

Heathrow Community Trust

Annual report and financial statements

For year ended 31 December 2020

Heathrow Community Trust

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Heathrow Community Trust

Trustees' administrative details

Trustees

Prabhiot Basra (Deputy Chairman)

Richard de Belder [reappointed 17.4.20]

David Cottrell

Gennie Dearman

Carol Hui [reappointed 17.4.20]

Samina Hussain

Chris Johnston

Andrew Kerswill (Chairman) [reappointed 1.2.20]

Alison Keeley

Michael Murphy

Jason Knight [appointed 11.2.21]

Darius Nasimi [retired 24.9.20]

CEO

Rebecca Bowden

Registered office

The Compass Centre

Nelson Road

Hounslow

Middlesex

TW6 2GW

Independent auditor

Alliotts LLP

Friary Court

13-21 High Street

Guilford

Surrey

GU1 3DL

Bankers

Barclays Banks plc

1 Churchill Place

London

E14 5HP

Metrobank

One Southampton Row

London

WC1B 5HA

Heathrow Community Trust

Trustees' annual report *continued*

The Trustees present their annual report and financial statements of the charity for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out on page 18 to the accounts and comply with the LHR Airport Communities Trust Deed, Heathrow Community Trust constitution, the Charities Act 2011 and Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards 102 applicable in the UK and Republic of Ireland published in September 2015.

Chairman's statement:

It has been a very challenging year for both our Trust and the community groups we support. In line with most charities, we have seen our funding income reduce significantly across the year. However, because of our reserves policy and the on-going support and generosity of our primary funders, we have been able to ensure that the Trust continues to remain financially robust throughout 2020 and well into 2021. Of the reduced funding available, we moved by Board resolution to focus remaining grants towards directly and immediately helping our local communities to maintain their operational stability, as well as refocusing on the emerging needs in their local areas. This adjustment to our funding focus was put in place within a few weeks of the UK lockdown being announced and highlights the agility we have as a Trust. Notwithstanding reduced funding income, we have been able to support a significant range of community needs and continue to make a real difference during these challenging times.

In keeping an eye towards the future, we have completed several continual improvement/governance programmes, such as finalising our move to a Charitable Incorporated Organisation (CIO); redrafting our policies; moving all support systems to independent control; and direct employment of our CEO. As the economy starts to recover from the pandemic impact, we as a Trust are well positioned to drive forwards on a firm platform of efficient robust governance, whilst still ensuring we always put our beneficiaries first and are fully in-touch with their needs.

I would like to thank all our Trustees for their continued unstinting support and hard work, especially given the personal challenges many have faced as individuals during this time.

Merged reporting

Heathrow Community Trust CIO was formally approved by the Charity Commission on 16th April 2019. The CIO had been set up by Trustees of LHR Airport Communities Trust with a view to limiting Trustee liability for Trust activities. All activities and liabilities of LHR Airport Communities Trust were transferred to the new CIO in May 2019. It is intended to formally close LHR Communities Trust in due course. Trustees of LHR Communities Trust became Trustees of Heathrow Community Trust at the time of transfer of business. ICAEW have advised that where the purpose of the incorporation is merely to protect the trustees (or similar) but there is no significant change to trustees, beneficiaries or the purpose of the charity then the charities are in effect merged and practically this means that one set of accounts is prepared under the new name.

There has been no activity for LHR Communities Trust during FY2020.

Objectives and Activities

CHARITABLE OBJECTS as set out in Heathrow Community Trust constitution 2019:

The objects of the CIO are to advance such charitable purposes (according to the law of England and Wales) as the trustees see fit from time to time for the benefit of the general public and in particular but not exclusively for the public benefit predominately of people living and working in the local community around Heathrow Airport and the neighbouring boroughs (the 'Local Community') and other parts of the UK, through the making of grants, awards, donations and the provision of other financial and non-financial support to:

- a) protect and promote the physical and natural environment, including but not limited to the conservation and protection of wildlife, the promotion of biological diversity, the support of climate change mitigation initiatives and raising awareness of such issues in the Local Community;
- b) provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or

Heathrow Community Trust

Trustees' annual report *continued*

disability, financial hardship or social circumstances or for the public at large with the object of improving their conditions of life;

- c) help young people up to 25 years of age in the Local Community through the funding of programmes designed to raise aspirations and improve life opportunities, including but not limited to the provision of skills and vocational training, apprenticeship schemes and other programmes;
- d) provide support to address financial hardship in the Local Community; develop the capacity and skills of members of the Local Community so that they are better able to identify and help meet their own needs and to participate fully in society.

Our vision is of happy, healthy local communities where everyone has the opportunity to live a rewarding and fulfilled life, and the value of giving something back to your community is recognised.

