash used in operating activities	**(240.6)**	(720.4)

(b) Analysis of cash and cash equivalents

	9 months to 30 Sep 2020 £'000	12 months to 31 Dec 2019 £'000
Cash at bank and in hand	**2,117.8**	2,358.4
Total cash and cash equivalents	**2,117.8**	2,358.4

(c) Analysis of changes in net debt

	At 1 January 2019 £'000	Cash flows £'000	At 31 December 2019 £'000	**Cash flows £'000**	**At 30 September 2020 £'000**
Cash	3,078.8	(720.4)	2,358.4	**(240.6)**	**2,117.8**

The accompanying notes form an integral part of these financial statements.

Classification: Private

Notes to the financial statements

1. Accounting policies

1.1 Reporting entity

The Virgin Money Foundation is a company limited by guarantee incorporated in England and Wales and has no share capital. The sole member of the Foundation is Virgin Money Holdings (UK) PLC, an intermediate holding company within the Virgin Money UK PLC Group. In the event of being wound up, the liability of the member in respect of the guarantee is limited to £1. The financial statements of Virgin Money UK PLC may be obtained from Virgin Money UK PLC's registered office at Jubilee House, Gosforth, Newcastle upon Tyne, NE3 4PL.

1.2 Basis of preparation and going concern

The 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 note.

The financial statements, which should be read in conjunction with the Trustees' Report, are prepared in compliance with the Companies Act 2006, the Charities Act 2011, 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) ('the SORP' – 2nd edition – October 2019) and applicable accounting standards in the United Kingdom (UK GAAP).

The Foundation has adjusted the formats from those prescribed by the Companies Act 2006 to include headings that are relevant to its activities, to enable it to show a true and fair view.

With effect from 27 March 2020, the financial year end of the Foundation was changed from 31 December to 30 September to align with the year-end of its ultimate parent company. Accordingly, the current financial statements are prepared for 9 months from 1 January 2020 to 30 September 2020 and, as a result, the comparative figures stated in the statement of financial activities, cash flow statement and the related notes are not entirely comparable.

Virgin Money UK PLC continues to adhere to the pledge to provide up to £400,000 per annum of financial support to the Foundation to cover its operating costs, as well as an annual donation of at least £1.1 million per annum (to be invested in charitable causes), until at least December 2023. The Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future and at least 12 months from the approval of the financial statements. This assessment has taken account of the impact of COVID-19 on the Foundation's current financial position and results and the potential impact in future financial periods. The Trustees continue to believe the going concern basis of accounting to be appropriate in preparing the financial statements.

The Foundation's financial statements are presented in pounds sterling, which is the functional currency of the Foundation.

The principal accounting policies, which have been applied consistently in the period, are set out below.

1.3 Reserves policy

The Trustees review the reserves policy annually and monitor the level of reserves throughout the year. Unrestricted funds are held with the aim of enabling the Foundation to meet its current funding commitments. In addition, the Trustees have agreed that it is prudent to hold sufficient reserves to cover 3-6 months of non-grant expenditure for contingency purposes.

General reserves are unrestricted funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Foundation and that have not been designated for other purposes.

Classification: Private

1. Accounting policies (continued)

1.4 Fund accounting

Designated funds comprise unrestricted funds that have been set aside at the discretion of the Trustees for specific purposes. An analysis of each designated fund is set out in note 12.

Restricted funds are subject to specific restrictions imposed by the originator of the income. These include grants and contracts from institutions for provision of specific grants to beneficiaries, activities or services. Costs are charged against the specific fund in line with donor rules. An analysis of the restricted funds is set out in note 11. Income and gains are allocated to the appropriate fund.

1.5 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances.

1.6 Income resources

Income, including donations and grants, is recognised when there is evidence of entitlement, receipt is probable, and its amount can be measured reliably. In the case of a grant, evidence of entitlement is considered to exist when the formal offer of funding is communicated to the Foundation. Where grants contain terms or performance conditions which have not been met at the reporting period, the grant received is deferred as a liability and shown in the balance sheet as deferred income. Deferred income is then released to income in the reporting period in which the performance related or other conditions that limit recognition are met.

