

MILTON KEYNES COMMUNITY FOUNDATION LIMITED

England & Wales · Charity number 295107

Details

Status Registered

Legal form Charitable company

Company number [02032715](#)

Registered 1986-12-02

Register [View on the Charity Commission register](#)

Contact

Address Acorn House
381 Midsummer Boulevard
Central Milton Keynes
MK9 3HP

Phone 01908690276

Email info@mkcommunityfoundation.co.uk

Website www.mkcommunityfoundation.co.uk

Activities

Objects: TO PROMOTE ANY CHARITABLE PURPOSE FOR THE BENEFIT OF THE COMMUNITY AND ALSO INDIVIDUALS AND GROUPS IN THE BOROUGH OF MILTON KEYNES AND ELSEWHERE AND IN PARTICULAR (BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING) THE ADVANCEMENT OF EDUCATION THE PROTECTION OF GOOD HEALTH BOTH MENTAL AND PHYSICAL AND THE RELIEF OF POVERTY DISTRESS AND DISABILITY OR SICKNESS.

Activities: We are a local Independent grant making charity. We raise funds by obtaining donations from individuals and companies. Local charities and community groups apply for grants to support their charitable activities in Milton Keynes. Via our subsidiary company, MK Community Properties Ltd, we provide local voluntary and community organisations with accommodation at a subsidised rate.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Accommodation/housing, Arts/culture/heritage/science, Amateur Sport, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** BOROUGH OF MILTON KEYNES
- Buckinghamshire
- Milton Keynes

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,094,489	£4,875,438	£55,573,419	23
2024-03-31	£5,000,283	£5,202,165	£55,502,054	24
2023-03-31	£5,819,738	£5,692,835	£54,005,765	21
2022-03-31	£5,798,052	£5,039,701	£61,714,578	19
2021-03-31	£4,358,402	£4,385,802	£59,335,714	20

Trustees

Name	Role	Appointed
Jason Sinclair		2020-11-26
Katy Morris		2023-04-17
Laura McLean		2023-04-17
Matthew James Downton		2023-04-17
Precious Rudo Lwanga		2020-11-19
RICHARD FORMAN		2022-12-01
Sean David O'Reilly		2019-05-16
Shirley Jones		2018-11-22
Syeda Sidra Mehdi		2022-12-01

MILTON KEYNES COMMUNITY FOUNDATION LIMITED

England & Wales - Charity number 295107

Accounts

Registered number: 2032715

Charity number: 295107

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

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MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2025

Trustees	Matthew Downton, Chair Christopher Shaw (resigned 31 July 2024) Sean O'Reilly Jason Sinclair Jill Heaton Shirley Jones Precious Lwanga Katy Morris Jay Virgo Laura McLean Richard Forman Sydea Sidra Mehdi
Company registered number	2032715
Charity registered number	295107
Registered office	Acorn House 381 Midsummer Boulevard Milton Keynes MK9 3HP
Senior Executive	Chief Executive - Ian Revell Director of Finance - Sarah Wilson (resigned 25 June 2025) Director of Marketing – Claire Baldock Director of Philanthropy - Ranjit Singh (resigned 31 August 2024) Director of Philanthropy - Jake Geelan (appointed 1 September 2024) Director of Philanthropy - Samantha Snelus (appointed 1 September 2024)
Independent auditor	Hillier Hopkins LLP Chartered Accountants Statutory Auditor 249 Silbury Boulevard Milton Keynes MK9 1NA

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Bankers	Handelsbanken AB 201 Silbury Boulevard Milton Keynes MK9 1LZ
	Close Brothers 10 Crown Place London EC2A 4FT
Solicitors	Geoffrey Leaver Solicitors 251 Upper Third Street Bouverie Square Milton Keynes MK9 1DR
Investment Managers	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Property Manager	Kirkby Diamond 15 Shenley Pavilions Shenley Wood Milton Keynes MK5 6LB

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees have pleasure in presenting their annual report and audited consolidated financial statements for the year ended 31 March 2025, which are also prepared to meet the requirements for a directors' and strategic report and accounts for Companies Act purposes. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document, the Companies Act 2006, Charities Act 2011 and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The financial statements comprise the group accounts of Milton Keynes Community Foundation (the "Foundation") and its wholly owned subsidiary, MK Community Properties Limited.

The accounts on pages 16 to 60 incorporate all the various funds within the Community Foundation. An analysis of the group income and expenditure between the various funds is provided in note 25.

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The objects of the Community Foundation are defined in its Memorandum and Articles of Association, allowing the Trustees to make grants out of capital and income to voluntary groups, charities and individuals who support people within the Milton Keynes unitary authority area. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Community Foundation's aims and objectives and in planning future activities and setting the grant making policy for the year. Fund holders have the opportunity to direct a small percentage of their funds outside the Milton Keynes Unitary Authority area.

The Community Foundation has a three-year strategic framework, covering 2023-2026.

Our Strategic Plan States:

Our Vision - is for a thriving Milton Keynes where everyone is contributing to their community.

Our Mission - is to send funding where it's needed most in Milton Keynes. By guiding businesses, philanthropists and charities to the right giving and grants, we're on a mission for a fairer community.

Goal 1: Promote philanthropy as a way of life across all our communities.

Goal 2: Ensure all our dealings with VCCS stakeholders are consistent, fair, equitable and inclusive.

Goal 3: Develop our role as an enabler of a thriving VCCS by building capacity.

Goal 4: Align our property activities with our philanthropic objectives.

Goal 5: Raise the profile of the Community Foundation and the VCCS sector as a voice to influence change, locally, regionally, and nationally.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Objectives and activities (continued)

Priorities - to achieve our mission of a fairer community across Milton Keynes we will need to focus and prioritize how we work as an organisation and support and fund partner organisations and projects that address these three priorities:

- Disadvantage and Poverty
- Environmental Sustainability
- Promoting Diversity, Equity, and Inclusion

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

a. Main achievements of the Company

2024/25 covers the second year of our current Strategic Plan. It has been a year where we have reviewed the finding of research, we commission from the Open University which lead to us reviewing both our grants' policies and the grant making structure to enable the majority of smaller community led groups access our funding. Whilst work from the research report continues the new grants rounds and partnership funding arrangement are now being put into place. This aligns strongly to several of our strategic aims, in particular Goal 3 - Developing our role as an enabler of a thriving Voluntary, Community and Cultural Sector (VCCS) by building capacity and Goal 4 - Aligning our property activities with our philanthropic objectives. Additionally, this year we have invested in ensuring the work of the Foundation and of the VCCS as a whole is known and is amplified in Goal 5 – Raise the profile of the Community Foundation and the VCCS as a voice of influence and change locally, regionally and nationally, through a series of campaigns focused on the finding of our Vital Signs reports, through working with our CFs across the UK in developing new funding opportunities and with UKCF in the development of the new funding database which will enable all the groups we work with access to a streamlined application portal and for funders to access real-time funding reports, see the impact their funds are making.

Our Philanthropy activities have seen time taken to plan and create a sustainable income strategy £408,250 was secured from new opportunities. The business partnership focus has secured three new funds in 2024-25 and seven new business members (paying the higher rate of £1,500). Flowthrough donations saw an increase, with £100,000 donation from a TVP and MK City Council crime prevention partnership. Two new individual funds were set up, and a trust transfer from Bradville Community Centre created a new endowment, however despite all this activity overall endowment income was below target. During the year we distributed grants and rent subsidies totaling £1,944,931.

In February 2025 we published the twelfth edition of our Vital Signs report. This year focus was on Crime & Safety, Poverty & Disadvantage, Work and Arts & Culture.

The Foundation's wholly owned trading subsidiary company, MK Community Properties Limited, continued to provide conference facilities alongside office leases and small business units for commercial and not for profit organisations. Unfortunately, whilst the conferencing started the year positively overall conference bookings fell away in the second half of the year, The Small business unit however saw renewed growth and we were able to agree several new leases for office space within our CMK building. The Property Company has therefore agreed to let a proportion of the conferencing area for office accommodation next year as it is clear demand for conferencing space in CMK is unlikely to return to a sustainable level.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance (continued)

Last year the Estate management contract was transferred to Kirkby Diamond and our in-house team was gradually grown to support enhanced management of the Property portfolio. There have been a number of new leases agreed for units across our estate and we have been able to add several commercial tenants which in turn enable us to grow the income needed to meet the increasing Estate management costs which come with an aging building portfolio.

Work to deliver our long-term property strategy through establishing a capital fund to fund the development of new community hub has continued, however the additional requirements to demonstrate a net increase in biodiversity and site specific planning issue have slowed the process somewhat. We anticipate the fund will be finally establish in the first quarter of 26/27 once we have gained the appropriate planning agreements in the meantime we have decided to utilise our existing reserves establish through our first land sale in Monkston to bring forward the refurbishment of Kiln Farm in 2026.

Throughout the year we have continued to work on a series of other Community development project include a community hub funded through a retired living scheme in Whitehouse, The Community office as part of an accessible housing project in Brooklands and a Community warehousing centre at Granby to offered subsidised spaces provided currently at Kiln Farm.

b. Fundraising activities and income generation

The Community Foundation does not employ any person or companies to act on its behalf specifically to carry out any fundraising activities. The Community Foundation is registered with the Fundraising Regulator and subscribes to the standards and regulations required under the registrations. During the year the Community Foundation reviewed our privacy notice: The Privacy Notice in brief:

- We collect information that is either personal data (such as names, addresses, and telephone numbers) or non-personal data (such as your Internet Protocol (IP) address, web pages accessed etc.)
- We collect information about our supporters, donors, fundraisers, volunteers and employees.
- We collect information to provide services or goods, to provide information, to fundraise, for administration, to assess and award grants, research, profiling, analysis, and for the prevention/detection of crime.
- We only collect the information that we need, or that would be useful to us in our aim to provide the best possible service.
- We do our very best to keep personal information secure, wherever we collect personal data online.
- We never sell data, and we never share it with another company or charity for marketing purposes.
- We only share data where we are required by law, or with carefully selected trusted suppliers who do work for us. All our suppliers are required by their contract to treat your data as carefully as we would, to only use it as instructed, and to allow us to check that they do this.

Our websites use cookies – for more information check <https://www.mkcommunityfoundation.co.uk/cookies-policy/>

The full Privacy Notice which details what information is held, how the Foundation may use it, and what individual's rights are available on our website <https://www.mkcommunityfoundation.co.uk/privacy-policy/>.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

Since 1994 it has been the policy of the charity to hold reserves in the Community Fund totaling at least £1 million which have not been committed or designated for any particular purpose. However, in accordance with the ethos of Community Foundations, the Trustees continue to build these invested funds over and above this minimum level in order to ensure that the investment income derived from these funds would protect future beneficiaries and operations of the charity from the effects of any unforeseen variations in its income streams and underwrite a continuation in the year-on-year growth in the grants budget.

Currently, such funds stand at £864,751 (2024 - £762,882), with the aim for these funds to return to the level specified by the trustees of £1m in the coming year.

In March 2012 the Foundation was successful in securing funds from the Office for Civil Society for the Community First Endowment Match Challenge. Since then, growth in the market means that the Community First Endowment is £12,463,312 on 31 March 2025 (2024 - £15,112,101). On 31 March 2025 the amount of unrestricted funds was £34,680,208 (2024 - £34,299,512) and the value of restricted funds was £20,893,211 (2024 - £21,202,542).

Within the unrestricted funds, and separate from the Community Fund, the Trustees have designated a Property Fund equal in value to the properties held by the group, less mortgages incurred to purchase properties, together with a reserve towards the cost of future property repairs and refurbishments. It is the intention of the Trustees that this fund will be maintained over a 10-year period at levels that will be sufficient to finance the repairs and refurbishment of the property portfolio required to ensure that the property portfolio remains in a 'fit for purpose' state.

The Trustees are satisfied that the charity's assets attributable to each of its Funds are available and adequate to fulfil its obligations in relation to those funds.

c. Financial Review

During the financial year ended 31 March 2025 the Community Foundation generated a net group gain before investment gains and losses of £219,051 (2024 loss of £201,882).

The total value of the Community Foundation's endowment assets has increased to £55,573,419 (2024 - £55,502,054). This level of endowment funds continues to ensure sustainability and enables the Community Foundation to continue to support the growing local community in as many ways as possible.

Our subsidiary company, MK Community Properties Limited, performed below expectations this year. In the last quarter SBU income has stabilized and we are now operating at near full capacity in both buildings. However the main concern continues to be the worse than budgeted performance of the conference income. Therefore, the Property Board made the decision to reduce the conference space to the 4th floor. This has not met with any resistance from users of the 1st floor space and during the year ahead we will look to further reduce the 4th floor conferencing space and seek additional commercial tenants.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Financial Review (continued)

The main variances from budget relate to the reduction in SBU income of £45,940 and the reduction of conference income of £69,713 and the additional other income of £12,947. Of this other income £8,367 relates to bank interest on the sale of the Monkston site as the solicitors held this money over the weekend.

Freehold and Leasehold properties

The financial statements also include the valuation of the investment properties held by the Community Foundation and its trading subsidiary, MK Community Properties Limited. Any capital gain on revaluation of properties are subject to claw back of an average of 44%, these cannot be spent on grants unless the properties are sold, and many are occupied by the voluntary or charitable sector. Similarly, any gain on the revaluation of investments can only be realised if the investments are sold which impacts on the future investment income.

The freehold and leasehold properties were valued in the year by external valuers Kirkby Diamond, in accordance with the Royal Institution of Chartered Surveyors Valuation - Global Standards (The Red Book), on the basis of Market Value. Whilst the Trustees are of the opinion that there has been no material movement in value of these properties between that date and 31 March 2025, they believe that valuation of the properties should be at Existing Use valuation to more appropriately reflect the Community Foundation's policy of allowing Voluntary and Community Sector groups to apply for a rent subsidy of up to 75%.

If this Existing Use valuation were to be used, our Land and Buildings would be valued at £32,150,543 (2024 - £33,705,543) a net decrease of £1,555,000 due to the disposal of one of the land sites in the year. It was agreed in the year that we would get a formal valuation every three years and in the interim these would be valued based on an agreed yield. This year will be the last year we receive an annual formal valuation. Formal valuations will now be complete every three years.

d. Material investments policy

The group's investments were valued at the year-end at £20,249,457 (2024 - £20,845,815). All these investments were held by CCLA in their Charities Ethical Common Investment Fund. CCLA investment objective over a rolling 5-year period is to achieve an average return of CPI plus 5%, before fees and costs. The current income yield of the portfolio is circa 3%.

The Community Foundation's investment policy was reviewed during the year but remains broadly unchanged. The Trustees have discretion to invest as they think fit and the investments held by the Community Foundation have been acquired in accordance with these powers. The trustees have adopted an ethical investment approach, which looks to optimize the total return from the investment portfolio whilst mitigating risk, as far as possible.

Under the terms of the Community First Endowment Match Challenge all funds raised under this programme must be held at CCLA. Also, fifteen of the restricted donor funds and the Grassroots Endowment Challenge funds were all invested with CCLA.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

e. Financial risk management objectives and policies

The Trustees review annually the major risks to which the charity is exposed to ensure systems and processes have been established to mitigate those risks. This year we allocated oversight of risk to each committee which in turn reported to Board, this ensured our risk and the mitigations agreed were continuously monitored and acted on throughout the year.

The Risk Mitigation Plan identified 26 risks (2024 - 26). The key risks were:

- Competition from similar organisations (conference and SBU's)
- Competition from similar organisations (direct giving to charities)
- Capacity and use of buildings (high level of voids)
- Disaster Recovery and planning
- Information Technology - Salesforce become no longer fit for purpose
- Cashflow sensitivities
- Adverse publicity

These risks are reviewed regularly by the Leadership team and any issues are reported back to Board and each Board sub-committee quarterly.

Structure, governance and management

a. Constitution

Milton Keynes Community Foundation Limited is a company limited by guarantee and a registered grant making charity. Milton Keynes Community Foundation was established in 1986 and is engaged principally in the promotion of any charitable purpose for the benefit of the community in the Milton Keynes unitary authority area. The Community Foundation also has a wholly owned trading subsidiary, MK Community Properties Limited. The subsidiary company operates as a provider of meeting and conference facilities. Its aim is to support the charitable objectives of its parent undertaking, the Community Foundation.

The Community Foundation is governed by its Memorandum and Articles of Association. The Articles of Association define those who sit on the Board of the Community Foundation as Trustees. The Articles of Association state that the Trustees have the power to admit members to the Community Foundation. As set out in the Articles of Association, the Board of Trustees shall comprise not less than five and not more than twenty members. At each Annual General Meeting one third of the Trustees retire by rotation but they are eligible for re-election for up to three terms each of three years provided that they are not otherwise disqualified under the conditions set out in the Articles of Association.

The Memorandum and Articles of Association was updated on 16 October 2024 following a review by our lawyers to reflect best practice.

Anyone wanting to become a Trustee must apply in writing and is subject to the Community Foundation's recruitment procedures before becoming eligible for election as a Trustee.

Trustees are sometimes Employees or Trustees of other Voluntary Community and Cultural Sector organisations. All such relationships are at normal commercial rates and are disclosed in note 15 and 36 to these accounts.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management (continued)

e. Trustees' indemnities

The group has purchased insurance for the Trustees and staff of the charity and the directors of the subsidiary company, MK Community Properties Limited, against liability arising for wrongful acts in relation to the charity and its wholly owned subsidiary.

Plans for future periods

Philanthropy

In alignment with the foundation's strategic plan and recent Voluntary sector research we are working towards the goal of 'Funding Fairness'.

Key areas of focus in the philanthropy delivery plan include:

- Diversify and grow sustainable and long-term income
- Distribute funding fairly and equitably and introduce new grants programmes
- Develop a strategy to grow endowment and legacy donations from individuals

As we plan for the year ahead, the focus is on diversifying our donor base including a strategy to grow endowment and legacy contributions from individual donors.

Our Vital Signs research continues to build momentum in the sector with voluntary groups being engaged to meet the needs of the city based on the data in the report. Our grant giving programmes will continue to support charities and community groups running projects that fit our vital signs priorities throughout the year. A new partnership grant programme will be introduced to proactively address issues raised in vital signs

We will continue to encourage philanthropists to support the charitable sector through our endowment fund match campaign creating a lasting legacy and support into the future. We continue to seek donations from business donors through our 'business engagement strategy'.

During the year, the funds from the sale of land at Monkston have been received and a capital receipt of £2.3m achieved. £1m of this is to fund the match fund which was launched in September 2022, with the remainder contributing to the capital pot for future developments.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Statement of Trustees' responsibilities

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

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

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

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

Disclosure of information to auditor

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

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

Auditor

The auditor, Hillier Hopkins LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
Matthew Downton
Chair of Trustees

Date: 17 September 2025

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION LIMITED**

Opinion

We have audited the financial statements of Milton Keynes Community Foundation Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2025 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION LIMITED (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION LIMITED (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- we consider the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, Charities Act 2011 and relevant tax legislation.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION LIMITED (CONTINUED)**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Hillier Hopkins LLP

Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor
249 Silbury Boulevard
Milton Keynes
MK9 1NA

Date: 25/09/2025.

Hillier Hopkins LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED					
(A Company Limited by Guarantee)					
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)					
FOR THE YEAR ENDED 31 MARCH 2025					
	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	4	1,131,552	806,133	1,937,685	2,308,957
Charitable activities	5	519,148	-	519,148	293,351
Other trading activities	6	723,976	-	723,976	784,923
Investments	7	1,284,881	628,799	1,913,680	1,613,052
Total income		3,659,557	1,434,932	5,094,489	5,000,283
Expenditure on:					
Raising funds	8,9	2,255,906	-	2,255,906	1,903,133
Charitable activities	11	1,545,386	1,074,146	2,619,532	3,299,032
Total expenditure		3,801,292	1,074,146	4,875,438	5,202,165
Net (expenditure)/income before net gains/(losses) on investments					
		(141,735)	360,786	219,051	(201,882)
Net gains/(losses) on investments		600,398	(748,084)	(147,686)	1,698,171
Net income/(expenditure)		458,663	(387,298)	71,365	1,496,289
Transfers between funds	25	(77,967)	77,967	-	-
Net movement in funds		380,696	(309,331)	71,365	1,496,289
Reconciliation of funds:					
Total funds brought forward		34,299,512	21,202,542	55,502,054	54,005,765
Net movement in funds		380,696	(309,331)	71,365	1,496,289
Total funds carried forward		34,680,208	20,893,211	55,573,419	55,502,054

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 22 to 60 form part of these financial statements.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2032715

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	16	3,187	7,437
Tangible assets	17	43,998	32,727
Investments	19	20,249,457	20,845,815
Social investments	20	10,000	10,000
Investment property	18	32,150,543	33,705,543
		<u>52,457,185</u>	<u>54,601,522</u>
Current assets			
Debtors	21	1,139,773	981,401
Cash at bank and in hand		3,928,851	1,653,708
		<u>5,068,624</u>	<u>2,635,109</u>
Current liabilities			
Creditors: amounts falling due within one year	22	(1,952,390)	(1,234,577)
Net current assets		<u>3,116,234</u>	<u>1,400,532</u>
Total assets less current liabilities		<u>55,573,419</u>	<u>56,002,054</u>
Creditors: amounts falling due after more than one year	23	-	(500,000)
Total net assets		<u><u>55,573,419</u></u>	<u><u>55,502,054</u></u>
Charity funds			
Restricted funds	25	20,893,211	21,202,542
Unrestricted funds			
Designated funds	25	33,815,457	33,536,630
General funds	25	864,751	762,882
Total unrestricted funds	25	<u>34,680,208</u>	<u>34,299,512</u>
Total funds		<u><u>55,573,419</u></u>	<u><u>55,502,054</u></u>

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2032715

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

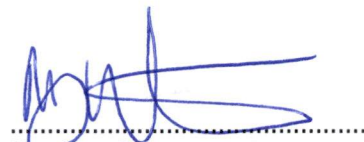
The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Matthew Downton
Chair of Trustees



Jill Heaton
Trustee

Date: 17/09/2025

The notes on pages 22 to 60 form part of these financial statements.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2032715

COMPANY BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	16	3,187	7,437
Tangible assets	17	216	585
Investments	19	20,649,458	21,245,816
Social investments	20	10,000	10,000
Investment property	18	24,520,543	24,880,543
		<u>45,183,404</u>	<u>46,144,381</u>
Current assets			
Debtors	21	948,612	1,218,467
Cash at bank and in hand		3,693,807	1,422,305
		<u>4,642,419</u>	<u>2,640,772</u>
Current liabilities			
Creditors: amounts falling due within one year	22	(1,905,646)	(1,150,260)
Net current assets		<u>2,736,773</u>	<u>1,490,512</u>
Total assets less current liabilities		<u>47,920,177</u>	<u>47,634,893</u>
Creditors: amounts falling due after more than one year	23	-	(500,000)
Total net assets		<u><u>47,920,177</u></u>	<u><u>47,134,893</u></u>
Charity funds			
Restricted funds	25	20,893,212	21,202,542
Unrestricted funds			
Designated funds	25	25,049,199	25,225,199
General funds	25	1,977,766	707,152
Total unrestricted funds	25	<u>27,026,965</u>	<u>25,932,351</u>
Total funds		<u><u>47,920,177</u></u>	<u><u>47,134,893</u></u>

The Company's net movement in funds for the year was £785,284 (2024 - £1,494,501).

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2032715

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2025

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
Matthew Downton
Chair of Trustees


.....
Jill Heaton
Trustee

Date: 17/09/2025

The notes on pages 22 to 60 form part of these financial statements.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED		
(A Company Limited by Guarantee)		
CONSOLIDATED STATEMENT OF CASH FLOWS		
FOR THE YEAR ENDED 31 MARCH 2025		
	2025	2024
	£	£
Cash flows from operating activities		
Net cash used in operating activities	(574,188)	(635,940)
Cash flows from investing activities		
Dividends, interests and rents from investments	729,931	640,847
Purchase of tangible fixed assets	(31,505)	(23,878)
Proceeds from sale of investments	41,221	74,091
Purchase of investments	(240,316)	(435,810)
Proceeds from the sale of investment property	2,350,000	-
Net cash provided by investing activities	2,849,331	255,250
Cash flows from financing activities		
Cash inflows from new borrowing	-	500,000
Repayments of borrowing	-	(1,000,000)
Net cash provided by/(used in) financing activities	-	(500,000)
Change in cash and cash equivalents in the year	2,275,143	(880,690)
Cash and cash equivalents at the beginning of the year	1,653,708	2,534,398
Cash and cash equivalents at the end of the year	3,928,851	1,653,708

The notes on pages 22 to 60 form part of these financial statements

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1. General information

Milton Keynes Community Foundation Limited ("the Community Foundation") is a private company incorporated and registered in England and Wales and limited by guarantee. The registered address is Acorn House, 381 Midsummer Boulevard, Central Milton Keynes, MK9 3HP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Milton Keynes Community Foundation Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

2.2 Going concern

At the beginning of the year MK Properties Limited (a wholly owned subsidiary of the Community Foundation) Completed the land sale of site in Monkston for £2.3m, this generated a profit in excess of the book value of £1.5m. The proceeds from this sale were used to pay back the intercompany loan account which had accumulated since Covid.

Donations received throughout the year continued to underperform, therefore the match fund designated fund remains unspent, and the Endowed funding target were not met. As a result, following some staff turnover, the Philanthropy team recruited two joint Directors and several new Philanthropy managers to refocus the Foundation's effort on income generation.

Our investment portfolio continues to perform well, and we do not anticipate a significant drop in investment income during the next 12- 24 months.

We continue to monitor our costs carefully and undertake detailed planning and scenario testing so that the trustees can make informed decisions regarding the best course of action to ensure that the organisation continues to be financially sound.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

2. Accounting policies (continued)

2.2 Going concern (continued)

The Trustees are satisfied that the group's assets attributable to each of its funds are available and adequate to fulfil its obligations in relation to those funds. The Trustees are confident that the Community Foundation is able to continue to meet its liabilities as they fall due for the foreseeable future and that the financial statements should be prepared on the going concern basis.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Donations relating to a specific period and donations by deed of covenant, or under gift aid, where the full amount has been deposited in advance are taken into income over the period to which they relate. Where possible, gifts in kind have been quantified and included in these financial statements, in accordance with the SORP criteria.

Any grants the Community Foundation receives towards its administration costs are included on a receivable basis.

Donated land is recognised at market value at date of receipt.

Property income

Property income represents rents and service charges (net of VAT) receivable on a straight-line basis over the life of the lease. The assets for which rent is received are included in investment properties in fixed assets. Appropriately-apportioned gains or losses on property disposals are also included in property company income or expenditure.

Property income has been analysed between both investment income and income from charitable activities. That element treated as investment income relates to those properties that are let on full commercial rental basis and that reported as income from charitable activities relates to income from properties let at a subsidised rent to Voluntary and Community Sector tenants.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

2. Accounting policies (continued)

2.3 Income (continued)

Subsidiary company income

Property company income represents income from hire of meeting and conferencing facilities and rent from Small Business Units (net of VAT) receivable on a straight-line basis. Any surplus income generated by the subsidiary company is distributed to the MK Community Foundation as a gift aid payment within nine months of the end of the financial year.

2.4 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 allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading. These costs incurred attracting voluntary income and investment management expenses, including management of investment properties.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs. This includes the value of grants awarded. This also includes governance costs including those incurred in the governance of the Community Foundation and its assets. Expenditure that can be recognised as wholly attributable to governance costs, for example audit fees and Trustee expenses, are directly allocated. All other costs, including staffing costs, are apportioned on the basis of an estimate of the time spent by each member of staff on governance-related issues. Such costs are primarily associated with the strategic planning processes that contribute to the future development of the Community Foundation and its statutory requirements.

Grants payable are charged in the year when the offer is approved by the Trustees and accepted by the beneficiaries. The value of such grants unpaid at the year-end is accrued. Grants where the beneficiary has to meet certain conditions before the grant is released are not accrued.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities upon the completion of the relevant performance-related conditions. Other grants that are not subject to performance-related conditions are credited to the Consolidated Statement of Financial Activities as the grant proceeds are received. Grants received prior to the revenue recognition criteria being satisfied are recognised as a liability.

2. Accounting policies (continued)

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Gift Aid

In the case of a Gift Aid payment made within the Group, income is accrued when the payment is payable to the Parent Company under a legal obligation. Measurement is at the fair value receivable, which will normally be the transaction value.

Where the right to receive Gift Aid has been established, the amount receivable is recognised as investment income in the Consolidated Statement of Financial Activities.

2.8 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

All expenditure is classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it is incurred.

2.9 Intangible assets and amortisation

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Website	- 33 %

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
 (A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.10 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office fixtures & fittings - 25 - 50%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Financial Activities.

2.11 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.12 Freehold and leasehold investment properties

The investment properties are held for long-term investment and are included in the group balance sheet at their open market values.

The surpluses or deficits on the revaluation of such properties are transferred to the Designated Property Fund. Depreciation is not provided in respect of investment properties.

2.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

2. Accounting policies (continued)

2.14 Cash at bank and in hand

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

2.15 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.16 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.17 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.18 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.19 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.19 Fund accounting (continued)

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Property valuation

There are estimates and assumptions made when the investment property portfolio is valued at their market value. These estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key judgement relates to the classification of the property portfolio. The Trustees have considered whether the group's portfolio of properties should be accounted for as tangible fixed assets or as investment properties. Many of the properties are available on occasion to be rented to the charity's beneficiaries at subsidised rents. However, the Trustees consider that the properties are primarily held for long term investment with the objective of generating financial income and/or proceeds from their sale to maximise a surplus which can be used to make grants or to support the voluntary and community sector through subsidised rent. Accordingly, the Trustees consider that the properties are investment properties and that any changes in their value should be recognised as gains or losses on investment properties. However, any rental income which is generated by properties let at subsidised rates is recognised as income from charitable activities rather than investment income to reflect the objectives of the charity.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

4. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Donations	1,131,552	806,133	1,937,685

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	1,254,904	1,054,053	2,308,957

5. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £
Service charge income	328,148	328,148
Land sales	191,000	191,000
	519,148	519,148

	Unrestricted funds 2024 £	Total funds 2024 £
Service charge income	293,351	293,351

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £
Trading income - MK Community Properties Ltd	723,976	723,976
	Unrestricted funds 2024 £	Total funds 2024 £
Trading income - MK Community Properties Ltd	784,923	784,923

7. Investment income

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Property investments	1,172,687	-	1,172,687
Listed investments	101,132	628,799	729,931
Bank interest	11,062	-	11,062
	1,284,881	628,799	1,913,680
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Property investments	970,091	-	970,091
Listed investments	99,573	541,274	640,847
Interest receivable	2,114	-	2,114
	1,071,778	541,274	1,613,052

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

8. Expenditure on raising funds
Costs of raising voluntary income

	Unrestricted funds 2025 £	Total funds 2025 £
Other costs	15,458	15,458
Apportioned costs	61,833	61,833
Wages and salaries	270,787	270,787
	<u>348,078</u>	<u>348,078</u>

	Unrestricted funds 2024 £	Total funds 2024 £
Other costs	13,229	13,229
Apportioned costs	53,346	53,346
Wages and salaries	282,941	282,941
	<u>349,516</u>	<u>349,516</u>

Fundraising trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £
Apportioned costs	<u>40,671</u>	<u>40,671</u>

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FOR THE YEAR ENDED 31 MARCH 2025

8. Expenditure on raising funds (continued)

	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Apportioned costs	29,656	29,656
Other trading expenses		
	<i>Unrestricted funds 2025 £</i>	<i>Total funds 2025 £</i>
MK Community Properties Ltd trading expenses	237,677	237,677
MK Community Properties Ltd staff costs	112,207	112,207
MK Community Properties Ltd depreciation	19,866	19,866
	369,750	369,750
	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
MK Community Properties Ltd trading expenses	179,544	179,544
MK Community Properties Ltd staff costs	123,660	123,660
MK Community Properties Ltd depreciation	42,359	42,359
	345,563	345,563

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9. Investment management costs

	Unrestricted funds 2025 £	Total funds 2025 £
Property costs	1,451,140	1,451,140
Loan interest payable	46,267	46,267
	<u>1,497,407</u>	<u>1,497,407</u>
	Unrestricted funds 2024 £	Total funds 2024 £
Property costs	1,137,256	1,137,256
Loan interest payable	41,142	41,142
	<u>1,178,398</u>	<u>1,178,398</u>

10. Analysis of grants

	Grants to Institutions 2025 £	Total funds 2025 £
Grants awarded	1,004,638	1,004,638
Rent subsidies	940,293	940,293
	<u>1,944,931</u>	<u>1,944,931</u>

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10. Analysis of grants (continued)

	<i>Grants to Institutions 2024 £</i>	<i>Total funds 2024 £</i>
Grants awarded	1,443,065	1,443,065
Rent subsidies	1,152,440	1,152,440
	<u>2,595,505</u>	<u>2,595,505</u>

11. Analysis of expenditure on charitable activities

Summary by fund type

	<i>Unrestricted funds 2025 £</i>	<i>Restricted funds 2025 £</i>	<i>Total 2025 £</i>
Grants awarded	1,545,386	133,853	1,679,239
Rent subsidies	-	940,293	940,293
	<u>1,545,386</u>	<u>1,074,146</u>	<u>2,619,532</u>

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total 2024 £</i>
Grants awarded	1,968,032	178,560	2,146,592
Rent subsidies	-	1,152,440	1,152,440
	<u>1,968,032</u>	<u>1,331,000</u>	<u>3,299,032</u>

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12. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Grant funding of activities 2025 £	Support costs 2025 £	Total funds 2025 £
Grants awarded	355,936	1,004,638	318,665	1,679,239
Rent subsidies	-	940,293	-	940,293
	<u>355,936</u>	<u>1,944,931</u>	<u>318,665</u>	<u>2,619,532</u>

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £
Grants awarded	382,775	1,443,065	320,752	2,146,592
Rent subsidies	-	1,152,440	-	1,152,440
	<u>382,775</u>	<u>2,595,505</u>	<u>320,752</u>	<u>3,299,032</u>

Analysis of direct costs

	Total funds 2025 £	Total funds 2024 £
Staff costs	129,663	151,245
Other costs	102,262	129,920
Apportioned costs	124,011	101,610
	<u>355,936</u>	<u>382,775</u>

Property costs shown here represent the cost of managing and maintaining our extensive property portfolio.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

12. Analysis of expenditure by activities (continued)

Costs that can be recognised as wholly attributable to one of the above categories are directly allocated. All other costs, including staff costs, are apportioned on the basis of an estimate of the time spent by each member of staff within the category. The allocation of staff time across various projects changes from year to year depending on the factors identified and agreed by the Board. Staff costs have been apportioned as follows:

Category:	2025	2024
	%	%
Cost of raising funds	24.24%	25.64%
Property costs	22.83%	27.52%
Marketing	15.94%	14.25%
Charitable activities support costs	25.78%	21.32%
Governance costs	11.21%	11.27%

Analysis of support costs

	Total funds 2025 £	Total funds 2024 £
Staff costs	143,924	148,981
Depreciation	4,619	5,275
Audit fees	19,745	16,950
Governance costs	150,377	149,546
	<u>318,665</u>	<u>320,752</u>

13. Auditor's remuneration

	2025 £	2024 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	17,595	16,950
Fees payable to the Company's auditor in respect of: All taxation advisory services not included above	<u>1,995</u>	<u>1,895</u>

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14. Staff costs

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Wages and salaries	653,680	731,888	541,473	608,228
Social security costs	69,806	68,700	69,806	68,700
Contribution to defined contribution pension schemes	29,821	32,332	29,821	32,332
	<u>753,307</u>	<u>832,920</u>	<u>641,100</u>	<u>709,260</u>

The average number of persons employed by the Company during the year was as follows:

	Group 2025 No.	Group 2024 No.
Marketing and Fund Development	5.0	4.0
Charitable activities	7.0	8.3
Operations	5.8	5.3
Finance and Governance	5.0	6.0
	<u>22.8</u>	<u>23.6</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	Group 2024 No.
In the band £60,001 - £70,000	1	1
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	<u>1</u>	<u>-</u>

The total key management personnel of the parent charity comprise the Trustees and the Senior Executive Team, as disclosed on page 1. The employee benefits of the key management personnel were £223,969 (2024 - £296,972), including employer's national insurance of £25,718 (2024 - £29,464). The key management personnel for the group are the same as for the charity.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, no Trustee expenses have been incurred (2024 - £NIL).

16. Intangible assets

Group and Company

	Website £
Cost	
At 1 April 2024	17,000
At 31 March 2025	17,000
Amortisation	
At 1 April 2024	9,563
Charge for the year	4,250
At 31 March 2025	13,813
Net book value	
At 31 March 2025	3,187
At 31 March 2024	7,437

The amortisation charge for the year is apportioned between expenditure on raising funds, grants made and property activity.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

17. Tangible fixed assets

Group

	Office fixtures & fittings £
Cost or valuation	
At 1 April 2024	979,088
Additions	31,505
Disposals	(713,528)
At 31 March 2025	297,065
Depreciation	
At 1 April 2024	946,360
Charge for the year	20,235
On disposals	(713,528)
At 31 March 2025	253,067
Net book value	
At 31 March 2025	43,998
At 31 March 2024	32,728

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

17. Tangible fixed assets (continued)

Company	Office fixtures & fittings £
Cost or valuation	
At 1 April 2024	40,650
At 31 March 2025	40,650
Depreciation	
At 1 April 2024	40,065
Charge for the year	369
At 31 March 2025	40,434
Net book value	
At 31 March 2025	216
At 31 March 2024	585

The depreciation charge for the year is apportioned between expenditure on raising funds, grants made and property activity.

18. Investment property
Group

	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 April 2024	31,899,543	1,806,000	33,705,543
Disposals	(2,350,000)	-	(2,350,000)
(Deficit)/gain on revaluation	(732,000)	7,000	(725,000)
Increase in value of land site sold in the year	1,520,000	-	1,520,000
At 31 March 2025	30,337,543	1,813,000	32,150,543

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

18. Investment property (continued)

Company	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 April 2024	23,074,543	1,806,000	24,880,543
(Deficit)/gain on revaluation	(367,000)	7,000	(360,000)
At 31 March 2025	22,707,543	1,813,000	24,520,543

The investment properties were valued at 31 December 2024 by external valuers, Kirkby and Diamond, Chartered Surveyors, on the basis of open market value in accordance with the appraisal and valuation manual of the Royal Institution of Chartered Surveyors. The valuation approach is as described in the RICS Information Paper "Comparable Evidence in Property Valuation". The Trustees are of the opinion that there has been no material movement in value of these properties between that date and 31 March 2025.

The historical cost of the properties is £2,994,979 (2024 - £2,994,979).

These valuations are not shown in these accounts as net of the claw back provision, see note 34 for information on these contingent liabilities in place on the land and properties against these carrying values.

19. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2024	20,845,815
Additions	240,316
Disposals	(41,221)
Revaluations	(795,453)
At 31 March 2025	20,249,457

The historical cost of investments held at 31 March 2025 was £13,655,740 (2024 - £13,731,803).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

19. Fixed asset investments (continued)

	Investments in subsidiary companies	Listed investments	Total
Company	£	£	£
Cost or valuation			
At 1 April 2024	400,001	20,845,815	21,245,816
Additions	-	240,316	240,316
Disposals	-	(41,221)	(41,221)
Revaluations	-	(795,453)	(795,453)
At 31 March 2025	400,001	20,249,457	20,649,458

Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Principal activity	Class of shares	Holding
MK Community Properties Limited	2650530	Provider of Meeting and Conference Facilities and Small Business Units	Ordinary £1 shares	100%
MKCP Limited	9466716	Dormant	Ordinary £1 shares	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure * £	Profit/(Loss) for the year £	Net assets £
MK Community Properties Limited	723,976	(1,437,895)	(713,919)	8,053,242
MKCP Limited	-	-	-	1

* Including the donation to Milton Keynes Community Foundation of £1,797,647 and the fair value adjustment of £1,155,000.

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20. Social investments

Group and Company

	Social Enterprise project £
Cost or valuation	
At 1 April 2024	10,000
	10,000
Net book value	
At 31 March 2025	10,000
At 31 March 2024	10,000

The Community Foundation still holds a direct equity holding of £10,000 in Future Wolverton to help fund a social enterprise project in the city.

21. Debtors

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Due within one year				
Trade debtors	402,689	250,543	336,719	164,316
Amounts owed by group undertakings	-	-	-	446,644
Other debtors	431,255	120,213	431,255	120,213
Prepayments and accrued income	305,829	610,645	180,638	487,294
	1,139,773	981,401	948,612	1,218,467

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NOTES TO THE FINANCIAL STATEMENTS
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22. Creditors: Amounts falling due within one year

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Bank loans	500,000	-	500,000	-
Trade creditors	88,842	83,802	82,380	80,306
Amounts owed to group undertakings	-	-	40,909	-
Other taxation and social security	61,284	62,281	61,284	62,281
Other creditors	93,963	151,411	53,980	114,711
Accruals and deferred income	943,034	602,384	901,826	558,263
Grants accrued	265,267	334,699	265,267	334,699
	<u>1,952,390</u>	<u>1,234,577</u>	<u>1,905,646</u>	<u>1,150,260</u>
	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Deferred income at 1 April 2024	213,878	46,758	177,236	-
Resources deferred during the year	398,035	213,878	358,817	177,236
Amounts released from previous periods	(167,120)	(46,758)	(177,236)	-
	<u>444,793</u>	<u>213,878</u>	<u>358,817</u>	<u>177,236</u>

Deferred income represents rent and service charge income received in advance.

