

Community Foundation

serving Tyne & Wear and Northumberland

(A company limited by guarantee)

Annual financial statements for the year ended 31 March 2022

Registered company number 02273708

Registered charity number 700510

Community Foundation
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(A company limited by guarantee)
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for the year ended 31 March 2022
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Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2022

Introduction

The Board present their report and the audited consolidated financial statements for the year ended 31 March 2022.

The Charity's full name is Community Foundation serving Tyne & Wear and Northumberland, referred to hereafter as the Community Foundation.

The Community Foundation's charity registration number is 700510 and the limited company number is 02273708. The principal office and registered office is Philanthropy House, Woodbine Road, Gosforth, Newcastle upon Tyne, Tyne & Wear NE3 1DD. The Charity is incorporated in the United Kingdom.

The Community Foundation comprises four separate organisations whose financial statements and activities are consolidated within the group. They are as follows.

- Community Foundation serving Tyne & Wear and Northumberland – a limited company and main operating charity, also incorporating Community First Trust.
- Tyne and Wear Foundation Trust – a charitable trust, which holds donations of permanent endowment to the Community Foundation. This has enabled several historic charitable trusts to be transferred to the Group.
- Tyne & Wear Foundation Limited – a trading company whose profits are covenanted to the Community Foundation. The trading company is mainly used for specific large fundraising events but was inactive during the year.
- Joseph Brough Charitable Trust – an endowed trust making grants in the historic counties of Durham and Northumberland, of which the Community Foundation is sole trustee.

The Community Foundation also administers The Fred Clay Trust, which has its own trustees and reports separately to the Charity Commission and its financial information is not included within these financial statements.

The Community Foundation is a member of UK Community Foundations, registered charity number 1004630, which supports and promotes good practice between community foundations in the United Kingdom. The Community Foundation manages some funding programmes on contracts from UK Community Foundations but is not otherwise subject to any governance arrangements with UK Community Foundations.

Community Foundation
serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2022 (continued)

Advisers

Independent Auditors

Azets Audit Services
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Main Bankers

Barclays Bank PLC
Newcastle Corporate Services
Barclays House
5 St. Ann's Street
Quayside
Newcastle upon Tyne
NE1 3DX

Investment Managers

Rathbone Investment Management Limited
Earl Grey House
75-85 Grey Street
Newcastle upon Tyne
NE1 6EF

Investec Wealth & Investment Limited
2 Gresham Street
London
EC2V 7QP

Brewin Dolphin Limited
Time Central
Gallowgate
Newcastle upon Tyne
NE1 4SR

CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Solicitors

Muckle LLP
Time Central
32 Gallowgate
Newcastle upon Tyne
NE1 4BF

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2022 (continued)

Structure, governance and management

The Community Foundation is a limited company governed by Memorandum and Articles of Association drawn up in 1988 and amended in 1990, 2000, 2007, 2017, 2018 and 2021. A revision to the Charity's objects, which had been approved by the Charity Commission, was adopted at the 2018 Annual General Meeting. At an EGM held in September 2021, members approved amended Articles to allow for meetings to be held virtually.

The Memorandum and Articles allow for four categories of members as follows:

Category A – voluntary organisations

Category B – individuals

Category C – statutory authorities

Category D – companies/businesses

Members have voting rights at the Annual General Meeting and receive regular information about Community Foundation activities throughout the year. Members may nominate candidates for election to the Board. Each membership category elects two members to the Board except for Category C, where Board members are appointed by mutual consent. The Board may co-opt up to five further members and is required to ensure adequate representation throughout the area of benefit.

Board members serve for a three-year term and may be elected/appointed for two further periods of three years each. However, Board members do not normally serve for a third term unless they have been appointed as officers of the Board.

There are arrangements for induction, training and support of Board members, which are reviewed by the Governance, Finance and Audit Committee. Each new Board Member is given an induction pack and attends an induction session with the executive team and meets the Chair. The Governance, Finance and Audit Committee reviews training needs of the Board members and arranges training as required. The involvement of Board members is reviewed by the Officers of the Board annually to ensure that skills and time provided by members are used to best effect. Additionally, Board skills are kept under review to inform Board member recruitment, engagement and support. Board members also volunteer their services to assist in Community Foundation activities, such as grant panels, donor development and public speaking during the year.