Grants from governments and organisations which provide core funding, or are of a general nature, are included as 'Income from donations and legacies'. Income is recognised in accordance with the terms of the funding agreement or contract.

Donated services and facilities are included as 'Income from donations and legacies' at their estimated value to the Foundation when received, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time.

1.7 Resources expended

Grants payable are made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to the grant is outside the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Foundation that would permit the Foundation to avoid making future payment(s), settlement is probable, and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made.

Classification: Private

1. Accounting policies (continued)

A contingent liability is identified and disclosed for those grants resulting from:

- A possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control; or
- A present obligation following a grant offer where settlement is either not considered probable or the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

Allocation of expenditure

Charitable activities include the direct costs of the grant awards and the indirect support costs of delivering the grant programmes. Staff costs are apportioned on the basis of the approximate time allocated by the Executive Director and other officers between the Foundation's charitable objectives and governance. Where possible, other costs are allocated on an individual basis to the relevant objective or to governance costs. If costs are not directly attributable to particular objective(s) or to governance, they are apportioned using the same basis as staff costs. The allocation methodology is reviewed annually to ensure that it is still applicable.

1.8 Taxation

The Foundation is a registered charity and is thus exempt from tax on income and gains falling within chapter 3 of part 11 of the Corporation Tax Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to charitable objects. No tax charges have arisen.

Irrecoverable VAT is not separately analysed and is charged to the statement of financial activities when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

Classification: Private

2. Donations and legacies

	9 months to			12 months to		
	30 Sep 2020 Unrestricted £'000	**30 Sep 2020 Restricted £'000**	**30 Sep 2020 Total £'000**	31 Dec 2019 Unrestricted £'000	31 Dec 2019 Restricted £'000	31 Dec 2019 Total £'000
Virgin Money grant	**750.0**	**-**	**750.0**	1,125.8	-	1,125.8
Donations from National Lottery Community Fund	**-**	**295.2**	**295.2**	-	-	-
Other donations	**131.3**	**100.0**	**231.3**	39.2	-	39.2
Virgin Money donation of services	**314.2**	**-**	**314.2**	393.6	-	393.6
Total	**1,195.5**	**395.2**	**1,590.7**	1,558.6	-	1,558.6

The Group provides the Foundation with services, including provision of the Foundation's core staff, office space and technology, legal and accountancy support. The value of these services is treated as a donation to the Foundation. Further analysis of the services donated by the Group is shown in note 4.

3. Other income

	9 months to			12 months to		
	30 Sep 2020 Unrestricted £'000	**30 Sep 2020 Restricted £'000**	**30 Sep 2020 Total £'000**	31 Dec 2019 Unrestricted £'000	31 Dec 2019 Restricted £'000	31 Dec 2019 Total £'000
Bank interest	**10.8**	**-**	**10.8**	12.4	-	12.4
Total	**10.8**	**-**	**10.8**	12.4	-	12.4

Classification: Private

4. Expenditure on charitable activities

(a) Charitable activities by objective

	For 9 months to 30 September 2020						
	Grants			Support costs			
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000	Total £'000
Programmes:							
#iwill Take Action Fund	-	-	-	-	10.9	10.9	10.9
Glasgow Community Anchors' Fund	-	125.0	125.0	27.1	-	27.1	152.1
Ripple Fund	100.0	-	100.0	21.7	-	21.7	121.7
Heart of the Community Fund	59.5	-	59.5	12.9	-	12.9	72.4
Community Anchors' Fund	302.7	-	302.7	65.6	-	65.6	368.3
Colleagues in the Community Fund	52.3	-	52.3	11.3	-	11.3	63.6
Community Resilience Fund	344.7	-	344.7	74.6	-	74.6	419.3
Governance	-	-	-	103.5	-	103.5	103.5
Total	859.2	125.0	984.2	316.7	10.9	327.6	1,311.8

Classification: Private

4. Expenditure on charitable activities

(a) Charitable activities by objective (continued)