23. Creditors: Amounts falling due after more than one year

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Bank loans	-	500,000	-	500,000

On 6 April 2023 the loan was renewed with Handelsbanken for £500,000 and was fixed at 1.82% above fixed rate for two years. The loan is secured by a fixed charge over Margaret Powell House, Acorn House and the units in Burners Lane, Stacey Bushes. The carrying value of these properties is £11,175,000 (2024 - £11,130,000). This was repaid post year end and not renewed.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

24. Financial instruments

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Financial assets				
Financial assets measured at fair value				
through income and expenditure	20,259,457	20,855,815	20,259,457	20,855,815

Financial assets measured at fair value through income and expenditure comprise of the listed and social investments.

25. Statement of funds

Statement of funds – current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Unrestricted funds						
Designated funds						
Property	33,536,630	191,000	-	(707,173)	795,000	33,815,457
General funds						
Community	762,882	3,468,557	(3,801,292)	629,206	(194,601)	864,751
Total Unrestricted Funds	34,299,512	3,659,557	(3,801,292)	(77,967)	600,398	34,680,208
Restricted funds						
9Eons Limited	4,563	-	(4,343)	-	-	220
Adams Family Fund	654	-	-	-	-	654
Afghan Crisis Appeal Fund	130	-	-	-	-	130
Anglian Water Grants Fund	78	-	-	(78)	-	-
Anglian Water Positive Diff Fund	6,100	-	-	(6,100)	-	-
ARK Community 1 st	95,558	2,773	(2,695)	-	(3,937)	91,699
Arts Com 1 st	948,737	23,712	(66,586)	40,878	(33,666)	913,075
Arts Fund	524,664	18,131	(10,199)	-	(23,882)	508,714
Barclay Com 1 st	17,765	482	(1,877)	-	(685)	15,685

25. Statement of funds (continued)

Statement of funds – current year						
	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
MK DASS	411,523	10,659	(12,801)	-	(15,132)	394,249
MK Music Service Friends	6,295	-	(1,100)	-	-	5,195
MKC Platinum Jubilee Fund	-	16,921	(16,921)	-	-	-
MKCC Crime Prevention Fund	-	100,000	(38,335)	-	-	61,665
Motus Dance Bursary/Helen Parlor	28,358	1,401	-	513	(1,113)	29,159
MyMiltonKeynes Fund	24,880	6,556	-	-	(1,048)	30,388
National Hockey Foundation – F/T	70,042	15,000	(29,123)	-	-	55,919
New City Fund	18,331	16,501	(6,600)	84,778	-	113,010
New Communities – Kingsmead	21,074	-	-	-	-	21,074
New Communities – West	9,252	-	(2,810)	-	-	12,062
New Communities – East	173,901	-	(9,040)	-	-	164,861
Next Generation Fund	2,166	4,919	(17,589)	55,517	-	45,013
NHBC Com 1 st	48,234	7,630	(2,750)	-	(1,938)	51,176
Niftylift	55,418	1,443	2,923	-	(2,050)	57,734
Niftylift Com 1 st	63,073	1,786	(1,755)	-	(2,537)	60,567
Norman Hawes Flowthrough	8,386	-	-	-	-	-
Norman Hawes Memorial Trust	165,204	4,131	-	-	(5,865)	163,470
Olney Educational Trust Fund	6,501	-	-	-	-	-
Parks Trust Com 1 st	508,008	11,858	(12,177)	-	(17,176)	490,513
Pearson Com 1 st	10,264	278	-	-	(394)	10,148
Pearson Family Arts Fund	-	18,968	-	-	(624)	18,344
Pearson Fund	20,591	1,548	-	-	(835)	21,304
Personal Assurance Charitable	8	10,000	-	-	-	-
Powell Com 1 st	10,187,290	256,567	(115,800)	-	(364,266)	9,963,791
Rainscourt Family Law Solicitors	383	-	168	-	-	551
Randal Foundation Flowthrough	-	33,000	(4,125)	-	-	28,875
Reilly Grassroots	19,192	544	(550)	-	(773)	18,413

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25. Statement of funds (continued)

Statement of funds – current year						
	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Routeco Fund	9,741	-	(7,172)	-	-	2,569
RSM Fund	891	23	(880)	-	-	34
RTW Plus Fund	25,000	758	-	-	(617)	25,141
Section 106 Broughton	-	34,154	(5,123)	-	-	29,031
Section 106 Fund	433	-	(433)	-	-	-
Section 106 Wolverton	-	14,001	(4,600)	-	-	9,401
Shoosmiths Com 1 st	23,831	551	-	-	(782)	23,600
Shoosmiths Fund	1,233	-	(1,053)	-	-	180
Shoosmiths Grassroots	4,804	148	-	-	(210)	4,742
Skelton Com 1 st	14,344	340	-	-	(492)	14,192
Skelton Fund	35,977	2,247	(825)	-	(1,436)	35,963
SMC Corporation Endowment Fund	-	12,500	-	-	-	12,500
SMC Corporation Flowthrough	-	12,500	-	-	-	12,500
Tampon Tax Fund	2,047	-	-	(2,047)	-	-
The Beadle Fund	92,848	2,684	(1,100)	-	(3,810)	90,622
The Centre: MK	4,927	6,000	(5,309)	-	-	5,618
The Limb Family Acorn Fund	26,175	759	-	-	(1,076)	25,858
The Tony Byrne Financial	68,192	1,637	(6,600)	(10,000)	(2,323)	50,906
Thrive Homes	2,295	-	605	-	-	2,900
Torrin AM Fund	10,933	5,286	-	-	(648)	15,571
Upton Com 1 st	17,196	1,771	(495)	250	(779)	17,943
Volkswagen	115,568	2,415	(33,110)	-	(3,429)	81,444
Wilson Com 1 st	921,499	25,185	(18,117)	-	(35,757)	892,810
Wilson Grassroots	79,636	2,305	(1,502)	-	(3,273)	77,166
Women's Fund	43,924	14,604	(12,375)	2,047	(1,508)	46,692
YIS Legacy Fund	39,500	-	(8,875)	-	-	30,625
Youth Social Action Fund	15,769	-	-	(15,769)	-	-
Total restricted funds	21,202,542	1,434,932	(1,074,145)	77,967	748,084	20,893,211
Total Funds	55,502,054	5,094,489	(4,875,437)	-	147,686	55,573,419

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25. Statement of funds (continued)

Milton Keynes Community Foundation maintains a number of separate funds, the movements in which are detailed in this note and the net assets of which are analysed in note 27. Monies held in funds can be either flow-through (monies donated in one year are spent in the next along with any investment income earned) or endowment (monies are held in the fund until the fund reaches an agreed level at which time the annual income on the fund balance is spent).

Details of the funds are as follows:

Unrestricted fund

This fund is the main fund of the Community Foundation into which the majority of donations are made. Most grants are paid out of this fund and the majority of the administration costs are borne by this fund. Interest and investment income is added to this fund as earned.

Designated funds

This fund represents the net book value of the freehold and leasehold properties owned by the group, less mortgages raised to purchase properties, together with a reserve towards future property maintenance.

Restricted funds

Details of the various restricted funds can be found on our website.

Transfers

These relate to where the charity has decided to support those restricted funds where there are shortfalls in the balance, so it is transferred from the general community funds.

The balances transferred in relation to the designated fund relates to the sinking funds being created for the properties, so increasing the balance, less the donation of the gain on the sale of one of the CFL land site to be matched funding within the general community funds.

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25. Statement of funds (continued)
Statement of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
Designated Funds						
Property	33,619,612	-	-	51,018	(134,000)	33,536,630
General funds						
Community	1,213,634	3,404,956	(3,871,165)	(289,160)	304,617	762,882
Total Unrestricted funds	34,833,246	3,404,956	(3,871,165)	(238,142)	170,617	34,299,512
	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Restricted funds						
Arts Fund	481,741	18,733	(26,172)	-	50,363	524,665
Sports Relief Fund	141	-	-	(141)	-	-
Margaret Powell (Grants)	356	-	-	-	-	356
MK DASS Fund	369,117	10,494	-	-	31,912	411,523
RSM Fund	221	225	447	-	-	893
Women's Fund	43,454	1,091	(3,803)	-	3,182	43,924
thecentre:mk Fund	7,127	-	(2,200)	-	-	4,927
NiftyLift Fund	60,858	1,421	(11,182)	-	4,321	55,418
Family Funds	290,930	16,746	(6,898)	(173)	26,987	327,592
Edward Hurley Memorial Fund	335,655	10,339	(14,190)	500	31,064	363,368

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

25. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2023</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2024</i>
	£	£	£	£	£	£
Grassroots Endowment Fund	1,067,290	31,723	(39,423)	-	96,468	1,156,057
Shoosmiths Fund	1,280	-	(1,100)	-	-	180
Surviving Winter	92,512	7,833	(54,395)	-	-	45,950
Local Giving	97,093	599,936	(624,433)	-	-	72,597
New Communities Funds	208,970	-	(4,310)	-	-	204,660
Jubilee Sports Fund	121	120	(373)	-	-	614
Community First EMC	13,846,434	389,400	(369,119)	80,250	1,165,136	15,112,101
Hopkinson Music Fund	86,567	2,376	-	-	7,225	96,168
VW Fund	6,415	72,241	(5,645)	37,500	5,057	115,568
Music Centre Fund	8,715	-	(2,420)	-	-	6,295
Business Leaders Fund	2,094	-	(2,090)	-	-	4
Great Linford Waterslide Festival Fund	47,933	1,414	-	-	4,300	53,647
Prevention of Crime Fund	17	-	(15)	-	-	2
Rainscourt Fund	6,257	-	(5,874)	-	-	383
Tony Byrne Financial Services Fund	32,050	11,450	-	20,000	4,691	68,191
Youth Social Action Fund	15,769	-	-	-	-	15,769
Bramwell Fund	14,690	8,000	(14,508)	-	-	8,182
Chicheley Fund	73,700	7,581	(10,450)	-	5,377	76,208
ICAEW Social Mobility Fund	111	-	-	-	-	111
New City Fund	21,431	7,900	(11,000)	-	-	18,331
Tampon Tax Fund	2,047	-	-	-	-	2,047
Olney Education Trust	6,501	-	-	-	-	6,501
Beadle Fund	84,921	2,643	(2,750)	-	8,035	92,849
MK Council 2050 Fund - Hybrid	8,672	3,352	(9,839)	105,715	10,192	118,095
MK Council 2050 Fund - Endowment	105,718	-	-	105,718	-	0
Watercare Fund	6,615	-	-	-	-	6,615
TVP - Violent Crime Reduction	48	-	(57)	-	-	105

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

25. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2023</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2024</i>
	£	£	£	£	£	£
Covid 19 Emergency Response	65,034	950	(5,500)	-	-	60,484
MK Christian Centre Fund	10,161	-	(6,182)	-	(634)	3,346
Norman Hawes Memorial Trust Endowment	148,769	4,067	-	-	12,369	165,205
Norman Hawes Memorial Trust Flowthrough	8,386	-	-	-	-	8,386
NET Emergency Appeal	389	-	-	-	-	389
9 Eons Limited	1,952	10,000	(7,389)	-	-	4,563
Anglian Water Positive Difference	6,100	-	-	-	-	6,100
LEAP Fund	4,509	(4,809)	300	-	-	-
Covid 19 Recovery Fund	102,926	-	(1,831)	-	-	101,095
Boswell Mental Health Fund	13,733	390	-	173	1,185	15,481
ECOS Active – MK	8,423	-	(1,175)	-	-	7,248
Personal Assurance Trust	4,500	-	(4,492)	-	-	8
Next Generation Fund	2,992	1,375	(2,200)	-	-	2,167
National Hockey Fund	78,491	-	(8,450)	-	-	70,041
Routeco Fund	5,900	10,000	(6,159)	-	-	9,741
Refugee Crisis Appeal	1,809	125	(1,804)	-	-	130
Torrin AM Fund	4,933	2,916	-	2,110	974	10,933
Limb Family Fund	23,194	1,146	(440)	-	2,272	26,172
Great Linford Fund	1,903	-	-	-	-	1,903
Thrive Homes	15,000	-	(12,705)	-	-	2,295
MKC Platinum Jubilee Fund	-	16,921	(16,921)	-	-	-
David Lock Flowthrough	1,497	11,000	(11,396)	-	-	1,101
Heaton Tarrant	106,486	35,038	(1,540)	25,000	10,518	175,502
Large Strategic Grant	667,500	-	-	80,000	-	587,500
Food Bank	402,450	164,302	-	50,000	36,889	653,641
M&G Crisis in Communities Flowthrough Fund	4	-	-	-	(4)	-

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

25. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
David Winks Endowment Fund	52,077	15,862	(550)	50,000	10,025	127,414
DCMS Communities in Crisis Flowthrough Fund	227	(259)	-	-	32	-
MK City Council – TVP Boxing Fund	-	10,000	(4,524)	-	-	5,476
Community Restitution Fund	-	17,021	(16,940)	-	-	81
Motus Dance Bursary/ Helen Parlor Dance Bursary	-	14,069	-	13,923	366	28,358
YIS Legacy Fund	-	39,500	-	-	-	39,500
My Milton Keynes Fund	-	12,675	-	12,500	(295)	24,880
Forman Family Fund	-	14,000	-	14,000	-	28,000
Helen Parlour Dance Bursary	-	1,000	-	-	-	1,000
GRANTS	-	1,000	-	-	-	1,000
RTW Plus Fund	-	12,500	-	12,500	-	25,000
Total restricted funds	19,172,519	1,595,327	(1,331,000)	238,142	1,527,554	21,202,542
Total funds	54,005,765	5,000,283	(5,202,165)	-	1,698,171	55,502,054

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

26. Summary of funds

Summary of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Designated funds	33,536,630	191,000	-	(707,173)	795,000	33,815,457
General funds	762,882	3,468,557	(3,801,292)	629,206	(194,602)	864,751
Restricted funds	21,202,542	1,434,932	(1,074,146)	77,967	(748,084)	20,893,211
	<u>55,502,054</u>	<u>5,094,489</u>	<u>(4,875,438)</u>	<u>-</u>	<u>(147,686)</u>	<u>55,573,419</u>

Summary of funds - prior year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Designated funds	33,619,612	-	-	51,018	(134,000)	33,536,630
General funds	1,213,634	3,404,956	(3,871,165)	(289,160)	304,617	762,882
Restricted funds	19,172,519	1,595,327	(1,331,000)	238,142	1,527,554	21,202,542
	<u>54,005,765</u>	<u>5,000,283</u>	<u>(5,202,165)</u>	<u>-</u>	<u>1,698,171</u>	<u>55,502,054</u>

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

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

	Group 2025 £	Group 2024 £
Net income for the year (as per Statement of Financial Activities)	71,365	1,496,289
Adjustments for:		
Depreciation charges	20,235	43,340
Amortisation charges	4,250	4,250
(Gains)/losses on investments	453	(1,698,171)
Dividends, interests and rents from investments	(729,931)	(640,847)
Decrease/(increase) in debtors	(158,372)	113,719
Increase in creditors	217,812	45,480
Net cash used in operating activities	(574,188)	(635,940)

29. Analysis of cash and cash equivalents

	Group 2025 £	Group 2024 £
Cash in hand	938,927	799,616
Deposit accounts	2,754,880	622,689
MK Community Properties Ltd bank accounts	235,044	231,403
Total cash and cash equivalents	3,928,851	1,653,708

30. Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	1,653,708	2,275,143	3,928,851
Debt due within 1 year	-	(500,000)	(500,000)
Debt due after 1 year	(500,000)	500,000	-
	1,153,708	2,275,143	3,428,851

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

31. Grant commitments

Analysis of grants made	Unrestricted funds	Restricted funds	Local Giving	Total
	£	£	£	£
Voluntary groups and charities	-	653,339	423,136	1,076,475
Individuals	-	-	-	-
Total	-	653,339	423,136	1,076,475

A complete list of all grant recipients for the year can be found on our website.

Reconciliation of grants payable

	2025	2024
	£	£
Grants to Voluntary Groups and Charities	653,339	891,312
Grants through Local Giving	423,136	624,433
Grants to Individuals	-	-
	1,076,475	1,515,745
Commitments at 1 April	334,699	261,659
Commitments made in the year	1,054,714	1,463,175
Grants cancelled or recovered at year end	(100,974)	(22,725)
Grants payable for the year	953,740	1,440,450
Grants paid during the year	(1,023,173)	(1,367,410)
Commitments at 31 March	£ 265,266	£ 334,699
Commitments at 31 March are payable as follows:	2025	2024
	£	£
Within one year	265,266	334,699
After one year	-	-
	265,266	334,699

32. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund managed by Royal London on behalf of the organisation. The pension cost charge represents contributions payable by the group to the fund and amounted to £29,821 (2024 - £32,332). There were £5,334 of contributions payable to the fund at the balance sheet date (2024 - £5,252).

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

33. Operating lease commitments

At 31 March 2025 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Not later than 1 year	7,027	7,066	7,027	7,027
Later than 1 year and not later than 5 years	14,054	21,082	14,054	21,082
	21,081	28,148	21,081	28,109

34. Contingent liabilities

Under the arrangements surrounding the transfer on 27 November 1992 of certain properties from Homes England (formerly English Partnerships also previously known as the Commission for the New Towns), the group is under a contractual obligation to repay amounts to Homes England ("clawback") in respect of the net capital gains arising on certain disposals or change of use in relation to either Community Related Assets (certain industrial units at Kiln Farm, Stacey Bushes and Number 56 Buckingham Street Wolverton) or Community Foundation Land sites (32 undeveloped and 1 developed).

The liability was 100% during the first year after transfer, reducing by 2% per annum. Based on the open market value as at 31 March 2025 the total potential liability for clawback was £6,659,343 (2024 - £7,952,603). No provision has been made for this liability as the current proposed plans for use of the land sites does not trigger this clause. If the trustees are reasonably certain that there is to be changes in use of the sites, say for a change in strategies, then at this point it would trigger the liability to be included in the accounts..

No provision has been made for these provisions or deferred tax that may arise if the sites were sold in the future. It is the Directors' opinion that no tax would arise on a future sale of the property as any profits from such a sale would be paid via Gift Aid to the company's charitable parent, Milton Keynes Community Foundation Limited. MK Community Properties Limited is part of a VAT group with its parent, Milton Keynes Community Foundation Limited, and is therefore jointly liable for any VAT debts of Milton Keynes Community Foundation Limited.

35. Indemnity insurance

The group has purchased insurance for the Trustees and staff of the charity and the directors of the subsidiary company, MK Community Properties Limited, against liability arising for wrongful acts in relation to the charity and its wholly owned subsidiary. The cost of this insurance amounts to £1,486 (2024 - £1,706).

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

36. Related party transactions

A number of Trustees, as well as being individual members of the Community Foundation, are associated with organisations that are corporate members of the Community Foundation. Total individual donations received from Trustees in the year amounted to £652 (2024 - £15,283). Neither the Trustees nor their associated organisations derive any benefit as a result of their membership of the Community Foundation.

Furthermore, as mentioned previously in this report, the Community Foundation is also able to support the not-for-profit sector in Milton Keynes through the provision of properties that are let on preferential terms. The amount of this subsidy, the difference between the full commercial rental and the subsidised rent paid by the not-for-profit sector tenants, is in excess of £940,000 per annum for the year to 31 March 2025 (2024 - £1,152,000).

During the year Milton Keynes Community Foundation Limited charged rent and service charges to MK Community Properties Limited in the sum of £436,560 (2024 - £429,686). Also MK Community Properties Limited donated £1,797,647 (2024 - £nil) to the Foundation. These transactions have been removed on consolidation.

During the year, grants totalling £Nil (2024 - £10) were awarded to Worktree (of which J Sinclair and P Zumbika-Lwanga, Trustees, are trustees). There was £Nil outstanding owed to the related party at the year end (2024 - £Nil).

MILTON KEYNES COMMUNITY FOUNDATION LIMITED

England & Wales - Charity number 295107

Accounts

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

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MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024

Trustees	Devdeep Ahuja (resigned 21 September 2023) Christopher Shaw Shaun Lee (resigned 17 December 2023) Sean O'Reilly Jason Sinclair Jill Heaton Shirley Jones Kurshida Mirza (resigned 21 September 2023) Precious Lwanga Katy Morris (appointed 17 April 2023) Jay Virgo (appointed 17 April 2023) Radhika Srinivasan (resigned 23 June 2023) Laura McLean (appointed 17 April 2023) Matthew Downton (appointed 17 April 2023) Richard Forman Sydea Sidra Mehdi
Company registered number	2032715
Charity registered number	295107
Registered office	Acorn House 381 Midsummer Boulevard Milton Keynes MK9 3HP
Senior Executive	Chief Executive - Ian Revell Director of Finance - Sarah Wilson Director of Philanthropy - June Oldroyd (retired 31 December 2023) Director of Philanthropy - Ranjit Singh Director of Marketing – Claire Baldock (appointed 1 December 2023)
Independent auditor	Hillier Hopkins LLP Chartered Accountants 249 Silbury Boulevard Milton Keynes MK9 1NA

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Bankers	Bank of Scotland 33 Old Broad Street London EC2N 1HZ
	Close Brothers 10 Crown Place London EC2A 4FT
	Handelsbanken AB 201 Silbury Boulevard Milton Keynes MK9 1LZ
Solicitors	EMW Seebeck House 1 Seebeck Place Milton Keynes MK8 8FR
	Geoffrey Leaver Solicitors (appointed 1 April 2024) 251 Upper Third Street Bouverie Square Milton Keynes MK9 1DR
Investment Managers	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Property Manager	Hornbeam Limited (resigned 31 December 2023) 13 Furzton Lake Shirwell Crescent Furzton Milton Keynes MK4 1GA
	Kirkby Diamond (appointed 1 January 2024) 15 Shenley Pavilions Shenley Wood Milton Keynes MK5 6LB

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees have pleasure in presenting their annual report and audited consolidated financial statements for the year ended 31 March 2024, which are also prepared to meet the requirements for a directors' and strategic report and accounts for Companies Act purposes. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document, the Companies Act 2006, Charities Act 2011 and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The financial statements comprise the group accounts of Milton Keynes Community Foundation (the "Foundation") and its wholly owned subsidiary, MK Community Properties Limited.

The accounts on pages 16 to 59 incorporate all the various funds within the Community Foundation. An analysis of the group income and expenditure between the various funds is provided in note 25.

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The objects of the Community Foundation are defined in its Memorandum and Articles of Association, allowing the Trustees to make grants out of capital and income to voluntary groups, charities and individuals who support people within the Milton Keynes unitary authority area. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Community Foundation's aims and objectives and in planning future activities and setting the grant making policy for the year. Fund holders have the opportunity to direct a small percentage of their funds outside the Milton Keynes Unitary Authority area.

The Community Foundation has a three-year strategic framework, covering 2023-2026.

Our Strategic Plan States:

Our Vision - is for a thriving Milton Keynes where everyone is contributing to their community.

Our Mission - is to send funding where it's needed most in Milton Keynes. By guiding businesses, philanthropists and charities to the right giving and grants, we're on a mission for a fairer community.

Goal 1: Promote philanthropy as a way of life across all our communities.

Goal 2: Ensure all our dealings with VCCS stakeholders are consistent, fair, equitable and inclusive.

Goal 3: Develop our role as an enabler of a thriving VCCS by building capacity.

Goal 4: Align our property activities with our philanthropic objectives.

Goal 5: Raise the profile of the Community Foundation and the VCCS sector as a voice to influence change, locally, regionally, and nationally.

MILTON KEYNES COMMUNITY FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities (continued)

Priorities - to achieve our mission of a fairer community across Milton Keynes we will need to focus and prioritize how we work as an organisation and support and fund partner organisations and projects that address these three priorities:

- Disadvantage and Poverty
- Environmental Sustainability
- Promoting Diversity, Equity, and Inclusion

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

a. Main achievements of the Company

2023/24 covers the first year of our new Strategic Plan. It was a year dominated by the recovery of the sector and the longer-term impact of the pandemic. General grant giving patterns stabilised and our funding rounds have returned to a regular pattern. Our new Rent subsidy policy continues to be rolled out and ensures rental discounts applied follow similar processes to that of the Grant panel and assessment processes.

Our philanthropy activities this year have seen 7 new funds created. We launched our own self-funded match fund which attracted £325,000 in new donations, which we matched to the value of £175,000. During the year we distributed grants and rent subsidies totaling £2,595,505.

In January 2024 we launched and published the eleventh edition of the annual Vital Signs report. Our launch event was held at Unity Place and drew an audience of over a hundred and thirty people.

The Foundation's wholly owned trading subsidiary company, MK Community Properties Limited, continued to provide conference facilities alongside office leases and small business units for commercial and not for profit organisations. The year saw an upturn in conference bookings, but small business unit occupancy continues to be a worry. We saw a shift towards more single occupancy offices and in the year two large, hard to let offices were converted into 11 smaller units, all of which are now fully occupied.

The year saw a major change to the management of our property estate. From 1 January 2024, we brought in-house the management of our two Central Milton Keynes buildings and outsourced the management of the wider estate to a new agent, Kirkby Diamond. This change of approach has already seen changes in the way the estate is managed.

Throughout the year we have continued to seek to establish a capital fund to support the development of new community hubs primarily in the expansion areas of Milton Keynes. As a result, we have obtained a waiver from the Secretary of State for Levelling Up to ensure the majority of the proceeds from the transaction is retained, reducing payable clawback by 50%. The released land will be developed to provide much needed housing, including affordable housing compliant to MK Council planning policy and enable the creation of the five community hub centres to provide quality facilities for the VCCS to enable them to effectively deliver their services to the people of Milton Keynes.

During the year, progress was made on the development at Granby, although the construction of the housing and community centre at the Brooklands development continues to be delayed due to contractor issues.

MILTON KEYNES COMMUNITY FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

b. Fundraising activities and income generation

The Community Foundation does not employ any person or companies to act on its behalf specifically to carry out any fundraising activities. The Community Foundation is registered with the Fundraising Regulator and subscribes to the standards and regulations required under the registrations. During the year the Community Foundation reviewed our privacy notice: The Privacy Notice in brief:

- We collect information that is either personal data (such as names, addresses, and telephone numbers) or non-personal data (such as your Internet Protocol (IP) address, web pages accessed etc.)
- We collect information about our supporters, donors, fundraisers, volunteers and employees.
- We collect information to provide services or goods, to provide information, to fundraise, for administration, to assess and award grants, research, profiling, analysis, and for the prevention/detection of crime.
- We only collect the information that we need, or that would be useful to us in our aim to provide the best possible service.
- We do our very best to keep personal information secure, wherever we collect personal data online.
- We never sell data, and we never share it with another company or charity for marketing purposes.
- We only share data where we are required by law, or with carefully selected trusted suppliers who do work for us. All our suppliers are required by their contract to treat your data as carefully as we would, to only use it as instructed, and to allow us to check that they do this.

Our websites use cookies – for more information check <https://www.mkcommunityfoundation.co.uk/cookies-policy/>

The full Privacy Notice which details what information is held, how the Foundation may use it, and what individual's rights are available on our website <https://www.mkcommunityfoundation.co.uk/privacy-policy/>.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

Since 1994 it has been the policy of the charity to hold reserves in the Community Fund totaling at least £1 million which have not been committed or designated for any particular purpose. However, in accordance with the ethos of Community Foundations, the Trustees continue to build these invested funds over and above this minimum level in order to ensure that the investment income derived from these funds would protect future beneficiaries and operations of the charity from the effects of any unforeseen variations in its income streams and underwrite a continuation in the year-on-year growth in the grants budget.

MILTON KEYNES COMMUNITY FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Reserves policy (continued)

Currently, such funds stand at £762,882 (2023 - £1,213,704). After the year end, these funds were returned to the level specified by the trustees. A land sale in the subsidiary company, which was anticipated to happen in the year did not complete until the end of May 2024. This saw the balance owed to the Foundation being cleared, and a donation of £1m was paid to the Foundation.

In March 2012 the Foundation was successful in securing funds from the Office for Civil Society for the Community First Endowment Match Challenge. Since then, growth in the market means that the Community First Endowment is £15,112,101 on 31 March 2024 (2023 - £13,846,434). On 31 March 2024 the amount of unrestricted funds was £34,299,412 (2023 - £34,833,246) and the value of restricted funds was £21,202,542 (2023 - £19,172,519).

Within the unrestricted funds, and separate from the Community Fund, the Trustees have designated a Property Fund equal in value to the properties held by the group, less mortgages incurred to purchase properties, together with a reserve towards the cost of future property repairs and refurbishments. It is the intention of the Trustees that this fund will be maintained over a 10-year period at levels that will be sufficient to finance the repairs and refurbishment of the property portfolio required to ensure that the property portfolio remains in a 'fit for purpose' state.

The Trustees are satisfied that the charity's assets attributable to each of its Funds are available and adequate to fulfil its obligations in relation to those funds.

c. Financial Review

During the financial year ended 31 March 2024 the Community Foundation generated a net group loss before investment gains and losses of £201,882 (2023 surplus of £126,903).

The total value of the Community Foundation's endowment assets has increased to £55,502,054 (2023 - £54,005,766). This level of endowment funds continues to ensure sustainability and enables the Community Foundation to continue to support the growing local community in as many ways as possible.

Our subsidiary company, MK Community Properties Limited, performed above expectations this year, with the conferencing facilities beginning to return to pre-pandemic levels. Small Business Unit income was lower than anticipated with large offices being difficult to fill. All steps were taken to minimize the effect of this, and a restructure of staffing took place during the year. The result for the year was an operating surplus of £11,788 (2023 – deficit £142,407) before the fair value adjustment of £10,000 to result in a total surplus of £1,788 (2023 – deficit £2,834,157).

Freehold and Leasehold properties

The financial statements also include the valuation of the investment properties held by the Community Foundation and its trading subsidiary, MK Community Properties Limited. Any capital gain on revaluation of properties are subject to claw back of an average of 46%, these cannot be spent on grants unless the properties are sold, and many are occupied by the voluntary or charitable sector. Similarly, any gain on the revaluation of investments can only be realised if the investments are sold which impacts on the future investment income.

The freehold and leasehold properties were valued in the year by external valuers Kirkby Diamond, in accordance with the Royal Institution of Chartered Surveyors Valuation – Global Standards (The Red Book), on the basis of Market Value. Whilst the Trustees are of the opinion that there has been no material movement in value of these properties between that date and 31 March 2024, they believe that valuation of the properties should be at Existing Use valuation to more appropriately reflect the Community Foundation's policy of allowing Voluntary and Community Sector groups to apply for a rent subsidy of up to 75%.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Financial Review (continued)

If this Existing Use valuation were to be used, our Land and Buildings would be valued at £33,705,543 (2023 - £33,839,543) a decrease of £134,000. It was agreed in the year that we would get a formal valuation every three years and in the interim these would be valued based on an agreed yield. This will start when the existing contract expires in a year's time.

d. Material investments policy

The group's investments were valued at the year-end at £20,845,815 (2023 - £18,651,926). All these investments were held by CCLA in their Charities Ethical Common Investment Fund. CCLA investment objective over a rolling 5-year period is to achieve an average return of CPI plus 5%, before fees and costs. The current income yield of the portfolio is circa 3%.

The Community Foundation's investment policy was reviewed during the year but remains broadly unchanged. The Trustees have discretion to invest as they think fit and the investments held by the Community Foundation have been acquired in accordance with these powers. The trustees have adopted an ethical investment approach, which looks to optimize the total return from the investment portfolio whilst mitigating risk, as far as possible.

Under the terms of the Community First Endowment Match Challenge all funds raised under this programme must be held at CCLA. Also, fifteen of the restricted donor funds and the Grassroots Endowment Challenge funds were all invested with CCLA.

e. Financial risk management objectives and policies

The Trustees review annually the major risks to which the charity is exposed to ensure systems and processes have been established to mitigate those risks. This year a new approach has been adopted which is based on Charity Commission: Charities and Risk Management (CC26).

The Risk Mitigation Plan identified 26 risks (2023 - 31). The key risks were:

- Economic impact of the changed working patterns following the covid 19 pandemic, especially related to office space and flexible home working.
- Global recession affecting investment income and philanthropy, and potentially also affecting the level of voids in the buildings.

Financial risk management objectives and policies (continued)

These risks are reviewed regularly by the Leadership team and any issues are reported back to Board.

Structure, governance and management

a. Constitution

Milton Keynes Community Foundation Limited is a company limited by guarantee and a registered grant making charity. Milton Keynes Community Foundation was established in 1986 and is engaged principally in the promotion of any charitable purpose for the benefit of the community in the Milton Keynes unitary authority area. The Community Foundation also has a wholly owned trading subsidiary, MK Community Properties Limited. The subsidiary company operates as a provider of meeting and conference facilities. Its aim is to support the charitable objectives of its parent undertaking, the Community Foundation.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management (continued)

The Community Foundation is governed by its Memorandum and Articles of Association. The Articles of Association define those who sit on the Board of the Community Foundation as Trustees. The Articles of Association state that the Trustees have the power to admit members to the Community Foundation. As set out in the Articles of Association, the Board of Trustees shall comprise not less than five and not more than twenty members. At each Annual General Meeting one third of the Trustees retire by rotation but they are eligible for re-election for up to three terms each of three years provided that they are not otherwise disqualified under the conditions set out in the Articles of Association.

The current Memorandum and Articles of Association are being updated by our new lawyers to reflect best practice. These will be reviewed and agreed at the next Annual General Meeting.

Anyone wanting to become a Trustee must apply in writing and is subject to the Community Foundation's recruitment procedures before becoming eligible for election as a Trustee.

Trustees are sometimes Employees or Trustees of other Voluntary and Community Sector organisations. All such relationships are at normal commercial rates and are disclosed in note 15 and 36 to these accounts.

b. Methods of appointment or election of Trustees, induction and training

The management of the Group and the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

As set out above, potential Trustees of the Community Foundation are either invited to apply to the Board or can be nominated by a member of the Community Foundation. Potential Trustees, who can demonstrate that they have the skills and knowledge required, will be interviewed by a panel made up of Board members and which involves the Chief Executive. Successful applicants are recommended to join the Board. All appointments as Trustees are confirmed at the Community Foundation's general meeting.

The Community Foundation needs an informed, skilled and enthusiastic Board of Trustees, supportive of the work of the Community Foundation and able to carry out their duties of governance under Charity Law.

The Community Foundation currently has 12 Trustees. The Trustees are responsible for ensuring the Community Foundation continues to meet its charitable objectives as set out in its Memorandum and Articles of Association.

A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Community Foundation. To facilitate effective operations, the Senior Leadership Team has delegated authority for operational matters within terms of delegation approved by the Trustees.

The Board meets a minimum of four times a year and there are sub-committees covering Property, Resources, Remuneration, Audit and Philanthropy and Grants; all meetings are attended by senior members of the Executive Team. As well as these, time-limited task groups for specific projects are set up as and when required.

Indemnity insurance has been taken out in respect of the Trustees as detailed in note 35 to the financial statements.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management (continued)

c. Pay policy for key management personnel

The Board of Trustees considers that the key management personnel of the group is the Strategic Leadership Team who are in charge of directing, controlling, running and operating the group on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of any Trustee's expenses and related party transactions are shown in note 15 and 36 to the accounts.

The pay of the Strategic Leadership team is reviewed annually by the Remuneration Committee and normally increased in line with average earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other local voluntary sector organisations of a similar size and the UK Community Foundation network.

d. Related party relationships

The Community Foundation and its wholly owned trading subsidiary MK Community Properties Limited provide services and support to other charities and organisations, including those that have Trustees in common with the Community Foundation. A full list of transactions with related parties in the year, along with the nature of the relationships, is shown in note 36 of these accounts.

e. Trustees' indemnities

The group has purchased insurance for the Trustees and staff of the charity and the directors of the subsidiary company, MK Community Properties Limited, against liability arising for wrongful acts in relation to the charity and its wholly owned subsidiary.

Plans for future periods

Philanthropy

In alignment with the foundation's strategic plan and recent Voluntary sector research we are working towards the goal of 'Funding Fairness'.

Key areas of focus in the philanthropy delivery plan include:

- Diversify and grow income
- Distribute funding fairly and equitably
- Develop a strong business engagement proposition
- Deliver on the findings of the recent Voluntary, Community and Cultural Sector research

As we plan for the year ahead, the focus is on diversifying our donor base including a strategy to engage businesses. The cost of living crisis continues to impact the city and we are developing projects and have been running a specific fund to support local charities. Our Vital Signs research continues to build momentum in the sector with voluntary groups being engaged to meet the needs of the city based on the data in the report.

We will continue to encourage philanthropists to support the charitable sector through our endowment fund match campaign creating a lasting legacy and support into the future. Our work to engage cultural and diversity based giving continues through our work and support of the MK Ethnic Business Community (MKEBC), and the MK Pride Festival organisation. Our new 'Giving for Growth' strategy will provide businesses with a compelling proposal to support local causes through the foundation highlighting why it is good not only for the city but also their business value and profitability.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods (continued)

Since the end of the financial year, the sale of land at Monkston has been completed and a capital receipt of £2.3m achieved. £1m of this is to fund the match fund which was launched in September 2022, with the remainder contributing to the capital pot for future developments.

Statement of Trustees' responsibilities

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

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

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

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

Disclosure of information to auditor

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

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

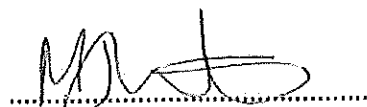
Auditor

The auditor, Hillier Hopkins LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Approved by order of the members of the board of Trustees and signed on their behalf by:



Matthew Downton
Chair of Trustees

Date: 24/10/24

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION**

Opinion

We have audited the financial statements of Milton Keynes Community Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2024 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- we consider the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, Charities Act 2011 and relevant tax legislation.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION (CONTINUED)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Hillier Hopkins LLP
Chartered Accountants
Registered Auditor
249 Silbury Boulevard
Milton Keynes
MK9 1NA

Date: 7.11.2024

Hillier Hopkins LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	4	1,254,904	1,054,053	2,308,957	2,703,139
Charitable activities	5	293,351	-	293,351	479,764
Other trading activities	6	784,923	-	784,923	662,253
Investments	7	1,071,778	541,274	1,613,052	1,547,831
Total income		3,404,956	1,595,327	5,000,283	5,392,987
Expenditure on:					
Raising funds	8,9	1,903,133	-	1,903,133	2,184,531
Charitable activities	11	1,968,032	1,331,000	3,299,032	3,081,553
Total expenditure		3,871,165	1,331,000	5,202,165	5,266,084
Net (expenditure)/income before net gains/(losses) on investments		(466,209)	264,327	(201,882)	126,903
Net gains/(losses) on investments		170,617	1,527,554	1,698,171	(7,835,715)
Net (expenditure)/income		(295,592)	1,791,881	1,496,289	(7,708,812)
Transfers between funds	25	(238,142)	238,142	-	-
Net movement in funds		(533,734)	2,030,023	1,496,289	(7,708,812)
Reconciliation of funds:					
Total funds brought forward		34,833,246	19,172,519	54,005,765	61,714,577
Net movement in funds		(533,734)	2,030,023	1,496,289	(7,708,812)
Total funds carried forward		34,299,512	21,202,542	55,502,054	54,005,765

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 22 to 59 form part of these financial statements.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2032715

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	16	7,437	11,687
Tangible assets	17	32,727	52,189
Investments	19	20,845,815	18,651,926
Social investments	20	10,000	10,000
Investment property	18	33,705,543	33,839,543
		<u>54,601,522</u>	<u>52,565,345</u>
Current assets			
Debtors	21	981,401	1,095,120
Cash at bank and in hand		1,653,708	2,534,398
		<u>2,635,109</u>	<u>3,629,518</u>
Creditors: amounts falling due within one year	22	(1,234,577)	(2,189,098)
Net current assets		<u>1,400,532</u>	<u>1,440,420</u>
Total assets less current liabilities		<u>56,002,054</u>	<u>54,005,765</u>
Creditors: amounts falling due after more than one year	23	(500,000)	-
Total net assets		<u><u>55,502,054</u></u>	<u><u>54,005,765</u></u>
Charity funds			
Restricted funds	25	21,202,542	19,172,519
Unrestricted funds			
Designated funds	25	33,536,630	33,619,612
General funds	25	762,882	1,213,634
		<u>34,299,512</u>	<u>34,833,246</u>
Total unrestricted funds	25	<u>34,299,512</u>	<u>34,833,246</u>
Total funds		<u><u>55,502,054</u></u>	<u><u>54,005,765</u></u>

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2032715

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

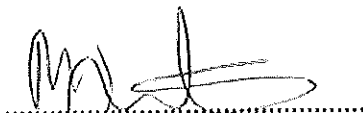
The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Matthew Downton
Chair of Trustees



Jill Heaton
Trustee

Date: 24/10/24

The notes on pages 22 to 59 form part of these financial statements.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2032715

COMPANY BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	16	7,437	11,687
Tangible assets	17	585	1,610
Investments	19	21,245,816	19,051,927
Social investments	20	10,000	10,000
Investment property	18	24,880,543	25,004,543
		<u>46,144,381</u>	<u>44,079,767</u>
Current assets			
Debtors	21	1,218,467	1,331,323
Cash at bank and in hand		1,422,305	2,248,911
		<u>2,640,772</u>	<u>3,580,234</u>
Creditors: amounts falling due within one year	22	(1,150,260)	(2,019,600)
Net current assets		<u>1,490,512</u>	<u>1,560,634</u>
Total assets less current liabilities		<u>47,634,893</u>	<u>45,640,401</u>
Creditors: amounts falling due after more than one year	23	(500,000)	-
Total net assets		<u><u>47,134,893</u></u>	<u><u>45,640,401</u></u>
Charity funds			
Restricted funds	25	21,201,490	19,172,519
Unrestricted funds			
Designated funds	25	25,225,199	25,298,181
General funds	25	708,204	1,169,701
Total unrestricted funds	25	<u>25,933,403</u>	<u>26,467,882</u>
Total funds		<u><u>47,134,893</u></u>	<u><u>45,640,401</u></u>

The Company's net movement in funds for the year was £1,494,501 (2023 - £(5,301,407)).