Our mission is to enable significant positive change in the lives of people in the communities neighbouring Heathrow Airport, and the wider community in the UK. We do this through funding voluntary and community organisations, working in partnership with others, and by supporting employees of Heathrow Airport Ltd to give back to their communities. In 2020 we did this through awarding grants in the following funding streams in support of our charitable objectives:

- Grants for Projects for Young People – projects for young people which: raise aspirations, improve employability or increase resilience.
- Environmental & sustainability Grants - to create community green spaces, improve sustainability of community buildings, encourage recycling or raise awareness of environment issues;
- Communities Together (Small & Large Grants) – to support activities which increase community cohesion or decrease loneliness and isolation;
- Heathrow Active People Initiative and Staff Matched Funding - to support Heathrow staff active in the community.
- Development Fund – to support the gathering of data on need for services in the area.
- Covid19 Emergency response Grants and Covid19 Resilience Grants

It should be noted that grants awarded do not tie directly through to the accounts due to accounting timing differences such as recognition of two-year grants.

Our aim is to be an organisation which promotes social change by using all our assets and those of our donor organisations – our financial donations, our knowledge, people and networks, our grant making, programmes and partnerships. We aim to make a difference by leveraging support and resources and enabling colleagues to support the communities neighbouring Heathrow Airport and those in which they live.

Achievements and performance

Highlights for 2020:

- £438,374 of new grants awarded.
- 129 volunteer hours from Heathrow staff to directly support the operation of the Fund (worth £2,580).
- 11,074 Total beneficiaries
- 4,797 Children and young people with increased awareness about their future, or having developed a new skill
- 2,193 over 65s improved quality of life or wellbeing
- 57,853 volunteering Hours Carried Out [to deliver projects]
- 236,827m² Land Maintained or Improved.
- 11,181 trees planted

Heathrow Community Trust

Trustees' annual report *continued*

In 2020, Heathrow Community Trust received a donation from Heathrow Airport Limited of £425,000 (£725,000 FY19). Income from noise fines for the year totalled £10,900 (£56,100 FY19), this donation supports our Environmental & Sustainability grants programme.

Due to the Covid19 Pandemic, Heathrow Airport Ltd (HAL), employees and employees of Team Heathrow companies were not able to continue their fundraising activities in 2020 for Heathrow Community Trust. The Trust had 5 runners scheduled to participate in London Marathon but this event was postponed until 2021 and funds raised by the runners will be carried forward.

In December 2020, in order to support the Trust's planning for the future, we carried out our sixth annual survey of local community organisations and charities to determine what their key needs were in terms of types of funding and key issues, with 46 organisations participating. They told us that the three biggest needs in the local community were:

- **Emergency Covid19 Response Funding**
- **Young people's mental health**
- **Older People's isolation and loneliness**
- **Inequality in the community**
- **The vast majority of respondents had an increased need amongst beneficiaries this year coupled with a loss of income**

A list of grants made during the year is published on the Fund's website. Each Grant Programme is served by a Grant Review Panel which consists of volunteers who are a mixture of Heathrow Airport employees and members of the local community. Grant Review Panel members support the fund with their local understanding of applicants and ability to assess the impact of a grant on the local community. They also help to bring improved engagement with local groups, encouraging more applications.

Impact of Covid19 Pandemic

At the start of 2020 we were planning just under £900k income, with a similar amount of expenditure on new grants plus £215k support costs (expenditure split between Heathrow Airport Ltd & Heathrow Community Trust). In addition to our planned Grant Rounds our priorities were:

- To increase volunteers – Advocates, Technical Volunteers and a new Trustee recruitment programme to encourage Heathrow colleagues to volunteer as Trustees for local organisations
- Joint work with Mitie & Heathrow Academy on Employability for SEND Young People on airport
- Increased donations from Team Heathrow (Cash, volunteers, and materials)
- Sustainability – review of activity and development of action plan

In March 2020 the UK went into lockdown as a result of the global Covid19 pandemic and all planned grant rounds were put on hold, all volunteering and events were cancelled.

All income from Team Heathrow companies & Sponsored events during the year was cancelled except £6995 raised through London Marathon which is held for disbursement in 2021 when it is hoped the event will be able to take place. The pandemic had a devastating effect on the business of the airport, as a result noise fines were down to £10,900 and income from Heathrow Airport Ltd down to £425k.

In March 2020 and throughout the year we spoke to the 159 active projects and asked them how we could help – we changed reporting and completion dates and changed funding to meet the needs of the organisations in responding to the emergency.

We also reduced support costs to £80k (68% reduction) by reducing the staff team at Groundwork and changing the position of HCT Director to HCT CEO, employed direct by HCT with decreased hours.

Also, in March 2020 we opened up the Covid19 Emergency response Fund, awarding small unrestricted grants to help organisations to respond to the emergency. Since March 20 all Grants awarded have been for Covid19 response; all Unrestricted, single issue funding (no multi-annual funding). In total just under £188,000 of Covid19 Funding was awarded in this manner to support organisations which in total reached over 72 thousand beneficiaries. Funding supported PPE, emergency food and supplies, but also supported organisations working with isolated older people, supporting young people's mental health and providing educational support to those home schooling. Later in the year

Heathrow Community Trust

Trustees' annual report *continued*

we were able to support organisations to start to plan for an emergence from lockdown by developing new ways of delivering services and meeting new needs.