	For 12 months to 31 December 2019						
	Grants			Support costs			
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000	Total £'000
Programmes:							
North East Fund	-	568.4	568.4	95.8	-	95.8	664.2
#iwill Take Action Fund	-	241.1	241.1	40.7	31.0	71.7	312.8
Collaboration Fund	-	35.0	35.0	5.9	-	5.9	40.9
Ripple Fund	(1.5)	-	(1.5)	-	-	-	(1.5)
Heart of the Community Fund	75.0	-	75.0	12.6	-	12.6	87.6
Community Anchors' Fund	505.4	-	505.4	85.2	-	85.2	590.6
Governance	-	-	-	156.2	-	156.2	156.2
Total	578.9	844.5	1,423.4	396.4	31.0	427.4	1,850.8

Classification: Private

4. Expenditure on charitable activities (continued)

(b) Support costs

	9 months to 30 Sep 2020 £'000	12 months to 31 Dec 2019 £'000
Staff costs relating to charitable activities	**128.7**	150.8
Staff costs relating to governance	**50.1**	64.6
Governance costs	**53.4**	91.6
Other costs	**95.4**	120.4
Total support costs	**327.6**	427.4

Support costs comprise £325,078 (2019: £424,674) of services provided by the Group and £2,510 (2019: £2,578) relating to bank charges. £314,200 (2019: £393,621) of services were donated by the Group and £10,878 (2019: £31,053) of services were funded by The National Lottery Community Fund grant. The remaining £159 in the prior year was for charges relating to contractor fees, directly charged to the Foundation, for sessional work carried out by Youth Advisors in December 2019.

The Group has a framework agreement with the Foundation to provide support services. Under the terms of this agreement, the Foundation is provided with staff, office space, and facilities.

The Group also provides human resources services, IT and other administrative support to the Foundation. All support costs relate to the Foundation's grant-making activities and are incurred by the Group and donated to the Foundation.

(c) Auditor's remuneration

	9 months to 30 Sep 2020 £'000	12 months to 31 Dec 2019 £'000
Fees payable to the Foundation's auditors for the audit of the Foundation's Annual Report and Accounts	**5.2**	5.0
Total auditor's remuneration	**5.2**	5.0

The statutory audit fee was included within the Group audit fee and paid by the Group's main trading subsidiary, Clydesdale Bank PLC. The value of this service is £5,200 (2019: £5,000) and has been treated as a donation from Clydesdale Bank PLC. The amount of non-audit fees in 2020 was £Nil (2019: £Nil).

Classification: Private

5. Net income/(expenditure) for the period

Net income/(expenditure) for the period is stated after charging:

	9 months to 30 Sep 2020 £'000	12 months to 31 Dec 2019 £'000
Auditor's remuneration	**5.2**	5.0
Trustees' expenses	**0.1**	8.3
Bank charges	**2.5**	2.6

None of the Trustees (2019: none) received any emoluments in respect of services to the Foundation. Trustees' expenses include amounts reimbursed to Trustees for out of pocket expenses and amounts paid to third parties for costs including travel, accommodation, subsistence and training. Trustees are reimbursed for travel when claimed. During the period, 1 Trustee received reimbursements of personal travel amounting to £94 (2019: five Trustees received reimbursements of personal travel amounting in aggregate to £8,343). These expenses were funded by Virgin Money and treated as a donation to the Foundation.

6. Employee information

The Foundation did not directly employ any staff during the period (2019: none). The services of individuals were obtained from Virgin Money as a donation of service to the Foundation. The table below shows the total costs for staff working for the Foundation but employed and paid by Virgin Money.

	9 months to 30 Sep 2020 £'000	12 months to 31 Dec 2019 £'000
Wages and salaries	**147.8**	179.6
Social security costs	**14.1**	15.6
Other pension costs	**16.8**	20.8
Total staff costs	**178.7**	216.0

In addition to the above, the Foundation incurred staff costs of £10.9k (2019: £25.1k) which were paid with funds received from the National Lottery Community Fund in relation to the #iwill Take Action Fund. Included in the table above is the Executive Director of the Foundation who received total employee benefits (excluding employer pension costs) for the 9 month period of between £70.0k and £80.0k (2019: £80.0k and £90.0k) and four (2019: four) employees who received total employee benefits (excluding employer pension costs) of between £10.0k and £60.0k. The monthly average number of persons working for the Foundation but employed and paid by Virgin Money during the 9 months ended 30 September 2020 was five (2019: five).