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2032715

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2024

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
Matthew Downton
Chair of Trustees


.....
Jill Heaton
Trustee

Date: 24/10/24

The notes on pages 22 to 59 form part of these financial statements.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	(635,940)	(465,997)
Cash flows from investing activities		
Dividends, interests and rents from investments	640,847	586,390
Purchase of tangible fixed assets	(23,878)	-
Proceeds from sale of investments	74,091	978,300
Purchase of investments	(435,810)	(934,476)
Proceeds from the sale of investment property	-	795,000
Purchase of investment property	-	(7,543)
Net cash provided by investing activities	255,250	1,417,671
Cash flows from financing activities		
Cash inflows from new borrowing	500,000	-
Repayments of borrowing	(1,000,000)	-
Net cash (used in)/provided by financing activities	(500,000)	-
Change in cash and cash equivalents in the year	(880,690)	951,674
Cash and cash equivalents at the beginning of the year	2,534,398	1,582,724
Cash and cash equivalents at the end of the year	1,653,708	2,534,398

The notes on pages 22 to 59 form part of these financial statements

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. General information

Milton Keynes Community Foundation Limited ("the Community Foundation") is a private company incorporated and registered in England and Wales and limited by guarantee. The registered address is Acorn House, 381 Midsummer Boulevard, Central Milton Keynes, MK9 3HP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Milton Keynes Community Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

2.2 Going concern

The aftermath of the Covid 19 Pandemic continues to be felt by the sector, and we are no different. Donations across the sector are reported to be down 25%, and this is reflected in our operations. We are however looking at diversification of our client base and are hoping that we will be able to buck this trend.

Our investment portfolio continues to perform well, and we do not anticipate a significant drop in investment income during the next 12- 24 months.

That being said, we continue to monitor our costs carefully and continue to undertake detailed planning and scenario testing so that the trustees are able to make informed decisions regarding the best course of action to ensure that the organisation continues to be financially sound.

The trustees are satisfied that the group's assets attributable to each of its funds are available and adequate to fulfil its obligations in relation to those funds. The Trustees are confident that the Community Foundation is able to continue to meet its liabilities as they fall due for the foreseeable future and that the financial statements should be prepared on the going concern basis.

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Donations relating to a specific period and donations by deed of covenant, or under gift aid, where the full amount has been deposited in advance are taken into income over the period to which they relate. Where possible, gifts in kind have been quantified and included in these financial statements, in accordance with the SORP criteria.

Any grants the Community Foundation receives towards its administration costs are included on a receivable basis.

Donated land is recognised at market value at date of receipt.

Property income

Property income represents rents and service charges (net of VAT) receivable on a straight-line basis over the life of the lease. The assets for which rent is received are included in investment properties in fixed assets. Appropriately-apportioned gains or losses on property disposals are also included in property company income or expenditure.

Property income has been analysed between both investment income and income from charitable activities. That element treated as investment income relates to those properties that are let on full commercial rental basis and that reported as income from charitable activities relates to income from properties let at a subsidised rent to Voluntary and Community Sector tenants.

Subsidiary company income

Property company income represents income from hire of meeting and conferencing facilities and rent from Small Business Units (net of VAT) receivable on a straight-line basis. Any surplus income generated by the subsidiary company is distributed to the MK Community Foundation.

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.4 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 allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading. These costs incurred attracting voluntary income and investment management expenses, including management of investment properties.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs. This includes the value of grants awarded. This also includes governance costs including those incurred in the governance of the Community Foundation and its assets. Expenditure that can be recognised as wholly attributable to governance costs, for example audit fees and Trustee expenses, are directly allocated. All other costs, including staffing costs, are apportioned on the basis of an estimate of the time spent by each member of staff on governance-related issues. Such costs are primarily associated with the strategic planning processes that contribute to the future development of the Community Foundation and its statutory requirements.

Grants payable are charged in the year when the offer is approved by the Trustees and accepted by the beneficiaries. The value of such grants unpaid at the year-end is accrued. Grants where the beneficiary has to meet certain conditions before the grant is released are not accrued.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.7 Gift Aid

In the case of a Gift Aid payment made within the Group, income is accrued when the payment is payable to the Parent Company under a legal obligation. Measurement is at the fair value receivable, which will normally be the transaction value.

Where the right to receive Gift Aid has been established, the amount receivable is recognised as investment income in the Consolidated Statement of Financial Activities.

2.8 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

All expenditure is classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it is incurred.

2.9 Intangible assets and amortisation

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Website	- 33 %

2.10 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.10 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office fixtures & fittings	- 25 - 50%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Financial Activities.

2.11 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.12 Freehold and leasehold investment properties

The investment properties are held for long-term investment and are included in the group balance sheet at their open market values.

The surpluses or deficits on the revaluation of such properties are transferred to the Designated Property Fund. Depreciation is not provided in respect of investment properties.

2.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.14 Cash at bank and in hand

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

2.15 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.16 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.17 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.18 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.19 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Property valuation

There are estimates and assumptions made when the investment property portfolio is valued at their market value. These estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key judgement relates to the classification of the property portfolio. The Trustees have considered whether the group's portfolio of properties should be accounted for as tangible fixed assets or as investment properties. Many of the properties are available on occasion to be rented to the charity's beneficiaries at subsidised rents. However, the Trustees consider that the properties are primarily held for long term investment with the objective of generating financial income and/or proceeds from their sale to maximise a surplus which can be used to make grants or to support the voluntary and community sector through subsidised rent. Accordingly, the Trustees consider that the properties are investment properties and that any changes in their value should be recognised as gains or losses on investment properties. However, any rental income which is generated by properties let at subsidised rates is recognised as income from charitable activities rather than investment income to reflect the objectives of the charity.

MILTON KEYNES COMMUNITY FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

4. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations			
General donations	1,254,904	1,054,053	2,308,957
Donations received in kind	-	-	-
	<u>1,254,904</u>	<u>1,054,053</u>	<u>2,308,957</u>

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Donations			
General donations	1,401,403	1,208,667	2,610,070
Donations received in kind	53,700	-	53,700
Grants	39,369	-	39,369
	<u>1,494,472</u>	<u>1,208,667</u>	<u>2,703,139</u>

Donations received in kind are valued on the basis that such services were purchased as a commercial transaction on an arms length basis. All such donations have been included as unrestricted income. They are for the Community Prize Draw, Land sites, IT subscriptions and Away day costs.

5. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £
Service charge income	<u>293,351</u>	<u>293,351</u>

MILTON KEYNES COMMUNITY FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Income from charitable activities (continued)

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Service charge income	479,764	479,764

6. Income from other trading activities

Income from non charitable trading activities

	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Trading income - MK Community Properties Ltd	784,923	784,923

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Trading income - MK Community Properties Ltd	662,253	662,253

7. Investment income

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Property investments	970,091	-	970,091
Listed investments	99,573	541,274	640,847
Bank interest	2,114	-	2,114
	1,071,778	541,274	1,613,052

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

7. Investment income (continued)

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Property investments	961,441	-	961,441
Listed investments	-	586,390	586,390
	<u>961,441</u>	<u>586,390</u>	<u>1,547,831</u>

8. Expenditure on raising funds

Costs of raising voluntary income

	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Other costs	13,229	13,229
Apportioned costs	53,346	53,346
Wages and salaries	282,941	282,941
	<u>349,516</u>	<u>349,516</u>

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Other costs	76,124	76,124
Apportioned costs	75,498	75,498
Wages and salaries	220,332	220,332
	<u>371,954</u>	<u>371,954</u>

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. Expenditure on raising funds (continued)

Fundraising trading expenses

	Unrestricted funds 2024 £	Total funds 2024 £
Apportioned costs	29,656	29,656

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Apportioned costs	22,060	22,060
Wages and salaries	7,262	7,262
	29,322	29,322

Other trading expenses

	Unrestricted funds 2024 £	Total funds 2024 £
MK Community Properties Ltd trading expenses	179,544	179,544
MK Community Properties Ltd staff costs	123,660	123,660
MK Community Properties Ltd depreciation	42,359	42,359
	345,563	345,563

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. Expenditure on raising funds (continued)

Other trading expenses (continued)

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
MK Community Properties Ltd trading expenses	178,820	178,820
MK Community Properties Ltd staff costs	106,097	106,097
MK Community Properties Ltd depreciation	92,992	92,992
	<u>377,909</u>	<u>377,909</u>

9. Investment management costs

	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Property costs	1,137,256	1,137,256
Loan interest payable	41,142	41,142
	<u>1,178,398</u>	<u>1,178,398</u>

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Property costs	1,366,518	1,366,518
Loan interest payable	36,079	36,079
Apportioned costs	550	550
Wages and salaries	2,200	2,200
	<u>1,405,347</u>	<u>1,405,347</u>

MILTON KEYNES COMMUNITY FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

10. Analysis of grants

	Grants to Institutions 2024 £	Total funds 2024 £
Grants awarded	2,595,505	2,595,505
	<i>Grants to Institutions 2023 £</i>	<i>Total funds 2023 £</i>
Grants awarded	2,363,789	2,363,789

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Grants awarded	1,968,032	1,331,000	3,299,032
	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total 2023 £</i>
Grants awarded	1,282,805	1,798,748	3,081,553

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

12. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £
Grants awarded	382,775	2,595,505	320,752	3,299,032

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Grants awarded	432,528	2,363,789	285,236	3,081,553

Analysis of direct costs

	Grants awarded 2024 £	Total funds 2024 £
Staff costs	151,245	151,245
Other costs	129,920	129,920
Apportioned costs	101,610	101,610
	382,775	382,775

	Grants awarded 2023 £	Total funds 2023 £
Staff costs	165,175	165,175
Other costs	141,420	141,420
Apportioned costs	125,933	125,933
	432,528	432,528

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

12. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

Property costs shown here represent the cost of managing and maintaining our extensive property portfolio.

Costs that can be recognised as wholly attributable to one of the above categories are directly allocated. All other costs, including staff costs, are apportioned on the basis of an estimate of the time spent by each member of staff within the category. The allocation of staff time across various projects changes from year to year depending on the factors identified and agreed by the Board. Staff costs have been apportioned as follows:

Category:	2024	2023
	%	%
Cost of raising funds	25.64%	28.81%
Property costs	27.52%	20.49%
Marketing	14.25%	8.42%
Investment management costs	0.00%	1.00%
Charitable activities support costs	21.32%	26.76%
Governance costs	11.27%	14.52%

Analysis of support costs

	Grants awarded 2024 £	Total funds 2024 £
Staff costs	148,981	148,981
Depreciation	5,275	5,275
Audit fees	16,950	16,950
Governance costs	149,546	149,546
	320,752	320,752

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

12. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Grants awarded 2023 £</i>	<i>Total funds 2023 £</i>
Staff costs	100,267	100,267
Depreciation	6,910	6,910
Audit fees	14,300	14,300
Governance costs	163,759	163,759
	<u>285,236</u>	<u>285,236</u>

13. Auditor's remuneration

	2024 £	2023 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	16,950	14,300
Fees payable to the Company's auditor in respect of: All taxation advisory services not included above	1,895	1,825

14. Staff costs

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Wages and salaries	731,888	652,511	608,228	546,414
Social security costs	68,700	55,625	68,700	55,625
Contribution to defined contribution pension schemes	32,332	18,908	32,332	18,908
	<u>832,920</u>	<u>727,044</u>	<u>709,260</u>	<u>620,947</u>

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

14. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	Group 2024 No.	<i>Group 2023 No.</i>
Marketing and Fund Development	4.0	4.0
Charitable activities	8.3	8.0
Operations	5.3	3.8
Finance and Governance	6.0	5.5
	23.6	21.3

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	<i>Group 2023 No.</i>
In the band £60,001 - £70,000	1	-
In the band £80,001 - £90,000	1	1

The total key management personnel of the parent charity comprise the Trustees and the Senior Executive Team, as disclosed on page 1. The employee benefits of the key management personnel were £296,972 (2023 - £286,471), including employer's national insurance of £29,464 (2023 - £30,790). The key management personnel for the group are the same as for the charity.

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, no Trustee expenses have been incurred or reimbursed for travel expenses (2023 - £NIL).

MILTON KEYNES COMMUNITY FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

16. Intangible assets

Group and Company

	Website £
Cost	
At 1 April 2023	17,000
At 31 March 2024	<u>17,000</u>
Amortisation	
At 1 April 2023	5,313
Charge for the year	4,250
At 31 March 2024	<u>9,563</u>
Net book value	
At 31 March 2024	<u>7,437</u>
At 31 March 2023	<u>11,687</u>

The amortisation charge for the year is apportioned between expenditure on raising funds, grants made and property activity.

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

17. Tangible fixed assets

Group

	Office fixtures & fittings £
Cost or valuation	
At 1 April 2023	955,210
Additions	23,878
At 31 March 2024	<u>979,088</u>
Depreciation	
At 1 April 2023	903,020
Charge for the year	43,340
At 31 March 2024	<u>946,360</u>
Net book value	
At 31 March 2024	<u><u>32,728</u></u>
At 31 March 2023	<u><u>52,189</u></u>

MILTON KEYNES COMMUNITY FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
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17. Tangible fixed assets (continued)

Company

	Office fixtures & fittings £
Cost or valuation	
At 1 April 2023	40,650
At 31 March 2024	<u>40,650</u>
Depreciation	
At 1 April 2023	39,040
Charge for the year	1,025
At 31 March 2024	<u>40,065</u>
Net book value	
At 31 March 2024	<u><u>585</u></u>
<i>At 31 March 2023</i>	<u><u>1,610</u></u>

The depreciation charge for the year is apportioned between expenditure on raising funds, grants made and property activity.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Investment property

Group

	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 April 2023	32,034,043	1,805,500	33,839,543
Surplus on revaluation	(145,000)	11,000	(134,000)
At 31 March 2024	<u>31,889,043</u>	<u>1,816,500</u>	<u>33,705,543</u>

Company

	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 April 2023	23,199,043	1,805,500	25,004,543
Surplus on revaluation	(135,000)	11,000	(124,000)
At 31 March 2024	<u>23,064,043</u>	<u>1,816,500</u>	<u>24,880,543</u>

The investment properties were valued at 31 December 2023 by external valuers, Kirkby Diamond, Chartered Surveyors, on the basis of open market value in accordance with the appraisal and valuation manual of the Royal Institution of Chartered Surveyors. The valuation approach is as described in the RICS Information Paper "Comparable Evidence in Property Valuation". The Trustees are of the opinion that there has been no material movement in value of these properties between that date and 31 March 2024.

The historical cost of the properties is £2,994,979 (2023 - £2,994,979).

These valuations are not shown in these accounts as net of the claw back provision, see note 34 for information on these contingent liabilities in place on the land and properties against these carrying values.

MILTON KEYNES COMMUNITY FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

19. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2023	18,651,925
Additions	435,810
Disposals	(74,091)
Revaluations	1,832,171
At 31 March 2024	<u>20,845,815</u>
Net book value	
At 31 March 2024	<u>20,845,815</u>
At 31 March 2023	<u>18,651,925</u>

The historical cost of investments held at 31 March 2024 was £13,731,803 (2023 - £13,605,390).

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2023	400,001	18,651,925	19,051,926
Additions	-	435,810	435,810
Disposals	-	(74,091)	(74,091)
Revaluations	-	1,832,171	1,832,171
At 31 March 2024	<u>400,001</u>	<u>20,845,815</u>	<u>21,245,816</u>
Net book value			
At 31 March 2024	<u>400,001</u>	<u>20,845,815</u>	<u>21,245,816</u>
At 31 March 2023	<u>400,001</u>	<u>18,651,925</u>	<u>19,051,926</u>

MILTON KEYNES COMMUNITY FOUNDATION
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FOR THE YEAR ENDED 31 MARCH 2024

Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Principal activity	Class of shares	Holding
MK Community Properties Limited	2650530	Provider of Meeting and Conference Facilities and Small Business Units	Ordinary £1 shares	100%
MKCP Limited	9466716	Dormant	Ordinary £1 shares	100%

The financial results of the subsidiaries for the year were:

Names	Income	Expenditure	Profit/(Loss) for the year	Net assets
	£	£	£	£
MK Community Properties Limited	784,923	(783,135)	1,788	8,767,161
MKCP Limited	-	-	-	1

20. Social investments

Group and Company

	Social Enterprise project £
Cost or valuation	
At 1 April 2023	10,000
	<u>10,000</u>
Net book value	
At 31 March 2024	10,000
At 31 March 2023	<u>10,000</u>

The Community Foundation still holds a direct equity holding of £10,000 in Future Wolverton to help fund a social enterprise project in the city.

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
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21. Debtors

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Due within one year				
Trade debtors	250,543	449,280	164,316	340,942
Amounts owed by group undertakings	-	-	446,644	426,947
Other debtors	120,213	161,495	120,213	161,494
Prepayments and accrued income	610,645	484,345	487,294	401,940
	<u>981,401</u>	<u>1,095,120</u>	<u>1,218,467</u>	<u>1,331,323</u>

22. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Bank loans	-	1,000,000	-	1,000,000
Trade creditors	83,802	131,287	80,306	115,253
Other taxation and social security	62,281	85,166	62,281	85,166
Other creditors	151,411	139,184	114,711	100,055
Accruals and deferred income	602,384	591,802	558,263	477,467
Grants accrued	334,699	241,659	334,699	241,659
	<u>1,234,577</u>	<u>2,189,098</u>	<u>1,150,260</u>	<u>2,019,600</u>

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Deferred income at 1 April 2023	46,758	250,239	-	207,989
Resources deferred during the year	213,878	46,758	177,236	-
Amounts released from previous periods	(46,758)	(250,239)	-	(207,989)
	<u>213,878</u>	<u>46,758</u>	<u>177,236</u>	<u>-</u>

Deferred income represents rent and service charge income received in advance.

MILTON KEYNES COMMUNITY FOUNDATION
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23. Creditors: Amounts falling due after more than one year

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Bank loans	500,000	-	500,000	-

On 6 April 2023 the loan was renewed with Handelsbanken for £500,000 and was fixed at 1.82% above fixed rate for two years. The loan is secured by a fixed charge over Margaret Powell House, Acorn House and the units in Burners Lane, Stacey Bushes. The carrying value of these properties is £11,130,000 (2023 - £10,950,000).

24. Financial instruments

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Financial assets				
Financial assets measured at fair value through income and expenditure	20,855,815	18,661,926	20,855,815	18,661,926

Financial assets measured at fair value through income and expenditure comprise of the listed and social investments.

25. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
Designated funds						
Property	33,619,612	-	-	51,018	(134,000)	33,536,630
General funds						
Community	1,213,634	3,404,956	(3,871,165)	(289,160)	304,617	762,882
Total Unrestricted funds	34,833,246	3,404,956	(3,871,165)	(238,142)	170,617	34,299,512

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

25. Statement of funds (continued)

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Restricted funds						
Arts Fund	481,741	18,733	(26,172)	-	50,363	524,665
Sports Relief Fund	141	-	-	141	-	-
Margaret Powell (Grants)	356	-	-	-	-	356
MK DASS Fund	369,117	10,494	-	-	31,912	411,523
RSM Fund	221	225	(447)	-	-	893
Women's Fund	43,454	1,091	(3,803)	-	3,182	43,924
thecentre:mk Fund	7,127	-	(2,200)	-	-	4,927
NiftyLift Fund	60,858	1,421	(11,182)	-	4,321	55,419
Family Funds	290,930	16,746	(6,898)	173	26,987	327,592
Edward Hurley Memorial Fund	335,655	10,339	(14,190)	500	31,064	363,368
Grassroots Endowment Fund	1,067,290	31,723	(39,423)	-	96,468	1,156,057
Shoosmiths Fund	1,280	-	(1,100)	-	-	180
Surviving Winter	92,512	7,833	(54,395)	-	-	45,950
Local Giving	97,093	599,936	(624,433)	-	-	72,597
New Communities Funds	208,970	-	(4,310)	-	-	204,660
Jubilee Sports Fund	121	120	(373)	-	-	614
Community First EMC	13,846,434	389,400	(369,119)	80,250	1,165,136	15,112,101
Hopkinson Music Fund	86,567	2,376	-	-	7,225	96,168
VW Fund	6,415	72,241	(5,645)	37,500	5,057	115,568
Music Centre Fund	8,715	-	(2,420)	-	-	6,295
Business Leaders Fund	2,094	-	(2,090)	-	-	4
Great Linford Waterslide Festival Fund	47,933	1,414	-	-	4,300	53,647
Prevention of Crime Fund	17	-	(15)	-	-	2
Rainscourt Fund	6,257	-	(5,874)	-	-	383
Tony Byrne Financial Services Fund	32,050	11,450	-	20,000	4,691	68,191

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
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25. Statement of funds (continued)

Statement of funds – current year (continued)

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Youth Social Action Fund	15,769	-	-	-	-	15,769
Bramwell Fund	14,690	8,000	(14,508)	-	-	8,182
Chicheley Fund	73,700	7,581	(10,450)	-	5,377	76,208
ICAEW Social Mobility Fund	111	-	-	-	-	111
New City Fund	21,431	7,900	(11,000)	-	-	18,331
Tampon Tax Fund	2,047	-	-	-	-	2,047
Olney Education Trust	6,501	-	-	-	-	6,501
Beadle Fund	84,921	2,643	(2,750)	-	8,035	92,849
MK Council 2050 Fund - Hybrid	8,672	3,352	(9,839)	105,715	10,192	118,095
MK Council 2050 Fund - Endowment	105,718	-	-	105,718	-	0
Watercare Fund	6,615	-	-	-	-	6,615
TVP - Violent Crime Reduction	48	-	(57)	-	-	105
Covid 19 Emergency Response	65,034	950	(5,500)	-	-	60,484
MK Christian Centre Fund	10,161	-	(6,182)	-	634	3,346
Norman Hawes Memorial Trust Endowment	148,769	4,067	-	-	12,369	165,205
Norman Hawes Memorial Trust Flowthrough	8,386	-	-	-	-	8,386
NET Emergency Appeal	389	-	-	-	-	389
9 Eons Limited	1,952	10,000	(7,389)	-	-	4,563
Anglian Water Positive Difference	6,100	-	-	-	-	6,100
LEAP Fund	4,509	(4,809)	300	-	-	-
Covid 19 Recovery Fund	102,926	-	(1,831)	-	-	101,095
Boswell Mental Health Fund	13,733	390	-	173	1,185	15,481
ECOS Active - MK Personal Assurance Trust	8,423	-	(1,175)	-	-	7,248
	4,500	-	(4,492)	-	-	8
Next Generation Fund	2,992	1,375	(2,200)	-	-	2,167

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

25. Statement of funds (continued)

Statement of funds – current year (continued)

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
National Hockey Fund	78,491	-	(8,450)	-	-	70,041
Routeo Fund	5,900	10,000	(6,159)	-	-	9,741
Refugee Crisis Appeal	1,809	125	(1,804)	-	-	130
Torrin AM Fund	4,933	2,916	-	2,110	974	10,933
Limb Family Fund	23,194	1,146	440	-	2,272	26,172
Great Linford Fund	1,903	-	-	-	-	1,903
Thrive Homes MKC Platinum Jubilee Fund	15,000 - -	- 16,921	(12,705) (16,921)	- -	- -	2,295 -
David Lock Flowthrough	1,497	11,000	(11,396)	-	-	1,101
Heaton Tarrant	106,486	35,038	(1,540)	25,000	10,518	175,502
Large Strategic Grant	667,500	-	-	80,000	-	587,500
Food Bank M&G Crisis in Communities Flowthrough Fund	402,450 4	164,302 -	- -	50,000 -	36,889 (4)	653,641 0
David Winks Endowment Fund	52,077	15,862	(550)	50,000	10,025	127,414
DCMS Communities in Crisis Flowthrough Fund	227	259	-	-	32	0
MK City Council – TVP Boxing Fund	-	10,000	(4,524)	-	-	5,476
Community Restitution Fund	-	17,021	(16,940)	-	-	81
Motus Dance Bursary/ Helen Parlor Dance Bursary	-	14,069	-	13,923	366	28,358
YIS Legacy Fund	-	39,500	-	-	-	39,500
My Milton Keynes Fund	-	12,675	-	12,500	294	24,880
Forman Family Fund Helen Parlour Dance Bursary GRANTS	- - -	14,000 1,000	- -	14,000 -	- -	28,000 1,000
RTW Plus Fund	-	12,500	-	12,500	-	25,000
Total restricted funds	19,172,519	1,595,327	(1,331,000)	238,142	1,527,554	21,202,542
Total funds	54,005,765	5,000,283	(5,202,165)	-	1,698,171	55,502,054

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

25. Statement of funds (continued)

Milton Keynes Community Foundation maintains a number of separate funds, the movements in which are detailed in this note and the net assets of which are analysed in note 27. Monies held in funds can be either flow-through (monies donated in one year are spent in the next along with any investment income earned) or endowment (monies are held in the fund until the fund reaches an agreed level at which time the annual income on the fund balance is spent).

Details of the funds are as follows:

Unrestricted fund

This fund is the main fund of the Community Foundation into which the majority of donations are made. Most grants are paid out of this fund and the majority of the administration costs are borne by this fund. Interest and investment income is added to this fund as earned.

Designated funds

This fund represents the net book value of the freehold and leasehold properties owned by the group, less mortgages raised to purchase properties, together with a reserve towards future property maintenance.

Restricted funds

Details of the various restricted funds can be found on our website.

25. Statement of funds - prior year

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2023</i>
	£	£	£	£	£	£
Unrestricted funds						
Designated funds						
Property	40,191,231	12	-	319,192	(6,890,823)	33,619,612
General funds						
Community	2,421,978	4,024,668	(3,894,087)	(1,235,096)	(103,829)	1,213,634
Total Unrestricted funds	42,613,209	4,024,680	(3,894,087)	(915,904)	(6,994,652)	34,833,246

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

26. Statement of funds (continued)

Statement of funds – prior year (continued)

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2023</i>
	£	£	£	£	£	£
Restricted funds						
Arts Fund	509,872	16,618	(17,850)	-	(26,899)	481,741
Sports Relief Fund	141	-	-	-	-	141
Margaret Powell (Grants)	356	-	-	-	-	356
MK DASS Fund	386,755	10,407	(11,000)	-	(17,045)	369,117
RDSM Fund	509	218	(506)	-	-	221
Women's Fund	40,977	5,741	(1,651)	-	(1,613)	43,454
thecentre:mk Fund	2,227	6,000	(1,100)	-	-	7,127
NiftyLift Fund	52,858	11,409	(1,100)	-	(2,309)	60,858
Family Funds	291,861	18,904	(6,506)	-	(13,780)	290,930
Edward Hurley Memorial Fund	345,845	11,829	(5,500)	-	(16,519)	335,655
Grassroots Endowment Fund	1,112,151	31,459	(24,796)	-	(51,524)	1,067,290
Shoosmiths Fund	1,280	-	-	-	-	1,280
Surviving Winter	15,714	10,601	(16,303)	82,500	-	92,512
Local Giving	76,159	556,478	(535,544)	-	-	97,093
New Communities Funds	209,295	-	(325)	-	-	208,970
Jubilee Sports Fund	411	120	(410)	-	-	121
Community First EMC	14,934,647	523,217	(930,194)	-	(681,236)	13,846,434
Hopkinson Music Fund	88,070	2,356	-	-	(3,859)	86,567
Coventry Building Society Fund	1	-	-	(1)	-	0
VW Fund	18,433	-	(12,018)	-	-	6,415
Music Centre Fund	10,365	-	(1,650)	-	-	8,715
Business Leaders Fund	3,194	-	(1,100)	-	-	2,094

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

25. Statement of funds (continued)

Statement of funds – prior year (continued)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Big Local Conniburrow Fund	33,543	28,389	(62,002)	70	-	0
Great Linford Waterslide Festival Fund	48,828	1,402	-	-	(2,297)	47,933
Prevention of Crime Fund	182	-	(165)	-	-	17
Rainscourt Fund	2,493	6,250	(2,486)	-	-	6,257
Tony Byrne Financial Services Fund	32,665	964	-	-	(1,579)	32,050
Youth Social Action Fund	15,769	-	-	-	-	15,769
Bramwell Fund	12,841	10,000	(8,151)	-	-	14,690
Chicheley Fund	53,399	17,078	(5,333)	-	(2,110)	73,700
ICAEW Social Mobility Fund	111	-	-	-	-	111
New City Fund	17,892	13,550	(10,011)	-	-	21,431
Tampon Tax Fund	2,047	-	-	-	-	2,047
Olney Education Trust	6,501	-	-	-	-	6,501
Beadle Fund	88,241	2,621	(1,650)	-	(4,291)	84,921
MK Council 2050 Fund - Flowthrough	25,325	2,467	(22,048)	-	(2,928)	8,672
MK Council 2050 Fund - Endowment	113,232	857	-	-	(8,371)	105,718
Watercare Fund	6,615	-	-	-	-	6,615
TVP - Violent Crime Reduction	48	-	(57)	-	-	105
Covid 19 Emergency Response	52,220	3,222	(9,592)	-	-	105
MK Christian Centre Fund	52,220	3,222	(9,592)	-	-	65,034
Norman Hawes Memorial Trust Endowment	151,341	4,034	-	-	(6,606)	148,769
Norman Hawes Memorial Trust Flowthrough	8,386	-	-	-	-	8,386
NET Emergency Appeal	389	-	-	-	-	389
9 Eons Limited	10,377	10,000	(18,425)	-	-	1,952

MILTON KEYNES COMMUNITY FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

25. Statement of funds (continued)

Statement of funds – prior year (continued)

	Balance at 1 April 2022	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 March 2023
	£	£	£	£	£	£
Anglian Water						
Positive Difference	6,100	-	-	-	-	6,100
LEAP Fund	1,509	3,000	-	-	-	4,509
Net DCMS Fund	4,921	-	-	(4,291)	-	0
Covid 19 Recovery Fund	102,871	55	-	-	-	102,926
Sick Mans Friend	9,624	-	(9,624)	-	-	0
MBS Fund - MK	23,880	(1,038)	(22,842)	-	-	-
MBS Fund - Bucks	18,905	(14,540)	(4,365)	-	-	0
Boswell Mental Health Fund	13,354	949	-	-	(570)	13,733
ECOS Active - MK	20,843	-	(12,420)	-	-	8,423
DD McPhail	250	-	-	(250)	-	-
Personal Assurance Trust	4,500	-	-	-	-	4,500
Next Generation Fund	1,529	1,475	(12)	-	-	2,992
National Hockey Fund	95,050	-	(16,559)	-	-	78,491
Routecco Fund	6,700	10,000	(10,800)	-	-	5,900
Refugee Crisis Appeal	9,254	1,745	(9,190)	-	-	1,809
Torrin AM Fund	2,031	2,989	-	-	(87)	4,933
Limb Family Fund	10,681	15,192	-	-	(2,679)	23,194
Great Linford Fund	2,955	-	(1,052)	-	-	1,903
Thrive Homes	15,000	-	-	-	-	15,000
MKC Platinum Jubilee Fund	-	16,921	(16,921)	-	-	-
David Lock Flowthrough	-	10,000	(8,503)	-	-	1,497
Bristol and West	-	6,538	(6,538)	-	-	-
Heaton Tarrant	-	57,840	-	50,000	(1,354)	106,486
Large Strategic Grant	-	-	(30,000)	697,500	-	667,500
Food Bank	-	303,028	-	100,000	(578)	52,077
M&G Crisis in Communities Flowthrough Fund	-	3,600	(3,596)	-	-	4

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

25. Statement of funds (continued)

Statement of funds – prior year (continued)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
David Winks Endowment Fund	-	50,762	-	-	1,315	52,077
BRC Communities in Crisis Flowthrough Fund	-	3,005	(3,005)	-	-	0
DCMS Communities in Crisis Flowthrough Fund	-	4,766	(4,993)	-	-	227
Total restricted funds	19,101,369	1,795,057	(1,798,748)	915,904	(841,063)	19,172,519
Total of funds	61,714,578	5,819,737	(5,692,835)	-	(7,835,715)	54,005,765

26. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Designated funds	33,619,612	-	-	51,018	(134,000)	33,536,630
General funds	1,213,634	3,404,956	(3,871,165)	(289,160)	304,617	762,882
Restricted funds	19,172,519	1,595,327	(1,331,000)	238,142	1,527,554	21,202,542
	54,005,765	5,000,283	(5,202,165)	-	1,698,171	55,502,054

Summary of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Designated funds	40,191,231	12	-	319,192	(6,890,823)	33,619,612
General funds	2,421,978	4,024,668	(3,894,087)	(1,235,096)	(103,829)	1,213,634
Restricted funds	19,101,369	1,795,057	(1,798,748)	915,904	(841,063)	19,172,519
	61,714,578	5,819,737	(5,692,835)	-	(7,835,715)	54,005,765

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

27. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	32,727	-	32,727
Intangible fixed assets	7,437	-	7,437
Fixed asset investments	-	20,845,815	20,845,815
Investment property	33,705,543	-	33,705,543
Social investments	10,000	-	10,000
Current assets	2,278,382	356,727	2,635,109
Creditors due within one year	(1,234,577)	-	(1,234,577)
Creditors due in more than one year	(500,000)	-	(500,000)
Total	34,299,512	21,202,542	55,502,054

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	52,189	-	52,189
Intangible fixed assets	11,687	-	11,687
Fixed asset investments	-	18,651,926	18,651,926
Investment property	33,839,543	-	33,839,543
Social investments	10,000	-	10,000
Current assets	3,108,925	520,593	3,629,518
Creditors due within one year	(2,189,098)	-	(2,189,098)
Total	34,833,246	19,172,519	54,005,765

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

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

	Group 2024 £	Group 2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	1,496,289	(7,708,812)
Adjustments for:		
Depreciation charges	43,340	94,175
Amortisation charges	4,250	4,250
Gains/(losses) on investments	(1,698,171)	7,835,715
Dividends, interests and rents from investments	(640,847)	(586,390)
Decrease/(increase) in debtors	113,719	(297,203)
Increase in creditors	45,480	192,268
Net cash used in operating activities	(635,940)	(465,997)

29. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash in hand	799,616	1,649,943
Deposit accounts	622,689	598,968
MK Community Property bank accounts	231,403	285,487
Total cash and cash equivalents	1,653,708	2,534,398

30. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	2,534,398	(880,690)	1,653,708
Debt due within 1 year	(1,000,000)	1,000,000	-
Debt due after 1 year	-	(500,000)	(500,000)
	1,534,398	(380,690)	1,153,708

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

31. Grant commitments

Analysis of grants made	Unrestricted funds	Restricted funds	Big Local Conniborrow	Local Giving	Total
	£	£	£	£	£
Voluntary groups and charities	-	891,312	-	624,433	1,515,745
Individuals	-	-	-	-	-
Total	-	891,312	-	624,433	1,515,745

A complete list of all grant recipients for the year can be found on our website.

Reconciliation of grants payable

	2024		2023	
	£	£	£	£
Grants to Voluntary Groups and Charities	891,312		594,065	
Grants through Local Giving	624,433		535,545	
Big Local Conniborrow Project	-		52,011	
Grants to Individuals	-		-	
		1,515,745		1,181,621
Commitments at 1 April		261,659		403,530
Commitments made in the year	1,463,175		1,215,681	
Grants cancelled or recovered	- 22,725		- 3,526	
Grants payable for the year		1,440,450		1,212,155
Grants paid during the year		- 1,367,410		- 1,354,026
Commitments at 31 March		334,699		261,659
Commitments at 31 March are payable as follows:				
Within one year		334,699		261,659
After one year		-		-
		334,699		261,659

32. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund managed by Royal London on behalf of the organisation. The pension cost charge represents contributions payable by the group to the fund and amounted to £32,332 (2023 - £18,908). There were £5,252 of contributions payable to the fund at the balance sheet date (2023 - £8,723).

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

33. Operating lease commitments

At 31 March 2024 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £	<i>Group 2023 £</i>	Company 2024 £	<i>Company 2023 £</i>
Not later than 1 year	7,066	8,272	7,027	7,027
Later than 1 year and not later than 5 years	21,082	28,147	21,082	28,109
	<u>28,148</u>	<u>36,419</u>	<u>28,109</u>	<u>35,136</u>

34. Contingent liabilities

Under the arrangements surrounding the transfer on 27 November 1992 of certain properties from Homes England (formerly English Partnerships also previously known as the Commission for the New Towns), the group is under a contractual obligation to repay amounts to Homes England ("clawback") in respect of the net capital gains arising on certain disposals or change of use in relation to either Community Related Assets (certain industrial units at Kiln Farm, Stacey Bushes and Number 56 Buckingham Street Wolverton) or Community Foundation Land sites (32 undeveloped and 1 developed).

Based on the open market value, as at 31 March 2024 the total potential liability for the clawback was £7,952,603 (2023 - £8,301,143). No provision has been made for this liability as the current proposed plans for use of the land sites does not trigger this clause. If the trustees are reasonably certain that there is to be changes in use of the sites, say for a change in strategies, then at this point it would trigger the liability to be included in the accounts.

No provision has been made for deferred tax that may arise if the properties were sold in the future. It is the Trustees' opinion that no tax would arise on a future sale of the properties as any profits from such sale would be distributed via Gift Aid to the company's charitable parent Milton Keynes Community Foundation from its subsidiary company, MK Community Properties Limited. Milton Keynes Community Foundation is part of a VAT group with its subsidiary, MK Community Properties Limited, and is therefore jointly liable for any VAT debts of MK Community Properties Limited.

35. Indemnity insurance

The group has purchased insurance for the Trustees and staff of the charity and the directors of the subsidiary company, MK Community Properties Limited, against liability arising for wrongful acts in relation to the charity and its wholly owned subsidiary. The cost of this insurance amounts to £1,706 (2023 - £1,706).

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

36. Related party transactions

A number of Trustees, as well as being individual members of the Community Foundation, are associated with organisations that are corporate members of the Community Foundation. Total individual donations received from Trustees in the year amounted to £15,283 (2023 - £26,010). Neither the Trustees nor their associated organisations derive any benefit as a result of their membership of the Community Foundation.

Furthermore, as mentioned previously in this report, the Community Foundation is also able to support the not-for-profit sector in Milton Keynes through the provision of properties that are let on preferential terms. The amount of this subsidy, the difference between the full commercial rental and the subsidised rent paid by the not-for-profit sector tenants, is in excess of £1,152,000 per annum for the year to 31 March 2024 (2023 - £1,216,000).

During the year Milton Keynes Community Foundation Limited charged rent and service charges to MK Community Properties Limited in the sum of £429,686 (2023 - £426,751). These transactions have been removed on consolidation.

During the year, grants totalling £10 (2023 - £6,420) were awarded to Worktree (of which J Sinclair and P Zumbika-Lwanga, Trustees, are trustees) and grants totalling £nil (2023 - £3,000) were awarded to Trubys Garden Tea Rooms (of which Mrs K Mirza, who was a Trustee, is a Trustee). There was £nil outstanding owed to the related party at the year end (2023 - £20,000).

MILTON KEYNES COMMUNITY FOUNDATION LIMITED

England & Wales - Charity number 295107

Accounts

Registered number: 2032715
Charity number: 295107

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

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MILTON KEYNES COMMUNITY FOUNDATION
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023

Trustees	Devdeep Ahuja Lawrence Revill (resigned 20 September 2022) Shaun Lee Sean O'Reilly Jason Sinclair Jill Heaton Shirley Jones Kurshida Mirza Precious Lwanga Paul Nolan Christopher Shaw (appointed 1 December 2022, resigned 19 May 2022) Katy Morris (appointed 17 April 2023) Jay Virgo (appointed 17 April 2023) Radihika Srinivasan (appointed 19 August 2022) Laura McLean (appointed 17 April 2023) Matthew Downtown (appointed 17 April 2023) Richard Forman (appointed 19 August 2022) Sydea Sidra Mehdi (appointed 19 August 2022) Carole Baurne (deceased 23 April 2022)
Company registered number	2032715
Charity registered number	295107
Registered office	Acorn House 381 Midsummer Boulevard Milton Keynes MK9 3HP
Senior Executive	Chief Executive - Ian Revell Director of Finance - Sarah Wilson Director of Philanthropy - June Oldroyd Director of Philanthropy - Ranjit Singh
Independent auditor	Hillier Hopkins LLP Chartered Accountants 249 Silbury Boulevard Milton Keynes MK9 1NA

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Bankers	Bank of Scotland 33 Old Broad Street London EC2N 1HZ
	Close Brothers 10 Crown Place London EC2A 4FT
	Handelsbanken AB 201 Silbury Boulevard Milton Keynes MK9 1LZ
Solicitors	EMW Seebeck House 1 Seebeck Place Milton Keynes MKS 8FR
Investment Managers	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
Property Manager	Hornbeam Limited 13 Furzton Lake Shirwell Crescent Furzton Milton Keynes MK4 1GA

MILTON KEYNES COMMUNITY FOUNDATION
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CHAIR'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

The chair presents her statement for the year.