Heathrow Airport Ltd continues to be badly affected by the pandemic at the time of drafting this report, but despite this has continued to donate and has pledged continued support throughout 2021 and into 2022 as, hopefully, air travel begins to pick up.

Factors affecting performance

Heathrow Community Trust awards grants to third parties to deliver projects, this funding is only ever part of the total funding required to deliver the project, and delivery of these projects is monitored by Interim and Final project reports. From time to time projects do not proceed as planned due to a variety of reasons the most common of which are:

- Problems in securing planning permission
- Problems in reaching intended target beneficiaries
- Problems with the grant recipients being unable to raise sufficient funding to complete a project.

If problems are encountered in delivery, the Trust will work with grant recipients to agree a way forward. In the event that a project must be cancelled or prematurely closed, committed funding is written off, but this is a rare occurrence. Ongoing grants are reviewed quarterly in order to ensure that any funds no longer required can be written off and made available for other grants. In 2020 only one project cancelled completely as a result of the pandemic, however every project was affected, and the team worked closely with all grant holders to change grant conditions to support new activities. In addition, many projects have been delayed and time frames for ongoing projects now extend into late 2022 for completion.

Summary of Objectives for 2020

Our Values

1. Our beneficiaries come first
2. We are open and transparent
3. We work with integrity
4. We value and respect others
5. Everyone has the right to be safe
6. We continuously improve

Our key Priorities in 2020 were:

1. **Improving the voluntary and community sector's ability to support local communities and increasing the support available to the sector.** Recognising that the local voluntary and community sector faces significant challenges, we aim to support strengthening the voluntary sector by prioritising funding for local, smaller, organisations, helping successful organisations to develop and increase financial sustainability and long-term operation, and improve impact measurement, through supporting Heathrow colleagues in skills-based volunteering, but also by seeking out ways to leverage our own grant making by working with other funders. This priority was put on hold in March 2020 as a result of Covid19.
2. **Environment and Sustainability** Improving the quality of life in our local communities by supporting sustainable development and sustainable use of resources in community buildings; increasing community awareness of sustainability; increasing the availability and accessibility of community green spaces, wooded areas, areas of natural beauty or biological areas of importance; increasing the amount of materials reused or recycled in the area. This priority was put on hold in March 2020 as a result of Covid19.
3. **Communities Together** Improving the quality of life in our local communities by bringing communities together, reducing isolation and social exclusion, and increasing community cohesion and understanding between communities. In Quarter 1 2020 £30,300 new grants were awarded under this funding priority. This priority was put on hold in March 2020 as a result of Covid19.
4. **Young People** helping our local communities by creating opportunities for young people up to age 25 to increase their resilience, raise their aspirations, improve their life opportunities, or break down barriers to employment through skills development. In Quarter 1 2020 £137,372 new grants were awarded specifically

Heathrow Community Trust

Trustees' annual report *continued*

to support projects supporting young people's mental health. This priority was put on hold in March 2020 as a result of Covid19.

5. **Heathrow Colleagues** providing support to the employees of Heathrow Airport Ltd in their charitable work and volunteering initiatives in the area neighbouring the airport, and across the United Kingdom. In Quarter 1 2020 £30,683 was awarded in new grants were awarded under this funding priority. This priority was put on hold in March 2020 as a result of Covid19.
6. **In March 2020 a new Priority was added: 'Improve the voluntary sector's ability to support those most affected by Covid19 in the local community'.**

Structure, Governance and Management

Heathrow Community Trust is a CIO approved by the Charity Commission in April 2019 which took over all liabilities and operations of LHR Communities Trust in May 2019. The affairs of the charity are governed by the Board of Trustees.

Trustees are appointed, elected or re-elected for a fixed term of three years, with the option of extending for a further three years. New Trustees are recruited by advertisement and/or recommendation by existing Trustees, the Director, or members of Heathrow's local community networks. Four of the eleven Trustees are representatives of Heathrow Airport Holdings Group. As a result of changes to the business during 2020 there are currently only 2 serving Trustees who are also employed by Heathrow Airport Ltd. Heathrow Airport Limited is the major donor of to the Trust, but the number of Trustees who are employees of Heathrow Airport Limited is limited and the Trust operates as a separate entity when setting its aims and objectives according to its constitution. The donation from Heathrow Airport Ltd is given in Unrestricted funding without constraint regarding its use other than for charitable purposes.

Prospective Trustees are offered the opportunity to attend a Board meeting and are interviewed by the Chairman, an additional Trustee and the Director. If successful, their appointment is confirmed at a Board meeting. An induction programme is agreed and implemented for each new Trustee, covering all aspects of the role and the organisation.

All new Trustees receive a structured induction programme, are offered the opportunity to participate in one or more of the Grant Review Panels or other Board sub-committees and may visit as many projects funded by the Trust as they wish. All Trustees are required to provide information on potential conflicts of interests and a Conflicts of Interest Policy is in place to ensure management of any conflicts. In addition, Trustees must declare any related parties (none identified for Trustees in 2020).