7. Debtors

As at	**30 Sep 2020 £'000**	31 Dec 2019 £'000
Accrued income due in less than 1 year	**206.6**	-
Accrued income due in more than 1 year	**138.5**	-
Total	**345.1**	-

Classification: Private

8. Cash at bank and in hand

As at	30 Sep 2020	31 Dec 2019
	£'000	£'000
Cash and bank balances	**2,117.8**	2,358.4
Total	**2,117.8**	2,358.4

9. Creditors

Amounts falling due within one year

As at	30 Sep 2020	31 Dec 2019
	£'000	£'000
Accruals for grants payable	**375.8**	522.8
Other liabilities	**4.8**	1.9
Total	**380.6**	524.7

Amounts falling due after one year

	30 Sep 2020	31 Dec 2019
	£'000	£'000
Accruals for grants payable	**103.5**	144.6
Total	**103.5**	144.6

Reconciliation of grants payable

	30 Sep 2020	31 Dec 2019
	£'000	£'000
Opening balances brought forward	**667.4**	1,615.5
Grants awarded	**984.2**	1,424.9
Grants paid	**(1,172.3)**	(2,373.0)
Grants payable carried forward	**479.3**	667.4

10. Contingent liabilities

Contingent liabilities are disclosed unless the possibility of their existence is remote. The Trustees are not aware of any significant contingent liabilities as at 30 September 2020 (31 December 2019: none).

Classification: Private

11. Restricted income funds

The movements on the restricted funds are as follows:

	Opening balances brought forward at 1 January 2020 £'000	**Income £'000**	**Expenditure £'000**	**Transfers between funds £'000**	**Fund balances carried forward at 30 September 2020 £'000**
#iwill Fund Grant	103.1	**-**	**(10.9)**	**-**	**92.2**
HFD Award & Lottery Funding	-	**395.2**	**(125.0)**	**-**	**270.2**
Total	103.1	**395.2**	**(135.9)**	**-**	**362.4**

	Opening balances brought forward at 1 January 2019 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Fund balances carried forward at 31 December 2019 £'000
UK Government National Lottery Community Fund	301.8	-	(568.4)	266.6	-
#iwill Fund Grant	375.2	-	(272.1)	-	103.1
North East Collaboration	-	-	(35.0)	35.0	-
Total	677.0	-	(875.5)	301.6	103.1

The Foundation applies for funding from the UK Government following the approval of successful grant applications by the Trustees. As funding is provided in relation to specific grants awarded by the Foundation, the funds provided by the UK Government are treated as restricted income funds.

Classification: Private

12. Unrestricted income funds

The movements on the unrestricted funds are as follows:

		Designated		
	General	Social and Sustainable Capital Fund	Small Grants Funds	30 Sep 2020 Total
	£'000	£'000	£'000	£'000
At the beginning of the period	**1,188.0**	**250.0**	**148.0**	**1,586.0**
Net income / (expenditure) for the period	**89.9**	**-**	**(59.5)**	**30.4**
Transfers between funds	**-**	**-**	**-**	**-**
At the end of the period	**1,277.9**	**250.0**	**88.5**	**1,616.4**

		Designated			
	General	Social and Sustainable Capital Fund	North East Collaboration Fund	Small Grants Funds	31 Dec 2019 Total
	£'000	£'000	£'000	£'000	£'000
At the beginning of the year	808.9	250.0	10.0	223.0	1,291.9
Net income / (expenditure) for the year	645.7	-	25.0	(75.0)	595.7
Transfers between funds	(266.6)	-	(35.0)	-	(301.6)
At the end of the year	1,188.0	250.0	-	148.0	1,586.0