2022/23 covers the final year of our last Strategic Plan covering 2018-2023 and a time when we are still feeling the legacy of the pandemic. It marked a year when many of the changes detailed in the plan were put in to place and a year when the trustees and the staff team worked closely to develop a new plan to take us forward.

In October 2022 we launched a £1 million match fund, and this attracted over £500,000 additional new donations into our Endowment fund as a result the Endowment fund increased by more than £850,000 when the match was applied.

We are incredibly proud that we have been able to support so many organisations and to be part of delivering life changing and life-enhancing projects to thousands of Milton Keynes' citizens across the whole city council area.

We continue to drive and promote Equity, Diversity and Inclusion throughout our organisation. This has meant keeping a focus on our policies, procedures, behaviours as well as ensuring that our Board of Trustees, our Honorary Structure (our ambassadors of Presidents and Vice Presidents who help us to raise the profile of the Community Foundation and the VCCS as a voice to influence change) along with our staff team mirror the diversity of the MK city's communities. While there is still work to do to maintain and continue to challenge ourselves, 37% of our Trustees are from ethnically diverse backgrounds and 50% of our Board is female with a number of recent young people taking up Trustee roles. Similarly, 47% of our Honorary structure are ethnically diverse and 41% female.

We have worked hard to improve our grant assessment process to include a focus on diversity and to ensure applications evidence how the project they seek to deliver actively encourage and create inclusion, promote equity and acknowledge issues of diversity.

February 2023 saw us publish the 10th edition of our Vital Signs report. This year's publication was a full report covering 12 major themes and combines data and observations from local community organisations to illustrate lived experience. The launch was held in front of a large audience in Middleton Hall in The Centre MK Shopping Centre and included a month-long exhibition detailing the vast array of community projects the Foundation has supported and covering the main finding of the report. As this was the tenth edition, we took opportunity to highlight trends over the last 10 years to show what has changed and what issues remain a focus of our attention going forward.

Vital Signs highlighted that 34% of people living in Milton Keynes are from Ethnically diverse communities (26.1% in 2022 and that 52% of school pupils are from ethnically diverse backgrounds (compared with 42% in 2015/16). We see this as an enormously positive change and is one of the reasons, we believe, that makes Milton Keynes is such a positively vibrant and energising place to live work and visit. We are particularly proud that the Foundation was able to support numerous cultural events such as MK Pride, the IF art festival, India day and many other wonderful events and activities that celebrate and embed our diversity as a newly designated city.

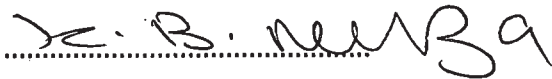
Sadly, the report has also highlighted a number of persistent issues that continue to negatively impact our communities. Chief amongst these is child poverty. 18,000 children in Milton Keynes are living in poverty that is 29.9%. The impact of the Cost-of-Living Crises has seen a 110% increase in the use of the Foodbank between 2019 and 2020 and depressingly recent indications are that this continues to rise during 2023. The Foundation held a Vital thinking event which brought together organisations that focus in these issues and as a result the Child Poverty Partnership was set up. The group looks at how various organisations and institutions can work effectively to ensure maximum amount of coverage for their service and we were delighted to be able to add £100,000 of our match fund pot to create an Endowment fund for the MK Foodbank. This fund will support the running cost of the MK Foodbank for years to come. Additionally, we are pleased to report that over 40% of our grant funding was awarded to projects that support communities to get back into work, supported the development of stronger communities and are directly focused on alleviating poverty and disadvantage, all areas highlighted in the Vital Signs report.

MILTON KEYNES COMMUNITY FOUNDATION
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CHAIR'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Milton Keynes Community Foundations Values of Fairness remain central to all we do. Our Strategic Goal over the next three years is to build a thriving, philanthropic, creative, equitable and FAIR community. Our Priority focuses are Disadvantage and Poverty, Environmental sustainability and promoting Equity, Diversity, and Inclusion. With a Mission to send funding where it is needed most in Milton Keynes, guiding business, philanthropists and charities to the right giving and grants. We are on a mission for a FAIRER community.

It has been an immense privilege to have been Chair for the last three years and it is with great pride that I step down knowing that the Foundation will continue on its journey to build a FAIRER community which has at its core a thriving and financially sustainable VCCS.



Kurshida Mirza

Chair of Trustees

Date: 21/09/23

MILTON KEYNES COMMUNITY FOUNDATION
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees have pleasure in presenting their annual report and audited consolidated financial statements for the year ended 31 March 2023, which are also prepared to meet the requirements for a directors' and strategic report and accounts for Companies Act purposes. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document, the Companies Act 2006, Charities Act 2011 and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The financial statements comprise the group accounts of Milton Keynes Community Foundation (the "Foundation") and its wholly owned subsidiary, MK Community Properties Limited.

The accounts on pages 16 to 55 incorporate all the various funds within the Community Foundation. An analysis of the group income and expenditure between the various funds is provided in note 25.

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The objects of the Community Foundation are defined in its Memorandum and Articles of Association, allowing the Trustees to make grants out of capital and income to voluntary groups, charities and individuals who support people within the Milton Keynes unitary authority area. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Community Foundation's aims and objectives and in planning future activities and setting the grant making policy for the year. Fund holders have the opportunity to direct a small percentage of their funds outside the Milton Keynes Unitary Authority area.

The Community Foundation has a three-year strategic framework, covering 2023-2026.

Our Strategic Plan States:

Our Vision - is for a thriving Milton Keynes where everyone is contributing to their community.

Our Mission - is to send funding where it's needed most in Milton Keynes. By guiding businesses, philanthropists and charities to the right giving and grants, we're on a mission for a fairer community.

Goal 1: Promote philanthropy as a way of life across all our communities.

Goal 2: Ensure all our dealings with VCCS stakeholders are consistent, fair, equitable and inclusive.

Goal 3: Develop our role as an enabler of a thriving VCCS by building capacity.

Goal 4: Align our property activities with our philanthropic objectives.

Goal 5: Raise the profile of the Community Foundation and the VCCS sector as a voice to influence change, locally, regionally, and nationally.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

Priorities - to achieve our mission of a fairer community across Milton Keynes we will need to focus and prioritize how we work as an organisation and support and fund partner organisations and projects that address these three priorities:

- Disadvantage and Poverty
- Environmental Sustainability
- Promoting Diversity, Equity, and Inclusion

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

a. Main achievements of the Company

2022/23 covers the final year of our last Strategic Plan. It was a year dominated by the recovery of the sector and the longer-term impact of the pandemic. General grant giving patterns stabilised and our funding rounds have returned to a regular pattern. We have implemented our new Rent subsidy policy in full which ensures consideration of rental discounts are similar to that of the Grant panel and assessment processes.

Our philanthropy activities this year have seen 9 new funds created. We launched our own self-funded match fund which attracted £520,000 in donations and we made grants totaling £1,181,621.

In February 2023 we launched and published the tenth edition of the annual Vital Signs report. The report covered the themes of: Stronger Communities, Diversity, Education, Health & Wellbeing, Work, Local Economy, Disadvantage & Poverty, Housing, Crime & Safety, Environment, Transport, Arts & Heritage. Our launch event was held in Middleton Hall at the CMK shopping centre and drew an audience of over a hundred people.

The Foundation's wholly owned trading subsidiary company, MK Community Properties Limited, provides conference facilities alongside office leases and small business units for commercial and not for profit organisations. This enables us to offer subsidised meeting and conference room space and to generate surplus income, which is paid back to Foundation to support our grant making. MK Community Properties Limited also owns 22 community land sites and 11 strategic Community Foundation Land sites.

Going forward the Foundation faces several short and longer-term challenges. These chiefly relate to how we manage our property estate to ensure we can mitigate the impact on our environment, manage the rising costs of running our building especially related to the cost of utilities whilst seeking always to mitigate the impact to our tenants and users alongside ensuring a sustainable income to fund the running of the organisation and our many philanthropic activities. The Foundation is not immune to the impact of the slowing of the economy nor the volatility in the markets that have all affected the resources we are able to deploy in achieving our charitable objectives. We therefore remain focused on adapting our buildings, refining our offer and services to the voluntary, community and cultural sector whilst advocating strongly for all the diverse communities across the city area of Milton Keynes (urban and rural).

MILTON KEYNES COMMUNITY FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

Estate & property portfolio management

Throughout the year we have continued to seek to establish a capital fund to support the development of new community hubs primarily in the expansion areas of Milton Keynes. As a result, we are seeking a waiver from the Secretary of State for Levelling Up to ensure the total proceeds from the transaction is retained. The released land will be developed to provide much needed affordable housing and enable the creation of the five community hub centres to provide quality facilities for the VCCS to enable them effectively deliver their services to the people of Milton Keynes.

During the year, the Brookland Development to create a new gymnastic and table tennis centre along with 36 units of accessible housing and community centre received planning permission. The development itself was delayed following a steep rise in construction costs and the selected contractor for the housing element going into administration. There was no financial impact to the Foundation, although the construction of the housing and community centre is delayed whilst a new contractor is procured.

The property estate includes 11 properties comprising 227,000 square feet of accommodation to be let to voluntary, community and cultural sector groups or to commercial tenants along with 16 let and 34 undeveloped Community Foundation Land (CFL) sites.

b. Fundraising activities and income generation

The Community Foundation does not employ any person or companies to act on its behalf specifically to carry out any fundraising activities. The Community Foundation is registered with the Fundraising Regulator and subscribes to the standards and regulations required under the registrations. During the year the Community Foundation reviewed our privacy notice: The Privacy Notice in brief:

- We collect information that is either personal data (such as names, addresses, and telephone numbers) or non-personal data (such as your Internet Protocol (IP) address, web pages accessed etc.)
- We collect information about our supporters, donors, fundraisers, volunteers and employees.
- We collect information to provide services or goods, to provide information, to fundraise, for administration, to assess and award grants, research, profiling, analysis, and for the prevention/detection of crime.
- We only collect the information that we need, or that would be useful to us in our aim to provide the best possible service.
- We do our very best to keep personal information secure, wherever we collect personal data online.
- We never sell data, and we never share it with another company or charity for marketing purposes.
- We only share data where we are required by law, or with carefully selected trusted suppliers who do work for us. All our suppliers are required by their contract to treat your data as carefully as we would, to only use it as instructed, and to allow us to check that they do this.

Our websites use cookies – for more information check <https://www.mkcommunityfoundation.co.uk/cookies-policy/>

The full Privacy Notice which details what information is held, how the Foundation may use it, and what individual's rights are available on our website <https://www.mkcommunityfoundation.co.uk/privacy-policy/>.

MILTON KEYNES COMMUNITY FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

Since 1994 it has been the policy of the charity to hold reserves in the Community Fund totaling at least £1 million which have not been committed or designated for any particular purpose. However, in accordance with the ethos of Community Foundations, the Trustees continue to build these invested funds over and above this minimum level in order to ensure that the investment income derived from these funds would protect future beneficiaries and operations of the charity from the effects of any unforeseen variations in its income streams and underwrite a continuation in the year-on-year growth in the grants budget. Currently, such funds stand at £1,213,704 (2022 - £2,421,970). In March 2012 the Foundation was successful in securing funds from the Office for Civil Society for the Community First Endowment Match Challenge. Since then, growth in the market means that the Community First Endowment is £13,846,434 on 31 March 2023. On 31 March 2023 the amount of unrestricted funds was £34,833,316 (2022 - £42,613,209) and the value of restricted funds was £19,172,499 (2022 - £19,101,369).

Within the unrestricted funds, and separate from the Community Fund, the Trustees have designated a Property Fund equal in value to the properties held by the group, less mortgages incurred to purchase properties, together with a reserve towards the cost of future property repairs and refurbishments. It is the intention of the Trustees that this fund will be maintained over a 10-year period at levels that will be sufficient to finance the repairs and refurbishment of the property portfolio required to ensure that the property portfolio remains in a 'fit for purpose' state.

The Trustees are satisfied that the charity's assets attributable to each of its Funds are available and adequate to fulfil its obligations in relation to those funds.

c. Financial Review

During the financial year ended 31 March 2023 the Community Foundation generated a net group surplus before investment gains and losses of £126,903 (2022 surplus of £758,351).

The total value of the Community Foundation's endowment assets has decreased to £54,005,766 (2022 -£61,714,578). This level of endowment funds continues to ensure sustainability and enables the Community Foundation to continue to support the growing local community in as many ways as possible.

Our subsidiary company, MK Community Properties Limited, performed below expectations this year as the conferencing facilities struggled to recover as anticipated following the pandemic. All steps were taken to minimise this loss, and a plan has been agreed to reduce the amount of conference space available from April 2023 and to focus more on the Small Business Units that we are able to fill. The result for the year was an operating deficit of £142,407 (2022 - £150,442) before the fair value adjustment of £2,691,750 to result in a total deficit of £2,834,157. (2022 - £150,422).

MILTON KEYNES COMMUNITY FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Financial Review (continued)

Freehold and Leasehold properties

The financial statements also include the valuation of the investment properties held by the Community Foundation and its trading subsidiary, MK Community Properties Limited. Any capital gain on revaluation of properties are subject to claw back of an average of 48%, these cannot be spent on grants unless the properties are sold, and many are occupied by the voluntary or charitable sector. Similarly, any gain on the revaluation of investments can only be realised if the investments are sold which impacts on the future investment income.

The freehold and leasehold properties were valued in the year by external valuers Kirkby Diamond, in accordance with the Royal Institution of Chartered Surveyors Valuation – Global Standards (The Red Book), on the basis of Market Value. Whilst the Trustees are of the opinion that there has been no material movement in value of these properties between that date and 31 March 2023, they believe that valuation of the properties should be at Existing Use valuation to more appropriately reflect the Community Foundation's policy of allowing Voluntary and Community Sector groups to apply for a rent subsidy of up to 75%. If this Existing Use valuation were to be used, our Land and Buildings would be valued at £33,839,543 (2022 - £41,454,750) a decrease of £7,615,207.

During the year the land sites values have fallen considerably more than expected (£6,500,250) resulting in the majority of the fair value adjustment of £7,835,715 being in relation to the CFL sites.

d. Material investments policy

The group's investments were valued at the year-end at £18,651,926 (2022 - £19,703,715). All these investments were held by CCLA in their Charities Ethical Common Investment Fund. CCLA investment objective over a rolling 5-year period is to achieve an average return of CPI plus 5%, before fees and costs. The current income yield of the portfolio is circa 3%.

The Community Foundation's investment policy was reviewed during the year but remains broadly unchanged. The Trustees have discretion to invest as they think fit and the investments held by the Community Foundation have been acquired in accordance with these powers. The trustees have adopted an ethical investment approach, which looks to optimize the total return from the investment portfolio whilst mitigating risk, as far as possible.

Under the terms of the Community First Endowment Match Challenge all funds raised under this programme must be held at CCLA. Also, fifteen of the restricted donor funds and the Grassroots Endowment Challenge funds were all invested with CCLA.

e. Financial risk management objectives and policies

The Trustees review annually the major risks to which the charity is exposed to ensure systems and processes have been established to mitigate those risks. Internal and external factors have been considered, and risks are classified as Governance, Operational, Financial, Environmental and External, Legal and Regulatory or Reputational.

The Risk Mitigation Plan, which focused on actions required to reduce risks affecting the organisation. The 2023 review of this plan identified 31 risks (2022 - 33). The key risks were:

- Economic impact of the changed working patterns following the covid 19 pandemic, especially related to meeting and conferencing.
- Global recession affecting investment income and philanthropy, and potentially also affecting the level of voids in the buildings.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Financial risk management objectives and policies (continued)

These risks are reviewed regularly by the Leadership team and any issues are reported back to Board.

Structure, governance and management

a. Constitution

Milton Keynes Community Foundation Limited is a company limited by guarantee and a registered grant making charity. Milton Keynes Community Foundation was established in 1986 and is engaged principally in the promotion of any charitable purpose for the benefit of the community in the Milton Keynes unitary authority area. The Community Foundation also has a wholly owned trading subsidiary, MK Community Properties Limited. The subsidiary company operates as a provider of meeting and conference facilities. Its aim is to support the charitable objectives of its parent undertaking, the Community Foundation.

The Community Foundation is governed by its Memorandum and Articles of Association. The Articles of Association define those who sit on the Board of the Community Foundation as Trustees. The Articles of Association state that the Trustees have the power to admit members to the Community Foundation. As set out in the Articles of Association, the Board of Trustees shall comprise not less than five and not more than twenty members. At each Annual General Meeting one third of the Trustees retire by rotation but they are eligible for re-election for up to three terms each of three years provided that they are not otherwise disqualified under the conditions set out in the Articles of Association.

Anyone wanting to become a Trustee must apply in writing and is subject to the Community Foundation's recruitment procedures before becoming eligible for election as a Trustee.

Trustees are sometimes Employees or Trustees of other Voluntary and Community Sector organisations. All such relationships are at normal commercial rates and are disclosed in note 15 and 36 to these accounts.

b. Methods of appointment or election of Trustees, induction and training

The management of the Group and the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

As set out above, potential Trustees of the Community Foundation are either invited to apply to the Board or can be nominated by a member of the Community Foundation. Potential Trustees, who can demonstrate that they have the skills and knowledge required, will be interviewed by a panel made up of Board members and which involves the Chief Executive. Successful applicants are recommended to join the Board. All appointments as Trustees are confirmed at the Community Foundation's general meeting.

The Community Foundation needs an Informed, skilled and enthusiastic Board of Trustees, supportive of the work of the Community Foundation and able to carry out their duties of governance under Charity Law.

The Community Foundation currently has 17 Trustees. The Trustees are responsible for ensuring the Community Foundation continues to meet its charitable objectives as set out in its Memorandum and Articles of Association.

A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Community Foundation. To facilitate effective operations, the Senior Leadership Team has delegated authority for operational matters within terms of delegation approved by the Trustees.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

Methods of appointment or election of Trustees, induction and training (continued)

The Board meets a minimum of four times a year and there are sub-committees covering Property, Resources, Remuneration, Audit and Philanthropy and Grants; all meetings are attended by senior members of the Executive Team. As well as these, time-limited task groups for specific projects are set up as and when required. Indemnity insurance has been taken out in respect of the Trustees as detailed in note 35 to the financial statements.

c. Pay policy for key management personnel

The Board of Trustees considers that the key management personnel of the group is the Strategic Leadership Team who are in charge of directing, controlling, running and operating the group on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of any Trustee's expenses and related party transactions are shown in note 15 and 36 to the accounts.

The pay of the Strategic Leadership team is reviewed annually by the Remuneration Committee and normally increased in line with average earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other local voluntary sector organisations of a similar size and the UK Community Foundation network.

d. Related party relationships

The Community Foundation and its wholly owned trading subsidiary MK Community Properties Limited provide services and support to other charities and organisations, including those that have Trustees in common with the Community Foundation. A full list of transactions with related parties in the year, along with the nature of the relationships, is shown in note 36 of these accounts.

e. Trustees' indemnities

The group has purchased insurance for the Trustees and staff of the charity and the directors of the subsidiary company, MK Community Properties Limited, against liability arising for wrongful acts in relation to the charity and its wholly owned subsidiary.

Plans for future periods

Philanthropy

Central to our Strategic Plan is the focus on inspiring philanthropy in Milton Keynes. To that end we have a specific Philanthropy strategy and annual delivery Plan.

Key focuses in philanthropy delivery plan include:

- Diversify and grow our philanthropy programme.
- Enable more impactful grant giving.
- Build an effective marketing and communications offer.
- Continue to develop a VCCS wide capacity building offer.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods (continued)

As the Foundation plans for the year ahead, it knows the needs of the sector and its communities will continue to change. The pandemic impact to the sector is not yet fully known, however the Foundation continues to conduct on-going surveys of the sector and supports the development of the Inter-cultural forum and the MK Ethnic Business Community Network so that the Foundation can continue to adapt and change its programmes in response. As the Foundation started its 37th year as a charity, it launched a £1m Match Funding Programme which will hopefully encourage new and existing philanthropists in the city to begin and continue their journey with the Foundation.

Our Board of Trustees are fully aware of their responsibilities for fundraising activities and receive an annual Charity Commission C20 report. The Philanthropy & Grants Committee has delegated responsibility for continuous monitoring of any fundraising activities.

The foundation is also planning to conduct research into the VCCS to determine its funding requirements and a review of the grants programme.

Governance and Management

The Foundation has established itself as a beacon organisation in terms of diversity and inclusion. Our Trustee group and the annual recruitment of trustee to support the 3-year terms of appointment, continue to ensure we align to the diversity across our communities in Milton Keynes. The staff team are equally diverse this is providing a major factor in ensuring the communities we support see and experience inclusive and equitable support and consideration.

The Foundation has adopted the United Nation Sustainable Development goals, aligning them to our Vital signs and internal practices. We have introduced sustainable transport options for staff, reviewed our procurement policy and set up a working group look at how our processes and practice align with the goals.

The Trustees continue to review our governance structures and practice against the Governance Code so that we can refresh and renew our processes and seek to model best practice.

Milton Keynes Community Foundation is an accredited member of the UK Community Foundations (UKCF), and the Association of Charitable Foundations. Membership fees are paid annually.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' responsibilities

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

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

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

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

Disclosure of information to auditor

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

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

Auditor

The auditor, Hillier Hopkins LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Kurshida Mirza
Chair of Trustees

Date: 21/09/23

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION**

Opinion

We have audited the financial statements of Milton Keynes Community Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION (CONTINUED)**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- we consider the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, Charities Act 2011 and relevant tax legislation.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION (CONTINUED)**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Hillier Hopkins LLP
Chartered Accountants
Registered Auditor
249 Silbury Boulevard
Milton Keynes
MK9 1NA

Date: 4 October 2023

Hillier Hopkins LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	1,494,472	1,208,667	2,703,139	3,263,706
Charitable activities	5	830,659	-	830,659	571,416
Other trading activities	6	662,253	-	662,253	458,876
Investments	7	1,037,297	586,390	1,623,687	1,504,054
Total income		4,024,681	1,795,057	5,819,738	5,798,052
Expenditure on:					
Raising funds	8,9	2,611,282	-	2,611,282	1,858,741
Charitable activities	11	1,282,805	1,798,748	3,081,553	3,180,960
Total expenditure		3,894,087	1,798,748	5,692,835	5,039,701
Net income/(expenditure) before net (losses)/gains on investments		130,594	(3,691)	126,903	758,351
Net (losses)/gains on investments		(6,994,652)	(841,063)	(7,835,715)	1,620,513
Net (expenditure)/income		(6,864,058)	(844,754)	(7,708,812)	2,378,864
Transfers between funds	25	(915,904)	915,904	-	-
Net movement in funds		(7,779,962)	71,150	(7,708,812)	2,378,864
Reconciliation of funds:					
Total funds brought forward		42,613,209	19,101,369	61,714,578	59,335,714
Net movement in funds		(7,779,962)	71,150	(7,708,812)	2,378,864
Total funds carried forward		34,833,247	19,172,519	54,005,766	61,714,578

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 62 form part of these financial statements.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2032715

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	16	11,687	15,937
Tangible assets	17	52,189	146,365
Investments	19	18,651,926	19,703,715
Social investments	20	10,000	10,000
Investment property	18	33,839,543	41,454,750
		<u>52,565,345</u>	<u>61,330,767</u>
Current assets			
Debtors	21	1,095,120	797,917
Cash at bank and in hand		2,534,398	1,582,724
		<u>3,629,518</u>	<u>2,380,641</u>
Creditors: amounts falling due within one year	22	(2,189,098)	(996,830)
Net current assets		<u>1,440,420</u>	<u>1,383,811</u>
Total assets less current liabilities		<u>54,005,765</u>	<u>62,714,578</u>
Creditors: amounts falling due after more than one year	23	-	(1,000,000)
Total net assets		<u><u>54,005,765</u></u>	<u><u>61,714,578</u></u>
Charity funds			
Restricted funds	25	19,172,519	19,101,369
Unrestricted funds			
Designated funds	25	33,619,612	40,191,231
General funds	25	1,213,634	2,421,978
		<u>34,833,246</u>	<u>42,613,209</u>
Total unrestricted funds	25	<u>34,833,246</u>	<u>42,613,209</u>
Total funds		<u><u>54,005,765</u></u>	<u><u>61,714,578</u></u>

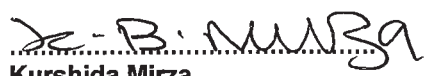
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2032715

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


Kurshida Mirza
Chair of Trustees


Jill Heaton
Trustee

Date: 21/09/23

The notes on pages 24 to 62 form part of these financial statements.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2032715

COMPANY BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	16	11,687	15,937
Tangible assets	17	1,610	2,793
Investments	19	19,051,927	20,103,716
Social investments	20	10,000	10,000
Investment property	18	25,004,543	29,928,000
		<u>44,079,767</u>	<u>50,060,446</u>
Current assets			
Debtors	21	1,331,323	1,057,732
Cash at bank and in hand		2,248,911	1,310,343
		<u>3,580,234</u>	<u>2,368,075</u>
Creditors: amounts falling due within one year	22	(2,019,600)	(913,465)
Net current assets		<u>1,560,634</u>	<u>1,454,610</u>
Total assets less current liabilities		<u>45,640,401</u>	<u>51,515,056</u>
Creditors: amounts falling due after more than one year	23	-	(1,000,000)
Total net assets		<u><u>45,640,401</u></u>	<u><u>50,515,056</u></u>
Charity funds			
Restricted funds	25	19,172,519	19,101,369
Unrestricted funds			
Designated funds	25	25,298,181	28,664,489
General funds	25	1,169,701	2,749,198
		<u>26,467,882</u>	<u>31,413,687</u>
Total unrestricted funds	25	<u>26,467,882</u>	<u>31,413,687</u>
Total funds		<u><u>45,640,401</u></u>	<u><u>50,515,056</u></u>

The Company's net movement in funds for the year was £(4,874,656) (2022 - £2,529,306).

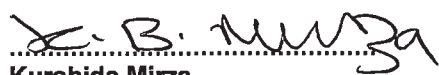
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 2032715

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Kurshida Mirza
Chair of Trustees



Jill Heaton
Trustee

Date: 21/09/23

The notes on pages 24 to 62 form part of these financial statements.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(465,997)	(856,720)
Cash flows from investing activities		
Dividends, interests and rents from investments	586,390	595,759
Purchase of intangible assets	-	(17,000)
Purchase of tangible fixed assets	-	(29,408)
Proceeds from sale of investments	978,300	595,893
Purchase of investments	(934,476)	(91,375)
Proceeds from the sale of investment property	795,000	-
Purchase of investment property	(7,543)	-
Net cash provided by investing activities	1,417,671	1,053,869
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	951,674	197,149
Cash and cash equivalents at the beginning of the year	1,582,724	1,385,575
Cash and cash equivalents at the end of the year	2,534,398	1,582,724

The notes on pages 24 to 62 form part of these financial statements

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Milton Keynes Community Foundation Limited ("the Community Foundation") is a private company incorporated and registered in England and Wales and limited by guarantee. The registered address is Acorn House, 381 Midsummer Boulevard, Central Milton Keynes, MK9 3HP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Milton Keynes Community Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

2.2 Going concern

The aftermath of the Covid 19 Pandemic continues to be felt by the sector, and we are no different. Our investment portfolio continues to perform well, and we do not anticipate a significant drop in donations during the next 12- 24 months.

That being said, we continue to monitor our costs carefully and continue to undertake detailed planning and scenario testing so that the trustees are able to make informed decisions regarding the best course of action to ensure that the organisation continues to be financially sound.

The trustees are satisfied that the group's assets attributable to each of its funds are available and adequate to fulfil its obligations in relation to those funds. The Trustees are confident that the Community Foundation is able to continue to meet its liabilities as they fall due for the foreseeable future and that the financial statements should be prepared on the going concern basis.

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Donations relating to a specific period and donations by deed of covenant, or under gift aid, where the full amount has been deposited in advance are taken into income over the period to which they relate. Where possible, gifts in kind have been quantified and included in these financial statements, in accordance with the SORP criteria.

Any grants the Community Foundation receives towards its administration costs are included on a receivable basis.

Donated land is recognised at market value at date of receipt.

Property income

Property income represents rents and service charges (net of VAT) receivable on a straight-line basis over the life of the lease. The assets for which rent is received are included in investment properties in fixed assets. Appropriately-apportioned gains or losses on property disposals are also included in property company income or expenditure.

Property income has been analysed between both investment income and income from charitable activities. That element treated as investment income relates to those properties that are let on full commercial rental basis and that reported as income from charitable activities relates to income from properties let at a subsidised rent to Voluntary and Community Sector tenants.

Subsidiary company income

Property company income represents income from hire of meeting and conferencing facilities and rent from Small Business Units (net of VAT) receivable on a straight-line basis. Any surplus income generated by the subsidiary company is distributed to the MK Community Foundation as a gift aid payment within nine months of the end of the financial year.

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.4 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 allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading. These costs incurred attracting voluntary income and investment management expenses, including management of investment properties.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs. This includes the value of grants awarded. This also includes governance costs including those incurred in the governance of the Community Foundation and its assets. Expenditure that can be recognised as wholly attributable to governance costs, for example audit fees and Trustee expenses, are directly allocated. All other costs, including staffing costs, are apportioned on the basis of an estimate of the time spent by each member of staff on governance-related issues. Such costs are primarily associated with the strategic planning processes that contribute to the future development of the Community Foundation and its statutory requirements.

Grants payable are charged in the year when the offer is approved by the Trustees and accepted by the beneficiaries. The value of such grants unpaid at the year-end is accrued. Grants where the beneficiary has to meet certain conditions before the grant is released are not accrued.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.7 Gift Aid

In the case of a Gift Aid payment made within the Group, income is accrued when the payment is payable to the Parent Company under a legal obligation. Measurement is at the fair value receivable, which will normally be the transaction value.

Where the right to receive Gift Aid has been established, the amount receivable is recognised as investment income in the Consolidated Statement of Financial Activities.

2.8 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

All expenditure is classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it is incurred.

2.9 Intangible assets and amortisation

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Website	- 33 %

2.10 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.10 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- 25 - 50%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Financial Activities.

2.11 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.12 Freehold and leasehold investment properties

The investment properties are held for long-term investment and are included in the group balance sheet at their open market values.

The surpluses or deficits on the revaluation of such properties are transferred to the Designated Property Fund. Depreciation is not provided in respect of investment properties.

2.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.14 Cash at bank and in hand

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

2.15 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.16 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.17 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.18 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.19 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Property valuation

There are estimates and assumptions made when the investment property portfolio is valued at their market value. These estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key judgement relates to the classification of the property portfolio. The Trustees have considered whether the group's portfolio of properties should be accounted for as tangible fixed assets or as investment properties. Many of the properties are available on occasion to be rented to the charity's beneficiaries at subsidised rents. However, the Trustees consider that the properties are primarily held for long term investment with the objective of generating financial income and/or proceeds from their sale to maximise a surplus which can be used to make grants or to support the voluntary and community sector through subsidised rent. Accordingly, the Trustees consider that the properties are investment properties and that any changes in their value should be recognised as gains or losses on investment properties. However, any rental income which is generated by properties let at subsidised rates is recognised as income from charitable activities rather than investment income to reflect the objectives of the charity.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations			
General donations	1,401,403	1,208,667	2,610,070
Donations received in kind	53,700	-	53,700
Subtotal donations	<u>1,455,103</u>	<u>1,208,667</u>	<u>2,663,770</u>
Grants	<u>39,369</u>	<u>-</u>	<u>39,369</u>
Subtotal	<u>39,369</u>	<u>-</u>	<u>39,369</u>
	<u><u>1,494,472</u></u>	<u><u>1,208,667</u></u>	<u><u>2,703,139</u></u>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations			
General donations	1,484,720	862,766	2,347,486
Donations received in kind	916,220	-	916,220
	<u>2,400,940</u>	<u>862,766</u>	<u>3,263,706</u>

Donations received in kind are valued on the basis that such services were purchased as a commercial transaction on an arms length basis. All such donations have been included as unrestricted income. They are for the Community Prize Draw, Land sites, IT subscriptions and Away day costs.

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Property rental and service charge income	<u>830,659</u>	<u>830,659</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. Income from charitable activities (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Property rental and service charge income	<u>571,416</u>	<u>571,416</u>

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Trading income - MK Community Properties Ltd	<u>662,253</u>	<u>662,253</u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Trading income - MK Community Properties Ltd	<u>458,876</u>	<u>458,876</u>

7. Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Property investments	1,037,297	-	1,037,297
Listed investments	-	586,390	586,390
	<u>1,037,297</u>	<u>586,390</u>	<u>1,623,687</u>

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NOTES TO THE FINANCIAL STATEMENTS
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7. Investment income (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Property investments	912,550	-	912,550
Listed investments	-	591,502	591,502
Interest receivable	2	-	2
	<u>912,552</u>	<u>591,502</u>	<u>1,504,054</u>

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £
Other costs	76,124	76,124
Apportioned costs	75,498	75,498
Wages and salaries	220,332	220,332
	<u>371,954</u>	<u>371,954</u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Other costs	58,965	58,965
Apportioned costs	58,709	58,709
Wages and salaries	194,646	194,646
	<u>312,320</u>	<u>312,320</u>

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

8. Expenditure on raising funds (continued)

Fundraising trading expenses

	Unrestricted funds 2023 £	Total funds 2023 £
Apportioned costs	22,060	22,060
Wages and salaries	7,262	7,262
	<u>29,322</u>	<u>29,322</u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Apportioned costs	1,826	1,826
Wages and salaries	6,052	6,052
	<u>7,878</u>	<u>7,878</u>

Other trading expenses

	Unrestricted funds 2023 £	Total funds 2023 £
MK Community Properties Ltd trading expenses	605,571	605,571
MK Community Properties Ltd staff costs	106,097	106,097
MK Community Properties Ltd depreciation	92,992	92,992
	<u>804,660</u>	<u>804,660</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

8. Expenditure on raising funds (continued)

Other trading expenses (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
MK Community Properties Ltd trading expenses	435,728	435,728
MK Community Properties Ltd staff costs	95,494	95,494
MK Community Properties Ltd depreciation	78,098	78,098
	<u>609,320</u>	<u>609,320</u>

9. Investment management costs

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Property costs	1,366,518	1,366,518
Loan interest payable	36,079	36,079
Apportioned costs	550	550
Wages and salaries	2,200	2,200
	<u>1,405,347</u>	<u>1,405,347</u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Property costs	890,324	890,324
Loan interest payable	36,549	36,549
Apportioned costs	545	545
Wages and salaries	1,806	1,806
	<u>929,224</u>	<u>929,224</u>

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10. Analysis of grants

	Grants to Institutions 2023 £	Total funds 2023 £
Grants awarded	2,363,789	2,363,789
	<u>2,363,789</u>	<u>2,363,789</u>
	<i>Grants to Institutions 2022 £</i>	<i>Total funds 2022 £</i>
Grants awarded	2,619,398	2,619,398
	<u>2,619,398</u>	<u>2,619,398</u>

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Grants awarded	1,282,805	1,798,748	3,081,553
	<u>1,282,805</u>	<u>1,798,748</u>	<u>3,081,553</u>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total 2022 £</i>
Grants awarded	1,781,830	1,399,130	3,180,960
	<u>1,781,830</u>	<u>1,399,130</u>	<u>3,180,960</u>

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
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12. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Grants awarded	432,528	2,363,789	285,236	3,081,553

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Grants awarded	312,100	2,619,398	249,462	3,180,960

Analysis of direct costs

	Grants awarded 2023 £	Total funds 2023 £
Staff costs	165,175	165,175
Other costs	141,420	141,420
Apportioned costs	125,933	125,933
	432,528	432,528

	Grants awarded 2022 £	Total funds 2022 £
Staff costs	124,224	124,224
Other costs	122,470	122,470
Apportioned costs	65,406	65,406
	312,100	312,100

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NOTES TO THE FINANCIAL STATEMENTS
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12. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

Property costs shown here represent the cost of managing and maintaining our extensive property portfolio.

Costs that can be recognised as wholly attributable to one of the above categories are directly allocated. All other costs, including staff costs, are apportioned on the basis of an estimate of the time spent by each member of staff within the category. The allocation of staff time across various projects changes from year to year depending on the factors identified and agreed by the Board. Staff costs have been apportioned as follows:

Category:	2023 %	2022 %
Cost of raising funds	28.81%	35.54%
Property costs	20.49%	16.85%
Fundraising trading	8.42%	1.11%
Investment management costs	1.00%	0.33%
Charitable activities support costs	26.76%	22.75%
Governance costs	14.52%	23.42%

Analysis of support costs

	Grants awarded 2023 £	Total funds 2023 £
Staff costs	100,267	100,267
Depreciation	6,910	6,910
Governance costs	178,059	178,059
	<u>285,236</u>	<u>285,236</u>

	Grants awarded 2022 £	Total funds 2022 £
Staff costs	64,949	64,949
Depreciation	3,941	3,941
Governance costs	180,573	180,573
	<u>249,463</u>	<u>249,463</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Auditor's remuneration

	2023	2022
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual accounts	14,300	13,000
Fees payable to the Company's auditor in respect of:		
All taxation advisory services not included above	1,825	1,575
All non-audit services not included above	-	899
	=====	=====

14. Staff costs

	Group	Group	Company	Company
	2023	2022	2023	2022
	£	£	£	£
Wages and salaries	652,511	533,916	546,414	438,422
Social security costs	55,625	56,849	55,625	56,849
Contribution to defined contribution pension schemes	18,908	24,629	18,908	24,629
	=====	=====	=====	=====
	727,044	615,394	620,947	519,900

The average number of persons employed by the Company during the year was as follows:

	Group	Group
	2023	2022
	No.	No.
Marketing and Fund Development	4.0	4.0
Charitable activities	8.0	6.0
Operations	3.8	4.0
Finance and Governance	5.5	5.3
	=====	=====
	21.3	19.3

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	Group 2022 No.
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-

The total key management personnel of the parent charity comprise the Trustees and the Senior Executive Team, as disclosed on page 1. The employee benefits of the key management personnel were £286,471 (2022 - £285,057), including employer's national insurance of £30,790 (2022 - £28,040). The key management personnel for the group are the same as for the charity.

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred or reimbursed for travel expenses (2022 - £NIL).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. Intangible assets

Group and Company

	Website £
Cost	
At 1 April 2022	17,000
At 31 March 2023	17,000
Amortisation	
At 1 April 2022	1,063
Charge for the year	4,250
At 31 March 2023	5,313
Net book value	
At 31 March 2023	11,687
At 31 March 2022	15,937

The amortisation charge for the year is apportioned between expenditure on raising funds, grants made and property activity.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

17. Tangible fixed assets

Group

	Office equipment £
Cost or valuation	
At 1 April 2022	955,210
At 31 March 2023	<u>955,210</u>
Depreciation	
At 1 April 2022	808,845
Charge for the year	94,175
At 31 March 2023	<u>903,020</u>
Net book value	
At 31 March 2023	<u><u>52,190</u></u>
At 31 March 2022	<u><u>146,365</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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17. Tangible fixed assets (continued)

Company

	Office equipment £
Cost or valuation	
At 1 April 2022	40,650
At 31 March 2023	40,650
Depreciation	
At 1 April 2022	37,857
Charge for the year	1,183
At 31 March 2023	39,040
Net book value	
At 31 March 2023	1,610
At 31 March 2022	2,793

The depreciation charge for the year is apportioned between expenditure on raising funds, grants made and property activity.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

18. Investment property

Group

	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 April 2022	39,321,750	2,133,000	41,454,750
Additions	7,543	-	7,543
Disposals	(795,000)	-	(795,000)
Deficit on revaluation	(6,500,250)	(327,500)	(6,827,750)
At 31 March 2023	<u>32,034,043</u>	<u>1,805,500</u>	<u>33,839,543</u>

Company

	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 April 2022	27,795,000	2,133,000	29,928,000
Additions	7,543	-	7,543
Disposals	(795,000)	-	(795,000)
Deficit on revaluation	(3,808,500)	(327,500)	(4,136,000)
At 31 March 2023	<u>23,199,043</u>	<u>1,805,500</u>	<u>25,004,543</u>

The investment properties were valued at 31 December 2022 by external valuers, Kirby and Diamond, Chartered Surveyors, on the basis of open market value in accordance with the appraisal and valuation manual of the Royal Institution of Chartered Surveyors. The valuation approach is as described in the RICS Information Paper "Comparable Evidence in Property Valuation". The Trustees are of the opinion that there has been no material movement in value of these properties between that date and 31 March 2023.

The historical cost of the properties is £2,994,979 (2022 - £2,994,979).

These valuations are not shown in these accounts as net of the claw back provision, see note 34 for information on these contingent liabilities in place on the land and properties against these carrying values.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

19. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2022	19,703,715
Additions	934,476
Disposals	(978,300)
Revaluations	(1,007,965)
At 31 March 2023	<u>18,651,926</u>
Net book value	
At 31 March 2023	<u>18,651,926</u>
At 31 March 2022	<u>19,703,715</u>

The historical cost of investments held at 31 March 2023 was £13,605,390 (2022 - £13,005,390).

