

**Registered number: 2032715**

**Charity number: 295107**

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**MILTON KEYNES COMMUNITY FOUNDATION**

**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

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

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

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<b>Trustees</b>	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)
<b>Company registered number</b>	2032715
<b>Charity registered number</b>	295107
<b>Registered office</b>	Acorn House 381 Midsummer Boulevard Milton Keynes MK9 3HP
<b>Senior Executive</b>	Chief Executive - Ian Revell Director of Finance - Sarah Wilson Director of Philanthropy - June Oldroyd Director of Philanthropy - Ranjit Singh
<b>Independent auditor</b>	Hillier Hopkins LLP Chartered Accountants 249 Silbury Boulevard Milton Keynes MK9 1NA

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

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<b>Bankers</b>	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
<b>Solicitors</b>	EMW Seebeck House 1 Seebeck Place Milton Keynes MKS 8FR
<b>Investment Managers</b>	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET
<b>Property Manager</b>	Hornbeam Limited 13 Furzton Lake Shirwell Crescent Furzton Milton Keynes MK4 1GA

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

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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.

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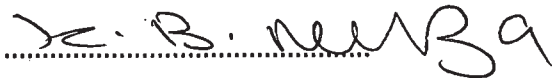
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**CHAIR'S STATEMENT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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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

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

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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.

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

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**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).



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

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**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/>.

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

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**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).

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

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**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.

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

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**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.



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

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**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.

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

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**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.

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

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**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

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

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

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**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.



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

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

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**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.

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

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

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**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.

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

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

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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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

**Use of our report**

This report is made solely to the 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 £
<b>Income from:</b>					
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
<b>Total income</b>		<b>4,024,681</b>	<b>1,795,057</b>	<b>5,819,738</b>	<b>5,798,052</b>
<b>Expenditure on:</b>					
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
<b>Total expenditure</b>		<b>3,894,087</b>	<b>1,798,748</b>	<b>5,692,835</b>	<b>5,039,701</b>
<b>Net income/(expenditure) before net (losses)/gains on investments</b>		<b>130,594</b>	<b>(3,691)</b>	<b>126,903</b>	<b>758,351</b>
Net (losses)/gains on investments		(6,994,652)	(841,063)	(7,835,715)	1,620,513
<b>Net (expenditure)/income</b>		<b>(6,864,058)</b>	<b>(844,754)</b>	<b>(7,708,812)</b>	<b>2,378,864</b>
Transfers between funds	25	(915,904)	915,904	-	-
<b>Net movement in funds</b>		<b>(7,779,962)</b>	<b>71,150</b>	<b>(7,708,812)</b>	<b>2,378,864</b>
<b>Reconciliation of funds:</b>					
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
<b>Total funds carried forward</b>		<b>34,833,247</b>	<b>19,172,519</b>	<b>54,005,766</b>	<b>61,714,578</b>

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 £
<b>Fixed assets</b>			
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>
<b>Current assets</b>			
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)
<b>Net current assets</b>		<u>1,440,420</u>	<u>1,383,811</u>
<b>Total assets less current liabilities</b>		<u>54,005,765</u>	<u>62,714,578</u>
Creditors: amounts falling due after more than one year	23	-	(1,000,000)
<b>Total net assets</b>		<u><u>54,005,765</u></u>	<u><u>61,714,578</u></u>
<b>Charity funds</b>			
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>
<b>Total unrestricted funds</b>	25	<u>34,833,246</u>	<u>42,613,209</u>
<b>Total funds</b>		<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.