The full Board meets four times a year. An additional meeting is held for reflection and forward planning as required within the strategy period. Within the annual cycle, the Board:

- agrees an operating budget;
- receives quarterly management accounts;
- agrees annual objectives;
- reviews objectives;
- monitors performance within agreed targets;
- considers risks and ways to mitigate them;
- considers strategic issues; and
- receives reports and minutes from all sub-committees listed below.

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2022 (continued)

Structure, governance and management (continued)

The Board appoints sub-committees, which are responsible for more detailed oversight of strategy and activities within their area of responsibility. The sub-committees meeting during the year were:

- Governance, Finance and Audit Committee (G,F&A)
- Investment Committee (Inv)
- Nominations Committee (Nom)

Members of the Board who served during the year and up to the date of signing of the financial statements, including committees on which they served during the year, are as follows:

| | |
|--|-----------------------|
| Fiona Cruickshank OBE – Chair to October 2021 appointed December 2020, resigned October 2021 | (G, F&A) |
| Phil Moorhouse – Chair from October 2021 co-opted October 2021 | (G, F&A, Inv, Nom) |
| Geoffrey Hodgson – Deputy Chair co-opted June 2013, elected October 2013 | (G,F&A, Nom) |
| Paul Farquhar - Treasurer co-opted March 2018 | (G,F&A, Inv) |
| Jill Baker co-opted June 2019 | (Inv) |
| Anna, Lady Blackett co-opted December 2015 | (Nom) |
| Michael Brodie CBE co-opted February 2020 | (Nom) |
| Robin Fry appointed December 2020 | (Inv) |
| Andrew Haigh elected December 2016 | (Inv) |
| Colin Hewitt elected October 2021 | (G,F&A) |
| Claire Malcolm MBE co-opted March 2019 | (Inv) |
| Patrick Melia appointed December 2016 to represent statutory authorities | (Nom) |
| Laura Warwick appointed November 2018 | (Inv) |
| Neil Warwick OBE co-opted December 2015, elected November 2016, resigned October 2021 | (G,F&A) |
| Lucy Winskell OBE elected December 2016 | |

Community Foundation **serving Tyne & Wear and Northumberland**

Annual report for the year ended 31 March 2022 (continued)

Structure, governance and management (continued)

Geoff Hodgson and Anna Blackett will retire at the 2022 Annual General Meeting. Robin Fry and Claire Malcolm reach the end of their first three-year term and are eligible for re-election. Jill Baker also reaches the end of her first three-year term and is eligible for re-co-option. In June 2022, the Board agreed a succession plan for trustees to allow for staggering of retirements. Lucy Winskell OBE has been appointed to succeed Geoff Hodgson as Deputy Chair and will be eligible for re-election for a third three-year term. Patrick Melia will be eligible for re-election and will be asked to serve two further years. Andrew Haigh will be eligible for re-election and will be asked to serve one further year. The Board has also run an open recruitment process to appoint two new co-opted trustees who will be appointed in September 2022 to join the Board from the 2022 Annual General Meeting.

The Board also appoints a President, Vice Presidents and Patrons in recognition of their distinguished service to the community or contributions to the Community Foundation. These are honorary positions with no formal powers or duties. The Board reviewed appointments in September 2020. The current office holders are listed in the yearbook and on the Community Foundation's website.

The liability of the members for the debts and liabilities of the company is limited and in the event of the company being wound up would not exceed £1 per member.

The Board has a scheme of delegation which details areas where the Board has, in accordance with the Memorandum and Articles of Association, delegated decisions to individual trustees, to sub-committees or task groups or to the executive team. The scheme of delegation also covers those matters always reserved for the full membership and the full Board. The delegated areas are segmented into the following categories: governance, audit & risk, operations and finance, investment, and philanthropy and funding.

