

**HEATHROW COMMUNITY TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# HEATHROW COMMUNITY TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Prabhjot Basra (Chair) David Cottrell Gennie Dearman Alison Keeley Jason Knight Nigel Milton Aled Patchett Lisa Kelly (appointed 7 December 2022) Nicola Zoumidou (appointed 29 March 2023) David Coen (appointed 29 March 2023)
<b>CEO</b>	Claire Knight
<b>Charity number</b>	1183004
<b>Registered office</b>	The Compass Centre Nelson Road Hounslow London TW6 2GW
<b>Independent examiner</b>	Alliotts LLP Friary Court 13-21 High Street Guildford Surrey GU1 3DL
<b>Bankers</b>	Barclays Banks plc 1 Churchill Place London E14 5HP  Metrobank One Southampton Row London WC1B 5HA  CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

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# HEATHROW COMMUNITY TRUST

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# HEATHROW COMMUNITY TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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 (FRS 102)" (effective 1 January 2019).

#### **Chair's statement:**

It has been a challenging year for both our Trust and the community groups we support. The impact of COVID-19 has continued to be felt throughout the local communities, highlighting inequalities, and the long-term impacts are not yet fully understood. While our funding income has still been significantly reduced compared with pre-pandemic levels, the on-going support and generosity of our primary funders has enabled us to ensure that the Trust continues to remain financially robust throughout 2022 and well into 2023, with an expected meaningful increase in grant funding to be awarded in 2023. With the reduced funding available in 2022, the Board decided to re-open the previously paused main grant streams of Projects for Young People, Communities Together and Environment & Sustainability, to support local organisations to deliver key projects and services to communities. In the last quarter of 2022, our Trust received significant fundraised income from Heathrow Airport Ltd and Team Heathrow partners which will be utilised in 2023. 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.

I would like to thank all our Trustees for their continued support and hard work during these difficult times.

#### **Objectives and activities**

##### **CHARITABLE OBJECTS as set out in Heathrow Community Trust constitution 2021:**

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 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;
- e. 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.



# HEATHROW COMMUNITY TRUST

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 DECEMBER 2022*

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The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

**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 2022 we did this through awarding grants in the following funding streams in support of our charitable objectives:

- Project for Young People
- Communities Together
- Environment & Sustainability
- Heathrow Active People initiative (HAPi) and Matched Funding

It should be noted that grants awarded do not tie directly through to the accounts due to accounting timing differences such as recognition of grants with multiple award payments.

**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.

# HEATHROW COMMUNITY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Achievements and performance

Highlights for 2022:

- £187,000 of new grants awarded
- 28,202 Total beneficiaries
- 3,583 Children and young people re-engaging with education or with raised aspirations
- 11,865 people benefitting from improved facilities
- 130,191 volunteering hours carried out [to deliver projects]
- 65,161m Land maintained or improved
- 163 trees planted

In 2022, Heathrow Community Trust received a donation from Heathrow Airport Ltd of £275,000 (2021: £125,000). Income from noise fines for the year was £12,000 (2021: £2,500), this donation supports our Environment & Sustainability grants programme. A further donation of £50,000 was received from Heathrow Airport Ltd towards Support costs.

As Covid restrictions eased, Heathrow Airport Ltd (HAL) employees and employees of Team Heathrow companies were able to undertake a number of fundraising activities for the Trust in 2022. The Team Heathrow Golf Day raised a total of £17,605. The Midnight Marathon, which saw HAL and Team Heathrow employees complete relay marathons on the runway raised a total of £22,378. The Trust also had 9 runners in the TCS London Marathon who raised a total of £6,447 for the Trust.

The Trust was the sole beneficiary of Heathrow Airport Ltd's passenger donation units in 2022, with a total of £196,345 received.

As stated in the Chairman's statement, the fundraised income was received in the last quarter of 2022 and will be utilised by the Trust in 2023.

In December 2022, in order to support the Trust's planning for the future, we carried out our eighth 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 70 organisations participating. They told us that the three biggest challenges facing their organisations were:

- Generating income
- Sustainable funding
- Raising income for programmes that are already successful

The majority of respondents shared that the costs of delivering their services had increased, and overall income for many had decreased. For many, demand for services has increased and a significant number developed new services as a result of new needs in their community during lockdown which they continued to deliver in 2022.