The board seeks to ensure that all its activities operate in compliance with all relevant legislation and regulation. Its work includes setting the strategic direction of Heathrow Community Trust, agreeing the financial plan, monitoring performance and having overall responsibility for all funding decisions. In addition, the board is responsible for appointing the CEO who is responsible for day to day running of the organisation. The current CEO, Rebecca Bowden, was appointed by Trustees in July 2015 and was employed directly by Heathrow Airport Limited until 30 September 2020. On 1st October 2020 the CEO commenced employment for Heathrow Community Trust and reports to the Chairman of the Board of Trustees.

The Board of Trustees met four times in 2020 for Board meetings. The Trustees have considered the major risks to which the Trust is exposed and, as such, have reviewed and established systems and procedures to mitigate those risks. The Risk Review Sub-Committee, who report to the Board quarterly, review the Risk Register and associated policies and procedures, to ensure regular quarterly reporting of risks to the Board.

The Trustees consider the main risk to the Trust being Heathrow Airport Limited continuing to pay its donations or to reduce these substantially. This risk was activated during 2020 when the company had to reduce its planned donation as a result of catastrophic impact of the pandemic on the airport. The Trust only recognises this income where there is a reasonable assurance of receipt and were able to move swiftly to adjust planned grant funding rounds to take account of the reduction in income. The trust recognises full funding commitments in the year in which funding is awarded in order to avoid carrying forward commitments for which funds may subsequently not be available. The Trust presents an update on its performance, activities and plans to the Heathrow Airport Holding Group Charities and Communities Committee on a Quarterly basis to help secure continued funding, in addition the CEO and Chairman of the Trust meet Quarterly with Heathrow Airport Ltd Chief of Staff.

Heathrow Community Trust

Trustees' annual report *continued*

The Trust directly engaged as its agent Groundwork South Trust Limited to manage its grants programmes, helping it to offer a source of expert advice to help applicants build strong grant bids and carry out due diligence checks on applications and ongoing grants.

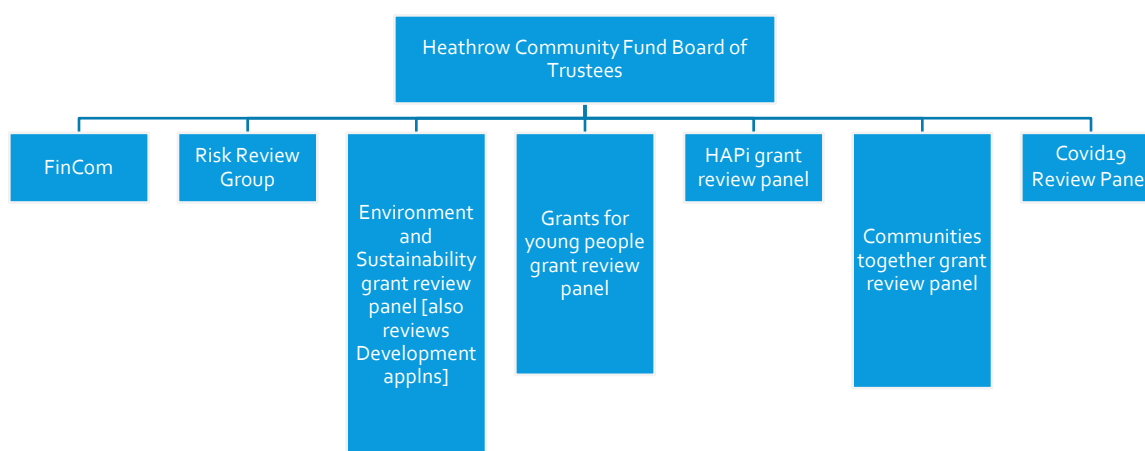
The Treasurer chairs the formal quarterly Finance Committee, reporting to the Board of Trustees.

Grant Review Panels

Each Grant Programme administered by the Trust is overseen by a Grant Review Panel which has a minimum of one Trustee as member, and includes representatives from across the local community, individuals with expert knowledge of the subject matter and employees of Heathrow Airport Ltd and other airport companies. This helps the Trust to build on its knowledge of local community needs and as a result to become more effective in grant making.

Each Review Panel is granted delegated powers to approve funding allocations of up to £5,000. Applications for funding of more than £5,000 are submitted, with a recommendation from the local panel, to the Board of Trustees for consideration.

Funding criteria, application forms and deadline dates for each funding stream are published on the Trust's website.



Grants for Projects for Young People and Environment & Sustainability Grant Programmes

Each of these programmes awards grants of up to £25,000 per annum for up to 2 years and has two funding rounds per annum. In Stage 1 of the funding round the panel reviews 'Expressions of Interests' from applicants and scores them against the published criteria for funding. Applicants are either invited to submit a full application, or the panel makes a recommendation to the Board of Trustees to reject the application at this stage. Full applications are reviewed at Stage 2 and recommendations made to the Board to either fund in full, fund in part, or reject the application.

Communities Together Small Grant Programme

This programme awards grants of up to £2,500 per year for up to 2 years and may also award up to £5,000 exceptionally. The programme has four funding rounds per annum and applications are all assessed by the committee in a single stage process. The panel formally reports to the Board of Trustees once per annum.