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2022	400,001	19,703,715	20,103,716
Additions	-	934,476	934,476
Disposals	-	(978,300)	(978,300)
Revaluations	-	(1,007,965)	(1,007,965)
At 31 March 2023	<u>400,001</u>	<u>18,651,926</u>	<u>19,051,927</u>
Net book value			
At 31 March 2023	<u>400,001</u>	<u>18,651,926</u>	<u>19,051,927</u>
At 31 March 2022	<u>400,001</u>	<u>19,703,715</u>	<u>20,103,716</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. Fixed asset investments (continued)

Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Principal activity	Class of shares	Holding
MK Community Properties Limited	2650530	Provider of Meeting and Conference Facilities and Small Business Units.	Ordinary £1 shares	100%
MKCP Limited	9466716	Dormant	Ordinary £1 shares	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
MK Community Properties Limited	662,253	(3,496,410)	(2,834,157)	8,765,373
MKCP Limited	-	-	-	1

20. Social investments

Group and Company

	Social Enterprise project £
Cost or valuation	
At 1 April 2022	10,000
	<u>10,000</u>
Net book value	
At 31 March 2023	10,000
	<u>10,000</u>
At 31 March 2022	10,000
	<u>10,000</u>

The Community Foundation still holds a direct equity holding of £10,000 in Future Wolverton to help fund a social enterprise project in the city.

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

21. Debtors

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Due within one year				
Trade debtors	449,280	185,358	340,942	131,489
Amounts owed by group undertakings	-	-	426,947	395,866
Other debtors	161,495	110,838	161,494	110,839
Prepayments and accrued income	484,345	501,721	401,940	419,538
	<u>1,095,120</u>	<u>797,917</u>	<u>1,331,323</u>	<u>1,057,732</u>

22. Creditors: Amounts falling due within one year

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Bank loans	1,000,000	-	1,000,000	-
Trade creditors	131,287	16,240	115,253	7,303
Other taxation and social security	85,166	46,243	85,166	46,243
Other creditors	139,184	103,899	100,055	72,845
Accruals and deferred income	591,802	426,918	477,467	383,544
Grants accrued	241,659	403,530	241,659	403,530
	<u>2,189,098</u>	<u>996,830</u>	<u>2,019,600</u>	<u>913,465</u>

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Deferred income at 1 April 2022	250,239	273,615	207,989	253,535
Resources deferred during the year	46,758	250,239	-	207,989
Amounts released from previous periods	(250,239)	(273,615)	(207,989)	(253,535)
	<u>46,758</u>	<u>250,239</u>	<u>-</u>	<u>207,989</u>

Deferred income represents rent and service charge income received in advance.

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FOR THE YEAR ENDED 31 MARCH 2023

23. Creditors: Amounts falling due after more than one year

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Bank loans	-	1,000,000	-	1,000,000

On 6 April 2021 the loan was renewed with Handelsbanken for £1M and was fixed at 3.04% above fixed rate. The loan is secured by a fixed charge over Margaret Powell House, Acorn House and the units in Burners Lane, Stacey Bushes. The carrying value of these properties is £10,950,000 (2022 - £11,400,000). Post year end this loan was repaid and a new loan taken out for £500,000 for 2 years with a fixed rate at 1.82% above fixed rate.

24. Financial instruments

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	18,661,926	<i>19,713,715</i>	18,661,926	<i>19,713,715</i>

Financial assets measured at fair value through income and expenditure comprise of the listed and social investments.

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
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25. Statement of funds

Statement of funds – current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Designated funds						
Property	40,191,231	12	-	319,192	(6,890,823)	33,619,612
General funds						
Community	2,421,978	4,024,668	(3,894,087)	(1,235,096)	(103,829)	1,213,634
Total						
Unrestricted funds	42,613,209	4,024,680	(3,894,087)	(915,904)	(6,994,652)	34,833,246
Restricted funds						
Arts Fund	509,872	16,618	(17,850)	-	(26,899)	481,741
Sports Relief Fund	141	-	-	-	-	141
Margaret Powell (Grants)	356	-	-	-	-	356
MK DASS Fund	386,755	10,407	(11,000)	-	(17,045)	369,117
RSM Fund	509	218	(506)	-	-	221
Women's Fund	40,977	5,741	(1,651)	-	(1,613)	43,454
thecentre:mk Fund	2,227	6,000	(1,100)	-	-	7,127
NiftyLift Fund	52,858	11,409	(1,100)	-	(2,309)	60,858
Family Funds	291,861	18,904	(6,056)	-	(13,780)	290,930
Kara Hurley Memorial Fund	345,845	11,829	(5,500)	-	(16,519)	335,655
Grassroots Endowment Fund	1,112,151	31,459	(24,796)	-	(51,524)	1,067,290
Shoosmiths Fund	1,280	-	-	-	-	1,280
Surviving Winter	15,714	10,601	(16,303)	82,500	-	92,512
Local Giving	76,159	556,478	(535,544)	-	-	97,093
New Communities Funds	209,295	-	(325)	-	-	208,970
Jubilee Sports Fund	411	120	(410)	-	-	121
Community First EMC	14,934,647	523,217	(930,194)	-	(681,236)	13,846,434
Hopkinson Music Fund	88,070	2,356	-	-	(3,859)	86,567
Coventry Building Society Fund	1	-	-	(1)	-	-
VW Fund	18,433	-	(12,018)	-	-	6,415

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25. Statement of funds (continued)

Statement of funds – current year (continued)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Music Centre Fund	10,365	-	(1,650)	-	-	8,715
Business Leaders Fund	3,194	-	(1,100)	-	-	2,094
Big Local Conniburrow Fund	33,543	28,389	(62,002)	70	-	-
Great Linford Waterslide Festival Fund	48,828	1,402	-	-	(2,297)	47,933
Prevention of Crime Fund	182	-	(165)	-	-	17
Rainscourt Fund	2,493	6,250	(2,486)	-	-	6,257
Tony Byrne Financial Services Fund	32,665	964	-	-	(1,579)	32,050
Youth Social Action Fund	15,769	-	-	-	-	15,769
Bramwell Fund	12,841	10,000	(8,151)	-	-	14,690
Chicheley Fund	53,399	27,078	(4,667)	-	(2,110)	73,700
ICAEW Social Mobility Fund	111	-	-	-	-	111
New City Fund	17,892	13,550	(10,011)	-	-	21,431
Tampon Tax Fund	2,047	-	-	-	-	2,047
Olney Education Trust	6,501	-	-	-	-	6,501
Beadle Fund	88,241	2,621	(1,650)	-	(4,291)	84,921
MK Council 2050 Fund - Flowthrough	25,325	2,467	(22,048)	-	2,928	8,672
MK Council 2050 Fund - Endowment	113,232	857	-	-	(8,371)	105,718
Watercare Fund	6,615	-	-	-	-	6,615
TVP - Violent Crime Reduction	48	-	57	-	-	105
Covid 19 Emergency Response	52,220	3,222	9,592	-	-	65,034
MK Christian Centre Fund	11,261	-	(1,100)	-	-	10,161
Norman Hawes Memorial Trust Endowment	151,341	4,034	-	-	(6,606)	148,769
Norman Hawes Memorial Trust Flowthrough	8,386	-	-	-	-	8,386
NET Emergency Appeal	389	-	-	-	-	389
9 Eons Limited	10,377	10,000	(18,425)	-	-	1,952
Anglian Water Positive Difference	6,100	-	-	-	-	6,100

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

25. Statement of funds (continued)

Statement of funds – current year (continued)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
LEAP Fund	1,509	-	3,000	-	-	4,509
Net DCMS Fund	4,291	-	-	(4,291)	-	-
Covid 19 Recovery Fund	102,871	55	-	-	-	102,926
Sick Mans Friend Boswell Mental Health Fund	9,624	-	-	(9,624)	-	-
ECOS Active - MK	20,843	-	(12,420)	-	-	8,423
DD McPhail Personal Assurance Trust	250	-	-	(250)	-	-
	4,500	-	-	-	-	4,500
Next Generation Fund	1,529	1,475	(12)	-	-	2,992
National Hockey Fund	95,050	-	(16,559)	-	-	78,491
Routecco Fund	6,700	10,000	(10,800)	-	-	5,900
Refugee Crisis Appeal	9,254	1,745	(9,190)	-	-	1,809
Torrin AM Fund	2,031	2,989	-	-	(87)	4,933
Limb Family Fund	10,681	15,192	-	-	(2,679)	23,194
Great Linford Fund	2,955	-	(1,052)	-	-	1,903
Thrive Homes MKC Platinum Jubilee Fund	15,000	-	-	-	-	15,000
	-	16,921	(16,921)	-	-	-
David Lock Flowthrough	-	10,000	(8,503)	-	-	1,497
Bristol and West	-	6,538	(6,538)	-	-	-
Heaton Tarrant	-	57,840	-	50,000	(1,354)	106,486
Large Strategic Grant	-	-	(30,000)	697,500	-	667,500
Food Bank M&G Crisis in Communities Flowthrough Fund	-	303,028	-	100,000	(578)	402,450
David Winks Endowment Fund	-	3,600	(3,596)	-	-	4
	-	50,762	-	-	1,315	52,077
BRC Communities in Crisis Flowthrough Fund	-	3,005	(3,005)	-	-	-
DCMS Communities in Crisis Flowthrough Fund	-	4,766	(4,993)	-	-	(227)
Total restricted funds	19,101,369	1,795,057	(1,798,748)	915,904	(841,063)	19,172,519
Total funds	61,714,578	5,819,737	(5,692,835)	-	(7,835,715)	54,005,765

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
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25. Statement of funds (continued)

Milton Keynes Community Foundation maintains a number of separate funds, the movements in which are detailed in this note and the net assets of which are analysed in note 27. Monies held in funds can be either flow-through (monies donated in one year are spent in the next along with any investment income earned) or endowment (monies are held in the fund until the fund reaches an agreed level at which time the annual income on the fund balance is spent).

Details of the funds are as follows:

Unrestricted fund

This fund is the main fund of the Community Foundation into which the majority of donations are made. Most grants are paid out of this fund and the majority of the administration costs are borne by this fund. Interest and investment income is added to this fund as earned.

Designated funds

This fund represents the net book value of the freehold and leasehold properties owned by the group, less mortgages raised to purchase properties, together with a reserve towards future property maintenance.

Restricted funds

Details of the various restricted funds can be found on our website.

Statement of funds - prior year

	<i>Balance at 1 April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£	£
Unrestricted funds						
Designated funds						
Property	39,253,155	875,000	-	-	63,084	40,191,239
General funds						
Community	2,365,448	3,468,784	(3,640,571)	(24,875)	253,184	2,421,970
Total Unrestricted funds	41,618,603	4,343,784	(3,640,571)	(24,875)	316,268	42,613,209

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
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25. Statement of funds (continued)

Statement of funds – prior year (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Restricted funds						
Arts Fund	478,994	17,352	(28,585)	-	42,111	509,872
Sports Relief Fund	2,341	-	(2,200)	-	-	141
Margaret Powell (Grants)	356	-	-	-	-	356
MK DASS Fund	349,817	10,255	-	-	26,683	386,755
RSM Fund	284	225	-	-	-	509
Women's Fund	37,153	1,445	(152)	-	2,531	40,977
thecentre:mk Fund	3,300	-	(1,073)	-	-	2,227
NiftyLift Fund	49,396	1,389	(1,540)	-	3,613	52,858
Family Funds	225,744	46,915	(6,506)	8,500	17,208	291,861
Kara Hurley Memorial Fund	318,811	10,523	(9,625)	500	25,636	345,845
Grassroots Endowment Fund	1,039,847	30,999	(39,355)	-	80,660	1,112,151
Shoosmiths Fund	1,233	47	-	-	-	1,280
Surviving Winter	9,828	7,617	(1,731)	-	-	15,714
Local Giving	116,293	404,238	(444,372)	-	-	76,159
New Communities Funds	228,040	-	(18,745)	-	-	209,295
Jubilee Sports Fund	348	150	(87)	-	-	411
Community First EMC	13,849,416	415,517	(399,287)	3,500	1,065,501	14,934,647
Hopkinson Music Fund	79,707	2,322	-	-	6,041	88,070
Coventry Building Society Fund	1	-	-	-	-	1
VW Fund	10,002	16,360	(7,929)	-	-	18,433
Music Centre Fund	10,365	-	-	-	-	10,365
Business Leaders Fund	6,989	50	(3,845)	-	-	3,194

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

25. Statement of funds (continued)

Statement of funds – prior year (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Big Local Conniburrow Fund	38,398	38,595	(43,450)	-	-	33,543
Great Linford Waterslide Festival Fund	43,850	1,382	-	-	3,596	48,828
Prevention of Crime Fund	182	-	-	-	-	182
Rainscourt Fund	15,693	-	(13,200)	-	-	2,493
Tony Byrne Financial Services Fund	45,744	950	(16,500)	-	2,471	32,665
Youth Social Action Fund	13,273	-	2,496	-	-	15,769
Bramwell Fund	13,291	10,000	(10,450)	-	-	12,841
Chicheley Fund	47,541	6,901	(3,850)	-	2,807	53,399
ICAEW Social Mobility Fund	1	-	110	-	-	111
New City Fund	10,963	9,230	(2,301)	-	-	17,892
Tampon Tax Fund	2,047	-	-	-	-	2,047
National Lottery Fund	10,700	30,000	(40,700)	-	-	-
Olney Education Trust	6,501	-	-	-	-	6,501
Beadle Fund	55,189	23,801	(4,386)	10,000	3,637	88,241
MK Council 2050 Fund - Flowthrough	31,047	50,000	(55,722)	-	-	25,325
MK Council 2050 Fund - Endowment	101,434	3,275	-	-	8,523	113,232
Watercare Fund	6,615	-	-	-	-	6,615
TVP - Violent Crime Reduction	24,888	-	(24,840)	-	-	48
Covid 19 Emergency Response	79,546	10,170	(37,496)	-	-	52,220
MK Christian Centre Fund	21,435	5,321	(15,495)	-	-	11,261
Norman Hawes Memorial Trust Endowment	137,023	3,975	-	-	10,343	151,341
Norman Hawes Memorial Trust Flowthrough	8,386	-	-	-	-	8,386
NET Emergency Appeal	389	-	-	-	-	389

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

25. Statement of funds (continued)

Statement of funds – prior year (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
9 Eons Limited	2,852	10,000	(2,475)	-	-	10,377
Anglian Water Positive Difference	6,100	-	-	-	-	6,100
LEAP Fund	3,419	7,000	(8,910)	-	-	1,509
Net DCMS Fund	3,079	-	1,212	-	-	4,291
Covid 19 Recovery Fund	109,226	50,993	(57,348)	-	-	102,871
DCMS Community Match	(2,375)	-	-	2,375	-	-
Sick Mans Friend	9,624	-	-	-	-	9,624
MBS Fund - MK	23,880	(1,038)	(22,842)	-	-	-
MBS Fund - Bucks	18,905	(14,540)	(4,365)	-	-	-
Boswell Mental Health Fund	10,000	2,976	(76)	-	454	13,354
ECOS Active - MK	-	26,000	(5,157)	-	-	20,843
DD McPhail	-	25,000	(24,750)	-	-	250
Personal Assurance Trust	-	10,000	(5,500)	-	-	4,500
Next Generation Fund	-	1,560	(31)	-	-	1,529
National Hockey Fund	-	100,000	(4,950)	-	-	95,050
Routeco Fund	-	10,000	(3,300)	-	-	6,700
Refugee Crisis Appeal	-	9,321	(67)	-	-	9,254
Torrin AM Fund	-	2,139	-	-	(108)	2,031
Limb Family Fund	-	8,143	-	-	2,538	10,681
Great Linford Fund	-	2,955	-	-	-	2,955
Arts Council Queens Platinum Jubilee	-	29,755	(29,755)	-	-	-
Thrive Homes	-	15,000	-	-	-	15,000
Total restricted funds	17,717,111	1,454,268	(1,399,130)	24,875	1,304,245	19,101,369
Total of funds	59,335,714	5,798,052	(5,039,701)	-	1,620,513	61,714,578

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

26. Summary of funds

Summary of funds – current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Designated funds	40,191,231	12	-	319,192	(6,890,823)	33,619,612
General funds	2,421,978	4,024,668	(3,894,087)	(1,235,096)	(103,829)	1,213,634
Restricted funds	19,101,369	1,795,057	(1,798,748)	915,904	(841,063)	19,172,519
	61,714,578	5,819,737	(5,692,835)	-	(7,835,715)	54,005,765

Summary of funds – prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Designated funds	39,253,155	875,000	-	-	63,084	40,191,239
General funds	2,365,448	3,468,784	(3,640,571)	(24,875)	253,184	2,421,970
Restricted funds	17,717,111	1,454,268	(1,399,130)	24,875	1,304,245	19,101,369
	59,335,714	5,798,052	(5,039,701)	-	1,620,513	61,714,578

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

27. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	52,189	-	52,189
Intangible fixed assets	11,687	-	11,687
Fixed asset investments	-	18,651,926	18,651,926
Investment property	33,839,543	-	33,839,543
Social investments	10,000	-	10,000
Current assets	3,108,925	520,593	3,629,518
Creditors due within one year	(2,189,098)	-	(2,189,098)
Total	34,833,246	19,172,519	54,005,765

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	146,365	-	146,365
Intangible fixed assets	15,937	-	15,937
Fixed asset investments	602,346	19,101,369	19,703,715
Investment property	41,454,750	-	41,454,750
Social investments	10,000	-	10,000
Current assets	2,380,641	-	2,380,641
Creditors due within one year	(996,830)	-	(996,830)
Creditors due in more than one year	(1,000,000)	-	(1,000,000)
Total	42,613,209	19,101,369	61,714,578

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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

	Group 2023 £	<i>Group 2022 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)	(7,708,812)	2,378,864
Adjustments for:		
Depreciation charges	94,175	80,976
Amortisation charges	4,250	1,063
Gains/(losses) on investments	7,835,715	(1,620,513)
Dividends, interests and rents from investments	(586,390)	(595,759)
Decrease/(increase) in debtors	(297,203)	94,885
Increase/(decrease) in creditors	192,268	(321,236)
Donated land site	-	(875,000)
Net cash used in operating activities	(465,997)	(856,720)

29. Analysis of cash and cash equivalents

	Group 2023 £	<i>Group 2022 £</i>
Cash in hand	1,649,943	1,235,358
Deposit accounts	598,968	74,985
MK Community Property bank accounts	285,487	272,381
Total cash and cash equivalents	2,534,398	1,582,724

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

30. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	1,582,724	951,674	2,534,398
Debt due within 1 year	-	(1,000,000)	(1,000,000)
Debt due after 1 year	(1,000,000)	1,000,000	-
	<u>582,724</u>	<u>951,674</u>	<u>1,534,398</u>

MILTON KEYNES COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

31. Grant commitments

Analysis of grants made	Unrestricted funds	Restricted funds	Big Local Conniborrow	Local Giving	Total
	£	£	£	£	£
Voluntary groups and charities	-	594,065	52,011	535,545	1,181,621
Individuals	-	-	-	-	-
Total	-	594,065	52,011	535,545	1,181,621

A complete list of all grant recipients for the year can be found on our website.

Reconciliation of grants payable

	2023		2022	
	£	£	£	£
Grants to Voluntary Groups and Charities	594,065		916,908	
Grants through Local Giving	535,545		404,238	
Big Local Conniborrow Project	52,011		38,595	
Grants to Individuals	-		-	
		1,181,621		1,359,741
Commitments at 1 April		403,530		553,282
Commitments made in the year	1,215,681		1,376,220	
Grants cancelled or recovered	- 3,526		- 16,479	
Grants payable for the year		1,212,155		1,359,741
Grants paid during the year		- 1,354,026		- 1,509,493
Commitments at 31 March		<u>261,659</u>		<u>403,530</u>
Commitments at 31 March are payable as follows:				
Within one year		261,659		403,530
After one year		-		-
		<u>261,659</u>		<u>403,530</u>

32. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund managed by Royal London on behalf of the organisation. The pension cost charge represents contributions payable by the group to the fund and amounted to £18,908 (2022 - £24,629). There were £6,723 of contributions payable to the fund at the balance sheet date (2022 - £nil).

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

33. Operating lease commitments

At 31 March 2023 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	<i>Group</i> <i>2022</i> £	Company 2023 £	<i>Company</i> <i>2022</i> £
Not later than 1 year	8,272	16,470	7,027	7,057
Later than 1 year and not later than 5 years	28,147	7,841	28,109	7,057
	36,419	24,311	35,136	14,114

34. Contingent liabilities

Under the arrangements surrounding the transfer on 27 November 1992 of certain properties from Homes England (formerly English Partnerships also previously known as the Commission for the New Towns), the group is under a contractual obligation to repay amounts to Homes England ("clawback") in respect of the net capital gains arising on certain disposals or change of use in relation to either Community Related Assets (certain industrial units at Kiln Farm, Stacey Bushes and Number 56 Buckingham Street Wolverton) or Community Foundation Land sites (32 undeveloped and 1 developed).

Based on the open market value, as at 31 March 2023 the total potential liability for the clawback was £8,301,143 (2022 - £12,086,750). No provision has been made for this liability as the current proposed plans for use of the land sites does not trigger this clause. If the trustees are reasonably certain that there is to be changes in use of the sites, say for a change in strategies, then at this point it would trigger the liability to be included in the accounts.

No provision has been made for deferred tax that may arise if the properties were sold in the future. It is the Trustees' opinion that no tax would arise on a future sale of the properties as any profits from such sale would be distributed via Gift Aid to the company's charitable parent Milton Keynes Community Foundation from its subsidiary company, MK Community Properties Limited. Milton Keynes Community Foundation is part of a VAT group with its subsidiary, MK Community Properties, and is therefore jointly liable for any VAT debts of MK Community Properties Limited.

35. Indemnity insurance

The group has purchased insurance for the Trustees and staff of the charity and the directors of the subsidiary company, MK Community Properties Limited, against liability arising for wrongful acts in relation to the charity and its wholly owned subsidiary. The cost of this insurance amounts to £1,706 (2022 - £1,641).

MILTON KEYNES COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

36. Related party transactions

A number of Trustees, as well as being individual members of the Community Foundation, are associated with organisations that are corporate members of the Community Foundation. Total individual donations received from Trustees in the year amounted to £26,010 (2022 - £1,605). Neither the Trustees nor their associated organisations derive any benefit as a result of their membership of the Community Foundation.

Furthermore, as mentioned previously in this report, the Community Foundation is also able to support the not-for-profit sector in Milton Keynes through the provision of properties that are let on preferential terms. The amount of this subsidy, the difference between the full commercial rental and the subsidised rent paid by the not-for-profit sector tenants, is in excess of £1,216,000 per annum for the year to 31 March 2023 (2022 - £1,260,000).

During the year Milton Keynes Community Foundation Limited charged rent and service charges to MK Community Properties Limited in the sum of £426,751 (2022 - £266,772). These transactions have been removed on consolidation.

During the year, grants totalling £nil (2022 - £60,000) were awarded to MK Gallery Enterprises (of which K Chadwick, a Trustee, is a director), grants totalling £6,420 (2022 - £3,100) were awarded to Worktree (of which J Sinclair and P Zumbika-Lwanga, Trustees, are trustees) and grants totalling £3,000 (2022 - £nil) were awarded to Trubys Garden Tea Rooms (of which Mrs K Mirza, a Trustee, is a Trustee). There was £20,000 outstanding owed to the related party at the year end (2022 - £60,000).

MILTON KEYNES COMMUNITY FOUNDATION LIMITED

England & Wales - Charity number 295107

Accounts

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

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MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees	Devdeep Ahuja Lawrence Revill Shaun Lee Sean O'Reilly Jason Sinclair Jill Heaton Christopher Shaw (resigned 19 May 2022) Kate Chadwick (resigned 9 December 2021) Shirley Jones Carole Baume (deceased 23 April 2022) Kurshida Mirza Precious Lwanga Paul Nolan Steve Harris (resigned 23 April 2021)
Company registered number	2032715
Charity registered number	295107
Registered office	Acorn House 381 Midsummer Boulevard Milton Keynes MK9 3HP
Senior Executive	Chief Executive - Ian Revell Director of Finance - Sarah Wilson Director of Operations - Vanessa Bradley Director of Philanthropy - June Oldroyd Director of Philanthropy - Ranjit Singh
Independent auditor	Hillier Hopkins LLP Chartered Accountants 249 Silbury Boulevard Milton Keynes Bucks MK9 1NA

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Bankers

Bank of Scotland
33 Old Broad Street
London
EC2N 1HZ

HSBC
19 Midsummer Place
Milton Keynes
MK9 3GB

Handelsbanken AB
201 Silbury Boulevard
Milton Keynes
MK9 1LZ

Close Brothers
10 Crown Place
London
EC2A 4FT

Solicitors

EMW
Seebeck House
1 Seebeck Place
Milton Keynes
MK8 8FR

Investment Managers

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Property Manager

Hornbeam Limited
13 Furzton Lake
Shirwell Crescent
Furzton
Milton Keynes
MK4 1GA

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees have pleasure in presenting their annual report and audited consolidated financial statements for the year ended 31 March 2022, which are also prepared to meet the requirements for a directors' and strategic report and accounts for Companies Act purposes. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document, the Companies Act 2006, Charities Act 2011 and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The financial statements comprise the group accounts of Milton Keynes Community Foundation (the "Foundation") and its wholly owned subsidiary, MK Community Properties Limited.

The accounts on pages 19 to 61 incorporate all the various funds within the Community Foundation. An analysis of the group income and expenditure between the various funds is provided in note 23.

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The objects of the Community Foundation are defined in its Memorandum and Articles of Association, allowing the Trustees to make grants out of capital and income to voluntary groups, charities and individuals who support people within the Milton Keynes unitary authority area. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Community Foundation's aims and objectives and in planning future activities and setting the grant making policy for the year. Fund holders have the opportunity to direct a small percentage of their funds outside the Milton Keynes Unitary Authority area.

The Community Foundation has a five-year strategic framework which seeks to increase the grants and support available to the Voluntary, Community and Culture Sectors (VCCS) across the Borough.

Our Strategic Plan States:

Our Vision is for a thriving Milton Keynes where everyone is contributing to their community.

Our Mission is to connect people with resources, skills and ideas to enrich lives and create positive growth for Milton Keynes. The Foundation achieves our mission through three themes of:

- **Supporting**
To support the growth and development of our voluntary community and cultural sector;
- **Inspiring**
To inspire giving to our communities through philanthropy and other social action;
- **Leading**
To take a lead in connecting and growing sustainable communities.

Our Strategic Goal over the next five years is to build a resilient, creative, inclusive and philanthropic community.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

The three main areas of philanthropic work during the year were:

- Diversify and grow our philanthropy programme
- Enable more impactful grant giving
- Work collaboratively across the organization to maximize philanthropy opportunities, ensure compliance & measure our impact

The delivery plan associated with our philanthropy work focuses on building philanthropy across our Borough, increasing the funding the Foundation has available and making sure the Foundation is supporting all our communities.

The three main focuses of our estate and property work during the year were:

- Provide and manage sustainable, suitable, high quality community spaces for VCCS
- Actively developing our community land and property assets
- Generating surplus from our commercial and social enterprise activities to increase grant making and support

The delivery plan associated with our estates and property work focuses on how the Foundation can better support the VCCS, invest in new buildings so that future sector needs are supported and to ensure that the income driven from our conference social enterprise and commercial tenants generates surpluses that can be ploughed back into supporting our communities. A new business plan was implemented from November 2019 to respond to the challenges faced as a result of the Covid 19 pandemic.

Achievements and performance

a. Main achievements of the Company

2021/22 covers the fourth year of our Strategic Plan. It was a year dominated by the aftermath of the Covid 19 Pandemic and a time when the Foundation continued to respond to the effects of the emergency. General grant giving started to return to normal, but we continued to support the sector by way of recovery grants as a result of the pandemic.

As part of our normal philanthropy activities the Foundation was able to attract 2 new corporate funds, 2 new endowment funds and 8 flow-through funds. Therefore, we now have 52 Endowment Funds, which are invested with CCLA and 52 flow-through funds which are spent within a specified time frame.

This year, thanks to the generosity of our supporters, the Foundation was able to give more than £2.2m in support of the Voluntary, Community and Cultural Sector (VCCS), supporting 198 organisations, impacting an estimated 1,321,223 beneficiaries.

In October 2021 we published our shortened edition of the annual Vital Signs report. This year, we reported on four areas:

- Diversity,
- Health & Wellbeing,
- Poverty and Disadvantage
- Crime and safety.

Whilst the areas were selected before Covid 19 their relevance during the pandemic and lockdown became even more significant and has helped the Foundation focus its priorities for grant funding, development of strategic partnerships and how we apply our rent subsidies.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

The Foundation's wholly owned trading subsidiary company, MK Community Properties Limited, is a provider of meeting and conference facilities. In addition, the company also leases small business units on licence to both commercial and not for profit organisations. Its aim is to support the voluntary community and cultural sector, either through subsidised meeting and conference room hire or indirectly through surplus income, which contributes towards the Community Foundation's grant making programme. MK Community Properties Limited also owns 22 community land sites and 11 strategic Community Foundation Land sites.

The Foundation continues to face a number of challenges in both the short and long term due to the impact of the pandemic and as a result of economic changes associated with the growth plans for Milton Keynes. Additionally, how the Foundation responds to the wider regional opportunities effecting Milton Keynes. The Foundation seeks to provide appropriate and adequate support for the changes in our communities' diversity to deliver equity and inclusion across our Borough. Coupled with the impact on Council budgets as a result of Covid, the challenge for the Foundation is how we can ensure that ongoing support is available to vulnerable people, to the diverse urban communities and our rural communities.

b. Review of activities

Grant Making

The amount of £1,359,741 (2020/21 - £2,245,120) was awarded in grants by the Community Foundation during the year. The level of grant making achieved during the year means that the Foundation has now awarded in excess of £16,000,000 in grants since 1986 along with Rent subsidies estimated to be circa £19,000,000 in the same time period.

During the year to 31 March 2022 this level of grant making provided 127 grants to 109 local organisations in order to support community projects that covered a wide range of initiatives in Milton Keynes,

Grants awarded last year:

59 Small Grants - £121,089
34 Community Grants - £288,857
5 Covid Recovery Grants - £53,558
2 Strategic Recovery Grants - £20,000
7 Transformation Grants - £181,169
2 Large Strategic Grants - £135,000
2 Partnership Grants - £43,600
5 Made by Sport Grants - £11,084
7 Emergency Response Grants - £32,000
1 MK Food Support Grant - £3,000
5 Queens Platinum Jubilee Grants - £27,551

Estate & property portfolio management

The report covers the second year of our new Property Strategy which has three themes as listed above.

During the year the Foundation has been negotiating with Homes England to enable a capital fund to be created from the proceeds of releasing 5 land sites for development of much needed affordable housing and one for a residential nursing care home. The Foundation has also completed a competitive bidding process from a number of social landlords and care home developers. Once completed this will provide a substantial capital development fund to enable the Foundation to bring forward five Community Hubs, mainly in the western expansion areas of the new city area of the Borough.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

At the end of the financial year, the land relating to the Brooklands development was transferred to us. Once planning has been agreed the Foundation will look to build a new gymnastic and table tennis centre in partnership with a social housing organisation who will deliver affordable housing and small community office facility in the Eastern expansion area alongside the scheme.

The property estate includes 11 properties comprising 227,000 square feet of accommodation to be let to voluntary, community and cultural sector groups or to commercial tenants along with 16 let and 34 undeveloped Community Foundation Land (CFL) sites.

c. Fundraising activities and income generation

The Community Foundation does not employ any person or companies to act on its behalf specifically to carry out any fundraising activities. The Community Foundation is registered with the Fundraising Regulator and the Gambling Commission and subscribes to the standards and regulations required under the registrations. The Community Foundation also subscribes to Be Gamble Aware. No fundraising complaints were received during the year.

During the year the Community Foundation reviewed our privacy notice:

The Privacy Notice in brief

- We collect information that is either personal data (such as names, addresses, and telephone numbers) or non-personal data (such as your Internet Protocol (IP) address, web pages accessed etc.)
- We collect information about our supporters, donors, fundraisers, volunteers and employees.
- We collect information to provide services or goods, to provide information, to fundraise, for administration, to assess and award grants, research, profiling, analysis, and for the prevention/detection of crime.
- We only collect the information that we need, or that would be useful to us in our aim to provide the best possible service.
- We do our very best to keep personal information secure, wherever we collect personal data online.
- We never sell your data, and we will never share it with another company or charity for marketing purposes.
- We only share data where we are required by law, or with carefully selected trusted suppliers who do work for us. All our suppliers are required by their contract to treat your data as carefully as we would, to only use it as instructed, and to allow us to check that they do this.

Our websites use cookies – for more information check <https://www.mkcommunityfoundation.co.uk/cookies-policy/>

The full Privacy Notice which details what information is held, how the Foundation may use it, and what individual's rights are available on our website <https://www.mkcommunityfoundation.co.uk/privacy-policy/>.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

Since 1994 it has been the policy of the charity to hold reserves in the Community Fund totalling at least £1 million which have not been committed or designated for any particular purpose. However, in accordance with the ethos of Community Foundations, the Trustees continue to build these invested funds over and above this minimum level in order to ensure that the investment income derived from these funds would protect future beneficiaries and operations of the charity from the effects of any unforeseen variations in its income streams and underwrite a continuation in the year-on-year growth in the grants budget. Currently, such funds stand at £2,421,970 (2021 - £2,365,448). In March 2012 the Foundation was successful in securing funds from the Office for Civil Society for the Community First Endowment Match Challenge. Since then, growth in the market means that the Community First Endowment is £13,345,756 at 31 March 2022. At 31 March 2022 the amount of unrestricted funds was £42,613,209 (2021 - £41,618,603) and the value of restricted funds was £19,101,369 (2021 - £17,717,111).

Within the unrestricted funds, and separate from the Community Fund, the Trustees have designated a Property Fund equal in value to the properties held by the group, less mortgages incurred to purchase properties, together with a reserve towards the cost of future property repairs and refurbishments. It is the intention of the Trustees that this fund will be maintained over a 10-year period at levels that will be sufficient to finance the repairs and refurbishment of the property portfolio required in order to ensure that the property portfolio remains in a 'fit for purpose' state.

The Trustees are satisfied that the charity's assets attributable to each of its Funds are available and adequate to fulfil its obligations in relation to those funds.

The Covid 19 pandemic continues to have a significant impact on the Foundation. Whilst emergency funding has all been spent, the sector continues with its recovery, and it is anticipated that in the second half of 2022/23 there will be significant demand for our services as the impact of the pandemic and the cost-of-living crisis begins to take effect. We are confident that we will be able to continue to support the sector and at this stage the Foundation does not feel that its predicted funding levels will decline significantly during 2022/23. However, the organisation continues to monitor and reduce costs wherever possible.

Our investment portfolio continues to perform well, and the trustees have been re-assured that the level of return from listed investments will not drop significantly in the next 12-18 months. In terms of our property portfolio, the Foundation continues to monitor the situation carefully, and provides support to tenants where needed, making them aware of local and national government funding schemes to ensure that they continue to pay their rent and service charges in a timely manner. A number of tenants have had difficulties during the pandemic with several failing to survive. Far great scrutiny has been carried out during the year by the Executive and Trustees to ensure the best use of the vacated units. Detailed planning and scenario testing is being completed and updated regularly, so that the Trustees are able to make informed decisions regarding the best course of action to ensure that the organisation continues to be financially sound.

In spite of the pandemic, the Trustees are confident that the Community Foundation is able to continue to meet its liabilities as they fall due for the foreseeable future and that the accounts should be prepared on the going concern basis.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

c. Financial Review

During the financial year ended 31 March 2022 the Community Foundation generated a net group surplus before investment gains and losses of £758,351 (2021 deficit of £27,400).

The total value of the Community Foundation's endowment assets has increased to £61,714,578 (2021 - £59,335,714). This level of endowment funds continues to ensure sustainability and enables the Community Foundation to continue to support the growing local community in as many ways as possible

Our subsidiary company, MK Community Properties Limited, performed below expectations this year as the conferencing facilities struggled to recover as anticipated following the pandemic. All steps were taken to minimise this loss, and a new business plan was developed from November 2021, and a dedicated Business Development Manager was appointed from April 2022 to try and improve the use of this city centre facility. This plan sees the organisation return to a surplus in 2022/23, albeit a small surplus, with improved performance for 2023/24. The result for the year was an operating deficit of £150,442.

Income

The Community Foundation's income is primarily derived from four sources:

- Income from donations and legacies,
- income from other trading activities,
- investment income and
- the net income of MK Community Properties Limited.

Each of these sources of income is subject to different drivers.

The income received by the Community Foundation in the year ended 31 March 2022 totalled £5,798,052 (2021 - £4,358,402).

Expenditure

Out of the 399 applications received by the Community Foundation; 127 grants were awarded (2021 - 314 grants awarded) totaling £1,359,741 (2021 - £2,245,120). Of these awards, £403,530 remained unpaid at the year-end (2021 - £533,282). £404,238 (2021 - £426,357) was distributed to local groups through the Local Giving Project and £38,595 (2021 - £84,535) was given out in funds to Big Local Coniburrow from their Local Trust Grant, which the Foundation administers.

The Group's total operating costs continue to be closely monitored, and for the year ended 31 March 2022 amounted to £5,039,701 (2021 - £4,385,802). In common with other charitable organisations, changes in priorities year-on-year result in changes in cost allocations across the categories of expenditure.

Freehold and Leasehold properties

The financial statements also include the valuation of the investment properties held by the Community Foundation and its trading subsidiary; MK Community Properties Limited. Any capital gain on revaluation of properties and these are subject to clawback of an average of 48% cannot be spent on grants unless properties are sold, and many are occupied by the voluntary or charitable sector. Similarly, any gain on the revaluation of investments can only be realized if the investments are sold which impacts on the future investment income.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

c. Financial Review (continued)

The freehold and leasehold properties were valued in the year by external valuers Kirkby Diamond, in accordance with the Royal Institution of Chartered Surveyors Valuation – Global Standards (The Red Book), on the basis of Market Value. Whilst the Trustees are of the opinion that there has been no material movement in value of these properties between that date and 31 March 2022, they believe that valuation of the properties should be at Existing Use valuation to more appropriately reflect the Community Foundation's policy of allowing Voluntary and Community Sector groups to apply for a rent subsidy of up to 75%. If this Existing Use valuation were to be used, our Land and Buildings would be valued at £41,454,750 (2021 - £40,516,666) an increase of £938,084.

d. Material investments policy

Investments

The group's investments were valued at the year-end at £19,703,715 (2021 - £18,660,804). All of these investments were held by CCLA in their Charities Ethical Common Investment Fund. CCLA investment objective over the long term is to achieve an average annual total return of inflation plus 5%.

The Community Foundation's investment policy was reviewed during the year but remains broadly unchanged. This provides guidance on the Community Foundation's aim in investing its funds, including:

- its position on risk;
- an indication of the Community Foundation's asset allocation strategy;
- the benchmarks and targets by which the performance of the manager will be judged;
- the Community Foundation's stance on ethical investment;
- the balance between capital growth and income generation which is sought by the Community Foundation; and
- the scope of the investment powers.

The Trustees have discretion to invest as they think fit and the investments held by the Community Foundation have been acquired in accordance with these powers. The trustees have adopted an ethical investment approach, which looks to optimize the total return from the investment portfolio whilst mitigating risk, as far as possible.

Under the terms of the Community First Endowment Match Challenge all funds raised under this programme must be held at CCLA. Also, fifteen of the restricted donor funds and the Grassroots Endowment Challenge funds were all invested with CCLA.

e. Financial risk management objectives and policies

The Trustees review annually the major risks to which the charity is exposed in order to ensure systems and processes have been established to mitigate those risks. Internal and external factors have been considered, and risks are classified as Governance, Operational, Financial, Environmental and External, Legal and Regulatory or Reputational.

The Risk Mitigation Plan, which focused on actions required to reduce risks affecting the organisation. The 2022 review of this plan identified 33 risks (2021 - 35). The key risks were:

- Economic impact of the pandemic, especially related to the Estates and Conferencing
- Global recession affecting investment income and philanthropy
- Meeting and conference room operations not returning to pre-pandemic levels

These risks are reviewed regularly by the Leadership team and any issues are reported back to Board.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

a. Constitution

Milton Keynes Community Foundation Limited is a company limited by guarantee and a registered grant making charity. Milton Keynes Community Foundation was established in 1986 and is engaged principally in the promotion of any charitable purpose for the benefit of the community in the Milton Keynes unitary authority area. The Community Foundation also has a wholly owned trading subsidiary, MK Community Properties Limited. The subsidiary company operates as a provider of meeting and conference facilities. Its aim is to support the charitable objectives of its parent undertaking, the Community Foundation.

The Community Foundation is governed by its Memorandum and Articles of Association. The Articles of Association define those who sit on the Board of the Community Foundation as Trustees. The Articles of Association state that the Trustees have the power to admit members to the Community Foundation. As set out in the Articles of Association, the Board of Trustees shall comprise not less than five and not more than twenty members. At each Annual General Meeting one third of the Trustees retire by rotation but they are eligible for re-election for up to three terms each of three years provided that they are not otherwise disqualified under the conditions set out in the Articles of Association.

Anyone wanting to become a Trustee must apply in writing and is subject to the Community Foundation's recruitment procedures before becoming eligible for election as a Trustee.