At the year end the executive team members responsible for day-to-day management of the Charity as delegated by the Board were:

| | |
|----------------|--|
| Rob Williamson | Chief Executive Officer |
| Sonia Waugh | Chief Finance and Operating Officer and Deputy Chief Executive Officer |
| Adam Lopardo | Director of Community Relations |

The Chief Philanthropy Officer is also a member of the executive team but this post was vacant at the year end. The role will be filled later in 2022. At the year-end there was a total of 23 staff (full time equivalent 20.09).

The Board has a remuneration policy which covers the arrangements for setting salaries throughout the organisation including those staff responsible for day-to-day management. The Community Foundation has its own salary scale with grades intended to be broadly compatible with charities of a similar size in the north of England, and those with similar functions across the UK. Because of its leading position in the charity sector, the Community Foundation's senior staff must have significant expertise so it must be able to draw from the best talent in a competitive market. Senior staff roles are therefore ungraded which allows the Board to be more flexible in setting pay when recruiting and reviewing performance. All salaries are reviewed annually by a sub-committee of the Board with any recommendations for pay increases presented to the full Board for approval when it agrees the annual budget. The sub-committee takes account of cost-of-living rises and inflation, external benchmarking data, and staff performance and contributions to the organisation's work. The Board sub-committee reviews the Chief Executive's salary and other benefits without him present, taking account of factors relating to performance, benchmarking and internal salary differentials. In 2022, the Board commissioned an independent benchmarking report on staff salaries and benefits which informed its remuneration decisions.

Annual report for the year ended 31 March 2022 (continued)

Objectives and activities

The Community Foundation's objects are for the benefit of the public generally, in particular, but not exclusively, in the area of Tyne and Wear and Northumberland: to promote and support the prevention or relief of poverty or disadvantage; to preserve and protect health; to advance the education of the public; for the general purposes of such charitable bodies or for such other exclusively charitable purposes in each case as the Directors may from time to time decide. The Community Foundation's operational purpose is to grow giving and philanthropy, matching generous people with the region's important community causes. The Community Foundation does this by:

- enabling people from all walks of life to set up charitable funds, give collectively or share expertise;
- supporting small, local charities and community organisations through grants from funds and help from networks;
- shining a light on vital issues affecting the area and working with others to tackle them;
- building endowment as an asset for communities now, and for generations to come.

The Community Foundation is a generalist grant-maker to a wide range of community groups. Some funds have more restricted purposes – for example the Sir Tom Cowie Fund only makes grants to organisations to support disadvantaged or disabled children and young people in Sunderland. The Community Foundation accommodates donors' wishes in respect of grant awards wherever possible. The Board has agreed certain exclusions for grants with its general funds and these are detailed in grant application materials available on request. The predominant activity is grant-making, but the Community Foundation also devotes resources to non-financial sector support, research projects, development and donor education which aim to increase local philanthropy.

Public benefit

The Community Foundation exists and operates for the public benefit. Through its grant-making it works to improve the community, in particular, but not exclusively, in Tyne & Wear and Northumberland. The Trustees confirm that they have referred to the guidance produced by the Charity Commission on public benefit when reviewing the Charity's aims and objectives and in planning future activities and grant-making and are satisfied that it meets the requirements.

Plans for future periods

Plans for future periods are detailed on page 10 of this report.

Strategic report

Achievements and performance

2021-22 was the second year of the Community Foundation's strategy to 2025. During the year, we continued to respond to the impact of the Covid-19 pandemic, spending the remaining funds raised through our own Coronavirus Response and Recovery Fund and via the National Emergencies Trust. We also focused on ways donors could address poverty, furthered our work on diversity, equity and inclusion and developed our new approach to responsible investment.

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2022 (continued)

Strategic report (continued)

Achievements and performance (continued)

Other achievements during the year are set out below. More detailed descriptions of activities and their impact are included in the Community Foundation's yearbook.

Goal 1: enable more and better philanthropy

- £1.3m in endowment gifts and £3.2m in revenue gifts were received.
- 4 new funds were established.
- 5 new legacy notifications were received.
- Two webinars held for fund-holders on issues linked to our strategy and Dr Beth Breeze spoke at our AGM on philanthropy.