Communities Together Large Grants Programme

Heathrow Community Trust

Trustees' annual report *continued*

In response to gaps identified in our funding programmes, during 2018 a new funding programme was introduced: Communities Together Large Grants awarding up to £25,000 for projects which focus on bringing communities together with specific beneficial outcomes for adults aged 25+. Grant applications are reviewed by the Communities Together Grant Review Panel in a two-stage process, with funding recommendations being made to the Board of Trustees.

Heathrow Active People Initiative (HAPi) Grant Review Panel

The HAPi grants review panel meets four times per annum and reviews applications for funding in the HAPi grants programme (up to £2,500) and Staff Matched Funding (up to £250). Applications to these programmes are only open to employees of Heathrow Airport Limited. The panel formally reports to the Board of Trustees once per annum.

Development Grants

In response to an identified funding gap, Heathrow Community Fund put in place a grant programme awarding funding of up to £10,000 for projects to identify community needs, carry out environmental audits or assessments, or projects which will remove blocks and enable future work to support the community. Such projects are reviewed by the Environmental & Sustainability Grant Review Panel with funding recommendations being made to the Board of trustees.

Covid 19 Emergency Response and Resilience Grants

During 2020 this Grant Review Panel consisted of the Chairs of each of the above panels (or their deputies) and oversaw a programme to award grants of up to £5k Unrestricted core funding to support organisations that Heathrow Community Trust had funded in the last 5 years to enable them to respond to the Covid19 emergency situation.

General Grant Making Policy

Grant Applications must demonstrate that they have met the key funding criteria of the relevant grant scheme all of which are available from our website. Our 3-year Grant Making Policy is published on the Trust's website. Grants are awarded to projects taking place in the boroughs of Ealing, Hillingdon, Hounslow, Slough, Spelthorne, South Buckinghamshire, Runnymede, Windsor & Maidenhead and Richmond, unless covered by the HAPi or Matched Funding streams which are not geographically restricted.

Employees

The Trust employed the CEO, Rebecca Bowden, from 1st October 2020. Prior to that, as Director of the Trust, she was employed by Heathrow Airport Ltd and was remunerated by Heathrow Airport Limited for providing services relating to the day to day running of the Trust (refer to note 2 for details). The Director/CEO of the Trust is not a Trustee and does not have the responsibilities of a statutory director were the Trust to be a corporate entity.

Donated Services

During the year, staff supplying donated services were employed by Heathrow Airport Limited. The value of donated services was estimated at £71,395. The Trust is grateful for Heathrow staff support in particular financial management, publicity and communications.

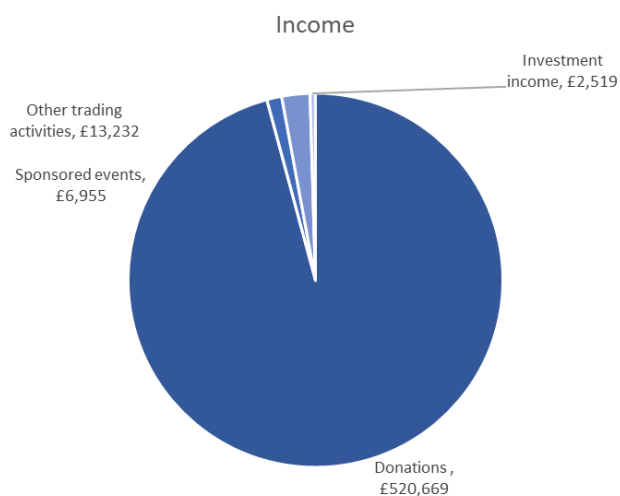
Heathrow Community Trust

Trustees' annual report *continued*

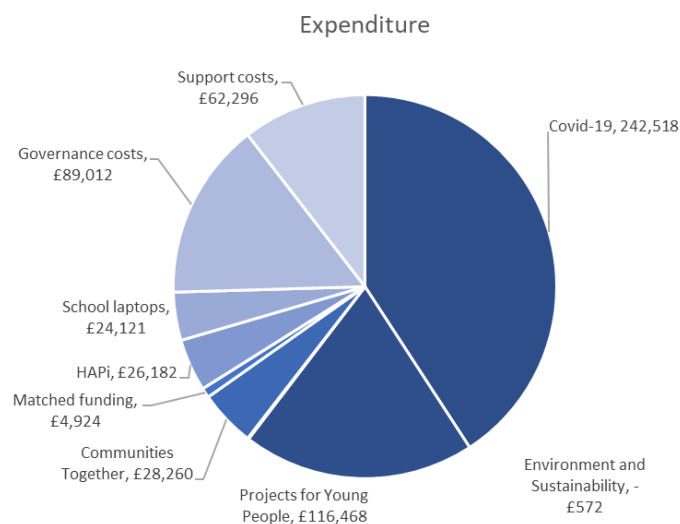
Financial review

2020 Financial performance

Income totalled £543,375 (2019: £1,057,156), the majority of which comprised a donation from Heathrow Airport Limited of £425,000 (2019: £725,000).