13. Analysis of net assets between funds

	Unrestricted			
	General	Designated: Small Grants Funds	Restricted Fund	30 Sep 2020 Total
	£'000	**£'000**	**£'000**	**£'000**
Current assets	**2,021.0**	**-**	**441.9**	**2,462.9**
Total liabilities	**(398.1)**	**(6.5)**	**(79.5)**	**(484.1)**
Net assets	**1,622.9**	**(6.5)**	**362.4**	**1,978.8**

	Unrestricted			
	General	Designated: Small Grants Funds	Restricted Fund	31 Dec 2019 Total
	£'000	£'000	£'000	£'000
Current assets	2,089.6	-	268.8	2,358.4
Total liabilities	(492.8)	(10.8)	(165.7)	(669.3)
Net assets	1,596.8	(10.8)	103.1	1,689.1

Classification: Private

14. Related party transactions

	Transaction value 2020 £'000	**Balance outstanding as at 30 September 2020 £'000**	Transaction value 2019 £'000	Balance outstanding as at 31 December 2019 £'000
Donations received from Virgin Money UK PLC subsidiary undertakings[1]:				
Grant and additional donations	**750.0**	**-**	1,125.8	-
Donation of services	**314.2**	**-**	393.6	-
Donation from David Duffy[1]	**100.0**	**-**	-	-
Recharges and trading balances with Virgin Money UK PLC subsidiary undertakings[2]	**325.1**	**(4.8)**	(424.6)	(1.9)
Interest received from Virgin Money UK PLC subsidiary undertakings[2]	**10.7**	**-**	11.6	-

(1) David Duffy is the Virgin Money Group Chief Executive Officer.

(2) Up until 21 October 2019, Virgin Money PLC, a wholly owned subsidiary of the Foundation's sole member, provided the donations, made the relevant recharges and settled the interest balances, in line with the Operating Framework Agreement with Virgin Money. From 21 October 2019, this activity transferred to Clydesdale Bank PLC, another wholly owned subsidiary of Virgin Money. Further details of donations and corresponding charges (in respect of donation of services) are shown in notes 2 and 4.

Classification: Private

15. Grants awarded

Name of institution	2020 £'000
10th Craigalmond Scout Group	0.5
11th St Andrew Scout Group	0.5
12th Glasgow Scout Group	0.5
180th Sheffield Scouts	0.5
1st Thurstaston Scout Group	0.5
1st Weston Green (All Saints) Scout Group	0.5
1st/3rd Renfrew Boys Brigade, The Boy's Brigade	0.5
212th Glasgow Boys' Brigade Company	0.5
242nd City of Glasgow Rainbow Unit	0.5
2nd Gourock Boys Brigade Company	0.5
5th Milngavie Guides	0.5
5th Scarborough Wreyfield Drive Brownies	0.5
6th Cramlington Scout Group	0.5
700 Club	10.0
A Way Out	6.0
Action Foundation	9.7
ADD Norfolk	1.0
Aldeby Parish Council	0.5
Argo Boxing Club	0.5
ArtAtWork	1.2
Auckland Youth and Community Centre	10.0
Baljaffray FC 2009	0.5
Batley Barracudas Octopush Club (Junior Tournament)	0.5
Batley Barracudas Octopush Club (New goals)	0.5
Berwick Youth Project	9.5
Bilton Hall Community Trust	25.0
Boomerang Cardiff	1.2
Bosom Family Support	0.5
Brayton Headstart	0.5
Bridgend Farmhouse	0.5
Bridgeton Community Learning Campus	10.0
Buckley Cricket Club	0.3
C4WS Homeless Project	1.0
CABS Cardiff	2.0
Calder High PTA	0.5
Cambuslang Rugby Club Junior Section	0.5
Cardonald Primary Parent Council	0.5
Carleith Parents Committee	0.5
CF TW&N	100.0
CFC Singers (Clydebank Mercury)	0.5
Charles Burrell Centre	10.0
Circle Collective	0.5
Clapton Common Boys Club	1.2
ClearCompany CIC	1.2
Coatham House	20.0
Community Campus 87 Ltd	10.0
Community Central Hall	10.0
Community Network CIC	10.0
Connect Community Trust	20.0
Cornforth Partnership	9.7
Costello Cobra's	0.5
Cramlington United Football Club	0.5
Cramlington Voluntary Youth Project	1.2
Cranhill Development Trust	20.0