Goal 2: support our region's small local charities and community organisations

- 1,376 grants (2021: 1,331) totalling £8.57m (2021: £7.22m) were awarded, exceeding the baseline of £6.8m and the five-year target of £7.5m. The majority continued to be for amounts under £5,000. In total 623 organisations and 113 individuals were supported. The table below shows the breakdown by fund type.

| Fund type | No of grants | Total awards |
|--|--------------|------------------|
| Individual and family funds | 469 | 2,202,918 |
| Corporate funds | 302 | 1,254,098 |
| Charity and trust funds | 315 | 1,809,358 |
| Collective funds | 196 | 1,188,040 |
| Projects and partnership funds | 70 | 1,188,612 |
| Agency funds (benefiting a named organisation) | 24 | 930,984 |
| Total grants awarded by the full Group | 1,376 | 8,574,010 |

- 8 'Time to Talk' sessions for grantees were held and 9 funding events attended.
- Funding was delivered for partners including Newcastle and Gateshead Councils.
- Grant-making support services were delivered for Ridley Family Charity and the Bernicia Foundation.
- 8 trustee matches made through our brokerage scheme.

Goal 3: understand and act on vital issues affecting our communities

- Approved participatory grant-making pilots in place (Sunderland) and with Black, Asian and minority ethnic communities.
- Published a *Good to Give* guide encouraging support for organisations tackling poverty.
- Undertook research on ways to improve support for organisations serving and led by diverse communities.
- Sat on technical panel of Pro Bono Economics' Law Commission on Civil Society

Goal 4: build and sustain our endowment to £100m and beyond

- Endowment value increased from £93.4m to £95.9m
- Adopted a new responsible investment policy following consultation with stakeholders
- Completed transfer of Bill & May Hodgson Trust

Annual report for the year ended 31 March 2022 (continued)

Strategic report (continued)

Achievements and performance (continued)

Goal 5: be a shining example of an effective charitable foundation accountable to the people it serves

- Successfully recruited new chair through open process
- 90% of core costs covered by endowment and revenue fund contributions
- Maintained continuing excellence in the Better Health at Work scheme.
- Passed national quality accreditation through UK Community Foundations
- Set and published diversity data on our Board and staff
- Completed and implemented findings from staff salary and benefits benchmarking

Fundraising

The Community Foundation is registered with the Fundraising Regulator which is the independent regulator of charitable fundraising. The Board approved a Growth Plan (the Plan) in 2017 which includes the approach we take to fundraising in the organisation which meets the requirements of the Charity Commission, Fundraising Regulator and Information Commissioner's Office. Almost all income generation activity is done by Foundation staff directly or on our behalf through introductions made by ambassadors and professional advisors. We also connect to potential donors and partners through networking and by raising our profile through communications. When and if we enter into commercial participation arrangements, we have formal agreements in place that deal with risks to the Foundation and ensure transparency. We do not:

- use direct marketing, telephone, doorstep or on-street fundraising;
- employ for-profit agencies to raise income on our behalf; or
- share information about donors or supporters without their express permission.

Some fundraising will continue to be done for the Foundation by third parties, for example with our High Sheriff funds, or funds where a donor wishes to raise money from friends or family in memory of a loved one, or to support a particular cause. We have developed guidelines for those undertaking such activities to ensure we, and they, are compliant.

During the year the Community Foundation continued with a commercial participation agreement with Newcastle Building Society (NBS). NBS has committed to make donations based on the level of funds held by customers in a particular savings product. The agreement includes obligations of both NBS and the Community Foundation including compliance with the safeguarding policy.

The Community Foundation maintains records of all complaints received and during the year received no complaints on its fundraising activities. The Community Foundation reports this information annually to the Fundraising Regulator if requested.