# HEATHROW COMMUNITY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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A list of grants made during the year is published on the Trust'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 Trust 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

In 2020 and 2021, the Trust responded to the pandemic by pausing all previous grant rounds and focusing grant making on awarding small unrestricted grants to help organisations to respond to the emergency. For 2022, the Trust re-opened our previously paused grant programmes as the country and local communities were advised by the government to 'learn to live with Covid-19'. The ongoing impact of the pandemic on the Trust's income meant that we could not return to the scale of funding awarded pre-pandemic and therefore the Trust chose to offer smaller maximum grants of £7,500 across the larger grant programmes to enable as many organisations as possible to benefit from funding. The Trust saw significant numbers of applications across all opened programmes with many applications stating the challenges of fundraising and the increased need for funds.

Heathrow Airport Ltd has been badly affected by the pandemic, but despite this has continued to donate and the Trust's income is rising in line with passenger numbers. In the Heathrow 2.0 sustainability strategy, published in February 2022, one of the targets within the document is 'At least £6.5m in funds generated for the Heathrow Community Trust by 2030'. This clearly indicates Heathrow Airport Ltd's ongoing commitment to the Trust, which was further detailed in Heathrow's Giving Back Programme which was published in February 2023.

In 2022, the Heathrow Airport Ltd donation was £275,000 and noise fine income was £12,000. Support cost expenditure was split between Heathrow Airport Ltd and Heathrow Community Trust, with Heathrow Airport Ltd providing a further £50,000 donation towards these costs.

#### Factors affecting performance

Heathrow Community Trust awards grants to third parties to deliver projects, this funding is often 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 or returned, 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. All ongoing projects funded pre-pandemic were affected by Covid19, with 47 active at the start of 2022, and the team worked closely with all grant holders to change grant conditions to support new activities. In addition, many projects were delayed and timeframes for ongoing projects were extended into late 2022 for completion. All new grants awarded in 2022 were single year grants with planned completion by the end of 2023.

# HEATHROW COMMUNITY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Summary of Objectives for 2022

##### 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 2022 were:

**1. 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.

**2. 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.

**3. 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.

**4. 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. This priority was put on hold in March 2020 as a result of Covid19 and re-opened in 2022.

**5. 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 through provision of support to Apprenticeship training, and improve fundraising, through supporting Heathrow colleagues in skills-based Advocate volunteering, but also by seeking out ways to leverage our own grant making by working with other funders.

# HEATHROW COMMUNITY TRUST

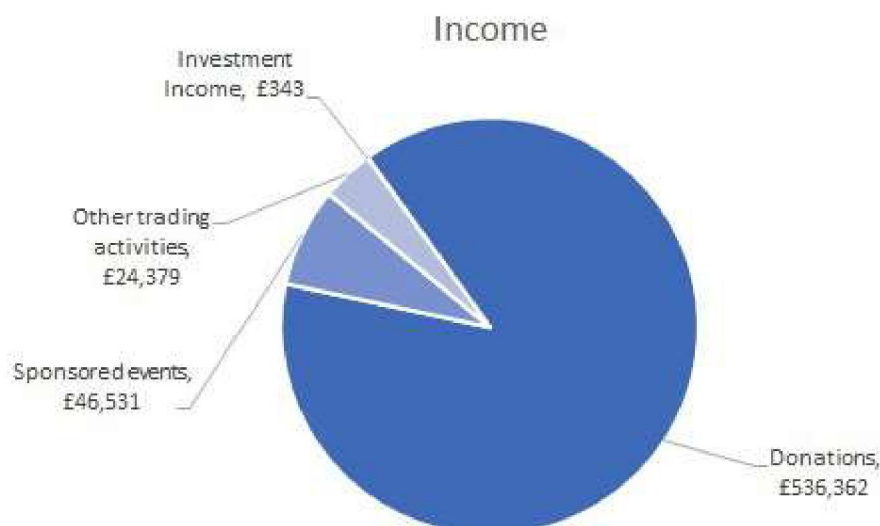
## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