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

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**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2023**

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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 £
<b>Fixed assets</b>			
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
		<b>44,079,767</b>	<b>50,060,446</b>
<b>Current assets</b>			
Debtors	21	1,331,323	1,057,732
Cash at bank and in hand		2,248,911	1,310,343
		<b>3,580,234</b>	<b>2,368,075</b>
Creditors: amounts falling due within one year	22	(2,019,600)	(913,465)
<b>Net current assets</b>		<b>1,560,634</b>	<b>1,454,610</b>
<b>Total assets less current liabilities</b>		<b>45,640,401</b>	<b>51,515,056</b>
Creditors: amounts falling due after more than one year	23	-	(1,000,000)
<b>Total net assets</b>		<b>45,640,401</b>	<b>50,515,056</b>
<b>Charity funds</b>			
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
<b>Total unrestricted funds</b>	25	<b>26,467,882</b>	<b>31,413,687</b>
<b>Total funds</b>		<b>45,640,401</b>	<b>50,515,056</b>

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.

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

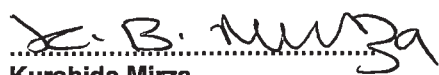
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**COMPANY BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2023**

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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 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	(465,997)	(856,720)
<b>Cash flows from investing activities</b>		
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)	-
<b>Net cash provided by investing activities</b>	<b>1,417,671</b>	<b>1,053,869</b>
<b>Cash flows from financing activities</b>		
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>-</b>
<b>Change in cash and cash equivalents in the year</b>	<b>951,674</b>	<b>197,149</b>
Cash and cash equivalents at the beginning of the year	1,582,724	1,385,575
<b>Cash and cash equivalents at the end of the year</b>	<b>2,534,398</b>	<b>1,582,724</b>

The notes on pages 24 to 62 form part of these financial statements

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**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.

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**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.

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**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.

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**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 %
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**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.

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**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%
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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.



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**MILTON KEYNES COMMUNITY FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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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.



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**4. Income from donations and legacies**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
<b>Donations</b>			
General donations	1,401,403	1,208,667	2,610,070
Donations received in kind	53,700	-	53,700
<b>Subtotal donations</b>	<u>1,455,103</u>	<u>1,208,667</u>	<u>2,663,770</u>
Grants	39,369	-	39,369
<b>Subtotal</b>	<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>
<b>Donations</b>			
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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**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**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
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**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>
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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**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**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
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>

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**8. Expenditure on raising funds (continued)**

**Fundraising trading expenses**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
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**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
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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**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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**10. Analysis of grants**

	<b>Grants to Institutions 2023 £</b>	<b>Total funds 2023 £</b>
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**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total 2023 £</b>
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>



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**12. Analysis of expenditure by activities**

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

	<i>Activities undertaken directly 2022 £</i>	<i>Grant funding of activities 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Grants awarded	312,100	2,619,398	249,462	3,180,960

**Analysis of direct costs**

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

	<i>Grants awarded 2022 £</i>	<i>Total funds 2022 £</i>
Staff costs	124,224	124,224
Other costs	122,470	122,470
Apportioned costs	65,406	65,406
	<b>312,100</b>	<b>312,100</b>

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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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**13. Auditor's remuneration**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Fees payable to the Company's auditor for the audit of the Company's annual accounts	<b>14,300</b>	<b>13,000</b>
Fees payable to the Company's auditor in respect of:		
All taxation advisory services not included above	<b>1,825</b>	<b>1,575</b>
All non-audit services not included above	<b>-</b>	<b>899</b>
	<b>=====</b>	<b>=====</b>

**14. Staff costs**

	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	<b>652,511</b>	<b>533,916</b>	<b>546,414</b>	<b>438,422</b>
Social security costs	<b>55,625</b>	<b>56,849</b>	<b>55,625</b>	<b>56,849</b>
Contribution to defined contribution pension schemes	<b>18,908</b>	<b>24,629</b>	<b>18,908</b>	<b>24,629</b>
	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>
	<b>727,044</b>	<b>615,394</b>	<b>620,947</b>	<b>519,900</b>

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

	<b>Group</b>	<b>Group</b>
	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Marketing and Fund Development	<b>4.0</b>	<b>4.0</b>
Charitable activities	<b>8.0</b>	<b>6.0</b>
Operations	<b>3.8</b>	<b>4.0</b>
Finance and Governance	<b>5.5</b>	<b>5.3</b>
	<b>=====</b>	<b>=====</b>
	<b>21.3</b>	<b>19.3</b>