Classification: Private

15. Grants awarded (continued)

Name of institution	2020 £'000
Crossroads Youth & Community Association	10.0
Crossway Football Club	0.5
Cylch Meithrin Trelai & Caerau	0.5
Drymen Primary School PTA	0.5
Dundonnell Mountain Rescue Team SCIO	0.5
Dynamite Gymnastics	0.5
Eaglesham Fair	0.4
Earsdon and Wellfield Community Association	0.5
East London Community Band	2.0
Edberts House	10.0
Emley Clarence Cricket Club	0.5
Emley Moor RFL Community Interest Company	0.5
Emmaus	10.0
ENYP	1.2
Equi-Power Central Scotland RDA (Riding for the Disabled)	0.5
Eternity Twirlers Majorettes	0.5
Falkirk Football Community Foundation	0.5
Family Gateway	20.0
FareShare Yorkshire	7.0
Fenham Association of Residents	50.0
Fir Park Corner FC	0.5
Fleet Pond Society	0.5
Footprints in the Community	27.7
Free Wheel North	2.0
Friends of Roseburn Park	2.0
Girl Guiding (1st Howwood Brownies)	0.5
GirlGuiding Scotland	0.5
Glasgow Children's Holiday Scheme	0.5
Glasgow City Girls Football Club	0.5
Glenvale 2011	0.5
Gorse Hill Studios	0.5
Govan Community Project	1.0
Govanhill Baths Community Trust	15.0
Grange First School Parents Teachers and Friends Association	0.5
Hackney Foodbank	2.0
Handcrafted	20.0
Hawarden Park Cricket Club	0.5
Hebron Trust	2.0
Home-Link Family Support	1.0
Hot Line Meals Service	1.2
Hull Dockers ARLFC Under 12's	0.5
Insch Trail Running Club	0.5
Irvine Victoria Youth Football 2004's	0.5
Jack Drum Arts	10.0
Jackson Church Summer Club	0.5
Jeanfield Swifts 2007	0.5
Jesters Gymnastics club	0.5
Justice Prince CIC	10.0

Classification: Private

15. Grants awarded (continued)

Name of institution	2020 £'000
Kilbarchan Amateur Athletic Club	0.5
Kilbarchan Pipe Band	0.5
Kilbarchan Scout Group	0.5
Kilwinning Community Sports Club	0.5
Langbank Village Centre	0.5
Lapwing Lodge	0.5
Lasswade Athletic Club	0.5
Linskill and North Tyneside Community Development Trust	50.0
MaD Theatre Company	1.2
Manchester Carers Forum	1.0
Manor Community Childcare Centre Ltd	2.0
MCR Cares Ltd	1.2
Mill United	0.5
Milngavie Football Club	0.5
Milton of Leys Football Club	0.5
Milton Primary School Parent Council & PTA	0.5
Ministry of Stories	1.0
Mortal Fools	0.5
Moving on Durham	20.0
My Sisters Place	20.0
North East Circus Development Trust	0.5
North Ormesby Neighbourhood Development Trust	10.0
Once Upon a Smile	2.0
Opening Doors	0.5
Orkney Badminton Association Juniors	0.5
Our Lady of the Annunciation Football Club	0.5
Oxgang Primary School Parent Teacher Association	0.5
Pallion Action Group	50.0
Parish of Keighley	0.5
Park Villa Football Development	2.0
Parson Cross Community Development Forum	0.5
Passion for Learning C.I.C	0.5
Pennywell Youth Project	10.0
Playbusters	0.5
Port Glasgow Junior Football Club	0.5
Preshal Trust	10.0
Project Ability	0.5
Queensgate Pre School	0.5
Radio Tyneside	0.5
Re-Tune SCIO	1.0
Rosemount Lifelong Learning	10.0
Rossvale Football Club	0.5
Rothwell Town AFC	0.5
Samuel Montagu Youth Centre	0.5
Saxon Juniors Football Club	0.5
Scotia Amateur Swimming club	0.5
Scout Association	0.5
Sheffield Women's Counselling & Therapy Service	1.0
Shevington sharks arlfc	0.5
Skills & Volunteering Cymru (Student Volunteering Cardiff)	1.0
South Tyneside Churches KEY Project	10.0
Southside Boxing Academy	0.5