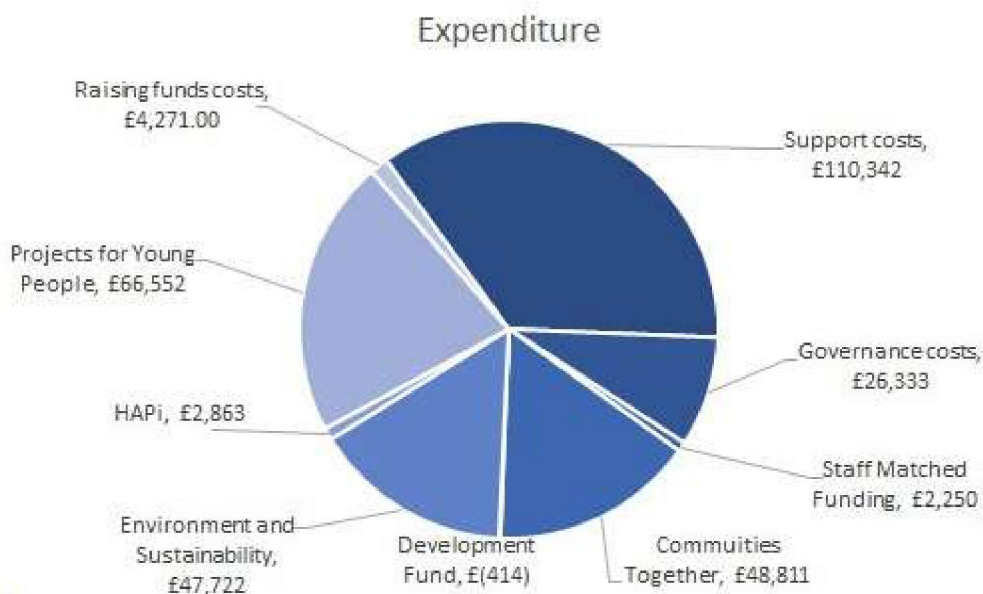
#### Financial review

#### 2022 Financial performance

Income totalled £607,615 (2021: £431,355), the majority of which comprised a donation from Heathrow Airport Limited of £275,000 (2021: £125,000)



Total expenditure was £308,730 (2021: £333,579), comprising grant funding activities £167,784 (2021: £194,695), raising funds costs £4,271 (2021: £nil), governance costs £26,333 (2021: £17,389) and support costs £110,342 (2021: £121,495).



Retained reserves at 31 December 2022 were £644,847 (2021: £343,462), of which £630,645 (£331,606) were unrestricted.

Cash balances held at the year-end were £694,617 (2021: £527,056).

# HEATHROW COMMUNITY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### **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 £630,645 (2021: £331,606). The Trust's assets are available and adequate to fulfil its obligations. The Trust reviews its reserves policy on an annual basis and in 2021 also reviewed the policy Quarterly in light of the impact of Covid19. The policy was reviewed thoroughly in 2022. The Trust's aims to hold unrestricted funds of £100,000 as a contingency to cover costs in the event of winding down the Trust. This is in addition to any committed grant expenditure. 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 and 2021. 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 15 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 Commission'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 2022 restricted funds were received from Noise Fines (Environment & Sustainability) and two specific restricted donations from Heathrow Airport Limited for Heathrow Active People Initiative (HAPi) and to support the Groundwork administration costs. 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 easing of Covid restrictions, including holding Board of Trustees and Grant Review Panel meetings over Teams and Zoom where necessary.

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, and less than 20% of the pre-pandemic donation in 2021. 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, with some activities restarting in late 2021. In late 2021, Heathrow Airport Ltd provided details of their planned donation to the Trust for 2022 (38% of pre-pandemic donation) and this was tied to passenger forecasts. In 2022 the Trust carefully monitored income and expenditure and was cautious to release additional grant funding until late 2022 due to the ongoing uncertainty caused by new Covid-19 variants.

# HEATHROW COMMUNITY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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Support cost reductions put in place in 2020 were maintained in 2021 and 2022, including retaining the CEO's contract as three days per week and working with a reduced administration team at Groundwork South. Trustees reviewed the Trust's reserves policy thoroughly in 2022. 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 2022 and has significantly increased support for 2023 as air travel continues to grow. In the Heathrow 2.0 sustainability strategy, published in February 2022, one of the targets within the document is 'At least £6.5m in funds generated for the Heathrow Community Trust by 2030'. This clearly indicates Heathrow Airport Ltd's ongoing commitment to the Trust, which was further detailed in Heathrow's Giving Back Programme which was published in February 2023.