Programme related investments

Northern Rock Foundation (NRF) was involved in the set up of the North East Social Investment Fund (NESIF) and made loan commitments for 20 years to the primary vehicle – the North East Social Investment Community Interest Company (NESIC). As part of the winding up of NRF, its Board agreed to transfer the Loan Fund of £3m to the Community Foundation to ensure continuity of the programme, with both sides

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serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2022 (continued)

Strategic report (continued)

Programme related investments (continued)

signing the novation of the Loan Fund on 12 April 2016. The full value of the novation of £3m was recognised within donations to restricted funds at the time of the novation.

Financial review

Net assets at 31 March 2021 were £104.09m (2021: £102.05m). £95.94m of the assets related to endowment funds (2021: £93.41m). The total unrealised and realised gains on investments amounted to £5.67m (2021: £16.54m). There were new donations to the endowment funds during the year of £1.32m (2021: £3.78m), and fees and transfers out of endowment of £4.60m (2021: £2.98m). The expendable endowment (charity only) is treated by the Trustees as long-term capital to provide income for future grant-making. Further details of performance of subsidiary undertakings are detailed in note 22. The investments were managed by Rathbone Investment Management, Investec Wealth & Investment Management, CCLA Investment Management and Brewin Dolphin, to achieve maximum total returns and provide an agreed amount annually for grant-making. CCLA Investment Management also manages funds donated to the Community First Trust as required by the match funding agreement. There is separate provision for donors who wish to invest ethically. The Investment Committee monitors the managers' performance in relation to a peer group benchmark, ARC Charity Steady Growth, and other relevant indices at its quarterly meetings and meets with each of the managers at least annually, more frequently with Rathbone Investment Management and Investec Wealth & Investment.

Clear guidelines have been agreed in relation to asset allocation and these were also reviewed by the Investment Committee quarterly. On the full year's performance, the main fund performed ahead of the ARC benchmark with a total return average of 8.14% compared to the benchmark of 7.00%. The Board were content with performance on the other smaller funds in light of the very difficult financial market conditions.

Total income and endowment for the year totalled £6.37m (2021: £10.46m). The main sources of income were new donations and investment income. The main resources expended were for charitable grants of £8.54m net (2021: £7.14m net).

At the end of the year, the Board adopted a new investment policy which sets out responsible as well as financial goals. Appointment of managers, and their mandates, will be reviewed during 2022-23 in line with the new policy.

Financial review - reserves

The Statement of Financial Activities shows the movement in the year of the Community Foundation's (Group) Unrestricted and Restricted Funds. The year-end balances on the Restricted Funds are available in their entirety, less the property, Philanthropy House, for future grant-making and other direct charitable expenditure. The Unrestricted Funds balance at 31 March 2022 of £2,636,818 includes £1,802,424 set aside for designated funds which are solely for future grant-making, and the balance of £834,394 less fixed assets of £44,632, £789,762 is the general reserve available to meet future administration and development expenditure.

Annual report for the year ended 31 March 2022 (continued)

Strategic report (continued)

Financial review – reserves (continued)

The Board reviewed its reserve levels in March 2022 and designated £305,000 of the general reserves to support running costs as part of a two year budget plan. The Board sets a maximum level of reserves to allow the Community Foundation to operate for up to 12 months if income streams were significantly impacted by market conditions and a minimum level based on the same scenario but adjusting some costs during the 12 months and reviews its policy annually. The general reserve, after adjusting for designated costs, amounted to £484,762 which was within the range calculated, minimum level of £380,000 and the maximum £730,000. The Board is confident that reserves and the overall assets of the Community Foundation are sufficient to continue as a going concern.

Plans for future periods

In March 2020 the Board agreed a 10-year vision to see communities thrive across North East England, with fairness and generosity changing lives and helping everyone feel they belong. This means having a strong and vibrant civil society. So, our ambition is to be the region's most trusted and effective charitable foundation, supporting small, local charities and community organisations through more and better philanthropy. The Board agreed a 5-year strategy to work towards its vision and ambition based on five goals:

- To enable more and better philanthropy
- To be great at supporting the region's small, local charities and community organisations
- To understand and act on vital issues affecting communities
- To build and sustain the endowment to £100m and beyond
- To be a shining example of an effective charitable foundation accountable to the people it serves.