Trustees are sometimes Employees or Trustees of other Voluntary and Community Sector organisations. All such relationships are at normal commercial rates and are disclosed in note 14 and 34 to these accounts.

b. Trustee recruitment, induction and training

The management of the Group and the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

As set out above, potential Trustees of the Community Foundation are either invited to apply to the Board or can be nominated by a member of the Community Foundation. Potential Trustees, who can demonstrate that they have the skills and knowledge required, will be interviewed by a panel made up of Board members and which involves the Chief Executive. Successful applicants are recommended to join the Board. All appointments as Trustees are confirmed at the Community Foundation's general meeting.

The Community Foundation needs an Informed, skilled and enthusiastic Board of Trustees, supportive of the work of the Community Foundation and able to carry out their duties of governance under Charity Law. The Community Foundation is working towards achieving this through:

- Induction - Introducing new Trustees to the ethos and working of the Community Foundation and to their duties in the governance of the organisation.
- Identifying and providing training - an ongoing process, assessing both current and future needs as the Community Foundation develops.
- Board Meetings - these are structured to encourage all Trustees to become more Informed on all aspects of the Community Foundation's activities and to be as fully engaged as possible.
- Strategic Away Days – which look at alternative ways of working.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The Community Foundation currently has 10 Trustees. The Trustees are responsible for ensuring the Community Foundation continues to meet its charitable objectives as set out in its Memorandum and Articles of Association.

A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Community Foundation. To facilitate effective operations, the Senior Leadership Team has delegated authority for operational matters within terms of delegation approved by the Trustees.

The Board meets a minimum of four times a year and there are sub-committees covering Property, Resources, Remuneration, Audit and Philanthropy and Grants; all meetings are attended by senior members of the Executive Team. As well as these, time-limited task groups for specific projects are set up as and when required.

Indemnity insurance has been taken out in respect of the Trustees as detailed in note 33 to the financial statements.

d. Pay policy for key management personnel

The Board of Trustees considers that the key management personnel of the group is the Strategic Leadership Team who are in charge of directing, controlling, running and operating the group on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of any Trustee's expenses and related party transactions are shown in note 14 and 34 to the accounts.

The pay of the Strategic Leadership team is reviewed annually by the Remuneration Committee and normally increased in line with average earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other local voluntary sector organisations of a similar size and the UK Community Foundation network.

e. Related party relationships

The Community Foundation and its wholly owned trading subsidiary MK Community Properties Limited provide services and support to other charities and organisations, including those that have Trustees in common with the Community Foundation. A full list of transactions with related parties in the year, along with the nature of the relationships, is shown in note 34 of these accounts.

Plans for future periods

Philanthropy

Central to our Strategic Plan is the focus on inspiring philanthropy in Milton Keynes. To that end we have a specific Philanthropy strategy and annual delivery Plan.

Key focuses in philanthropy delivery plan include:

- Diversify and grow our philanthropy programme
- Enable more impactful grant giving
- Build an effective marketing and communications offer

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods (continued)

As the Foundation plans for the year ahead, it knows the needs of the sector and its communities will continue to change. In particular the pandemic impact to the sector is not yet fully known, however the Foundation continues to conduct on-going surveys of the sector and supports the development of the Inter-cultural forum and the MK Ethnic Business Community Network so that the Foundation can continue to adapt and change its programmes in response. As the Foundation starts its 36th year as a charity, it will be launching a £1m Match Funding Programme which will hopefully encourage new and existing philanthropists in the City to begin and continue their journey with the Foundation.

Our Board of Trustees are fully aware of their responsibilities for fundraising activities and receive an annual Charity Commission C20 report. The Philanthropy & Grants Committee has delegated responsibility for continuous monitoring of any fundraising activities.

Governance and Management

The Foundation continues to implement the changes identified in its last governance review this year. It has recruited new and more diverse trustees and appointed an equally diverse group of Vice- Presidents to its honorary structure. During the year the Board elected a new President, Fola Komolafe MBE DL.

The new committee structure has proven very effective. The changes we made during the pandemic in relation to departmental reporting and KPI packs for each committee and the Board, continue to be well received and enables greater scrutiny and improved performance monitoring.

The Trustees, having continued the implementation of their plan, consider the governance structures of the Community Foundation to be appropriate to enable the Foundation to be a success in its next stage of development. Also, in line with its continuing commitment to ascertain best value from its professional advisers, the Foundation regularly undertakes tendering processes for this type of service.

Milton Keynes Community Foundation is a member of the UK Community Foundations (UKCF), an umbrella body representing Community Foundations across the United Kingdom. A membership fee is paid annually. To retain membership of this organisation, the Community Foundation must comply with a number of criteria.

Disclosure of information to auditor

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

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

Auditor

The auditor, Hillier Hopkins LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Approved by order of the members of the board of Trustees and signed on their behalf by:



Kurshida Mirza
Trustee

Date: 17 November 2022

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2022

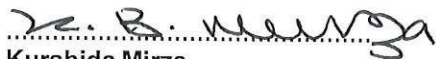
The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

Approved by order of the members of the board of Trustees and signed on its behalf by:



Kurshida Mirza
Trustee

Date: 17 November 2022

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION LIMITED**

Opinion

We have audited the financial statements of Milton Keynes Community Foundation Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION LIMITED (CONTINUED)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION LIMITED (CONTINUED)**

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- we consider the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, Charities Act 2011 and relevant tax legislation.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

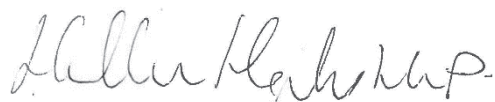
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY
FOUNDATION LIMITED (CONTINUED)**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Grant Franklin ACA (Senior statutory auditor)

for and on behalf of

Hillier Hopkins LLP

Chartered Accountants

Statutory Auditor

249 Silbury Boulevard

Milton Keynes

Bucks

MK9 1NA

Date: 7 December 2022

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	2,400,940	862,766	3,263,706	2,096,376
Charitable activities	5	571,416	-	571,416	499,398
Other trading activities	6	458,876	-	458,876	321,531
Investments	7	912,552	591,502	1,504,054	1,441,097
Total income		4,343,784	1,454,268	5,798,052	4,358,402
Expenditure on:					
Raising funds	8,9	1,858,741	-	1,858,741	1,646,374
Charitable activities	10	1,781,830	1,399,130	3,180,960	2,739,428
Total expenditure		3,640,571	1,399,130	5,039,701	4,385,802
Net income/(expenditure) before net gains/(losses) on investments		703,213	55,138	758,351	(27,400)
Net gains/(losses) on investments		316,268	1,304,245	1,620,513	(8,716,384)
Net income/(expenditure)		1,019,481	1,359,383	2,378,864	(8,743,784)
Transfers between funds	23	(24,875)	24,875	-	-
Net movement in funds		994,606	1,384,258	2,378,864	(8,743,784)
Reconciliation of funds:					
Total funds brought forward		41,618,603	17,717,111	59,335,714	68,079,498
Net movement in funds		994,606	1,384,258	2,378,864	(8,743,784)
Total funds carried forward		42,613,209	19,101,369	61,714,578	59,335,714

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

The notes on pages 25 to 61 form part of these financial statements.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 2032715

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	15	15,937	-
Tangible assets	16	146,365	197,933
Investments	18	19,703,715	18,650,804
Social investments	19	10,000	10,000
Investment property	17	41,454,750	40,516,666
		61,330,767	59,375,403
Current assets			
Debtors	20	797,917	892,802
Cash at bank and in hand		1,582,724	1,385,575
		2,380,641	2,278,377
Creditors: amounts falling due within one year	21	(996,830)	(1,318,066)
Net current assets		1,383,811	960,311
Total assets less current liabilities		62,714,578	60,335,714
Creditors: amounts falling due after more than one year	22	(1,000,000)	(1,000,000)
Total net assets		61,714,578	59,335,714
Charity funds			
Restricted funds	23	19,101,369	17,717,111
Unrestricted funds			
Designated funds	23	40,191,239	39,253,155
General funds	23	2,421,970	2,365,448
Total unrestricted funds	23	42,613,209	41,618,603
Total funds		61,714,578	59,335,714

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

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 2032715

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Kurshida Mirza
Chair of Trustees



Jill Heaton
Trustee

Date: 17 November 2022

The notes on pages 25 to 61 form part of these financial statements.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 2032715

COMPANY BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	15	15,937	-
Tangible assets	16	2,793	5,671
Investments	18	20,103,716	19,050,805
Social investments	19	10,000	10,000
Investment property	17	29,928,000	28,989,916
		50,060,446	48,056,392
Current assets			
Debtors	20	1,057,732	1,049,530
Cash at bank and in hand		1,310,343	1,104,016
		2,368,075	2,153,546
Creditors: amounts falling due within one year	21	(913,465)	(1,224,188)
Net current assets		1,454,610	929,358
Total assets less current liabilities		51,515,056	48,985,750
Creditors: amounts falling due after more than one year	22	(1,000,000)	(1,000,000)
Net assets excluding pension asset		50,515,056	47,985,750
Total net assets		50,515,056	47,985,750
Charity funds			
Restricted funds	23	19,101,369	17,717,111
Unrestricted funds			
Designated funds	23	28,844,989	27,906,905
General funds	23	2,568,698	2,361,734
Total unrestricted funds	23	31,413,687	30,268,639
Total funds		50,515,056	47,985,750

The Company's net movement in funds for the year was £2,529,306 (2021 - £(4,109,889)).

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 2032715

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

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

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

The financial statements were approved and authorized for issue by the Trustees on 17 November 2022 and signed on their behalf by:

Kurshida Mirza
(Chair of Trustees)



Jill Heaton
(Trustee)



The notes on pages 25 to 61 form part of these financial statements.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	(856,720)	3,429
Cash flows from investing activities		
Dividends, interests and rents from investments	595,759	625,842
Purchase of intangible assets	(17,000)	-
Purchase of tangible fixed assets	(29,408)	(68,459)
Proceeds from sale of investments	595,893	-
Purchase of investments	(91,375)	(330,677)
Net cash provided by investing activities	1,053,869	226,706
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	197,149	230,135
Cash and cash equivalents at the beginning of the year	1,385,575	1,155,440
Cash and cash equivalents at the end of the year	1,582,724	1,385,575

The notes on pages 25 to 61 form part of these financial statements

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Milton Keynes Community Foundation Limited ("the Community Foundation") is a private company incorporated and registered in England and Wales and limited by guarantee. The registered address is Acorn House, 381 Midsummer Boulevard, Central Milton Keynes, MK9 3HP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Milton Keynes Community Foundation Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

2.2 Going concern

The Covid 19 pandemic has had a significant impact on the charity. At this stage we do not feel that our predicted funding levels will decline significantly during 2022/23 but the organisation is taking steps to ensure that costs are kept to a minimum. Our investment portfolio continues to perform well, and the trustees have been assured that the level of return from listed investments will not drop significantly in the next 12-18 months. In terms of our property portfolio, we are monitoring the situation carefully, and providing support where needed to tenants to ensure that they continue to pay their rent and service charges. A number of tenants will naturally not survive the pandemic, and the Trustees are continually monitoring the best use of these units. Detailed planning and scenario testing are being completed and updated regularly, so that the Trustees are able to make informed decisions regarding the best course of action to ensure that the organisation continues to be financially sound.

In spite of the current pandemic, the Trustees are satisfied that the group's assets attributable to each of its funds are available and adequate to fulfil its obligations in relation to those funds. The Trustees are confident that the Community Foundation is able to continue to meet its liabilities as they fall due for the foreseeable future and that the financial statements should be prepared on the going concern basis.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Donations relating to a specific period and donations by deed of covenant, or under gift aid, where the full amount has been deposited in advance are taken into income over the period to which they relate. Where possible, gifts in kind have been quantified and included in these financial statements, in accordance with the SORP criteria.

Any grants the Community Foundation receives towards its administration costs are included on a receivable basis.

Donated land is recognised at market value at date of receipt.

Property income

Property income represents rents and service charges (net of VAT) receivable on a straight-line basis over the life of the lease. The assets for which rent is received are included in investment properties in fixed assets. Appropriately-apportioned gains or losses on property disposals are also included in property company income or expenditure.

Property income has been analysed between both investment income and income from charitable activities. That element treated as investment income relates to those properties that are let on full commercial rental basis and that reported as income from charitable activities relates to income from properties let at a subsidised rent to Voluntary and Community Sector tenants.

Subsidiary company income

Property company income represents income from hire of meeting and conferencing facilities and rent from Small Business Units (net of VAT) receivable on a straight-line basis. Any surplus income generated by the subsidiary company is distributed to the MK Community Foundation as a gift aid payment within nine months of the end of the financial year.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.4 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 allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading. These income costs incurred attracting voluntary income and investment management expenses, including management of investment properties.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs. This includes the value of grants awarded. This also includes governance costs including those incurred in the governance of the Community Foundation and its assets. Expenditure that can be recognised as wholly attributable to governance costs, for example audit fees and Trustee expenses, are directly allocated. All other costs, including staffing costs, are apportioned on the basis of an estimate of the time spent by each member of staff on governance-related issues. Such costs are primarily associated with the strategic planning processes that contribute to the future development of the Community Foundation and its statutory requirements.

Grants payable are charged in the year when the offer is approved by the Trustees and accepted by the beneficiaries. The value of such grants unpaid at the year-end is accrued. Grants where the beneficiary has to meet certain conditions before the grant is released are not accrued. .

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.7 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, no provision for corporation tax has been made in these financial statements because the Community Foundation, a registered charity, is exempt from taxation.

All expenditure is classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it is incurred.

2.8 Intangible assets and amortisation

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

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Website	- 33 %

2.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- 25 - 50%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of financial activities.

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**NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.10 Investments

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

Investments in subsidiaries are valued at cost less provision for impairment.

2.11 Freehold and leasehold investment properties

The investment properties are held for long-term investment and are included in the group balance sheet at their open market values.

The surpluses or deficits on the revaluation of such properties are transferred to the Designated Property Fund. Depreciation is not provided in respect of investment properties.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 Cash at bank and in hand

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

2.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.15 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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2. Accounting policies (continued)

2.16 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.17 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.18 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

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3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Property valuation

There are estimates and assumptions made when the investment property portfolio is valued at their market value. These estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key judgement relates to the classification of the property portfolio. The Trustees have considered whether the group's portfolio of properties should be accounted for as tangible fixed assets or as investment properties. Many of the properties are available on occasion to be rented to the charity's beneficiaries at subsidised rents. However, the Trustees consider that the properties are primarily held for long term investment with the objective of generating financial income and/or proceeds from their sale to maximise a surplus which can be used to make grants or to support the voluntary and community sector through subsidised rent. Accordingly, the Trustees consider that the properties are investment properties and that any changes in their value should be recognised as gains or losses on investment properties. However, any rental income which is generated by properties let at subsidised rates is recognised as income from charitable activities rather than investment income to reflect the objectives of the charity.

4. Income from donations and legacies

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022
	£	£	£
Donations	2,400,940	862,766	3,263,706

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**NOTES TO THE FINANCIAL STATEMENTS
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4. Income from donations and legacies (continued)

	<i>Unrestricted funds 2021</i>	<i>Restricted funds 2021</i>	<i>Total funds 2021</i>
	£	£	£
Donations	254,731	1,838,616	2,093,347
Grants received for administration costs	3,029	-	3,029
	<u>257,760</u>	<u>1,838,616</u>	<u>2,096,376</u>

Donations received in kind are valued on the basis that such services were purchased as a commercial transaction on an arms length basis. All such donations have been included as unrestricted income and are analysed in the table below:

	Unrestricted Total 2022 £	Unrestricted Total 2021 £
Community Prize Draw	40,560	-
Land site	875,000	-
IT subscription	180	-
Away day costs	480	-
	<u>916,220</u>	<u>-</u>

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Property rental and service charge income	<u>571,416</u>	<u>571,416</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Income from charitable activities (continued)

	<i>Unrestricted funds 2021</i>	<i>Total funds 2021</i>
	£	£
Property rental and service charge income	499,398	499,398

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022	Total funds 2022
	£	£
Trading income - MK Community Properties Ltd	458,876	458,876

	<i>Unrestricted funds 2021</i>	<i>Total funds 2021</i>
	£	£
Trading income - MK Community Properties Ltd	321,531	321,531

7. Investment income

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022
	£	£	£
Property investments	912,550	-	912,550
Listed investments	-	591,502	591,502
Interest receivable	2	-	2
	<u>912,552</u>	<u>591,502</u>	<u>1,504,054</u>

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7. Investment income (continued)

	<i>Unrestricted funds 2021</i>	<i>Restricted funds 2021</i>	<i>Total funds 2021</i>
	£	£	£
Property investments	873,759	-	873,759
Listed investments	-	567,310	567,310
Interest receivable	28	-	28
	<u>873,787</u>	<u>567,310</u>	<u>1,441,097</u>

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022	Total funds 2022
	£	£
Other costs	58,965	58,965
Apportioned costs	58,709	58,709
Wages and salaries	194,646	194,646
	<u>312,320</u>	<u>312,320</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Expenditure on raising funds (continued)

Costs of raising voluntary income (continued)

	<i>Unrestricted funds 2021</i>	<i>Total funds 2021</i>
	£	£
Other costs	32,676	32,676
Apportioned costs	59,705	59,705
Wages and salaries	194,593	194,593
	<u>286,974</u>	<u>286,974</u>

Fundraising trading expenses

	Unrestricted funds 2022	Total funds 2022
	£	£
Apportioned costs	1,826	1,826
Wages and salaries	6,052	6,052
	<u>7,878</u>	<u>7,878</u>

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8. Expenditure on raising funds (continued)

Fundraising trading expenses (continued)

	<i>Unrestricted funds 2021</i>	<i>Total funds 2021</i>
	£	£
Apportioned costs	1,843	1,843
Wages and salaries	6,007	6,007
	<u>7,850</u>	<u>7,850</u>

Other trading expenses

	Unrestricted funds 2022	Total funds 2022
	£	£
MK Community Properties Ltd trading expenses	435,728	435,728
MK Community Properties Ltd staff costs	95,494	95,494
MK Community Properties Ltd depreciation	78,098	78,098
	<u>609,320</u>	<u>609,320</u>

Other trading expenses (continued)

	<i>Unrestricted funds 2021</i>	<i>Total funds 2021</i>
	£	£
MK Community Properties Ltd trading expenses	357,146	357,146
MK Community Properties Ltd staff costs	138,171	138,171
MK Community Properties Ltd depreciation	74,347	74,347
	<u>569,664</u>	<u>569,664</u>

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9. Investment management costs

	Unrestricted funds 2022	Total funds 2022
	£	£
Property costs	890,324	890,324
Loan interest payable	36,549	36,549
Apportioned costs	545	545
Wages and salaries	1,806	1,806
	<u>929,224</u>	<u>929,224</u>
	<i>Unrestricted funds 2021</i>	<i>Total funds 2021</i>
	£	£
Property costs	742,849	742,849
Loan interest payable	36,700	36,700
Apportioned costs	549	549
Wages and salaries	1,788	1,788
	<u>781,886</u>	<u>781,886</u>

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022	Restricted funds 2022	Total 2022
	£	£	£
Grants awarded	<u>1,781,830</u>	<u>1,399,130</u>	<u>3,180,960</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	<i>Unrestricted funds 2021</i>	<i>Restricted funds 2021</i>	<i>Total 2021</i>
	£	£	£
Grants awarded	558,734	2,180,694	2,739,428

11. Analysis of expenditure by activities

	Activities undertaken directly 2022	Grant funding of activities 2022	Support costs 2022	Total funds 2022
	£	£	£	£
Grants awarded	312,100	2,619,398	249,462	3,180,960

	<i>Activities undertaken directly 2021</i>	<i>Grant funding of activities 2021</i>	<i>Support costs 2021</i>	<i>Total funds 2021</i>
	£	£	£	£
Grants awarded	363,363	2,105,166	270,900	2,739,429

Analysis of direct costs

	Grants awarded 2022	Total funds 2022
	£	£
Staff costs	124,224	124,224
Other costs	122,470	122,470
Apportioned costs	65,406	65,406
	312,100	312,100

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11. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Grants awarded 2021</i>	<i>Total funds 2021</i>
	£	£
Staff costs	124,384	124,384
Other costs	176,083	176,083
Apportioned costs	62,896	62,896
	<u>363,363</u>	<u>363,363</u>

Property costs shown here represent the cost of managing and maintaining our extensive property portfolio.

Costs that can be recognised as wholly attributable to one of the above categories are directly allocated. All other costs, including staff costs, are apportioned on the basis of an estimate of the time spent by each member of staff within the category. The allocation of staff time across various projects changes from year to year depending on the factors identified and agreed by the Board. Staff costs have been apportioned as follows:

Role	Cost of rising funds	Property costs	Fundraising trading	Investment management costs	Charitable activities support costs	Governance costs
Chief Executive	10%	33%	-	1%	26%	30%
Director of Finance	21%	30%	1%	1%	4%	43%
Philanthropy Directors	79%	5%	-	-	11%	5%
Executive Assistant	10%	15%	-	-	9%	66%
Financial Controller	21%	-	4%	1%	35%	39%
Philanthropy Managers	49%	49%	-	1%	50%	-
Marketing Staff	58%	5%	6%	-	29%	2%
Conferencing Staff	-	100%	-	-	-	-
Administrative Assistants	12%	-	-	-	10%	78%

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11. Analysis of expenditure by activities (continued)

Analysis of support costs

	Grants awarded 2022	Total funds 2022
	£	£
Staff costs	64,949	64,949
Depreciation	3,941	3,941
Governance costs	180,573	180,573
	<u>249,463</u>	<u>249,463</u>
	<i>Grants awarded 2021</i>	<i>Total funds 2021</i>
	£	£
Staff costs	61,356	61,356
Depreciation	4,903	4,903
Governance costs	204,641	204,641
	<u>270,900</u>	<u>270,900</u>

12. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	13,000	13,250
Fees payable to the Company's auditor in respect of:		
All taxation advisory services not included above	1,575	1,500
All non-audit services not included above	899	3,640

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13. Staff costs

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Wages and salaries	533,916	596,072	438,422	457,901
Social security costs	56,849	55,917	56,849	55,917
Contribution to defined contribution pension schemes	24,629	16,832	24,629	16,832
	<u>615,394</u>	<u>668,821</u>	<u>519,900</u>	<u>530,650</u>

The average number of persons employed by the Company during the year was as follows:

	Group 2022 No.	<i>Group 2021 No.</i>
Marketing and Fund Development	4.0	4.0
Charitable activities	6.0	5.0
Operations	4.0	5.9
Finance and Governance	5.3	5.5
	<u>19.3</u>	<u>20.4</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	<i>Group 2021 No.</i>
In the band £70,001 - £80,000	1	1

The total key management personnel of the parent charity comprise the Trustees and the Senior Executive Team, as disclosed on page 3. The employee benefits of the key management personnel were £285,057 (2021 - £283,148), including employer's national insurance of £28,040 (2021 - £27,616). The key management personnel for the group are the same as for the charity.

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £nil).

During the year ended 31 March 2022, travel expenses totalling £nil were reimbursed or paid directly to Trustees (2021 - £nil to no Trustee).

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Intangible assets

Group and Company

	Website £
Cost	
At 1 April 2021	34,577
Additions	17,000
Disposals	(34,577)
At 31 March 2022	<u>17,000</u>
Amortisation	
At 1 April 2021	34,577
Charge for the year	1,063
At 31 March 2022	<u>1,063</u>
Net book value	
At 31 March 2022	<u>15,937</u>
At 31 March 2021	<u>-</u>

The amortisation charge for the year is apportioned between expenditure on raising funds, grants made and property activity.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Tangible fixed assets

Group

	Office equipment £
Cost or valuation	
At 1 April 2021	925,802
Additions	29,408
At 31 March 2022	<u>955,210</u>
Depreciation	
At 1 April 2021	727,869
Charge for the year	80,976
At 31 March 2022	<u>808,845</u>
Net book value	
At 31 March 2022	<u>146,365</u>
<i>At 31 March 2021</i>	<u>197,933</u>

The depreciation charge for the year is apportioned between expenditure on raising funds, grants made and property activity.

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16. Tangible fixed assets (continued)

Company

	Office equipment £
Cost or valuation	
At 1 April 2021	40,650
At 31 March 2022	40,650
Depreciation	
At 1 April 2021	34,979
Charge for the year	2,878
At 31 March 2022	37,857
Net book value	
At 31 March 2022	2,793
At 31 March 2021	5,671

The depreciation charge for the year is apportioned between expenditure on raising funds, grants made and property activity.

17. Investment property

Group

	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 April 2021	38,741,666	1,775,000	40,516,666
Additions	875,000	-	875,000
(Deficit)/surplus on revaluation	(294,916)	358,000	63,084
At 31 March 2022	39,321,750	2,133,000	41,454,750

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17. Investment property (continued)

Company

	Freehold investment property	Long term leasehold investment property	Total
	£	£	£
Valuation			
At 1 April 2021	27,214,916	1,775,000	28,989,916
Additions	875,000	-	875,000
(Deficit)/surplus on revaluation	(294,916)	358,000	63,084
At 31 March 2022	<u>27,795,000</u>	<u>2,133,000</u>	<u>29,928,000</u>

The investment properties were valued at 31 December 2021 by external valuers, Kirby and Diamond, Chartered Surveyors, on the basis of open market value in accordance with the appraisal and valuation manual of the Royal Institution of Chartered Surveyors. The valuation approach is as described in the RICS Information Paper "Comparable Evidence in Property Valuation". The Trustees are of the opinion that there has been no material movement in value of these properties between that date and 31 March 2022.

The historical cost of the properties is £2,994,979 (2021 - £2,994,979).

18. Fixed asset investments

**Listed
investments**

Group	£
Cost or valuation	
At 1 April 2021	18,650,804
Additions	91,375
Disposals	(595,893)
Revaluations	1,557,429
At 31 March 2022	<u>19,703,715</u>
Net book value	
At 31 March 2022	<u>19,703,715</u>
At 31 March 2021	<u>18,650,804</u>

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18. Fixed asset investments (continued)

The historical cost of investments held at 31 March 2022 was £13,005,390 (2020 - £13,296,896).

	Investments in subsidiary companies	Listed investments	Total
Company	£	£	£
Cost or valuation			
At 1 April 2021	400,001	18,650,804	19,050,805
Additions	-	91,375	91,375
Disposals	-	(595,893)	(595,893)
Revaluations	-	1,557,429	1,557,429
At 31 March 2022	<u>400,001</u>	<u>19,703,715</u>	<u>20,103,716</u>
Net book value			
At 31 March 2022	<u>400,001</u>	<u>19,703,715</u>	<u>20,103,716</u>
At 31 March 2021	<u>400,001</u>	<u>18,650,804</u>	<u>19,050,805</u>

Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Principal activity	Class of shares	Holding
MK Community Properties Limited	2650530	Provider of Meeting and Conference Facilities and Small Business Units.	Ordinary £1 shares	100%
MKCP Limited	9466716	Dormant	Ordinary £1 share	100%

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Fixed asset investments (continued)

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
MK Community Properties Limited	458,590	(609,032)	(150,442)	11,599,530
MKCP Limited	-	-	-	1

19. Social investments

Group and Company

Cost or valuation	Social Enterprise project £
At 1 April 2021	10,000
Net book value	
At 31 March 2022	10,000
At 31 March 2021	10,000

The Community Foundation still holds a direct equity holding of £10,000 in Future Wolverton to help fund a social enterprise project in the city.

20. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Due within one year				
Trade debtors	185,358	77,567	131,489	66,824
Amounts owed by group undertakings	-	-	395,866	235,004
Other debtors	110,838	211,867	110,839	211,867
Prepayments and accrued income	501,721	603,368	419,538	535,835
	797,917	892,802	1,057,735	1,049,530

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20. Debtors (continued)

Included in debtors is £nil (2021 - £51,589) relating to sales proceeds of Community Foundation Land which is due in more than one year.

21. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade creditors	16,240	29,476	7,303	16,917
Other taxation and social security	46,243	65,938	46,243	65,938
Other creditors	103,899	174,244	72,845	114,512
Accruals and deferred income	426,918	515,126	383,544	493,539
Grants accrued	403,530	533,282	403,530	533,282
	996,830	1,318,066	913,465	1,224,188

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Deferred income at 1 April 2021	273,615	112,066	253,535	93,243
Resources deferred during the year	250,239	273,615	207,989	253,535
Amounts released from previous periods	(273,615)	(112,066)	(253,535)	(93,243)
	250,239	273,615	207,989	253,535

Deferred income represents rent and service charge income received in advance.

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22. Creditors: Amounts falling due after more than one year

	<i>Group 2022 £</i>	<i>Group 2021 £</i>	<i>Company 2022 £</i>	<i>Company 2021 £</i>
Bank loans	1,000,000	<i>1,000,000</i>	1,000,000	<i>1,000,000</i>

Included within the above are amounts falling due as follows:

Between two and five years

Bank loans	1,000,000	<i>1,000,000</i>	1,000,000	<i>1,000,000</i>

On 31 March 2015, as part of the group re-organisation, a loan was taken out with Handelsbanken for £1.25M. The loan was fixed at 2.06% for three years followed by a variable rate of 2.35% over 3M Libor for a further two years. At 31 March 2018 there was a break clause enabling the Community Foundation to repay the fixed loan without penalty. On 3 April 2018 the loan was renewed. Under the new loan agreement there is a loan of £1,000,000 which is on a fixed rate of 3.65% until maturity at 6 April 2021 and a loan of £250,000 which is on a variable rate of 2.42% over LIBOR over three years. The loan has been renewed for another 3 years post year end. The loan is secured by a fixed charge over Margaret Powell House, Acorn House and the units in Burners Lane, Stacey Bushes. The carrying value of these properties is £11,400,000 (2021 - £11,200,000).

23. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Designated funds						
Property	39,253,155	875,000	-	-	63,084	40,191,239
General funds						
Community	2,365,448	3,468,784	(3,640,571)	(24,875)	253,184	2,421,970
Total Unrestricted funds	41,618,603	4,343,784	(3,640,571)	(24,875)	316,268	42,613,209

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

23. Statement of funds (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Restricted funds						
Arts Fund	478,994	17,352	(28,585)	-	42,111	509,872
Sports Relief Fund	2,341	-	(2,200)	-	-	141
Margaret Powell (Grants)	356	-	-	-	-	356
MK DASS Fund	349,817	10,255	-	-	26,683	386,755
RDSM Fund	284	225	-	-	-	509
Women's Fund	37,153	1,445	(152)	-	2,531	40,977
thecentre:mk Fund	3,300	-	(1,073)	-	-	2,227
NiftyLift Fund	49,396	1,389	(1,540)	-	3,613	52,858
Family Funds	225,744	46,915	(6,506)	8,500	17,208	291,861
Kara Hurley Memorial Fund	318,811	10,523	(9,625)	500	25,636	345,845
Grassroots Endowment Fund	1,039,847	30,999	(39,355)	-	80,660	1,112,151
Shoosmiths Fund	1,233	47	-	-	-	1,280
Surviving Winter	9,828	7,617	(1,731)	-	-	15,714
Local Giving	116,293	404,238	(444,372)	-	-	76,159
New Communities Funds	228,040	-	(18,745)	-	-	209,295
Jubilee Sports Fund	348	150	(87)	-	-	411
Community First EMC	13,849,416	415,517	(399,287)	3,500	1,065,501	14,934,647
Hopkinson Music Fund	79,707	2,322	-	-	6,041	88,070
Coventry Building Society Fund	1	-	-	-	-	1
VW Fund	10,002	16,360	(7,929)	-	-	18,433
Music Centre Fund	10,365	-	-	-	-	10,365
Business Leaders Fund	6,989	50	(3,845)	-	-	3,194

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Statement of funds (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Big Local Conniburrow Fund	38,398	38,595	(43,450)	-	-	33,543
Great Linford Waterslide Festival Fund	43,850	1,382	-	-	3,596	48,828
Prevention of Crime Fund	182	-	-	-	-	182
Rainscourt Fund	15,693	-	(13,200)	-	-	2,493
Tony Byrne Financial Services Fund	45,744	950	(16,500)	-	2,471	32,665
Youth Social Action Fund	13,273	-	2,496	-	-	15,769
Bramwell Fund	13,291	10,000	(10,450)	-	-	12,841
Chichley Fund	47,541	6,901	(3,850)	-	2,807	53,399
ICAEW Social Mobility Fund	1	-	110	-	-	111
New City Fund	10,963	9,230	(2,301)	-	-	17,892
Tampon Tax Fund	2,047	-	-	-	-	2,047
National Lottery Fund	10,700	30,000	(40,700)	-	-	-
Olney Education Trust	6,501	-	-	-	-	6,501
Beadle Fund	55,189	23,801	(4,386)	10,000	3,637	88,241
MK Council 2050 Fund - Flowthrough	31,047	50,000	(55,722)	-	-	25,325
MK Council 2050 Fund - Endowment	101,434	3,275	-	-	8,523	113,232
Watercare Fund	6,615	-	-	-	-	6,615
TVP - Violent Crime Reduction	24,888	-	(24,840)	-	-	48
Covid 19 Emergency Response	79,546	10,170	(37,496)	-	-	52,220
MK Christian Centre Fund	21,435	5,321	(15,495)	-	-	11,261
Norman Hawes Memorial Trust Endowment	137,023	3,975	-	-	10,343	151,341
Norman Hawes Memorial Trust Flowthrough	8,386	-	-	-	-	8,386
NET Emergency Appeal	389	-	-	-	-	389

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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23. Statement of funds (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
9 Eons Limited	2,852	10,000	(2,475)	-	-	10,377
Anglian Water Positive Difference	6,100	-	-	-	-	6,100
LEAP Fund	3,419	7,000	(8,910)	-	-	1,509
Net DCMS Fund	3,079	-	1,212	-	-	4,291
Covid 19 Recovery Fund	109,226	50,993	(57,348)	-	-	102,871
DCMS Community Match	(2,375)	-	-	2,375	-	-
Sick Mans Friend	9,624	-	-	-	-	9,624
MBS Fund - MK	23,880	(1,038)	(22,842)	-	-	-
MBS Fund - Bucks	18,905	(14,540)	(4,365)	-	-	0
Boswell Mental Health Fund	10,000	2,976	(76)	-	454	13,354
ECOS Active - MK	-	26,000	(5,157)	-	-	20,843
DD McPhail	-	25,000	(24,750)	-	-	250
Personal Assurance Trust	-	10,000	(5,500)	-	-	4,500
Next Generation Fund	-	1,560	(31)	-	-	1,529
National Hockey Fund	-	100,000	(4,950)	-	-	95,050
Routeco Fund	-	10,000	(3,300)	-	-	6,700
Refugee Crisis Appeal	-	9,321	(67)	-	-	9,254
Torrin AM Fund	-	2,139	-	-	(108)	2,031
Limb Family Fund	-	8,143	-	-	2,538	10,681
Great Linford Fund	-	2,955	-	-	-	2,955
Arts Council Queens Platinum Jubilee	-	29,755	(29,755)	-	-	0
Thrive Homes	-	15,000	-	-	-	15,000
Total restricted funds	17,717,111	1,454,268	(1,399,130)	24,875	1,304,245	19,101,369
Total of funds	59,335,714	5,798,052	(5,039,701)	-	1,620,513	61,714,578

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

23. Statement of funds (continued)

Milton Keynes Community Foundation maintains a number of separate funds, the movements in which are detailed in this note and the net assets of which are analysed in note 25. Monies held in funds can be either flow-through (monies donated in one year are spent in the next along with any investment income earned) or endowment (monies are held in the fund until the fund reaches an agreed level at which time the annual income on the fund balance is spent).

Details of the funds are as follows:

Unrestricted fund

This fund is the main fund of the Community Foundation into which the majority of donations are made. Most grants are paid out of this fund and the majority of the administration costs are borne by this fund. Interest and investment income is added to this fund as earned.

Designated funds

This fund represents the net book value of the freehold and leasehold properties owned by the group, less mortgages raised to purchase properties, together with a reserve towards future property maintenance.

Restricted funds

Details of the various restricted funds can be found on our website.

Statement of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2021 £</i>
Designated funds						
Property	51,046,314	-	-	-	(11,793,159)	39,253,155
General funds						
Community	2,123,596	1,952,476	(2,205,108)	(12,579)	507,063	2,365,448
Total Unrestricted funds	53,169,910	1,952,476	(2,205,108)	(12,579)	(11,286,096)	41,618,603

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

23. Statement of funds (continued)

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Restricted funds						
Arts Fund	388,190	19,209	(11,665)	-	83,259	478,994
Sport Relief Fund	2,341	-	-	-	-	2,341
Margaret Powell (Grants)	356	-	-	-	-	356
MK DASS Fund	287,017	10,042	-	-	52,758	349,817
RSM Fund	1,013	281	(1,011)	-	-	284
Women's Fund	29,049	4,089	(990)	-	5,005	37,153
Thecentre:mk Fund	4,950	-	-	(1,651)	-	3,300
NiftyLift Fund	41,605	3,143	(2,200)	(297)	7,145	49,396
Family Funds	154,458	42,575	(7,581)	9,245	27,047	225,744
Kara Hurley Memorial Fund	262,416	10,879	(5,500)	500	50,516	318,811
Grassroots Endowment Fund	878,715	30,354	(22,083)	(6,616)	159,477	1,039,847
Shoosmiths Fund	1,429	43	(239)	-	-	1,233
Surviving Winter Open University Fund	28,065	7,760	(1,652)	(24,345)	-	9,828
	221	-	-	(221)	-	-
Local Giving New Communities Funds	77,502	465,149	(426,357)	-	-	116,293
	231,304	-	(3,264)	-	-	228,040
Jubilee Sports Fund	4,605	300	(4,557)	-	-	348
Community First EMC	11,603,162	490,963	(336,907)	(47,693)	2,139,890	13,849,416
Hopkinson Music Fund	65,492	2,273	-	-	11,942	79,707
Coventry Building Society Fund	1	-	-	-	-	1
VW Fund	11,391	10,000	(11,389)	-	-	10,002
Music Centre Fund	10,128	-	-	237	-	10,365
Business Leaders Fund	14,730	-	(7,741)	-	-	6,989
Big Local Conniburrow Fund	38,933	84,000	(84,535)	-	-	38,398
Great Linford Waterslide Festival Fund	38,065	1,353	-	(2,676)	7,108	43,850
Prevention of Crime Fund	4,441	-	(1,650)	(2,609)	-	182
Rainscourt Fund	8,443	6,250	1,000	-	-	15,693
Tony Byrne Financial Services Fund	34,151	8,383	(1,100)	-	4,310	45,744

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

23. Statement of funds (continued)

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Youth Social Action Fund	13,273	-	-	-	-	13,273
Bramwell Fund	4,188	13,886	(4,783)	-	-	13,291
Chichley Fund	38,522	6,862	(3,328)	-	5,484	47,541
ICAEW Social Mobility Fund	21,106	-	(9,041)	(12,064)	-	1
Netherfield Children Centre Legacy Fund	1	-	-	(1)	-	-
New City Fund	5,821	5,210	(68)	-	-	10,963
Tampon Tax Fund	2,015	32	-	-	-	2,047
National Lottery Fund	175,700	-	(165,000)	-	-	10,700
Olney Education Trust	6,501	-	-	-	-	6,501
Beadle Fund	45,764	1,704	(1,231)	-	8,952	55,189
MK Council 2050 Fund - Flowthrough	127,113	50,000	(46,066)	(100,000)	-	31,047
MK Council 2050 Fund - Endowment	-	772	-	100,000	662	101,434
Watercare Fund	6,615	-	-	-	-	6,615
TVP - Violent Crime Reduction Covid 19 Emergency Response	34,500	-	(9,612)	-	-	24,888
MK Christian Centre Fund	50,498	129,476	(201,196)	100,768	-	79,546
Norman Hawes Memorial Trust Endowment	28,795	-	(7,360)	-	-	21,435
Norman Hawes Memorial Trust Flowthrough	127,000	3,866	-	-	6,157	137,023
NET Emergency Appeal	-	8,386	-	-	-	8,386
9 Eons Limited Anglian Water Positive Difference	-	325,088	(324,699)	-	-	389
LEAP Fund	-	10,000	(7,148)	-	-	2,852
Net DCMS Fund Covid 19 Recovery Fund	-	19,200	(13,100)	-	-	6,100
MK Food Support DCMS Community Match	-	39,999	(36,581)	-	-	3,419
	-	145,489	(142,410)	-	-	3,079
	-	150,000	(40,774)	-	-	109,226
	-	157,000	(157,000)	-	-	-
	-	79,500	(81,875)	-	-	(2,375)

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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23. Statement of funds (continued)

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Sick Mans Friend	-	9,624	-	-	-	9,624
MBS Fund - MK	-	23,880	-	-	-	23,880
MBS Fund - Bucks	-	18,905	-	-	-	18,905
Boswell Mental Health Fund	-	10,000	-	-	-	10,000
Total restricted funds	14,909,588	2,405,926	(2,180,694)	12,579	2,569,712	17,717,111
Total funds	68,079,498	4,358,402	(4,385,802)	-	(8,716,384)	59,335,714

23. Summary of funds

Summary of funds – current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Designated funds	39,253,155	875,000	-	-	63,084	40,191,239
General funds	2,365,448	3,468,784	(3,640,571)	(24,875)	253,184	2,421,970
Restricted funds	17,717,111	1,454,268	(1,399,130)	24,875	1,304,245	19,101,369
	59,335,714	5,798,052	(5,039,701)	-	1,620,513	61,714,578

Summary of funds – prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Designated funds	51,046,314	-	-	-	(11,793,159)	39,253,155
General funds	2,123,596	1,952,476	(2,205,108)	(12,579)	507,063	2,365,448
Restricted funds	14,909,588	2,405,926	(2,180,694)	12,579	2,569,712	17,717,111
	68,079,498	4,358,402	(4,385,802)	-	(8,716,384)	59,335,714

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

25. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	146,365	-	146,365
Intangible fixed assets	15,937	-	15,937
Fixed asset investments	602,346	19,101,369	19,703,715
Investment property	41,454,750	-	41,454,750
Social investments	10,000	-	10,000
Current assets	2,380,641	-	2,380,641
Creditors due within one year	(996,830)	-	(996,830)
Creditors due in more than one year	(1,000,000)	-	(1,000,000)
Total	42,613,209	19,101,369	61,714,578

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	197,933	-	197,933
Fixed asset investments	3,365,949	15,284,855	18,650,804
Investment property	40,516,666	-	40,516,666
Social investments	10,000	-	10,000
Current assets	(153,879)	2,432,256	2,278,377
Creditors due within one year	(1,318,066)	-	(1,318,066)
Creditors due in more than one year	(1,000,000)	-	(1,000,000)
Total	41,618,603	17,717,111	59,335,714

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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

	Group 2022 £	Group 2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	2,378,864	(8,743,784)
Adjustments for:		
Depreciation charges	80,976	113,712
Amortisation charges	1,063	-
Gains/(losses) on investments	(1,620,513)	8,716,384
Dividends, interests and rents from investments	(595,759)	(625,842)
Decrease in debtors	94,885	171,902
Increase/(decrease) in creditors	(321,236)	371,057
Donated land site	(875,000)	-
Net cash provided by/(used in) operating activities	(856,720)	3,429

27. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	1,582,724	1,385,575

28. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	1,385,575	197,149	1,582,724
Debt due after 1 year	(1,000,000)	-	(1,000,000)
	385,575	197,149	582,724

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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**NOTES TO THE FINANCIAL
STATEMENTS FOR THE YEAR
ENDED 31 MARCH 2022**

29. Grant commitments

Analysis of grants made	Unrestricted funds	Restricted funds	Big Local Conniborrow	Local Giving	Total
	£	£	£	£	£
Voluntary groups and charities	-	916,908	38,595	404,238	1,359,741
Individuals	-	-	-	-	-
Total	-	916,908	38,595	404,238	1,359,741

A complete list of all grant recipients for the year can be found on our website.