#### **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.

The trustees who served during the year and up to the date of signature of the financial statements were:

Prabhjot Basra (Chair)  
Richard de Belder (retired 29 March 2023)  
David Cottrell  
Gennie Dearman  
Samina Hussain (retired 13 April 2022)  
Alison Keeley  
Jason Knight  
Nigel Milton  
Michael Murphy (retired 7 December 2022)  
Aled Patchett  
Lisa Kelly (appointed 7 December 2022)  
Nicola Zoumidou (appointed 29 March 2023)  
David Coen (appointed 29 March 2023)

Trustees are appointed, elected or re-elected for a fixed term of three years, with the option of extending for a further three years and, in addition, the Board can resolve by a 75% majority that it would be in the best interests of the charity for a particular trustee to be reappointed for a further consecutive term in office. New Trustees are recruited by advertisement and/or recommendation by existing Trustees, the CEO, or members of Heathrow's local community networks. Three of the Trustees are employed by Heathrow Airport Holdings Limited. Heathrow Airport Holdings Limited is the major donor of to the Trust; 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. Heathrow Airport Ltd give two separate donations to the Trust which are restricted being for the delivery of the Trust's Heathrow Active People initiative (HAPi) funding programme and to support the Groundwork administration costs.

Prospective Trustees are offered the opportunity to attend a Board meeting and are interviewed by the Chairman, an additional Trustee and the CEO. 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 2022).



# HEATHROW COMMUNITY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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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, Claire Knight, was appointed by Trustees and commenced employment in August 2021, reporting to the Chairman of the Board of Trustees.

The Board of Trustees met four times in 2022 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 Ltd 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 the 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 presents annually to the Heathrow Airport Holding Group Executive Committee.

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.

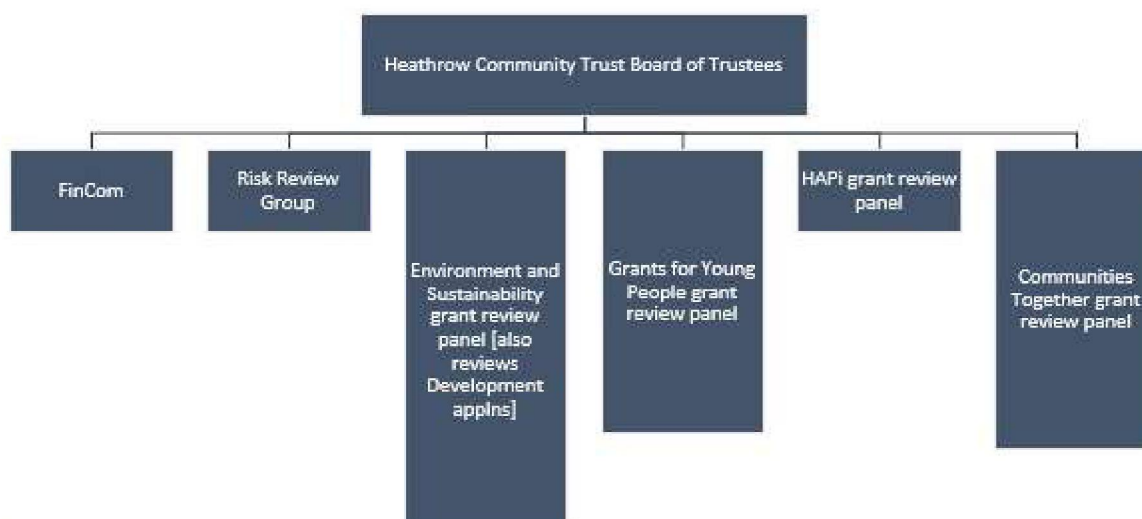
The Treasurer chairs the formal quarterly Finance Committee, reporting to the Board of Trustees.

#### 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.





# HEATHROW COMMUNITY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The below programmes were reopened in late 2021 and early 2022 with the levels of funding available as below.

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

Each of these programmes awards grants of up to £7,500 for 1 year. This is a single stage process, with applications reviewed by the panel who have delegated authority to award up to £5,000. Recommendations for awards over £5,000 are made to the Board of Trustees for review.

#### **Communities Together Grant Programme**

This programme awards grants of up to £2,500 for 1 year. All applications are all assessed by the panel in a single stage process. The panel formally reports to the Board of Trustees once per annum.

#### **Heathrow Active People Initiative (HAPi) Grant Review Panel**

The HAPi grants review panel meets up to 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.