Total expenditure was £593,209 (2019: £1,580,578), comprising grant funding activities £441,901 (2019: £1,325,721), governance costs £89,012 (2019: £235,318) and support costs £62,296 (2019: £19,539). Governance costs includes an estimate of the services supplied by the Trust's Director, Treasurer, Heathrow Airport Limited staff and other expenses incurred in the running of the Trust.



Heathrow Community Trust

Trustees' annual report *continued*

Retained reserves at 31 December 2020 were £245,686 (2019: £295,520), of which £245,533 (2019: £295,520) were unrestricted.

Cash balances held at the year-end were £713,697 (2019: £1,096,432).

Investment policy

Cash is an investment and is held in flexible short-term interest-bearing accounts with the charity's bank. This policy is considered by the Trustees to be appropriately conservative with little financial risk. The Trust does not rely on investments in order to generate all its grant-making income and as such investment is aimed at maximising the amount of grant-funding available. Trustees review the investment policy annually.

Reserves policy

The Trust has accumulated general unrestricted funds (free reserves) of £245,533 (2019: £295,520). The Trust's assets are available and adequate to fulfil its obligations. The Trust reviews its reserves policy on an annual basis and in 2020 also reviewed the policy Quarterly in light of the impact of Covid19. The Trust's aims to hold unrestricted funds of £200,000 as a contingency to cover up to a maximum of two years running costs to administer existing commitments. The reserves policy will continue to be reviewed regularly to ensure the Trust is not holding unnecessary funds.

Going concern

The Trust's funding is only agreed on a yearly basis. If funding were to be discontinued or significantly reduced, the charity has to obtain alternative sources of funding or curtail its activities as was the case in 2020. At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements. Unrestricted Reserves are calculated to allow the Trust to undertake an orderly cessation of activities should that be required. Restricted funds are sufficient to cover all funding commitments (grants awarded). Further details regarding the adoption of the going concern basis can be found within the Accounting Policies note on page 19 of the financial statements.

Public Good

The Trustees have complied with their duty under Section 17(5) of the 2011 Charities Act to have due regard to the Charity commissioner's guidance on public benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Restricted Funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. During 2020 restricted funds were received from Heathrow Airport Limited (HAPi grants) and Noise Fines (Environmental & Sustainability). All other funds are unrestricted and are expendable at the discretion of the Trustees in the furtherance of the objects of the Trust. The Trustees may allocate part of the charity's unrestricted funds to be used for particular purposes in the future. The Trustees have the power to re-designate such funds within unrestricted funds.

Covid-19 Pandemic

As a grant-making Trust, Heathrow Community Trust operations were not affected by the necessary virus control measures and continued to operate smoothly throughout the lockdown periods, including holding Board of Trustees and Grant Review Panel meetings over Teams and Zoom.

The Pandemic however had a catastrophic impact on the business of Heathrow Airport Ltd, resulting in a reduction in their planned annual donation in 2020 to approximately 60% of previous years. In addition to the reduction in this donation, all planned income from sporting events and other fundraising activities was cancelled as a result of the pandemic. Accordingly, Heathrow Community Trust re-cast the 2020 budget in March 2020 and at that stage put on hold all remaining planned grant programmes for the year.

Heathrow Community Trust

Trustees' annual report *continued*

All remaining surplus funds were diverted into two Covid19 Grant programmes – Phase I Emergency response and Phase II Covid Resilience. Trustees and Volunteer members of the Grant Review Panels continued to carry out their roles through virtual online meetings.

Support costs were reduced by decreasing Director's hours and reducing the size of the admin team at Groundwork South. Trustees reviewed the Trusts Reserves policy in August 2020, and Quarterly thereafter. At time of writing the Trust is continuing to operate. The pandemic has had a huge impact on the local community and support is needed more than ever. Heathrow Airport Ltd continues to be badly affected by the pandemic, but despite this has continued to donate in 2021 and has pledged continued support throughout 2021 and into 2022 as, hopefully, air travel begins to pick up

Heathrow Community Trust

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) regulations.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities legislation, the provisions of the LHR Communities Trust deed and Heathrow Community Trust CIO Constitution. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware there is no relevant audit information of which the charity's auditor is unaware; and the Trustees have taken all steps that they ought to have taken to make them aware of any relevant audit information and to establish that the auditor is aware of that information.

Alliotts LLP have indicated their willingness to continue in office as the charity's auditor and a formal resolution proposing their reappointment will be put to the Charity's Board of Trustees.

Approved by the Trustees and signed on their behalf by

Andy Kerswill
Andy Kerswill
Chairman

Chris Johnston
Chris Johnston
Treasurer

Heathrow Community Trust

Independent Examiner's report to the Trustees of Heathrow Community Trust

Independent Examiner's report to the Trustees of Heathrow Community Trust

I report on the accounts for the Heathrow Community Trust for the year ended 31 December 2020.

Respective responsibilities of Trustees and examiner:

The charity's Trustees are responsible for the preparation of the accounts. The charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the ICAEW.