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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**

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**16. Intangible assets**

**Group and Company**

	<b>Website £</b>
<b>Cost</b>	
At 1 April 2022	<b>17,000</b>
At 31 March 2023	<b>17,000</b>
<b>Amortisation</b>	
At 1 April 2022	<b>1,063</b>
Charge for the year	<b>4,250</b>
At 31 March 2023	<b>5,313</b>
<b>Net book value</b>	
At 31 March 2023	<b>11,687</b>
At 31 March 2022	<b>15,937</b>

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**

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**17. Tangible fixed assets**

**Group**

	Office equipment £
<b>Cost or valuation</b>	
At 1 April 2022	955,210
At 31 March 2023	<u>955,210</u>
<b>Depreciation</b>	
At 1 April 2022	808,845
Charge for the year	94,175
At 31 March 2023	<u>903,020</u>
<b>Net book value</b>	
At 31 March 2023	<u><u>52,190</u></u>
At 31 March 2022	<u><u>146,365</u></u>



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**17. Tangible fixed assets (continued)**

**Company**

	<b>Office equipment £</b>
<b>Cost or valuation</b>	
At 1 April 2022	<b>40,650</b>
At 31 March 2023	<b>40,650</b>
<b>Depreciation</b>	
At 1 April 2022	<b>37,857</b>
Charge for the year	<b>1,183</b>
At 31 March 2023	<b>39,040</b>
<b>Net book value</b>	
At 31 March 2023	<b>1,610</b>
At 31 March 2022	<b>2,793</b>

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

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**18. Investment property**

**Group**

	Freehold investment property £	Long term leasehold investment property £	Total £
<b>Valuation</b>			
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 £
<b>Valuation</b>			
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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**19. Fixed asset investments**

<b>Group</b>	<b>Listed investments £</b>
<b>Cost or valuation</b>	
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>
<b>Net book value</b>	
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).

<b>Company</b>	<b>Investments in subsidiary companies £</b>	<b>Listed investments £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
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>
<b>Net book value</b>			
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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**19. Fixed asset investments (continued)**

**Principal subsidiaries**

The following were subsidiary undertakings of the Company:

<b>Names</b>	<b>Company number</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
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:

<b>Names</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) / Surplus/ (Deficit) for the year £</b>	<b>Net assets £</b>
MK Community Properties Limited	662,253	(3,496,410)	(2,834,157)	8,765,373
MKCP Limited	-	-	-	1

**20. Social investments**

**Group and Company**

	<b>Social Enterprise project £</b>
<b>Cost or valuation</b>	
At 1 April 2022	10,000
	<u>10,000</u>
<b>Net book value</b>	
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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**21. Debtors**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
<b>Due within one year</b>				
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
	<b>1,095,120</b>	<b>797,917</b>	<b>1,331,323</b>	<b>1,057,732</b>

**22. Creditors: Amounts falling due within one year**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
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
	<b>2,189,098</b>	<b>996,830</b>	<b>2,019,600</b>	<b>913,465</b>

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
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)
	<b>46,758</b>	<b>250,239</b>	<b>-</b>	<b>207,989</b>

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**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Company 2023 £</b>	<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**

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Company 2023 £</b>	<i>Company 2022 £</i>
<b>Financial assets</b>				
Financial assets measured at fair value through income and expenditure	<b>18,661,926</b>	<i>19,713,715</i>	<b>18,661,926</b>	<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**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**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 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Property	40,191,231	12	-	319,192	(6,890,823)	33,619,612
<b>General funds</b>						
Community	2,421,978	4,024,668	(3,894,087)	(1,235,096)	(103,829)	1,213,634
<b>Total</b>						
<b>Unrestricted funds</b>	<b>42,613,209</b>	<b>4,024,680</b>	<b>(3,894,087)</b>	<b>(915,904)</b>	<b>(6,994,652)</b>	<b>34,833,246</b>
<b>Restricted funds</b>						
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