Classification: Private

15. Grants awarded (continued)

Name of institution	2020 £'000
Southside White Cart Football Club	0.5
St Fillan's Parent Council	0.5
St Mary's Duntocher Parent Council	0.5
St Mary's Primary School Parent Council	0.5
St Wilfreds Centre	2.0
Survivors of Depression in Transition	1.0
Tees Music Alliance	20.0
The Avenues Youth Project	1.2
The Colinton Tunnel	2.0
The DATIC Trust	0.5
The FAN Charity	1.2
The Feed CIC	10.0
The Judy Murray Foundation	0.5
The Junction Foundation	10.0
The Lenzie Bowling Club Ltd	0.5
The Purge Boxing Academy	0.5
The Super Power Agency	0.5
The Tilly Ladies	0.5
Touch Trust Ltd	1.2
Upper Teesdale Agricultural Support Services	50.0
Upton Junior Football Club	0.5
Victoria Park Pavillion Cic	0.5
Volunteer Glasgow (Fun day)	0.5
Volunteer Glasgow (Travel)	0.5
We Matter	1.2
Wearside YMCA	8.3
Wellingborough Town Cricket Club	0.5
West End Women and Girls	10.0
West Lothian Fencing Club	0.5
West Mercia Scout County	0.5
West of Scotland Cricket Club	0.5
West of Scotland Federation of Swimming Clubs for People with a Disability	0.5
West Scotland Deaf Children's Society	0.5
Whiteinch Centre	10.0
Wickersley Youngstars	0.5
Wisewood Juniors FC	0.5
Wolviston Football Club	0.5
Women's Health in South Tyneside	50.0
Woodlands Community Development Trust	10.0
YMCA Edinburgh	1.0
YMCA Newcastle	20.0
YMCA North Tyneside	10.0
Yorkshire Imperial Band	0.5
Your Voice Counts	0.5
Total grants awarded in 2020 (note 4)	**984.2**

Classification: Private

15. Grants awarded (continued)

Name of institution	2019 £'000
A Way Out	42.3
Action Station South Tyneside	44.0
Advocacy Matters Wales	1.0
Artbox London	0.5
Asperger's Children & Carers Together	0.5
Aspire to Believe CIC	18.0
Baby Bank Norfolk	1.0
Baby Basics	0.2
Back On The Map	30.0
Boomerang Cardiff	0.5
Bridging the Gap	0.5
Brunswick Centre	0.2
Bullion Hall	49.0
Calthorpe Project Community Garden	0.5
Canaan Project	0.2
Canongate Youth	1.0
Caris Camden Families	1.0
Cathays & Central Youth and Community Project	0.2
Chabad Islington	0.5
Changing Lives	55.0
Coatham House	36.9
Community Action Norwich	0.5
Community Campus 87 Ltd	42.5
Copperdale Trust	0.5
Corstorphine Dementia Project	1.0
Cranhill Development Trust	0.5
Darlington Mind	33.4
Disability Awareness With Sport (DAWS)	1.0
Drug Watch Foundation	1.0
Drylaw Rainbow Club Day Centre	1.0
East Durham Community Initiative Ltd	20.0
Edberts House	33.6
Element Society	0.5
ENYP	0.5
Equal Arts	29.6
Families First North East	24.5
Family Addiction Support Services	0.5
Family Gateway	48.0
Fenham Association of Residents	35.6
Float Trust	0.2
Foundation Futures CIC	45.5
Fourth Action	15.4
Friends of Ecclesfield Library CIO	0.2
Fulham Good Neighbour Service	0.2
G15 Youth Project	0.2
Garden Village Community	0.2
G-Force	0.2
Grange Pavilion	0.5
Grapes Hill Community Garden	0.8
Hadston House Youth and Community Project	37.6
Handcrafted Projects	47.6
Hartlepool United Community Sports Foundation	8.0