It is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act
- To follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act
- And to state whether particular matters have come to my attention

Basis of independent examiner's report:

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement:

In connection with my examination, no matter has come to my attention, which gives me reasonable cause to believe that in any material respect the requirement:

- to keep accounting records in accordance with Section 130 of the 2011 Act and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Christopher Cairns

Christopher Cairns BSc FCA

Date:

Alliotts LLP,

Chartered Accountants and Registered Auditors

Friary Court, 13-21 High Street, Guildford GU1 3DL

Heathrow Community Trust

Statement of financial activities for the year ended 31 December 2020

		Unrestricted Funds	Restricted Funds	Year ended 31 December 2020 £	Unrestricted Funds	Restricted Funds	Year ended 31 December 2019 £
	<i>Note</i>						
Income from:							
Donations		471,395	49,274	520,669	882,657	37,000	919,657
Sponsored events		6,955	-	6,955	39,861	-	39,861
Other trading activities		2,332	10,900	13,232	30,891	56,100	86,991
Income from funds	1	480,682	60,174	540,856	953,409	93,100	1,046,509
Investment income	1	2,519	-	2,519	10,647	-	10,647
Total income	1	483,201	60,174	543,375	964,056	93,100	1,057,156
Expenditure on:							
Grant funding activities	2	(533,188)	(60,021)	(593,209)	(1,129,627)	(450,951)	(1,580,578)
Total expenditure		(533,188)	(60,021)	(593,209)	(1,129,627)	(450,951)	(1,580,578)
Net expenditure		(49,987)	153	(49,834)	(165,571)	(357,851)	(523,422)
Net movement in funds		(49,987)	153	(49,834)	(165,571)	(357,851)	(523,422)
Total funds brought forward		295,520	-	295,520	461,091	357,851	818,942
Total funds carried forward	3	245,533	153	245,686	295,520	-	295,520

All activities derive from continuing operations in the United Kingdom.

Heathrow Community Trust

Balance Sheet as at 31 December 2020

		31 December 2020	31 December 2019
	Note	£	£
Current assets			
Cash at bank		713,697	1,096,432
Debtors	5	-	201,420
		713,697	1,297,852
Current liabilities			
Creditors: amounts falling due within one year	6	(468,011)	(1,002,332)
Net current assets		245,686	295,520
General funds - unrestricted	3	245,533	295,520
Restricted funds	3	153	-
Total funds	3	245,686	295,520

The financial statements of Heathrow Community Trust (Charity registration number: 1183004) were approved by the Board of Trustees and authorised for issue on 13 May 2021. They were signed on its behalf by:

Andy Kerswill
Andy Kerswill
Chairperson

Chris Johnston
Chris Johnston
Treasurer

Heathrow Community Trust

Statement of cash flows as at 31 December 2020

		31 December 2020	31 December 2019
	<i>Note</i>	£	£
Net cash provided by operating activities		(385,254)	(516,483)
Cash flows from operating activities	<i>4</i>	(385,254)	(516,483)
Net cash provided from investments		2,519	10,647
Cash flows from investing activities	<i>1</i>	2,519	10,647
Change in cash and cash equivalents in the period		(382,735)	(505,836)
Cash and cash equivalents at beginning of the period		1,096,432	1,602,268
Cash and cash equivalents at end of the period		713,697	1,096,432

Heathrow Community Trust

Accounting Policies for the year ended 31 December 2020

The principal accounting policies applied in the preparation of the financial statements for Heathrow Community Trust (a 'Charitable Trust') are set out below. These policies have been applied consistently to all the years presented.

Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in September 2015, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) SORP and the Charities Act 2011. The trust constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

Going concern

The Trustees have prepared the financial statements on a going concern basis which the Trustees are satisfied that the Charity has sufficient financial resources for at least 12 months from the signing date. This assessment has been made taking regard of the current levels of cash, the known incoming resources and the likely level of charitable expenditure over the same time period. The Covid-19 pandemic impacted income in the year but is not considered to have an impact on going concern.

Income recognition

Donations are recognised on an accruals basis where the entitlement, certainty and measurement criteria are being met.

Investment income

Interest is accrued on cash held at the bank.

Resources expended

Expenditure is accounted for on an accruals basis when the Trustees have communicated the commitment to the recipient in a sufficiently specific manner. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Trust and include legal fees. Grants are charged to the statement of financial activities when a constructive obligation exists.

Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. Income from Heathrow Airport Limited (HAPi grants) and Noise Fines (Communities for Tomorrow) are restricted to the grants streams indicated. All other funds are unrestricted and are expendable at the discretion of the Trustees in the furtherance of the objects of the Trust. The Trustees may allocate part of the charity's unrestricted funds to be used for particular purposes in the future. The Trustees have the power to re-designate such funds within unrestricted funds.

Creditors

Liabilities are recognised when an obligation arises to transfer economic benefits.

Taxation

The Trust is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Trust's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The Trust is not registered for VAT and accordingly, all its expenditure is recorded inclusive of any VAT incurred.

Cash at bank and in hand

Cash comprises cash in hand and deposits repayable on demand.