Reconciliation of grants payable

	2022 £	£	2021 £	£
Grants to Voluntary Groups and Charities	916,908		1,734,228	
Grants through Local Giving	404,238		426,357	
Big Local Conniborrow Project	38,595		84,535	
Grants to Individuals	-		9,000	
		1,359,741		2,254,120
Commitments at 1 April		533,282		336,104
Commitments made in the year	1,376,220		2,376,514	
Grants cancelled or recovered	(16,479)		(18,225)	
Grants payable for the year		1,359,741		2,358,289
Grants paid during the year		(1,489,493)		(2,161,111)
Commitments at 31 March		403,530		533,282
Commitments at 31 March are payable as follows:				
Within one year		403,530		533,282
After one year		-		-
		403,530		533,282

30. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund managed by Royal London on behalf of the organisation. The pension cost charge represents contributions payable by the group to the fund and amounted to £24,629 (2021 - £16,832). There were no contributions payable to the fund at the balance sheet date (2021 - £nil).

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

31. Operating lease commitments

At 31 March 2022 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Not later than 1 year	16,470	71,652	7,057	38,185
Later than 1 year and not later than 5 years	7,841	28,354	7,057	7,057
	24,311	100,006	14,114	45,242

32. Contingent liabilities

Under the arrangements surrounding the transfer on 27 November 1992 of certain properties from English Partnerships, previously known as the Commission for the New Towns, the group is under a contractual obligation to repay amounts to English Partnerships ("clawback") in respect of the net capital gains arising on certain disposals or change of use in relation to either Community Related Assets (certain industrial units at Kiln Farm, Stacey Bushes and Number 56 Buckingham Street Wolverton) or Community Foundation Land sites (32 undeveloped and 1 developed).

Based on the open market value, as at 31 March 2022 the total potential liability for the clawback was £12,086,750 (2021 - £13,343,155). No provision has been made for deferred tax that may arise if the properties were sold in the future. It is the Trustees' opinion that no tax would arise on a future sale of the properties as any profits from such sale would be distributed via Gift Aid to the company's charitable parent Milton Keynes Community Foundation from its subsidiary company, MK Community Properties Limited. Milton Keynes Community Foundation is part of a VAT group with its subsidiary, MK Community Properties, and is therefore jointly liable for any VAT debts of MK Community Properties Limited.

33. Indemnity insurance

The group has purchased insurance for the Trustees and staff of the charity and the directors of the subsidiary company, MK Community Properties Limited, against liability arising for wrongful acts in relation to the charity and its wholly owned subsidiary. The cost of this insurance amounts to £1,641 (2021 - £1,706).

MILTON KEYNES COMMUNITY FOUNDATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

34. Related party transactions

A number of Trustees, as well as being individual members of the Community Foundation, are associated with organisations that are corporate members of the Community Foundation. Total individual donations received from Trustees in the year amounted to £1,605 (2021 - £1,605). Neither the Trustees nor their associated organisations derive any benefit as a result of their membership of the Community Foundation.

Furthermore, as mentioned previously in this report, the Community Foundation is also able to support the not-for-profit sector in Milton Keynes through the provision of properties that are let on preferential terms. The amount of this subsidy, the difference between the full commercial rental and the subsidised rent paid by the not-for-profit sector tenants, is in excess of £1,260,000 per annum for the year to 31 March 2022 (2021 - £1,220,000).

During the year Milton Keynes Community Foundation Limited charged rent and service charges to MK Community Properties Limited in the sum of £266,772 (2021 - £261,798). Milton Keynes Community Foundation Limited purchased room hire and catering services from MK Community Properties Limited during the year amounting to £nil (2021 - £nil). These transactions have been removed on consolidation.

During the year, grants totalling £60,000 (2021 - £nil) were awarded to MK Gallery Enterprises (of which K Chadwick, a Trustee, is a director), grants totalling £nil (2021 - £110,000) were awarded to MK Gallery (of which C Baume, a Trustee, was a trustee), grants totalling £3,100 (2021 - £5,000) were awarded to Worktree (of which J Sinclair and P Zumbika-Lwanga, Trustees, are trustees) and grants totalling £nil (2021 - £8,250) were awarded to Trubys Garden Tea Rooms (of which Mrs K Mirza, a Trustee, is a Trustee). There was £60,000 outstanding owed to the related party at the year end (2021 - £80,000).

35. Financial instruments

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial assets				
Financial assets measured at fair value through income and expenditure	1,582,724	18,660,804	1,310,343	18,660,804

Financial assets measured at fair value through income and expenditure comprise of the listed and social investments.

MILTON KEYNES COMMUNITY FOUNDATION LIMITED

England & Wales - Charity number 295107

Accounts

Milton Keynes Community Foundation Limited
(a company limited by guarantee)
Trustees' annual report and financial statements of the Group
31 March 2021

Registered number: 2032715
Charity number: 295107



Milton Keynes Community Foundation Limited
(a company limited by guarantee)

Trustees' annual report and financial statements of the Group

31 March 2021

Registered company number 2032715 (England and Wales)
Registered charity number 295107

Trustees' report and financial statements of the Group

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Trustees' Annual Report

Reference and administrative information

Charity Registration Number: 295107

Company Registration Number: 2032715

Principal Office: Acorn House
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Central Milton Keynes
MK9 3HP

Website: www.mkcommunityfoundation.co.uk

Bankers

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London
EC2N 1HZ

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Milton Keynes
MK9 3GB

Handelsbanken
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Milton Keynes
MK9 1LZ

Close Brothers
10 Crown Place
London
EC2A 4FT

Investment Managers

CCLA
Senator House
85 Queen Victoria
Street
London
EC4V 4ET

Auditor

Hillier Hopkins LLP
249 Silbury Boulevard,
Milton Keynes
MK9 1NA

Property Manager

Hornbeam Limited
13 Furzton Lake
Shirwell Crescent
Furzton
Milton Keynes
MK4 1GA

Solicitors

EMW
Seebeck House
1 Seebeck Place
Milton Keynes
MK5 8FR

Directors and Trustees

The directors of the charitable company (the Community Foundation) are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees. Letters designating membership of a committee are: Audit Committee (A), Emergency Grants Panel (EG), Grants Panel (G), Philanthropy & Grants Committee (PG), Property Committee (P) Resources Committee (R), and Remuneration Committee (Re). More information regarding Committees is shown on page 3 and further details of the Trustees can be found on our website <https://www.mkcommunityfoundation.co.uk/meet-team/>

Devdeep Ahuja	(19.11.2020) - PG	Precious Lwanga	(19.11.2020) P
Carole Baume	Vice Chair of Board, Chair of Remuneration Committee EG, P	Kurshida Mirza	Chair of Board (from 17.09.2020), A, EG, P, R, PG
Kate Chadwick	Chair of Grants Panel, EG, PG, Re	Paul Nolan	- R
Steve Harris	Chair of Property - R (until 23.04.21 - resigned)	Sean O'Reilly	- R
Jill Heaton	A, EG, P, G	Lawrence Revill	Chair of Board (to 17.09.2020) P, Chair of Resources, A
Shirley Jones	G, P	Christopher Shaw	Chair of Property (from 23.04.21), R
Liz Henderson	PG (until 23.02.2021 – resigned)	Jason Sinclair	(19.11.2020) PG
Shaun Lee	Chair of Philanthropy & Grants – EG, R, G		

Senior Executive

Ian Revell
Sarah Wilson
Vanessa Bradley
June Oldroyd
Ranjit Singh

Chief Executive
Director of Finance
Director of Operations
Director of Philanthropy: (Appointed 01.04.20)
Director of Philanthropy: (Appointed 01.04.20)

Trustees' Annual Report (continued)

The Trustees have pleasure in presenting their annual report and audited consolidated financial statements for the year ended 31 March 2021, which are also prepared to meet the requirements for a directors' and strategic report and accounts for Companies Act purposes.

The financial statements comprise the group accounts of Milton Keynes Community Foundation (the "Foundation") and its wholly owned subsidiary, MK Community Properties Limited. These statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Memorandum and Articles of Association, the requirements of the Companies Act 2006, Charities Act 2011 and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" applicable to charities preparing their accounts in accordance with (FRS 102).

The accounts on pages 20 to 63 incorporate all the various funds within the Community Foundation. An analysis of the group income and expenditure between the various funds is provided in note 23.

STRATEGIC REPORT

Objectives and Activities

The objects of the Community Foundation are defined in its Memorandum and Articles of Association, allowing the Trustees to make grants out of capital and income to voluntary groups, charities and individuals who support people within the Milton Keynes unitary authority area. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Community Foundation's aims and objectives and in planning future activities and setting the grant making policy for the year. Fund holders have the opportunity to direct a small percentage of their funds outside the Milton Keynes Unitary Authority area.

The Community Foundation has a five-year strategic framework which seeks to increase the grants and support available to the Voluntary, Community and Culture Sectors (VCCS) across the Borough.

Our Strategic Plan States:

Our Vision is for a thriving Milton Keynes where everyone is contributing to their community.

Our Mission is to connect people with resources, skills and ideas to enrich lives and create positive growth for Milton Keynes. The Foundation achieves our mission through three themes of:

- **Supporting**
To support the growth and development of our voluntary community and cultural sector;
- **Inspiring**
To inspire giving to our communities through philanthropy and other social action;
- **Leading**
To take a lead in connecting and growing sustainable communities.

Our Strategic Goal over the next five years is to build a resilient, creative, inclusive and philanthropic community.

Trustees' Annual Report (continued)
STRATEGIC REPORT (continued)

The three main areas of philanthropic work during the year were:

- Diversify and grow our philanthropy programme
- Enable more impactful grant giving
- Work collaboratively across the organization to maximize philanthropy opportunities, ensure compliance & measure our impact

The delivery plan associated with our philanthropy work focuses on building philanthropy across our Borough, increasing the funding the Foundation has available and making sure the Foundation is supporting all our communities.

The three main focuses of our estate and property work during the year were:

- Provide and manage sustainable, suitable, high quality community spaces for VCCS
- Actively developing our community land and property assets
- Generating surplus from our commercial and social enterprise activities to increase grant making and support

The delivery plan associated with our estates and property work focuses on how the Foundation can better support the VCCS, invest in new buildings so that future sector needs are supported and to ensure that the income driven from our conference social enterprise and commercial tenants generates surpluses that can be ploughed back into supporting our communities. A new business plan was implemented from November 2019 to respond to the challenges faced as a result of the Covid 19 pandemic.

Both delivery plans associated with these strategies focus on active management by our Philanthropy & Grant Committee and our Property Committee.

Current Committees

Resources

The Resources Committee met four times during the year and has six Trustee members.

The aim of this committee is to oversee the stewardship of the Community Foundation's tangible assets, investments, people and the monitoring of the organisation's income and costs.:

- Attendance of this committee during the year was 79%

Philanthropy & Grants

The Philanthropy and Grants Committee met four times during the year and has five Trustee members and two external members. The purpose of the committee is to advise, oversee and monitor the Community Foundation's philanthropy & grants activity and strategy

- Attendance of this Committee during the year was 78%.

Trustees' Annual Report (continued)
STRATEGIC REPORT (continued)

Emergency Grants Panel

The Emergency Grants Panel met fifty times during the year and has five Trustee members assisted by Community Representatives. The purpose of this panel is to review applications for the Foundation's Emergency and Recovery grant programme established in response to the pandemic.

- Attendance of this Committee during the year was 80%.

Community Grants Panel

The Grants Panel met four times during the year and has four Trustee members assisted by 13 Community Representatives. The purpose of this panel is to review applications for grants, provide information and prioritise applications, and to review Grants policy and process in line with the changing needs of the voluntary sector making any appropriate recommendation to the Philanthropy & Grants committee of any improvements.

- Attendance of this Committee during the year was 94%.

Property Committee

The Property Committee met four times during the year and has seven Trustee members assisted by our Property Asset Consultants. The purpose of the Committee is to oversee the implementation of the Foundation's Property Strategy covering our Estate, Community Land and performance of the organisation's property related social enterprise activities.

- Attendance of this Committee during the year was 100%.

Remuneration

The Remuneration Committee did not meet in the year and has two Trustee members (one of which is the Vice Chair of Trustees). The purpose of the Committee is to oversee the Remuneration Policy and set the salary structure for the Chief Executive and Executive Team, to consider and recommend the policy for the remuneration (including benefits, pension arrangements and termination payments) of the Executives of the Charity.

- Attendance of this Committee during the year was 0%.

Audit

The Audit Committee was established in the year and met once. The committee consists of four members, which includes the Chair of Resources, one Trustee and two independent external members. The purpose of the Committee will be to oversee the preparation and review of the external audit process.

- Attendance of this Committee during the year was 100%.

Achievements and Performance

2020/21 covers the third year of our Strategic Plan. It was a year dominated by the Covid 19 Pandemic and a time when the Foundation amended its grant giving programmes and philanthropy activities to respond to the emergency as it unfolded. Many of our buildings were closed to users for large periods of the year with limited use of our facilities as required by government emergency measures.

In response to the Covid Emergency the Foundation launched an Emergency Fund, which raised £1,243,561 receiving 646 donations, and through working with UKCF were able to access national funding totalling £437,000 from the National Emergency Trust.

Trustees' Annual Report (continued)
STRATEGIC REPORT (continued)

The Foundation instigated emergency procedures to enable a fast turn-round for funding applications moving to weekly funding panels and being able to process applications in 5 working days, through simplifying the application process, ensuring efficient on-line processes, completing background due diligence reviews ahead of determination of applications and by setting up rolling grants panels so that several could meet each week. We moved all payments on-line and established on-line payment approval process to ensure oversight whilst enabling efficient working.

The Foundation moved the whole team to home-working immediately and is happy to report no Covid sickness in the team, which meant the team was able to work at full capacity throughout.

With the closure of our CMK buildings due to government restrictions the Foundation furloughed its conferencing and reception teams for large parts of the year, however the philanthropy and support teams were at full capacity throughout.

Whilst the Foundation maintained its normal grant programme, much focus was on how to support the Voluntary, community and cultural sector given the impact of the pandemic and, for the later part of the year, supporting the sector's recovery. Our regular grant funding programmes were below target as many of the sector organisations put staff on the Governments furlough scheme and switched their grant application focus to the Emergency funding and Recovery funding as a result.

As part of our normal philanthropy activities the Foundation was able to attract 1 new corporate fund and 12 flow-through funds. Therefore, we now have 50 Endowment Funds, which are invested with CCLA and 44 flow-through funds which are spent within a specified time frame.

This year, thanks to the generosity of our supporters, the Foundation was able to give more than £2.2m in support of the Voluntary, Community and Cultural Sector (VCCS), supporting 198 organisations, impacting an estimated 1,321,223 beneficiaries.

In October 2020 we published our shortened edition of the annual Vital Signs report. This year, we reported on four areas:

- Diversity,
- Health & Wellbeing,
- Poverty and Disadvantage
- Crime and safety.

Whilst the areas were selected before Covid 19 their relevance during the pandemic and lockdown became even more significant and has helped the Foundation focus its priorities for grant funding, development of strategic partnerships and how we apply our rent subsidies.

The Foundation's wholly owned trading subsidiary company, MK Community Properties Limited, is a provider of meeting and conference facilities. In addition, the company also leases small business units on licence to both commercial and not for profit organisations. Its aim is to support the voluntary community and cultural sector, either through subsidised meeting and conference room hire or indirectly through surplus income, which contributes towards the Community Foundation's grant making programme. MK Community Properties Limited also owns 22 community land sites and 11 strategic Community Foundation Land sites.

Trustees' Annual Report (continued)
STRATEGIC REPORT (continued)

The Foundation continues to face a number of challenges in both the short and long term due to the impact of the pandemic and as a result of economic changes associated with the growth plans for Milton Keynes. Additionally, how the Foundation responds to the opportunities of the Oxford Cambridge arc project and the changes effecting Central Milton Keynes continues to be a challenge. The Foundation seeks to provide appropriate and adequate support for the changes in our communities' diversity to deliver equity and inclusion across our Borough. Coupled with the impact on Council budgets as a result of Covid, the challenge for the Foundation is how we can ensure that ongoing support is available to vulnerable people, to the diverse urban communities and our rural communities.

To address the challenges, the Foundation offers a number of different types of grants to support our communities to deliver community impacts:

Small Grants for sums up to £ 3,000 and **Community Grants** for sums up to £10,000. In exceptional circumstances the Community Foundation may award larger grants for significant projects dependent on needs and priorities.

Transformation Grants for one off strategic funding. These grants are designed to offer significant strategic support to local organisations working with New Communities or with older people and people with disabilities.

Large Strategic Grants, grants of over £20,000 for multi-year strategic projects for a maximum of 3 years. Funding for this programme comes from the Foundation's Margaret Powell Foundation Fund and additional funding from The National Lottery Community Fund of £300,000.

Due to their wider aims, it is often the case that large strategic projects do not fall within the constraint of 12 months for implementation. This multi-year programme allows the Foundation to support local groups or charities across a number of years helping them to focus on capacity building, sustainability, and addressing emergent strategic needs.

Total support provided by the Community Foundation to the Voluntary and Community sector during the financial year ended 31 March 2021 totalled £3,473,831 (2019-20: £2,004,816).

Grant Making

The amount of £2,245,120 (2019-20: £1,148,218) was awarded in grants by the Community Foundation during the year. The level of grant making achieved during the year means that the Foundation has now awarded in excess of £15,000,000 in grants since 1986 along with Rent subsidies estimated to be circa £18,000,000 in the same time period.

Applications for grants are made online with full details of how to apply on our website. All applicants are encouraged to speak to a member of the Philanthropy team so they may be supported in their application.

The Foundation is able to accept grant applications from constituted, not-for-profit organisations that support beneficiaries from Milton Keynes, including, but not limited to, the following:

- Local community groups
- Voluntary Sector Organisations
- Registered Charities
- Charitable Incorporated Organisations
- Social Enterprises
- Sports Clubs
- Faith groups
- Community Interest Companies (restrictions apply)

Trustees' Annual Report (continued)
STRATEGIC REPORT (continued)

The Community Foundation does not accept applications from the following:

- Individuals (outside of our bursary programmes)
- For-profit organisations
- Political parties or affiliated groups

All applications are assessed and scored by assessors and panels against the following criteria:

- Need and Demand
- Reach and Impact
- Sustainability
- Innovation
- Diversity and inclusion

Grants awarded last year:

87 Small Grants
20 Community Grants
9 Transformation Grants
2 Large Strategic Grants
2 Partnership Grants
9 Sport Bursaries
2 Anglian Water Positive differences grants
178 Emergency Response Grants
5 MK Food Support Grants

Our benefit to the Community was in excess of **£3.4million**:

- £1,734,227 in grants
- £84,353 BLC
- £426,357 Local Giving
- £1,227,000 property subsidies

During the year to 31 March 2021 this level of grant making provided **314** grants to **198** local organisations in order to support community projects that covered a wide range of initiatives in Milton Keynes, and 9 bursaries to individuals.

Estate & property portfolio management

The report covers the first year of our new Property Strategy which has three themes as listed above.

During the year the Foundation has been negotiating a Deed of Covenant with Homes England to enable a capital fund to be created from the proceeds of releasing 5 land sites for development of much needed affordable housing and one for a residential care development. The Foundation has also completed a competitive bidding process from a number of social landlords and care home developers. Once completed this will provide a substantial capital development fund to enable the Foundation to bring forward five Community Hubs, mainly in the western expansion areas of the new city area of the Borough.

Our Brooklands development is awaiting the outcome of a planning application. Once agreed the Foundation will build a new gymnastic and table tennis centre in partnership with a social housing organisation who will deliver affordable housing and small community office facility in the Eastern expansion area alongside the scheme.

The property estate includes 11 properties comprising 227,000 square feet of accommodation to be let to voluntary, community and cultural sector groups or to commercial tenants along with 16 let and 34 undeveloped Community Foundation Land (CFL) sites.

Trustees' Annual Report (continued)
STRATEGIC REPORT (continued)

Financial Review

During the financial year ended 31 March 2021 the Community Foundation generated a net group deficit before investment gains and losses of £27,400 (2020 deficit of: £3,109).

The total value of the Community Foundation's endowment assets has decreased to £59,335,722 (2020: £68,079,498). This level of endowment funds continues to ensure sustainability and enables the Community Foundation to continue to support the growing local community in as many ways as possible.

Our subsidiary company, MK Community Properties Limited, performed poorly this year as the conferencing facilities were closed for the majority of the year due to the Pandemic. All steps were taken to minimise this loss, and a new business plan was developed from November 2020. This plan was put on hold due to the second lockdown in January 2021, but similar outcomes are still anticipated, albeit deferred for 3-6 months. This sees the organisation return to a surplus in 2022/23. The result for the year was an operating deficit of over £220k.

Income

The Community Foundation's income is primarily derived from four sources:

- Income from donations and legacies,
- income from other trading activities,
- investment income and
- the net income of MK Community Properties Limited.

Each of these sources of income is subject to different drivers.

The income received by the Community Foundation in the year ended 31 March 2021 totalled £4,358,402 (2020: £3,747,078).

Expenditure

Out of the 399 applications received by the Community Foundation; 314 grants were awarded (2020: 146 grants awarded) totalling £2,245,120. Of these awards, £533,312 remained unpaid at the year-end (2020: £336,104). £426,357 (2020: £272,617) was distributed to local groups through the Local Giving Project and £84,535 (2020: £76,934) was given out in funds to Big Local Coniburrow from their Local Trust Grant, which the Foundation administers.

The Group's total operating costs continue to be closely monitored, and for the year ended 31 March 2021 amounted to £4,385,802 (2020: £3,750,187). In common with other charitable organisations, changes in priorities year-on-year result in changes in cost allocations across the categories of expenditure.

Investments

The group's investments were valued at the year-end at £18,660,805 (2020: £15,253,352). All of these investments were held by CCLA in their Charities Ethical Common Investment Fund. CCLA investment objective over the long term is to achieve an average annual total return of inflation plus 5%.

The year in review was exceptional for a number of reasons. At the end of March 2020, the portfolio suffered a drop in value as a result of the uncertainty around the pandemic. Although the pandemic is not over, the initial drop was rectified within the first six months of the year and the latter six months of the year saw significant growth, reporting over £3m of investment gains in the year to 31 March 2021.

Trustees' Annual Report (*continued*)
STRATEGIC REPORT (*continued*)

Financial Review (*continued*)

The Community Foundation's investment policy was reviewed during the year but remains broadly unchanged. This provides guidance on the Community Foundation's aim in investing its funds, including:

- its position on risk;
- an indication of the Community Foundation's asset allocation strategy;
- the benchmarks and targets by which the performance of the manager will be judged;
- the Community Foundation's stance on ethical investment;
- the balance between capital growth and income generation which is sought by the Community Foundation; and
- the scope of the investment powers.

The Trustees have discretion to invest as they think fit and the investments held by the Community Foundation have been acquired in accordance with these powers. The investment strategy adopted is to optimise the total return from the investment portfolio whilst mitigating risk, as far as possible.

Under the terms of the Community First Endowment Match Challenge all funds raised under this programme must be held at CCLA. Also, fifteen of the restricted donor funds and the Grassroots Endowment Challenge funds were all invested with CCLA.

Freehold and Leasehold properties

The financial statements also include the valuation of the investment properties held by the Community Foundation and its trading subsidiary, MK Community Properties Limited. Clearly any capital gain on revaluation of properties cannot be spent on grants unless properties are sold, and many are occupied by the voluntary or charitable sector. Similarly, any gain on the revaluation of investments can only be realised if the investments are sold which impacts on the future investment income.

The freehold and leasehold properties were valued in the year by external valuers Kirkby Diamond, in accordance with the Royal Institution of Chartered Surveyors Valuation – Global Standards (The Red Book), on the basis of Market Value. Whilst the Trustees are of the opinion that there has been no material movement in value of these properties between that date and 31 March 2021, they believe that valuation of the properties should be at Existing Use valuation to more appropriately reflect the Community Foundation's policy of allowing Voluntary and Community Sector groups to apply for a rent subsidy of up to 75%. If this Existing Use valuation were to be used, our Land and Buildings would be valued at £40,516,666 (2020: £43,836,000) a decrease of £3,319,334.

Reserves

Since 1994 it has been the policy of the charity to hold reserves in the Community Fund totalling at least £1 million which have not been committed or designated for any particular purpose. However, in accordance with the ethos of Community Foundations, the Trustees continue to build these invested funds over and above this minimum level in order to ensure that the investment income derived from these funds would protect future beneficiaries and operations of the charity from the effects of any unforeseen variations in its income streams and underwrite a continuation in the year-on-year growth in the grants budget. Currently, such funds stand at £2,123,596 (2020: £2,757,474). In March 2012 the Foundation was successful in securing funds from the Office for Civil Society for the Community First Endowment Match Challenge. Since then, growth in the market means that the Community First Endowment is £13,849,419 at 31 March 2021. At 31 March 2021 the amount of unrestricted funds was £41,418,611 (2020: £53,169,910) and the value of restricted funds was £17,717,111 (2020: £14,909,588).

Trustees' Annual Report (continued)
STRATEGIC REPORT (continued)

Financial Review (continued)

Within the unrestricted funds, and separate from the Community Fund, the Trustees have designated a Property Fund equal in value to the properties held by the group, less mortgages incurred to purchase properties, together with a reserve towards the cost of future property repairs and refurbishments. It is the intention of the Trustees that this fund will be maintained over a 10 year period at levels that will be sufficient to finance the repairs and refurbishment of the property portfolio required in order to ensure that the property portfolio remains in a 'fit for purpose' state.

The Trustees are satisfied that the charity's assets attributable to each of its Funds are available and adequate to fulfil its obligations in relation to those funds.

The Covid 19 pandemic has had a significant impact on the Foundation. Whilst it has been able to secure significant emergency funding, this is being paid out to support the VCCS community of Milton Keynes. At this stage the Foundation does not feel that its predicted funding levels will decline significantly during 2021/22. However the organisation continues to take steps to reduce costs wherever possible.

Our investment portfolio continues to perform well, and the trustees have been re-assured that the level of return from listed investments will not drop significantly in the next 12-18 months. In terms of our property portfolio, the Foundation continues to monitor the situation carefully, and provides support to tenants where needed, making them aware of local and national government funding schemes to ensure that they continue to pay their rent and service charges in a timely manner. A number of tenants have had difficulties during the pandemic with several failing to survive. Far great scrutiny has been carried out during the year by the Executive and Trustees to ensure the best use of the vacated units. Detailed planning and scenario testing is being completed and updated regularly, so that the Trustees are able to make informed decisions regarding the best course of action to ensure that the organisation continues to be financially sound.

In spite of the current pandemic, the Trustees are confident that the Community Foundation is able to continue to meet its liabilities as they fall due for the foreseeable future and that the accounts should be prepared on the going concern basis.

Risk Management

The Trustees review annually the major risks to which the charity is exposed in order to ensure systems and processes have been established to mitigate those risks. Internal and external factors have been considered, and risks are classified as Governance, Operational, Financial, Environmental and External, Legal and Regulatory or Reputational.

The Risk Mitigation Plan, which focused on actions required to reduce risks affecting the organisation. The 2021 review of this plan identified 35 risks (2020: 31). The key risks were:

- Economic impact of the Pandemic, especially related to the Estates and Conferencing
- Global recession affecting investment income and philanthropy
- Decreasing capital values or reduced rental income
- Covid outbreak in CMK buildings

In response to these Risks, the Foundation developed detailed mitigation plans for the management of its building and estate and put in place a Covid Trustee/Executive Task and Finish Group to ensure oversight and quick decision-making. The Foundation instigated a cost reduction exercise and weekly/monthly management data oversight to ensure controls were maintained. The Foundation immediately moved to homeworking which was supported by the installation of our new ITC systems, gigabyte connection and switch to cloud computing in the previous financial year.

Trustees' Annual Report (continued)
STRATEGIC REPORT (continued)

Plans for Future Periods

Philanthropy

Central to our Strategic Plan is the focus on inspiring philanthropy in Milton Keynes. To that end we have a specific Philanthropy strategy and annual delivery Plan.

Key focuses in philanthropy delivery plan include:

- Diversify and grow our philanthropy programme
- Enable more impactful grant giving
- Build an effective marketing and communications offer

As the Foundation plans for the year ahead, it knows the needs of the sector and its communities demonstrated through the Emergency and Recovery funding programmes will continue to change. In particular the pandemic impact to the sector is not yet fully known, however the Foundation continues to conduct on-going surveys of the sector and supports the development of the Inter-cultural forum and the MK BAME Business Network so that the Foundation can continue to adapt and change its programmes in response. As the Foundation starts its 35th year as a charity, it will be launching a Next Generation fund to support young people who have been hit particularly hard by the pandemic, and to encourage a new generation of philanthropists to begin their journey with the Foundation. Its Friends scheme builds on the support shown across its communities during the year alongside a re-launched corporate membership scheme that will engage new business and start-ups to join in support of the Foundation's work.

Our Board of Trustees are fully aware of their responsibilities for fundraising activities and receive an annual Charity Commission C20 report. The Philanthropy & Grants Committee has delegated responsibility for continuous monitoring of any fundraising activities.

Governance and Management

The Foundation continues to implement the changes identified in its last governance review this year. It has recruited new and more diverse trustees and appointed an equally diverse group of Vice- Presidents to its honorary structure. During the year the Board elected a new Chair, Kurshida Mirza BEM.

The new committee structure has proven very effective. During the year we introduced, adapted and developed departmental reporting and a comprehensive key performance indicator pack for each committee and the Board. This enables greater scrutiny and with time, will improve performance monitoring though the year as well as year-on-year.

The Trustees, having continued the implementation of their plan, consider the governance structures of the Community Foundation to be appropriate to enable the Foundation to be a success in its next stage of development. Also, in line with its continuing commitment to ascertain best value from its professional advisers, the Foundation regularly undertakes tendering processes for this type of service.

Milton Keynes Community Foundation is a member of the UK Community Foundations (UKCF), an umbrella body representing Community Foundations across the United Kingdom. A membership fee is paid annually. To retain membership of this organisation, the Community Foundation must comply with a number of criteria.

Trustees' Annual Report (continued)
STRATEGIC REPORT (continued)

Structure, governance and management

Milton Keynes Community Foundation Limited is a company limited by guarantee and a registered grant making charity. Milton Keynes Community Foundation was established in 1986 and is engaged principally in the promotion of any charitable purpose for the benefit of the community in the Milton Keynes unitary authority area. The Community Foundation also has a wholly owned trading subsidiary, MK Community Properties Limited. The subsidiary company operates as a provider of meeting and conference facilities. Its aim is to support the charitable objectives of its parent undertaking, the Community Foundation.

The Community Foundation is governed by its Memorandum and Articles of Association. The Articles of Association define those who sit on the Board of the Community Foundation as Trustees. The Articles of Association state that the Trustees have the power to admit members to the Community Foundation. As set out in the Articles of Association, the Board of Trustees shall comprise not less than five and not more than twenty members. At each Annual General Meeting one third of the Trustees retire by rotation but they are eligible for re-election for up to three terms each of three years provided that they are not otherwise disqualified under the conditions set out in the Articles of Association.

Anyone wanting to become a Trustee must apply in writing and is subject to the Community Foundation's recruitment procedures before becoming eligible for election as a Trustee.

Trustees are sometimes Employees or Trustees of other Voluntary and Community Sector organisations. All such relationships are at normal commercial rates and are disclosed in note 14 and 34 to these accounts.

Trustee recruitment, induction and training

As set out above, potential Trustees of the Community Foundation are either invited to apply to the Board or can be nominated by a member of the Community Foundation. Potential Trustees who can demonstrate that they have the skills and knowledge required will be interviewed by a panel made up of Board members and which involves the Chief Executive. Successful applicants are recommended to join the Board. All appointments as Trustees are confirmed at the Community Foundation's general meeting.

The Community Foundation needs an informed, skilled and enthusiastic Board of Trustees, supportive of the work of the Community Foundation and able to carry out their duties of governance under Charity Law. The Community Foundation is working towards achieving this through:

1. Induction – introducing new Trustees to the ethos and workings of the Community Foundation and to their duties in the governance of the organisation.
2. Identifying and providing training – an ongoing process, assessing both current and future needs as the Community Foundation develops.
3. Board Meetings – these are structured to encourage all Trustees to become more informed on all aspects of the Community Foundation's activities and to be as fully engaged as possible.
4. Strategic Away Days – which look at alternative ways of working.

Organisation

The Community Foundation currently has 13 Trustees. The Trustees are responsible for ensuring the Community Foundation continues to meet its charitable objectives as set out in its Memorandum and Articles of Association.

A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Community Foundation. To facilitate effective operations, the Senior Leadership Team has delegated authority for operational matters within terms of delegation approved by the Trustees.

Trustees' Annual Report (continued)
STRATEGIC REPORT (continued)

Structure, governance and management (continued)

The Board meets five times a year and there are sub-committees covering Strategic Property, Resources, Remuneration, Audit and Philanthropy and Grants; all meetings are attended by senior members of the Executive Team. As well as these, time-limited task groups for specific projects are set up as and when required. The attendance at Board Meetings in the year was 94% (2020: 92%).

Indemnity insurance has been taken out in respect of the Trustees as detailed in note 33 to the financial statements.

Pay policy for key personnel

The Board of Trustees considers that the key management personnel of the group is the Strategic Leadership Team who are in charge of directing, controlling, running and operating the group on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of any Trustee's expenses and related party transactions are shown in note 14 and 34 to the accounts.

The pay of the Strategic Leadership team is reviewed annually by the Remuneration Committee and normally increased in line with average earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other local voluntary sector organisations of a similar size and the UK Community Foundation network.

Related parties and co-operation with other organisations

The Community Foundation and its wholly owned trading subsidiary MK Community Properties Limited provide services and support to other charities and organisations, including those that have Trustees in common with the Community Foundation. A full list of transactions with related parties in the year, along with the nature of the relationships, is shown in note 34 of these accounts.

Fundraising

The Community Foundation does not employ any person or companies to act on its behalf specifically to carry out any fundraising activities. The Community Foundation is registered with the Fundraising Regulator and the Gambling Commission and subscribes to the standards and regulations required under the registrations. The Community Foundation also subscribes to Be Gamble Aware. No fundraising complaints were received during the year.

During the year the Community Foundation reviewed our privacy notice:

The Privacy Notice in brief

- We collect information that is either personal data (such as names, addresses, and telephone numbers) or non-personal data (such as your Internet Protocol (IP) address, web pages accessed etc.)
- We collect information about our supporters, donors, fundraisers, volunteers and employees.
- We collect information to provide services or goods, to provide information, to fundraise, for administration, to assess and award grants, research, profiling, analysis, and for the prevention/detection of crime.
- We only collect the information that we need, or that would be useful to us in our aim to provide the best possible service.
- We do our very best to keep personal information secure, wherever we collect personal data online.
- We never sell your data, and we will never share it with another company or charity for marketing purposes.
- We only share data where we are required by law, or with carefully selected trusted suppliers who do work for us. All our suppliers are required by their contract to treat your data as carefully as we would, to only use it as instructed, and to allow us to check that they do this.

Trustees' Annual Report (continued)
STRATEGIC REPORT (continued)

Structure, governance and management (continued)

- Our websites use cookies – for more information check
<https://www.mkcommunityfoundation.co.uk/cookies-policy/>

The full Privacy Notice which details what information is held, how the Foundation may use it, and what individual's rights are available on our website <https://www.mkcommunityfoundation.co.uk/privacy-policy/> .

Statement of Disclosure to Auditors

So far as each Trustee is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, each Trustee has taken all the necessary steps that they ought to have taken as Trustees in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Auditor

Hillier Hopkins LLP were appointed as auditors in the year.

The Trustees' annual report, which is prepared under the Charities Act 2011, and which also contains all information required in a directors' report by the Companies Act 2006, and the incorporated Strategic Report prepared under the Companies Act 2006, were approved by the Board of Trustees and signed on behalf of the Board.



Kurshida Mirza
Trustee

Date: 16 September 2021

Registered Office:
Acorn House
381 Midsummer Boulevard
Central Milton Keynes
MK9 3HP

Statement of Trustees' responsibilities

Trustees' responsibilities in the preparation of the financial statements

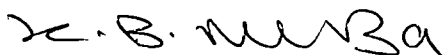
The Trustees (who are also directors of Milton Keynes Community Foundation Limited for the purposes of company law) are responsible for preparing the Trustees' Report, incorporating the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company and Charity law requires the trustees to prepare financial statements for each financial year. Under those laws the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practices (United Kingdom Accounting Standards and applicable law). Under Company and Charity Law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgments 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 group and the charitable company will continue in business.

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

Approved by order of the members of the board of Trustees and signed on its behalf by:


Kurshida Mirza
Trustee

Date: 16 September 2021

Registered office:
Acorn House
381 Midsummer Boulevard
Central Milton Keynes, MK9 3HP

:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY FOUNDATION LIMITED

Opinion

We have audited the financial statements of Milton Keynes Community Foundation Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY FOUNDATION LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY FOUNDATION LIMITED (CONTINUED)

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- we consider the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON KEYNES COMMUNITY FOUNDATION LIMITED (CONTINUED)

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and relevant tax legislation.