**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 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
BRC Communities in Crisis Flowthrough Fund	-	50,762	-	-	1,315	52,077
DCMS Communities in Crisis Flowthrough Fund	-	3,005	(3,005)	-	-	-
	-	4,766	(4,993)	-	-	(227)
<b>Total restricted funds</b>	<b>19,101,369</b>	<b>1,795,057</b>	<b>(1,798,748)</b>	<b>915,904</b>	<b>(841,063)</b>	<b>19,172,519</b>
<b>Total funds</b>	<b>61,714,578</b>	<b>5,819,737</b>	<b>(5,692,835)</b>	<b>-</b>	<b>(7,835,715)</b>	<b>54,005,765</b>

**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)**

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>
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Property	39,253,155	875,000	-	-	63,084	40,191,239
<b>General funds</b>						
Community	2,365,448	3,468,784	(3,640,571)	(24,875)	253,184	2,421,970
<b>Total Unrestricted funds</b>	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 £
<b>Restricted funds</b>						
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**  
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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 £
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
<b>Total restricted funds</b>	<b>17,717,111</b>	<b>1,454,268</b>	<b>(1,399,130)</b>	<b>24,875</b>	<b>1,304,245</b>	<b>19,101,369</b>
<b>Total of funds</b>	<b>59,335,714</b>	<b>5,798,052</b>	<b>(5,039,701)</b>	<b>-</b>	<b>1,620,513</b>	<b>61,714,578</b>

**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
	<b>61,714,578</b>	<b>5,819,737</b>	<b>(5,692,835)</b>	<b>-</b>	<b>(7,835,715)</b>	<b>54,005,765</b>

**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
	<b>59,335,714</b>	<b>5,798,052</b>	<b>(5,039,701)</b>	<b>-</b>	<b>1,620,513</b>	<b>61,714,578</b>

**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)
<b>Total</b>	<b>34,833,246</b>	<b>19,172,519</b>	<b>54,005,765</b>

**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)
<b>Total</b>	<b>42,613,209</b>	<b>19,101,369</b>	<b>61,714,578</b>

**MILTON KEYNES COMMUNITY FOUNDATION**  
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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**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>
Net income/expenditure for the year (as per Statement of Financial Activities)	<b>(7,708,812)</b>	2,378,864
<b>Adjustments for:</b>		
Depreciation charges	<b>94,175</b>	80,976
Amortisation charges	<b>4,250</b>	1,063
Gains/(losses) on investments	<b>7,835,715</b>	(1,620,513)
Dividends, interests and rents from investments	<b>(586,390)</b>	(595,759)
Decrease/(increase) in debtors	<b>(297,203)</b>	94,885
Increase/(decrease) in creditors	<b>192,268</b>	(321,236)
Donated land site	<b>-</b>	(875,000)
<b>Net cash used in operating activities</b>	<b>(465,997)</b>	(856,720)

**29. Analysis of cash and cash equivalents**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>
Cash in hand	<b>1,649,943</b>	1,235,358
Deposit accounts	<b>598,968</b>	74,985
MK Community Property bank accounts	<b>285,487</b>	272,381
<b>Total cash and cash equivalents</b>	<b>2,534,398</b>	1,582,724

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**MILTON KEYNES COMMUNITY FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**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>

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**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	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>594,065</b>	<b>52,011</b>	<b>535,545</b>	<b>1,181,621</b>

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).

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**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:

	<b>Group</b> <b>2023</b> £	<i>Group</i> <i>2022</i> £	<b>Company</b> <b>2023</b> £	<i>Company</i> <i>2022</i> £
Not later than 1 year	<b>8,272</b>	16,470	<b>7,027</b>	7,057
Later than 1 year and not later than 5 years	<b>28,147</b>	7,841	<b>28,109</b>	7,057
	<b>36,419</b>	24,311	<b>35,136</b>	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).

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**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).