Heathrow Community Trust

Accounting Policies for the year ended 31 December 2020 *continued*

Financial instruments

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

Critical judgements and key accounting estimates

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Heathrow Community Trust

Notes to the financial statements for the year ended 31 December 2020 *continued*

1 Income

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Heathrow Airport Limited	425,000	725,000
Other	115,856	321,509
	540,856	1,046,509
Investment income ^a	2,519	10,647
Total income	543,375	1,057,156

^a Investment income of £2,519 (2019: £10,647) comprises interest on cash at bank.

2 Expenditure

	Grant funding activities £	Governance costs £	Support costs £	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Covid-19	242,518	-	-	242,518	-
Projects for Young People	116,468	-	-	116,468	453,124
Environment and Sustainability	(572)	-	-	(572)	497,542
Communities Together	28,260	-	-	28,260	256,613
Development Fund	(498)	-	-	(498)	39,742
Staff Matched Funding	5,422	-	-	5,422	25,375
HAPi	26,182	-	-	26,182	53,325
School laptops	24,121	-	-	24,121	-
Staff costs ^a	-	71,395	-	71,395	182,657
Incorporation costs	-	4,320	-	4,320	23,396
Memberships	-	1,455	-	1,455	17,599
Audit fee	-	6,660	-	6,660	8,130
Admin & event	-	5,182	-	5,182	1,599
Meeting costs	-	-	-	-	1,347
Trustee expenses	-	-	-	-	590
Grant administration	-	-	41,871	41,871	-
Communications & PR	-	-	439	439	12,031
CRM	-	-	2,059	2,059	4,088
Accounting system	-	-	1,459	1,459	-
CEO salary	-	-	16,289	16,289	-
Fundraising costs	-	-	179	179	3,420
Total expenditure	441,901	89,012	62,296	593,209	1,580,578

^a Estimate of the services supplied by the Trust's Director, Treasurer and Heathrow Airport Limited staff and other expenses incurred in the running of the Trust. The Trust has one direct employee (2019: none).

Heathrow Community Trust

Notes to the financial statements for the year ended 31 December 2020 *continued*

3 Movement in funds

	Brought forward £	Income £	Expenditure £	Carried forward £
Unrestricted funds				
General trust	295,520	483,201	(533,188)	245,533
Total unrestricted funds	295,520	483,201	(533,188)	245,533
Restricted funds				
HAPi	-	25,000	(25,000)	-
Noise fines	-	10,900	(10,900)	-
School laptops	-	24,274	(24,121)	153
Total restricted funds	-	60,174	(60,021)	153
Total funds	295,520	543,375	(593,209)	245,686

4 Reconciliation of net cash from operating activities

	31 December 2020 £	31 December 2019 £
Net expense for the reporting period (as per the statement of financial activities)	(49,834)	(523,422)
Adjustments for:		
Interest from cash at bank	(2,519)	(10,647)
Decrease/(increase) in debtors	201,420	(173,390)
(Decrease)/increase in creditors	(534,321)	190,976
Net cash (outflow)/inflow from operating activities	(385,254)	(516,483)

5 Debtors

	31 December 2020 £	31 December 2019 £
Accrued income	-	199,800
Prepayments	-	1,620
Debtors	-	201,420

Heathrow Community Trust

Notes to the financial statements for the year ended 31 December 2020 *continued*

6 Creditors: amounts falling due within one year

	31 December 2020 £	31 December 2019 £
Grants payable	461,711	966,811
Accruals	6,300	35,521
Creditors: amounts falling due within one year	468,011	1,002,332

7 Transactions with Trustees and connected persons

The Trust received donations of £425,000 (2019: £725,000) from Heathrow Airport Holdings Limited during the year. Further, the Trust received £71,395 (2019: £182,657) gift in kind from Heathrow Airport Holdings Limited in relation to staff and grant management. No employees received benefits of more than £60,000 (2019: one). No trustees were reimbursed for travel expenses (2019: four trustees amounting to £410).

8 Events after the reporting period

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, in relation to Covid-19. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Signature: 
Andy Kerswill (May 17, 2021 15:36 GMT+1)
 Email: kerswill@mac.com

Signature: 
Chris Johnston (May 17, 2021 16:04 GMT+1)
 Email: johnston.chris@icloud.com


HCT - Report and Accounts 2020 CLEAN FINAL FOR SIGNATURE

Final Audit Report

2021-05-17

Created:	2021-05-17
By:	Rebecca Bowden (rebecca.bowden@hcommunitytrust.org.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAA_YayWl3stqUZlhTfu1gjq-4No-XT41K

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Signature: Christopher Cairns
Christopher Cairns (Jun 7, 2021 17:14 GMT+1)

Email: chris.cairns@alliotts.com


Heathrow Community Trust Final Accounts

Final Audit Report

2021-06-07

Created:	2021-06-04
By:	Rebecca Bowden (rebecca.bowden@hcommunitytrust.org.uk)
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Transaction ID:	CBJCHBCAABAA6ureYDRe-Ah85enh3VBYprxI7MOA45cC


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