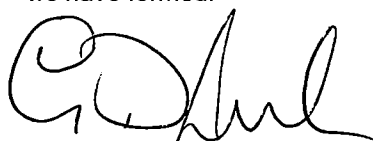
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Grant Franklin ACA (Senior statutory auditor)
for and on behalf of **Hillier Hopkins LLP**
Chartered Accountants Statutory Auditor
249 Silbury Boulevard
Milton Keynes Bucks
MK9 1NA

Date: 8 - 10 - 2021

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted funds 2021	Restricted funds 2021	Total funds 2021	Total funds 2020
	Note	£	£	£	£
Income from:					
Donations and legacies	4	257,760	1,838,616	2,096,376	1,077,013
Charitable activities	5	499,398	-	499,398	486,028
Other trading activities	6	321,531	-	321,531	691,516
Investments	7	873,787	567,310	1,441,097	1,492,521
		<u>1,952,476</u>	<u>2,405,926</u>	<u>4,358,402</u>	<u>3,747,078</u>
Total income					
Expenditure on:					
Raising funds	8,9	1,646,374	-	1,646,374	2,003,636
Charitable activities	10	558,734	2,180,694	2,739,428	1,746,551
		<u>2,205,108</u>	<u>2,180,694</u>	<u>4,385,802</u>	<u>3,750,187</u>
Total expenditure					
Net (expenditure)/income before net (losses)/gains on investments		(252,632)	225,232	(27,400)	(3,109)
Net (losses)/gains on investments		(11,286,096)	2,569,712	(8,716,384)	312,686
		<u>(11,538,728)</u>	<u>2,794,944</u>	<u>(8,743,784)</u>	<u>309,577</u>
Net (expenditure)/income					
Transfers between funds	23	(12,579)	12,579	-	-
		<u>(11,551,307)</u>	<u>2,807,523</u>	<u>(8,743,784)</u>	<u>309,577</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		53,169,910	14,909,588	68,079,498	67,769,921
Net movement in funds		(11,551,307)	2,807,523	(8,743,784)	309,577
		<u>41,618,603</u>	<u>17,717,111</u>	<u>59,335,714</u>	<u>68,079,498</u>
Total funds carried forward					

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

The notes on pages 26 to 63 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021
REGISTERED NUMBER: 2032715

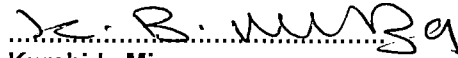
	Note	2021 £	2020 £
Fixed assets			
Intangible assets	15	-	1,309
Tangible assets	16	197,933	241,877
Investments	18	18,650,804	15,243,352
Social investments	19	10,000	10,000
Investment property	17	40,516,666	52,309,825
		59,375,403	67,806,363
Current assets			
Debtors	20	892,802	1,064,704
Cash at bank and in hand		1,385,575	1,155,440
		2,278,377	2,220,144
Creditors: amounts falling due within one year	21	(1,318,066)	(947,009)
Net current assets		960,311	1,273,135
Total assets less current liabilities		60,335,714	69,079,498
Creditors: amounts falling due after more than one year	22	(1,000,000)	(1,000,000)
Total net assets		59,335,714	68,079,498
Charity funds			
Restricted funds	23	17,717,111	14,909,588
Unrestricted funds			
Designated funds	23	39,253,155	51,046,314
General funds	23	2,365,448	2,123,596
Total unrestricted funds	23	41,618,603	53,169,910
Total funds		59,335,714	68,079,498

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

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021
REGISTERED NUMBER: 2032715

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
Kurshida Mirza
(Chair of Trustees)


.....
Carole Baume
(Trustee)

Date: 16 September 2021

The notes on pages 26 to 63 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 31 MARCH 2021
REGISTERED NUMBER: 2032715

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	15	-	1,309
Tangible assets	16	5,671	9,266
Investments	18	19,050,805	15,643,353
Social investments	19	10,000	10,000
Investment property	17	28,989,916	36,397,285
		48,056,392	52,061,213
Current assets			
Debtors	20	1,049,530	1,085,679
Cash at bank and in hand		1,104,016	713,365
		2,153,546	1,799,044
Creditors: amounts falling due within one year	21	(1,224,188)	(764,618)
Net current assets		929,358	1,034,426
Total assets less current liabilities		48,985,750	53,095,639
Creditors: amounts falling due after more than one year	22	(1,000,000)	(1,000,000)
Total net assets		47,985,750	52,095,639
Charity funds			
Restricted funds	23	17,717,111	14,909,588
Unrestricted funds			
Designated funds	23	27,906,905	35,314,274
General funds	23	2,361,734	1,871,777
Total unrestricted funds	23	30,268,639	37,186,051
Total funds		47,985,750	52,095,639

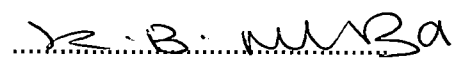
COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021
REGISTERED NUMBER: 2032715

The Company's net movement in funds for the year was £(4,109,889) (2020 - £309,584).

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
Kurshida Mirza
(Chair of Trustees)


.....
Carole Baume
(Trustee)

Date: 16 September 2021

The notes on pages 26 to 63 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	26	3,429	(673,549)
Cash flows from investing activities			
Dividends, interests and rents from investments		625,842	579,595
Proceeds from the sale of tangible fixed assets		-	(27,076)
Purchase of tangible fixed assets		(68,459)	(237,400)
Proceeds from sale of investments		-	2,900,966
Purchase of investments		(330,677)	(3,004,548)
Net cash provided by investing activities		226,706	211,537
Cash flows from financing activities			
Repayments of borrowing		-	(92,500)
Net cash provided by/(used in) financing activities		-	(92,500)
Change in cash and cash equivalents in the year		230,135	(554,512)
Cash and cash equivalents at the beginning of the year		1,155,440	1,709,952
Cash and cash equivalents at the end of the year		1,385,575	1,155,440

The notes on pages 26 to 63 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. General information

Milton Keynes Community Foundation Limited ("the Community Foundation") is a private company incorporated and registered in England and Wales and limited by guarantee. The registered address is Acorn House, 381 Midsummer Boulevard, Central Milton Keynes, MK9 3HP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

MK Community Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

2.2 Going concern

The Covid 19 pandemic has had a significant impact on the charity. Whilst Emergency Funding has been secured, this is being paid out to support the VCCS community of Milton Keynes. At this stage we do not feel that our predicted funding levels will decline significantly during 2021/22 but the organisation is taking steps to ensure that costs are kept to a minimum. Our investment portfolio continues to perform well, and the trustees have been assured that the level of return from listed investments will not drop significantly in the next 12-18 months. In terms of our property portfolio, we are monitoring the situation carefully, and providing support where needed to tenants to ensure that they continue to pay their rent and service charges. A number of tenants will naturally not survive the pandemic, and the Trustees are continually monitoring the best use of these units. Detailed planning and scenario testing are being completed and updated regularly, so that the Trustees are able to make informed decisions regarding the best course of action to ensure that the organisation continues to be financially sound.

In spite of the current pandemic, the Trustees are satisfied that the group's assets attributable to each of its funds are available and adequate to fulfil its obligations in relation to those funds. The Trustees are confident that the Community Foundation is able to continue to meet its liabilities as they fall due for the foreseeable future and that the financial statements should be prepared on the going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Donations relating to a specific period and donations by deed of covenant, or under gift aid, where the full amount has been deposited in advance are taken into income over the period to which they relate. Where possible, gifts in kind have been quantified and included in these financial statements, in accordance with the SORP criteria.

Any grants the Community Foundation receives towards its administration costs are included on a receivable basis.

Donated land is recognised at market value at date of receipt.

Property income

Property income represents rents and service charges (net of VAT) receivable on a straight-line basis over the life of the lease. The assets for which rent is received are included in investment properties in fixed assets. Appropriately-apportioned gains or losses on property disposals are also included in property company income or expenditure.

Property income has been analysed between both investment income and income from charitable activities. That element treated as investment income relates to those properties that are let on full commercial rental basis and that reported as income from charitable activities relates to income from properties let at a subsidised rent to Voluntary and Community Sector tenants.

Subsidiary company income

Property company income represents income from hire of meeting and conferencing facilities and rent from Small Business Units (net of VAT) receivable on a straight-line basis. Any surplus income generated by the subsidiary company is distributed to the MK Community Foundation as a gift aid payment within nine months of the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.4 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 allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading. These income costs incurred attracting voluntary income and investment management expenses, including management of investment properties.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs. This includes the value of grants awarded. This also includes governance costs including those incurred in the governance of the Community Foundation and its assets. Expenditure that can be recognised as wholly attributable to governance costs, for example audit fees and Trustee expenses, are directly allocated. All other costs, including staffing costs, are apportioned on the basis of an estimate of the time spent by each member of staff on governance-related issues. Such costs are primarily associated with the strategic planning processes that contribute to the future development of the Community Foundation and its statutory requirements.

Grants payable are charged in the year when the offer is approved by the Trustees and accepted by the beneficiaries. The value of such grants unpaid at the year-end is accrued. Grants where the beneficiary has to meet certain conditions before the grant is released are not accrued. .

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.7 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, no provision for corporation tax has been made in these financial statements because the Community Foundation, a registered charity, is exempt from taxation.

All expenditure is classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it is incurred.

2.8 Intangible assets and amortisation

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

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows: Amortisation is provided on the following basis:

Website	- 33 %

2.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis: Office equipment - 25 - 50%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of financial activities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.10 Investments

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

Investments in subsidiaries are valued at cost less provision for impairment.

2.11 Freehold and leasehold investment properties

The investment properties are held for long-term investment and are included in the group balance sheet at their open market values.

The surpluses or deficits on the revaluation of such properties are transferred to the Designated Property Fund. Depreciation is not provided in respect of investment properties.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 Cash at bank and in hand

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

2.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.15 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.16 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.17 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.18 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Property valuation

There are estimates and assumptions made when the investment property portfolio is valued at their market value. These estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

3. Critical accounting estimates and areas of judgment (continued)

The key judgement relates to the classification of the property portfolio. The Trustees have considered whether the group's portfolio of properties should be accounted for as tangible fixed assets or as investment properties. Many of the properties are available on occasion to be rented to the charity's beneficiaries at subsidised rents. However, the Trustees consider that the properties are primarily held for long term investment with the objective of generating financial income and/or proceeds from their sale to maximise a surplus which can be used to make grants or to support the voluntary and community sector through subsidised rent. Accordingly, the Trustees consider that the properties are investment properties and that any changes in their value should be recognised as gains or losses on investment properties. However, any rental income which is generated by properties let at subsidised rates is recognised as income from charitable activities rather than investment income to reflect the objectives of the charity.

4. Income from donations and legacies

	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021
	£	£	£
Donations	254,731	1,838,616	2,093,347
Grants received for administration costs	3,029	-	3,029
Donations in kind	-	-	-
	<u>257,760</u>	<u>1,838,616</u>	<u>2,096,376</u>
	<u>257,760</u>	<u>1,838,616</u>	<u>2,096,376</u>
	Unrestricted funds 2020	Restricted funds 2020	Total funds 2020
	£	£	£
Donations	39,222	924,408	963,630
Grants received for administration costs	80,064	-	80,064
Donations in kind	33,319	-	33,319
	<u>152,605</u>	<u>924,408</u>	<u>1,077,013</u>
	<u>152,605</u>	<u>924,408</u>	<u>1,077,013</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

4. Income from donations and legacies (continued)

Donations received in kind are valued on the basis that such services were purchased as a commercial transaction on an arms length basis. All such donations have been included as unrestricted income and are analysed in the table below:

	Unrestricted Total 2021 £	Unrestricted Total 2020 £
Community car raffle		
Site	-	15,000
1st Prize	-	17,000
Marketing	-	1,319
	-	33,319

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Property rental and service charge income	499,398	499,398
	Unrestricted funds 2020 £	Total funds 2020 £
Property rental and service charge income	486,028	486,028

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

6. Income from other trading activities

Income from fundraising events

	Total funds 2021 £
Raffle income	-

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Raffle income	7,317	7,317

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £
Trading income - MK Community Properties Ltd	321,531	321,531

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Trading income - MK Community Properties Ltd	684,199	684,199

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. Investment income

	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021
	£	£	£
Property investments	873,759	-	873,759
Listed investments	-	567,310	567,310
Interest receivable	28	-	28
	<u>873,787</u>	<u>567,310</u>	<u>1,441,097</u>
	Unrestricted funds 2020	Restricted funds 2020	Total funds 2020
	£	£	£
Property investments	913,771	-	913,771
Listed investments	102,643	474,596	577,239
Interest receivable	1,511	-	1,511
	<u>1,017,925</u>	<u>474,596</u>	<u>1,492,521</u>

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2021	Total funds 2021
	£	£
Direct costs	32,676	32,676
Apportioned costs	59,705	59,705
Wages and salaries	194,593	194,593
	<u>286,974</u>	<u>286,974</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

8. Expenditure on raising funds (continued)

Costs of raising voluntary income (continued)

	Unrestricted funds 2020	Total funds 2020
	£	£
Direct costs	73,912	73,912
Apportioned costs	131,434	131,434
Wages and salaries	200,423	200,423
	<u>405,769</u>	<u>405,769</u>

Fundraising trading expenses

	Unrestricted funds 2021	Total funds 2021
	£	£
Apportioned costs	1,843	1,843
Wages and salaries	6,007	6,007
	<u>7,850</u>	<u>7,850</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

8. Expenditure on raising funds (continued)

Fundraising trading expenses (continued)

	<i>Unrestricted funds 2020</i>	<i>Total funds 2020</i>
	£	£
Apportioned costs	7,063	7,063
Wages and salaries	12,257	12,257
	<u>19,320</u>	<u>19,320</u>

Other trading expenses

	Unrestricted funds 2021	Total funds 2021
	£	£
MK Community Properties Ltd trading expenses	357,146	357,146
MK Community Properties Ltd staff costs	138,171	138,171
MK Community Properties Ltd depreciation	74,347	74,347
	<u>569,664</u>	<u>569,664</u>

	<i>Unrestricted funds 2020</i>	<i>Total funds 2020</i>
	£	£
MK Community Properties Ltd trading expenses	495,752	495,752
MK Community Properties Ltd staff costs	118,341	118,341
MK Community Properties Ltd depreciation	48,803	48,803
	<u>662,896</u>	<u>662,896</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

9. Investment management costs

	Unrestricted funds 2021	Total funds 2021
	£	£
Property costs	742,849	742,849
Loan interest payable	36,700	36,700
Apportioned costs	549	549
Wages and salaries	1,788	1,788
	<u>781,886</u>	<u>781,886</u>
	Unrestricted funds 2020	Total funds 2020
	£	£
Investment expenses	3,042	3,042
Property costs	875,824	875,824
Loan interest payable	33,652	33,652
Apportioned costs	921	921
Wages and salaries	2,212	2,212
	<u>915,651</u>	<u>915,651</u>

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021
	£	£	£
Grants awarded	<u>558,734</u>	<u>2,180,694</u>	<u>2,739,428</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

10. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	<i>Unrestricted funds 2020</i>	<i>Restricted funds 2020</i>	<i>Total funds 2020</i>
	£	£	£
Grants awarded	658,567	1,087,984	1,746,551

11. Analysis of expenditure by activities

	Activities undertaken directly 2021	Grant funding of activities 2021	Support costs 2021	Total funds 2021
	£	£	£	£
Grants awarded	363,363	2,105,166	270,900	2,739,429

	<i>Activities undertaken directly 2020</i>	<i>Grant funding of activities 2020</i>	<i>Support costs 2020</i>	<i>Total funds 2020</i>
	£	£	£	£
Grants awarded	412,487	1,087,984	246,080	1,746,551

Analysis of direct costs

	Grants awarded 2021	Total funds 2021
	£	£
Staff costs	124,384	124,384
Other costs	176,083	176,083
Apportioned costs	62,896	62,896
	363,363	363,363

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

11. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Grants awarded 2020	Total funds 2020
	£	£
Staff costs	182,247	182,247
Other costs	123,988	123,988
Apportioned costs	106,252	106,252
	<u>412,487</u>	<u>412,487</u>

Property costs shown here represent the cost of managing and maintaining our extensive property portfolio.

Costs that can be recognised as wholly attributable to one of the above categories are directly allocated. All other costs, including staff costs, are apportioned on the basis of an estimate of the time spent by each member of staff within the category. The allocation of staff time across various projects changes from year to year depending on the factors identified and agreed by the Board. Staff costs have been apportioned as follows:

Role	Cost of raising funds	Property costs	Fundraising trading	Investment management costs	Charitable activities support costs	Governance costs
Chief Executive	10%	33%	-	1%	26%	30%
Director of Marketing & Business Development	58%	5%	6%	-	29%	2%
Director of Finance	21%	30%	1%	1%	4%	43%
Philanthropy Directors	79%	5%	-	-	11%	5%
Executive Assistant	10%	15%	-	-	9%	66%
Financial Controller	21%	-	4%	1%	35%	39%
Philanthropy Managers	49%	-	1%	-	50%	-
Conferencing Staff	-	100%	-	-	-	-
Administrative Assistants	12%	-	-	-	10%	78%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

11. Analysis of expenditure by activities (continued)

Analysis of support costs

	Grants awarded 2021	Total funds 2021
	£	£
Staff costs	61,356	61,356
Depreciation	4,903	4,903
Governance costs	204,641	204,641
	270,900	270,900

	<i>Grants awarded 2020</i>	<i>Total funds 2020</i>
	£	£
Staff costs	50,442	50,442
Depreciation	15,625	15,625
Governance costs	180,013	180,013
	246,080	246,080

12. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	13,250	15,000
Fees payable to the Company's auditor in respect of:		
All taxation advisory services not included above	1,500	3,800
All non-audit services not included above	3,640	7,415

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

13. Staff costs

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	596,072	589,541	457,901	471,200
Social security costs	55,917	56,427	55,917	56,427
Contribution to defined contribution pension schemes	16,832	12,909	16,832	12,909
	668,821	658,877	530,650	540,536

The average number of persons employed by the Company during the year was as follows:

	Group 2021 No.	Group 2020 No.
Marketing and Fund Development	4.0	4.1
Charitable activities	5.0	4.2
Operations	5.9	8.6
Finance and Governance	5.5	6.4
	20.4	23.3

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	Group 2020 No.
In the band £70,001 - £80,000	1	1

The total key management personnel of the parent charity comprise the Trustees and the Senior Executive Team, as disclosed on page 3. The employee benefits of the key management personnel were £283,148 (2020: £273,765), including employer's national insurance of £27,616 (2020: £27,531). The key management personnel for the group are the same as for the charity.

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020: £nil).

During the year ended 31 March 2021, travel expenses totalling £nil were reimbursed or paid directly to Trustee (2020: £20 to 1 Trustee).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

15. Intangible assets

Group and Company

	Website £
Cost	
At 1 April 2020	34,577
At 31 March 2021	34,577
Amortisation	
At 1 April 2020	33,268
Charge for the year	1,309
At 31 March 2021	34,577
Net book value	
At 31 March 2021	-
At 31 March 2020	1,309

The amortisation charge for the year is apportioned between expenditure on raising funds, grants made and property activity.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

16. Tangible fixed assets

Group

	Office equipment £
Cost or valuation	
At 1 April 2020	860,362
Additions	68,459
At 31 March 2021	<u>928,821</u>
Depreciation	
At 1 April 2020	618,485
Charge for the year	112,403
At 31 March 2021	<u>730,888</u>
Net book value	
At 31 March 2021	<u>197,933</u>
At 31 March 2020	<u>241,877</u>

The depreciation charge for the year is apportioned between expenditure on raising funds, grants made and property activity.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

16. Tangible fixed assets (continued)

Company

	Office equipment £
Cost or valuation	
At 1 April 2020	40,650
At 31 March 2021	<u>40,650</u>
Depreciation	
At 1 April 2020	31,384
Charge for the year	3,595
At 31 March 2021	<u>34,979</u>
Net book value	
At 31 March 2021	<u>5,671</u>
At 31 March 2020	<u>9,266</u>

17. Investment property

Group

	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 April 2020	50,703,950	1,605,875	52,309,825
(Deficit)/surplus on revaluation	(11,962,284)	169,125	(11,793,159)
At 31 March 2021	<u>38,741,666</u>	<u>1,775,000</u>	<u>40,516,666</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

17. Investment property (continued)

Company

	Freehold investment property	Long term leasehold investment property	Total
	£	£	£
Valuation			
At 1 April 2020	34,791,410	1,605,875	36,397,285
(Deficit)/surplus on revaluation	(7,576,494)	169,125	(7,407,369)
At 31 March 2021	<u>27,214,916</u>	<u>1,775,000</u>	<u>28,989,916</u>

The investment properties were valued at 31 December 2020 by external valuers, Kirby and Diamond, Chartered Surveyors, on the basis of open market value in accordance with the appraisal and valuation manual of the Royal Institution of Chartered Surveyors. The valuation approach is as described in the RICS Information Paper "Comparable Evidence in Property Valuation". The Trustees are of the opinion that there has been no material movement in value of these properties between that date and 31 March 2021.

The historical cost of the properties is £2,994,979 (2020: £2,994,979).

18. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 April 2020	15,243,352
Additions	334,177
Disposals	(3,500)
Revaluations	3,076,775
At 31 March 2021	<u>18,650,804</u>
Net book value	
At 31 March 2021	<u>18,650,804</u>
At 31 March 2020	<u>15,243,352</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

18. Fixed asset investments (continued)

The historical cost of investments held at 31 March 2021 was £13,296,896 (2020: £12,996,114).

	Investments in subsidiary companies	Listed investments	Total
Company	£	£	£
Cost or valuation			
At 1 April 2020	400,001	15,243,352	15,643,353
Additions	-	334,177	334,177
Disposals	-	(3,500)	(3,500)
Revaluations	-	3,076,775	3,076,775
At 31 March 2021	<u>400,001</u>	<u>18,650,804</u>	<u>19,050,805</u>
Net book value			
At 31 March 2021	<u>400,001</u>	<u>18,650,804</u>	<u>19,050,805</u>
At 31 March 2020	<u>400,001</u>	<u>15,243,352</u>	<u>15,643,353</u>

Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Principal activity	Class of shares	Holding
MK Community Properties Limited	2650530	Provider of Meeting and Conference Facilities and Small Business Units.	Ordinary £1 shares	100%
MKCP Limited	9466716	Dormant	Ordinary £1 share	100%

The registered office of both the subsidiaries is the same as Milton Keynes Community Foundation Limited, being Acorn House, 381 Midsummer Boulevard, Milton Keynes, MK9 3HP. Both companies are included in the consolidation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

18. Fixed asset investments (continued)

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
MK Community Properties Limited	298,303	(4,932,198)	(4,633,895)	11,749,972
MKCP Limited	-	-	-	1
	<u>298,303</u>	<u>(4,932,198)</u>	<u>(4,633,895)</u>	<u>11,749,972</u>

19. Social investments

Group and Company

Cost or valuation	Social Enterprise project £
At 1 April 2020	10,000
Net book value	
At 31 March 2021	10,000
At 31 March 2020	10,000

The Community Foundation holds a direct equity holding of £10,000 in Future Wolverton to help fund a social enterprise project in the city.

20. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due within one year				
Trade debtors	77,567	154,236	66,824	92,021
Amounts owed by group undertakings	-	-	235,004	84,603
Other debtors	211,867	160,176	211,867	160,176
Prepayments and accrued income	603,368	750,292	535,835	748,879
	<u>892,802</u>	<u>1,064,704</u>	<u>1,049,530</u>	<u>1,085,679</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

20. Debtors (continued)

Included in debtors is £51,589 (2020: £26,665) relating to sales proceeds of Community Foundation Land which is due in more than one year.

21. Creditors: Amounts falling due within one year

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Trade creditors	29,476	95,834	16,917	26,644
Other taxation and social security	65,938	12,644	65,938	16,046
Other creditors	174,244	170,492	114,512	73,286
Accruals and deferred income	515,126	331,935	493,539	312,538
Grants accrued	533,282	336,104	533,282	336,104
	1,318,066	<i>947,009</i>	1,224,188	<i>764,618</i>
	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Deferred income at 1 April 2020	112,066	175,981	93,243	151,913
Resources deferred during the year	273,615	112,066	253,535	93,243
Amounts released from previous periods	(112,066)	(175,981)	(93,243)	(151,913)
	273,615	<i>112,066</i>	253,535	<i>93,243</i>

Deferred income represents rent and service charge income received in advance.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

22. Creditors: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank loans	1,000,000	1,000,000	1,000,000	1,000,000

Included within the above are amounts falling due as follows:

Between two and five years

Bank loans	1,000,000	1,000,000	1,000,000	1,000,000

On 31 March 2015, as part of the group re-organisation, a loan was taken out with Handelsbanken for £1.25M. The loan was fixed at 2.06% for three years followed by a variable rate of 2.35% over 3M Libor for a further two years. At 31 March 2018 there was a break clause enabling the Community Foundation to repay the fixed loan without penalty. On 3 April 2018 the loan was renewed. Under the new loan agreement there is a loan of £1,000,000 which is on a fixed rate of 3.65% until maturity at 6 April 2021 and a loan of £250,000 which is on a variable rate of 2.42% over LIBOR over three years. The loan has been renewed for another 3 years post year end. The loan is secured by a fixed charge over Margaret Powell House, Acorn House and the units in Burners Lane, Stacey Bushes. The carrying value of these properties is £11,200,000 (2020: £11,540,000).

23. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
Community	2,123,596	1,952,476	(2,205,108)	(12,579)	507,063	2,365,448
Designated – Property	51,046,314	-	-	-	(11,793,159)	39,253,155
Total unrestricted funds	53,169,910	1,952,476	(2,205,108)	(12,579)	(11,286,096)	41,618,603

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

23. Statement of funds

Statement of funds - current year (continued)

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Restricted funds						
Arts Fund	388,190	19,209	(11,665)	-	83,259	478,994
Sport Relief Fund	2,341	-	-	-	-	2,341
Margaret Powell (Grants)	356	-	-	-	-	356
MK DASS Fund	287,017	10,042	-	-	52,758	349,817
RSM Fund	1,013	281	(1,011)	-	-	284
Women's Fund	29,049	4,089	(990)	-	5,005	37,153
thecentre:mk Fund	4,950	-	-	(1,651)	-	3,300
NiftyLift Fund	41,605	3,143	(2,200)	(297)	7,145	49,396
Family Funds	154,458	42,575	(7,581)	9,245	27,047	225,744
Kara Hurley Memorial Fund	262,416	10,879	(5,500)	500	50,516	318,811
Grassroots Endowment Fund	878,715	30,354	(22,083)	(6,616)	159,477	1,039,847
Shoosmiths Fund	1,429	43	(239)	-	-	1,233
Surviving Winter	28,065	7,760	(1,652)	(24,345)	-	9,828
Open University Fund	221	-	-	(221)	-	-
Local Giving	77,502	465,149	(426,357)	-	-	116,293
New Communities Funds	231,304	-	(3,264)	-	-	228,040
Jubilee Sports Fund	4,605	300	(4,557)	-	-	348
Community First EMC	11,603,165	490,963	(336,907)	(47,693)	2,139,890	13,849,419
Hopkinson Music Fund	65,492	2,273	-	-	11,942	79,707
Coventry Building Society Fund	1	-	-	-	-	1
VW Fund	11,391	10,000	(11,389)	-	-	10,002
Music Centre Fund	10,128	-	-	237	-	10,365
Business Leaders Fund	14,730	-	(7,741)	-	-	6,989
Big Local Conniburrow Fund	38,933	84,000	(84,535)	-	-	38,398
Great Linford Waterslide Festival Fund	38,065	1,353	-	(2,676)	7,108	43,850
Prevention of Crime Fund	4,441	-	(1,650)	(2,609)	-	182
Rainscourt Fund	8,443	6,250	1,000	-	-	15,693
Tony Byrne Financial Services Fund	34,151	8,383	(1,100)	-	4,310	45,744

23. Statement of funds – current year (continued)

	Balance at 1 April 2020	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 March 2021
	£	£	£	£	£	£
Youth Social Action Fund	13,273	-	-	-	-	13,273
Bramwell Fund	4,188	13,886	(4,783)	-	-	13,291
Chichley Fund	38,522	6,862	(3,328)	-	5,484	47,541
ICAEW Social Mobility Fund	21,106	-	(9,041)	(12,064)	-	1
Netherfield Children Centre Legacy Fund	1	-	-	(1)	-	-
New City Fund	5,821	5,210	(68)	-	-	10,963
Tampon Tax Fund	2,015	32	-	-	-	2,047
National Lottery Fund	175,700	-	(165,000)	-	-	10,700
Olney Education Trust	6,501	-	-	-	-	6,501
Beadle Fund	45,764	1,704	(1,231)	-	8,952	55,189
MK Council 2050 Fund - Flowthrough	127,113	50,000	(46,066)	(100,000)	-	31,047
MK Council 2050 Fund - Endowment	-	772	-	100,000	662	101,434
Watercare Fund	6,615	-	-	-	-	6,615
TVP - Violent Crime Reduction	34,500	-	(9,612)	-	-	24,888
Covid 19 Emergency Response	50,498	129,476	(201,196)	100,768	-	79,546
MK Christian Centre Fund	28,795	-	(7,360)	-	-	21,435
Norman Hawes Memorial Trust Endowment	127,000	3,866	-	-	6,157	137,023
Norman Hawes Memorial Trust Flowthrough	-	8,386	-	-	-	8,386
NET Emergency Appeal	-	325,088	(324,699)	-	-	389
9 Eons Limited	-	10,000	(7,148)	-	-	2,852
Anglian Water Positive Difference	-	19,200	(13,100)	-	-	6,100
LEAP Fund	-	39,999	(36,581)	-	-	3,419
Net DCMS Fund	-	145,489	(142,410)	-	-	3,079
Covid 19 Recovery Fund	-	150,000	(40,774)	-	-	109,226
MK Food Support	-	157,000	(157,000)	-	-	-
DCMS Community Match	-	79,500	(81,875)	-	-	(2,375)

23. Statement of funds – current year (continued)

	Balance at 1 April 2020	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 March 2021
	£	£	£	£	£	£
Sick Mans Friend	-	9,624	-	-	-	9,624
MBS Fund - MK	-	23,880	-	-	-	23,880
MBS Fund - Bucks	-	18,905	-	-	-	18,905
Boswell Mental Health Fund	-	10,000	-	-	-	10,000
Total restricted funds	14,909,588	2,405,926	(2,180,694)	12,579	2,569,712	17,717,111
Total funds	68,079,498	4,358,402	(4,385,802)	-	(8,716,384)	59,335,714

Milton Keynes Community Foundation Limited maintains a number of separate funds, the movements in which are detailed in this note and the net assets of which are analysed in note 24. Monies held in funds can be either flow-through (monies donated in one year are spent in the next along with any investment income earned) or endowment (monies are held in the fund until the fund reaches an agreed level at which time the annual income on the fund balance is spent).

Details of the funds are as follows:

Unrestricted fund

This fund is the main fund of the Community Foundation into which the majority of donations are made. Most grants are paid out of this fund and the majority of the administration costs are borne by this fund. Interest and investment income is added to this fund as earned.

Designated funds

This fund represents the net book value of the freehold and leasehold properties owned by the group, less mortgages raised to purchase properties, together with a reserve towards future property maintenance.

Restricted funds

Details of the various restricted funds can be found on our website.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

23. Statement of funds - prior year

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2020 £</i>
Unrestricted funds						
Community	2,757,474	2,349,114	(2,662,203)	(8,283)	(312,506)	2,123,596
Designated - Property	50,015,239	-	-	-	1,031,075	51,046,314
Total unrestricted funds	52,772,713	2,349,114	(2,662,203)	(8,283)	718,569	53,169,910

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

23. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Restricted funds						
Arts Fund	393,463	19,045	(11,487)	-	(12,831)	388,190
Sport Relief Fund	4,554	-	(2,200)	(13)	-	2,341
Margaret Powell (Grants)	43	299	14	-	-	356
MK DASS Fund	292,324	9,798	(6,974)	-	(8,131)	287,017
RSM Fund	452	561	-	-	-	1,013
Women's Fund	30,102	1,146	(878)	(550)	(771)	29,049
thecentre:mk Fund	5,000	-	(6,050)	6,000	-	4,950
NiftyLift Fund	41,206	3,212	(1,926)	214	(1,101)	41,605
Family Funds	152,337	13,128	(6,055)	(382)	(4,570)	154,458
Kara Hurley Memorial Fund	270,218	9,381	(9,399)	-	(7,784)	262,416
Grassroots Endowment Fund	861,377	29,617	(12,571)	550	(258)	878,715
Shoosmiths Fund	2,756	2	(1,329)	-	-	1,429
Surviving Winter	30,688	3,918	(6,541)	-	-	28,065
Open University Fund	221	-	-	-	-	221
Local Giving	91,423	278,578	(292,499)	-	-	77,502
New Communities Funds	234,524	-	(3,220)	-	-	231,304
Jubilee Sports Fund	628	4,504	(540)	13	-	4,605
Community First EMC	11,984,812	475,456	(496,691)	(214)	(360,198)	11,603,165
Hopkinson Music Fund	65,114	2,218	-	-	(1,840)	65,492
Coventry Building Society Fund	-	1,286	(1,285)	-	-	1
VW Fund	11,064	10,000	(9,673)	-	-	11,391
Music Centre Fund	10,365	-	(237)	-	-	10,128
Business Leaders Fund	10,277	5,003	(550)	-	-	14,730
Big Local Conniburrow Fund	115,867	-	(76,934)	-	-	38,933
Great Linford Waterslide Festival Fund	38,170	1,320	(330)	-	(1,095)	38,065
Prevention of Crime Fund	7,224	1,247	(4,780)	750	-	4,441

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

23. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2019</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 31 March 2020</i> £
Rainscourt Fund	10,703	5,000	(7,260)	-	-	8,443
Tony Byrne Financial Services Fund	26,637	10,707	(2,200)	-	(993)	34,151
Youth Social Action Fund	10,173	11,000	(7,900)	-	-	13,273
Bramwell Fund	15,277	940	(12,029)	-	-	4,188
Chichley Fund	34,640	6,824	(2,099)	-	(843)	38,522
CCG Fund	-	-	-	-	-	-
ICAEW Social Mobility Fund	29,912	-	(8,806)	-	-	21,106
Netherfield Children Centre Legacy Fund	1	-	-	-	-	1
Heald Solicitors Fund	-	-	-	-	-	-
New City Fund	3,656	250	-	1,915	-	5,821
Tampon Tax Fund	-	12,949	(10,934)	-	-	2,015
National Lottery Fund	212,000	-	(36,300)	-	-	175,700
Olney Education Trust	-	6,501	-	-	-	6,501
Beadle Fund	-	51,232	-	-	(5,468)	45,764
MK Council 2050 Fund	-	150,000	(22,887)	-	-	127,113
Watercare Fund	-	15,000	(8,385)	-	-	6,615
TVP - Violent Crime Reduction	-	40,000	(5,500)	-	-	34,500
Covid 19 Emergency Response	-	50,842	(344)	-	-	50,498
MK Christian Centre Fund	-	40,000	(11,205)	-	-	28,795
Norman Hawes Memorial Trust	-	127,000	-	-	-	127,000
Total restricted funds	14,997,208	1,397,964	(1,087,984)	8,283	(405,883)	14,909,588
Total funds	67,769,921	3,747,078	(3,750,187)	-	312,686	68,079,498

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

24. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Designated						
funds	51,046,314	-	-	-	(11,793,159)	39,253,155
General funds	2,123,596	1,952,476	(2,205,108)	(12,579)	507,063	2,365,448
Restricted funds	14,909,588	2,405,926	(2,180,694)	12,579	2,569,712	17,717,111
	<u>68,079,498</u>	<u>4,358,402</u>	<u>(4,385,802)</u>	<u>-</u>	<u>(8,716,384)</u>	<u>59,335,714</u>

Summary of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Designated						
funds	50,015,239	-	-	-	1,031,075	51,046,314
General funds	2,757,474	2,349,114	(2,662,203)	(8,283)	(312,506)	2,123,596
Restricted funds	14,997,208	1,397,964	(1,087,984)	8,283	(405,883)	14,909,588
	<u>67,769,921</u>	<u>3,747,078</u>	<u>(3,750,187)</u>	<u>-</u>	<u>312,686</u>	<u>68,079,498</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

25. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	197,933	-	197,933
Fixed asset investments	3,365,949	15,284,855	18,650,804
Investment property	40,516,666	-	40,516,666
Social investments	10,000	-	10,000
Current assets	(153,879)	2,432,256	2,278,377
Creditors due within one year	(1,318,066)	-	(1,318,066)
Creditors due in more than one year	(1,000,000)	-	(1,000,000)
Total	41,618,603	17,717,111	59,335,714

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	241,877	-	241,877
Intangible fixed assets	1,309	-	1,309
Fixed asset investments	2,528,209	12,715,143	15,243,352
Investment property	52,309,825	-	52,309,825
Social investments	10,000	-	10,000
Current assets	(246)	2,220,390	2,220,144
Creditors due within one year	(921,064)	(25,945)	(947,009)
Creditors due in more than one year	(1,000,000)	-	(1,000,000)
Total	53,169,910	14,909,588	68,079,498

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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

Net income/expenditure for the year (as per Statement of Financial Activities)	(8,743,784)	309,577
Adjustments for:		
Depreciation charges	113,712	64,184
Gains/(losses) on investments	8,716,384	(312,686)
Dividends, interests and rents from investments	(625,842)	(579,595)
Loss/(profit) on the sale of fixed assets	-	(244)
Decrease in debtors	171,902	17,769
Increase/(decrease) in creditors	371,057	(172,554)
Net cash provided by/(used in) operating activities	3,429	(673,549)

27. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash in hand	1,385,575	1,155,440

28. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	1,155,440	230,135	1,385,575
Debt due after 1 year	(1,000,000)	-	(1,000,000)
	155,440	230,135	385,575

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

29. Grant commitments

	Unrestricted funds	Restricted funds	Big Local Conniborrow	Local Giving	Total
Analysis of grants made	£	£	£	£	£
Voluntary groups and charities	73,426	1,660,802	84,535	426,357	2,245,120
Individuals	-	9,000	-	-	9,000
Total	73,426	1,669,802	84,535	426,357	2,254,120

A complete list of all grant recipients for the year can be found on our website.

Reconciliation of grants payable

	2021 £	2020 £
Grants to Voluntary Groups and Charities	1,734,228	787,667
Grants through Local Giving	426,357	272,617
Big Local Conniborrow Project	84,535	76,934
Grants to Individuals	9,000	11,000
	<u>2,254,120</u>	<u>1,148,218</u>
Commitments at 1 April	336,104	376,999
Commitments made in the year	2,376,514	1,165,462
Grants cancelled or recovered	(18,225)	(17,244)
	<u>2,358,289</u>	<u>1,148,218</u>
Grants payable for the year	2,358,289	1,148,218
Grants paid during the year	(2,161,111)	(1,189,113)
	<u>533,282</u>	<u>336,104</u>
Commitments at 31 March	533,282	336,104
Commitments at 31 March are payable as follows:		
Within one year	533,282	336,104
After one year	-	-
	<u>533,282</u>	<u>336,104</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

30. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund managed by Royal London on behalf of the organisation. The pension cost charge represents contributions payable by the group to the fund and amounted to £16,832 (2020 - £12,909). There were no contributions payable to the fund at the balance sheet date (2020 - £nil).

31. Operating lease commitments

At 31 March 2021 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Not later than 1 year	71,652	71,652	38,185	38,185
Later than 1 year and not later than 5 years	28,354	44,362	7,057	44,362
	100,006	116,014	45,242	82,547

32. Contingent liabilities

Under the arrangements surrounding the transfer on 27 November 1992 of certain properties from English Partnerships, previously known as the Commission for the New Towns, the group is under a contractual obligation to repay amounts to English Partnerships ("clawback") in respect of the net capital gains arising on certain disposals or change of use in relation to either Community Related Assets (certain industrial units at Kiln Farm, Stacey Bushes and Number 56 Buckingham Street Wolverton) or Community Foundation Land sites (32 undeveloped and 1 developed).

Based on the open market value, as at 31 March 2021 the total potential liability for the clawback was £13,343,155 (2020: £21,865,640). No provision has been made for deferred tax that may arise if the properties were sold in the future. It is the Trustees' opinion that no tax would arise on a future sale of the properties as any profits from such sale would be distributed via Gift Aid to the company's charitable parent Milton Keynes Community Foundation from its subsidiary company, MK Community Properties Limited. Milton Keynes Community Foundation is part of a VAT group with its subsidiary, MK Community Properties, and is therefore jointly liable for any VAT debts of MK Community Properties Limited.

33. Indemnity insurance

The group has purchased insurance for the Trustees and staff of the charity and the directors of the subsidiary company, MK Community Properties Limited, against liability arising for wrongful acts in relation to the charity and its wholly owned subsidiary. The cost of this insurance amounts to £1,706 (2020: £2,213).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

34. Related party transactions

A number of Trustees, as well as being individual members of the Community Foundation, are associated with organisations that are corporate members of the Community Foundation. Total individual donations received from Trustees in the year amounted to £1,605 (2020: £1,172). Neither the Trustees nor their associated organisations derive any benefit as a result of their membership of the Community Foundation.

Furthermore, as mentioned previously in this report, the Community Foundation is also able to support the not-for-profit sector in Milton Keynes through the provision of properties that are let on preferential terms. The amount of this subsidy, the difference between the full commercial rental and the subsidised rent paid by the not-for-profit sector tenants, is in excess of £1,220,000 per annum for the year to 31 March 2021 (2020: £1,243,000). One Trustee worked for or were Trustees of organisations that currently receive subsidised accommodation in the previous year, namely:

Mrs F Komolafe (resigned 16.09.19), Into the Community (ITC) and Fresh Inspiration (FI)

Prior to providing subsidised accommodation, a process is in place to assess the client to ensure that they are providing services that match the needs of the community.

Set out below is a summary of the amounts that were charged to related parties during the financial year and the amounts that remain outstanding as at 31 March 2021.

	2021 FI £	2021 ITC £	2020 FI £	2020 ITC £
Rent	-	-	1,475	4,625
Service charge/insurance	-	-	1,799	2,681
Car parking etc.	-	-	700	-
	-	-	3,974	7,306
At the year end the balance due/(to) the tenant:	-	-	572	(665)

During the year Milton Keynes Community Foundation Limited charged rent and service charges to MK Community Properties Limited in the sum of £261,798 (2020: £259,643). Milton Keynes Community Foundation Limited purchased room hire and catering services from MK Community Properties Limited during the year amounting to £nil (2020: £428). These transactions have been removed on consolidation.

During the year, grants totalling £nil (2020: £66,200) were awarded to MK Gallery Enterprises (of which K Chadwick, a Trustee, is a director), grants totalling £110,000 (2020: £nil) were awarded to MK Gallery (of which C Baume, a Trustee, is a trustee), grants totalling £5,000 (2020: £nil) were awarded to Worktree (of which J Sinclair and P Zumbika-Lwanga, Trustees, are trustees) and grants totalling £8,250 (2020: £5,000) were awarded to Trubys Garden Tea Rooms (of which Ms K Mirza, a Trustee, is a Trustee). There was £80,000 outstanding owed to the related party at the year end (2020: £nil).

**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2021**

35. Financial instruments

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	18,660,804	<i>15,253,352</i>	18,660,804	<i>15,253,352</i>

Financial assets measured at fair value through income and expenditure comprise of the listed and social investments.