**The two grant streams below were closed throughout 2022. In 2023 the Trust has reopened the first programme**

#### **Communities Together Large Grants Programme**

In response to gaps identified in our funding programmes, during 2018 a new funding programme was introduced: Communities Together Large Grants awards up to £15,000 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 single stage process, with funding recommendations being made to the Board of Trustees.

#### **Development Grants**

In response to an identified funding gap, Heathrow Community Trust 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.

#### **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 Grant Making Policy is published on the Trust's website. Grants are awarded to projects taking place in the boroughs of Ealing, Hillingdon, Hounslow, Richmond, Runnymede, Slough, Spelthorne, South Buckinghamshire, and Windsor & Maidenhead, unless covered by the HAPi or Matched Funding streams which are not geographically restricted.

#### **Employees**

The Trust's CEO Claire Knight joined the Trust in August 2021. The CEO of the Trust is not a Trustee and does not have the responsibilities of a statutory director.

The trustees' report was approved by the Board of Trustees.

  
PKBasra (Jul 21, 2023 16:22 GMT+1)  
Prabhjot Basra (Chair)  
Trustee

Date: 21/07/2023

  
Aled Patchett (Jul 24, 2023 15:22 GMT+2)  
Aled Patchett  
Trustee

# HEATHROW COMMUNITY TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF HEATHROW COMMUNITY TRUST

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I report to the trustees on my examination of the financial statements of Heathrow Community Trust (the charity) for the year ended 31 December 2022.

#### **Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Christopher Cairns  
Christopher Cairns (Jul 24, 2023 14:40 GMT+1)

24/07/2023

**Christopher Cairns BSc FCA**

Alliotts LLP  
Friary Court  
13-21 High Street  
Guildford  
Surrey

# HEATHROW COMMUNITY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2022**

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<b><u>Income from:</u></b>							
Donations and legacies	2	473,862	62,500	536,362	308,527	103,000	411,527
Other trading activities	3	58,910	12,000	70,910	17,273	2,500	19,773
Investments	4	343	-	343	55	-	55
<b>Total income</b>		<u>533,115</u>	<u>74,500</u>	<u>607,615</u>	<u>325,855</u>	<u>105,500</u>	<u>431,355</u>
<b><u>Expenditure on:</u></b>							
Raising funds	5	<u>4,271</u>	<u>-</u>	<u>4,271</u>	<u>-</u>	<u>-</u>	<u>-</u>
Charitable activities	6	<u>229,805</u>	<u>74,654</u>	<u>304,459</u>	<u>239,782</u>	<u>93,797</u>	<u>333,579</u>
<b>Total expenditure</b>		<u>234,076</u>	<u>74,654</u>	<u>308,730</u>	<u>239,782</u>	<u>93,797</u>	<u>333,579</u>
<b>Net income/(expenditure) for the year/</b>							
<b>Net movement in funds</b>		299,039	(154)	298,885	86,073	11,703	97,776
Fund balances at 1 January 2022		<u>331,606</u>	<u>11,856</u>	<u>343,462</u>	<u>245,533</u>	<u>153</u>	<u>245,686</u>
<b>Fund balances at 31 December 2022</b>		<u><u>630,645</u></u>	<u><u>11,702</u></u>	<u><u>642,347</u></u>	<u><u>331,606</u></u>	<u><u>11,856</u></u>	<u><u>343,462</u></u>

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

All income and expenditure derive from continuing activities.

# HEATHROW COMMUNITY TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Current assets</b>					
Cash at bank and in hand		694,617		527,056	
<b>Creditors: amounts falling due within one year</b>	<b>11</b>	(52,270)		(183,594)	
Net current assets			642,347		343,462
<b>Income funds</b>					
Restricted funds	<b>12</b>		11,702		11,856
Unrestricted funds			630,645		331,606
			642,347		343,462

The financial statements were approved by the Trustees on 21/07/2023 .....