Classification: Private

15. Grants awarded (continued)

Name of institution	2019 £'000
Headway Cardiff and Wales	3.0
Heartbeat Chorus	0.2
Home Start Cardiff	2.0
Home Start Manchester	1.0
Home-Start Glasgow North	0.2
Home-Start Leith & North East Edinburgh	0.5
Interfaith Glasgow	0.5
Islington Pensioners Forum	0.5
Jump Space	2.0
Junior League of London	2.0
Justice Prince CIC	44.0
Leith Community Archers	0.5
Lodging House Mission	1.0
Manor Community Transport	0.5
Marlpit Community Centre	0.5
Meadow Well Connected	55.0
Midlothian Foodbank	0.5
Multi-Cultural Family Base	0.3
Mums in Need	1.0
My Sisters Place	4.0
Norca and Sistema	0.3
North Glasgow Food Initiative	0.5
North Ormesby Neighbourhood Development Trust	30.0
North Tyneside VODA	5.0
Northenden Players Theatre Club	0.3
Norwich Foodbank	1.0
Norwich International Youth Project	2.0
Oasis Community Housing	5.0
Oatlands Development Trust	1.0
Oxgangs Neighbourhood Centre	0.5
Parkhead CAB	1.0
Patchwork Project	47.0
People and Drugs	10.4
Pilton Youth & Children's Project	0.5
Play Association Tower Hamlets (PATH)	0.3
Prospex	1.0
Recovery Connections	5.0
Recovery Cymru	1.0
Redcar and Cleveland Voluntary Development Agency	82.0
Reivdale Neighbourhood Centre	0.5
Richmond's Hope	1.0
Riverside Community Health 1	50.0
Royston Youth Action	1.0
Rubicon Dance	0.5
Sage Sheffield	0.5
Salford Heart Care	1.0
SCCCC	1.0
Sheffield Parent Carer Forum	0.5
Shiney Advice and Resource Project	30.0
Shotton Partnership 1	50.0

Classification: Private

15. Grants awarded (continued)

Name of institution	2019 £'000
Silver Road Community Centre	0.3
Skills and Volunteering Cardiff	1.0
Soho Parish PSA	1.0
South Tyneside Churches Key Project	18.1
St Etheldreda Artist Studios	0.5
St Michaels Parish	0.5
St Pauls Centre 1	29.0
Street Fit Scotland	2.0
Street Wise	5.1
Streetwise Young Peoples project	39.2
Sue Lambert Trust	2.0
Sustainable Living Initiative	1.0
Tea In The Pot	2.0
The Alma Project	0.3
The Angelou Centre	5.0
The BIG Project	0.3
The Cyril Flint Befrienders	1.0
The Ethel Trust Community Barge	1.0
The Feed	1.0
The Key	16.3
The Place at Platt Lane	0.5
The Salford Foundation Trust	2.0
The Snowdrop Project	2.0
The Speakeasy	0.3
The Steel Valley Project	1.0
The Stuart Low Trust	1.0
The Womens Centre Glasgow	1.0
TLC St Lukes	1.0
Trafford Domestic Abuse Services	0.5
Tyneside Outdoors	19.5
Unfolding Theatre	8.0
Water of Leith Conservation Trust	1.0
Wearside YMCA	49.0
Wensum Sports Centre	1.0
West End Women and Girls	4.0
West View Advice and Resource Centre	37.9
Whiteinch Centre	0.3
Women Connect First	0.5
Your Voice Counts	5.0
Total grants awarded in 2019	**1,424.9**
Grants returned[(1)]	(1.5)
Net grants awarded in 2019 (note 4)	**1,423.4**

(1) The amount shown relates to the charity Norwich Mustard, part of the Ripple Fund, who were awarded £5,000 in 2018. £1,500 was returned in 2019 as the funds were not fully utilised.

Classification: Private