PKBasma  
PKBasma (Jul 21, 2023 16:22 GMT+1)  
 Prabhjot Basra (Chair)  
 Trustee

Aled Patchett  
Aled Patchett (Jul 24, 2023 15:22 GMT+2)  
 Aled Patchett  
 Trustee

# HEATHROW COMMUNITY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	15		167,218		(186,696)
<b>Investing activities</b>					
Investment income received		343		55	
<b>Net cash generated from investing activities</b>			343		55
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			167,561		(186,641)
Cash and cash equivalents at beginning of year			527,056		713,697
<b>Cash and cash equivalents at end of year</b>			694,617		527,056

# HEATHROW COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

#### Charity information

The principal accounting policies applied in the preparation of the financial statements for Heathrow Community Trust (a 'Charitable Trust') are set out below. Heathrow Community Trust is a CIO approved by the Charity Commission in April 2019.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# HEATHROW COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.7 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# HEATHROW COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	473,862	62,500	536,362	308,527	103,000	411,527

### 3 Other trading activities

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Fundraising events	46,531	-	46,531	10,747	-	10,747
Trading activity income: other	12,379	12,000	24,379	6,526	2,500	9,026
Other trading activities	58,910	12,000	70,910	17,273	2,500	19,773

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Investment income	343	55



# HEATHROW COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 5 Raising funds

	Unrestricted funds	Total
	2022 £	2021 £
<u>Fundraising and publicity</u>		
Staging fundraising events	4,271	-
	<u>4,271</u>	<u>-</u>

### 6 Expenditure - Charitable Activities

	2022 £	2021 £
<u>Grants Payable</u>		
Covid-19	-	90,083
Projects for young people *	66,552	(4,954)
Environment and Sustainability *	47,722	(1,595)
Communities Together	48,811	7,715
Development Fund *	(414)	(770)
HAPi *	2,863	(2,276)
Staff matched funding	2,250	-
National Lottery Hillingdon Covid Project	-	95,000
Heathrow Schools 2021 Project	-	11,492
	<u>167,784</u>	<u>194,695</u>
Support costs	110,342	121,495
Governance costs	26,333	17,389
	<u>304,459</u>	<u>333,579</u>

\* Underspend relates to prior periods

# HEATHROW COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	54,440	-	54,440	62,574	-	62,574
Grant administration	50,231	-	50,231	51,159	-	51,159
PR & Communications	23	-	23	1,494	-	1,494
CRM	-	-	-	1,209	-	1,209
Computing costs	4,996	-	4,996	4,686	-	4,686
Postage	57	-	57	15	-	15
Bank charges	256	-	256	298	-	298
Training and networking	339	-	339	60	-	60
Independent Examiner's fees	-	7,290	7,290	-	5,424	5,424
Memberships	-	846	846	-	1,015	1,015
Legal and professional costs	-	18,036	18,036	-	10,778	10,778
Meeting costs	-	161	161	-	172	172
	<u>110,342</u>	<u>26,333</u>	<u>136,675</u>	<u>121,495</u>	<u>17,389</u>	<u>138,884</u>
Analysed between Charitable activities	<u>110,342</u>	<u>26,333</u>	<u>136,675</u>	<u>58,921</u>	<u>79,964</u>	<u>138,884</u>

Governance costs includes payments to the Independent Examiners of £4,410 (2021: £3,450).

### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>1</u>	<u>1</u>
<b>Employment costs</b>	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	<u>54,440</u>	<u>62,574</u>

There were no employees whose annual remuneration was more than £60,000.

# HEATHROW COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

#### 11 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	45,340	178,170
Accruals and deferred income	6,930	5,424
	<u>52,270</u>	<u>183,594</u>

#### 12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at January 2022	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£	£	£	£	£
HAPi Fund	-	-	2,276	2,276	12,500	(3,074)	11,702
Noise fines	-	2,500	-	2,500	12,000	(14,500)	-
NLHC Fund	-	103,000	(96,073)	6,927	-	(6,927)	-
School Laptops	153	-	-	153	-	(153)	-
LHR support costs	-	-	-	-	50,000	(50,000)	-
	<u>153</u>	<u>105,500</u>	<u>(93,797)</u>	<u>11,856</u>	<u>74,500</u>	<u>(74,654)</u>	<u>11,702</u>

#### 13 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:					
Current assets/(liabilities)	630,645	11,702	642,347	331,606	343,462
	<u>630,645</u>	<u>11,702</u>	<u>642,347</u>	<u>331,606</u>	<u>343,462</u>

#### 14 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

# HEATHROW COMMUNITY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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15	Cash generated from operations	2022 £	2021 £
	Surplus for the year	298,885	97,776
	Adjustments for:		
	Investment income recognised in statement of financial activities	(343)	(55)
	Movements in working capital:		
	(Decrease) in creditors	(131,324)	(284,417)
	<b>Cash generated from/(absorbed by) operations</b>	<u>167,218</u>	<u>(186,696)</u>