The targets for the period are below.

| KEY PERFORMANCE INDICATORS | 2020-25 TARGET |
|---|-----------------------|
| Total endowment value | £105m |
| Rolling average annual gifts to endowment | £3.0m |
| Annual gifts to revenue and programme funds | £2.6m |
| Percentage of total grants from endowment funds | 70% |

Key priorities for 2022-23 are as follows.

- Recruiting and retaining staff and trustees and increasing diversity in line with benchmarks.
- Populating the major gift pipeline and improving marketing.
- Advancing work on donor engagement and experience with a view to increasing distribution rates.
- Understanding grantee perceptions and improving data capture on organisations we support.
- Completing pilot participatory grant-making schemes and implement any lessons.
- Understanding barriers to accessibility of our services and communications and making improvements.
- Adding a climate change priority alongside poverty, inequality and inclusion.
- Continuing to lobby for a new endowment match scheme.
- Implementing our responsible investment strategy and reviewing cash holdings.
- Maximising stakeholder engagement in, and the impact of, our research.
- Considering how to respond effectively to the cost-of-living crisis.

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2022 (continued)

Strategic report (continued)

Principal risks and uncertainties

The Board receives an annual assessment of risk prepared by the executive team and agrees steps to manage risk. In December 2019 the Board reviewed its risk policy for determining, managing and reviewing the risks to which the Community Foundation is exposed. The Board will continue to review the risk policy every three years. The risk register is reviewed quarterly, and any significant changes reported to the Board. Every year, the Board receives a report on risk and approves an updated risk register. The main risks identified in the most recent register dated May 2022 were:

- Losing significant asset value/Failure to achieve 6% return
- System breach or failure

The Board reviews controls already in place for mitigating risks and identifies further treatment or monitoring required to manage the identified risks. The first risk noted above is linked to the performance and drawdown from the Community Foundation's endowment funds. The Investment Committee meets regularly with the investment managers to discuss and review performance of the funds, which are invested in line with the Community Foundation's Investment Policy. The Board reviews its Investment Policy on a regular basis including the ranges of asset allocation and benchmarking. The Board agreed to maintain 6% withdrawal from the main and ethical funds as part of its 2020-25 strategy, defining triggers that would prompt it to review the withdrawal rate. Inflation is a concern together with other global issues and the Board will keep this under close review. The second main risk relates to potential issues with the organisation's website. Work is underway to rectify this and will be completed mid 2022-23.

Statement of trustees' responsibilities

The Trustees (who are also directors of Community Foundation serving Tyne & Wear and Northumberland for the purposes of company law) are responsible for preparing the Trustees' Annual Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

Annual report for the year ended 31 March 2022 (continued)

Strategic report (continued)

Statement of trustees' responsibilities (continued)

- state whether applicable UK Accounting Standards comprising FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving the annual report:

- there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the group's auditors are unaware; and
- the trustees, having made enquiries of fellow directors and the group's auditors that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

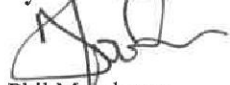
Independent Auditors

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following the acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022.

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The Report of the Trustees and the Strategic Report were approved by the Board of Trustees.

By Order of the Board



Phil Moorhouse
Chair

21 September 2022

Community Foundation serving Tyne & Wear and Northumberland

Independent Auditor's Report to the Members of Community Foundation serving Tyne & Wear and Northumberland

We have audited the financial statements of Community Foundation serving Tyne & Wear and Northumberland (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022, which comprise the Consolidated Statement of Financial Activities, Consolidated Income and Expenditure Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 parent charity's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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 the events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issues.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

**Independent Auditor's Report to the Members of Community Foundation
serving Tyne & Wear and Northumberland (continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully set out on page 12, the trustees 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.

**Independent Auditor's Report to the Members of Community Foundation
serving Tyne & Wear and Northumberland (continued)**

Auditor's responsibilities for the audit of the financial statements

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

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

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Review financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); and compliance with the UK Companies Act, and the Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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

Community Foundation
serving Tyne & Wear and Northumberland

Independent Auditor's Report to the Members of Community Foundation
serving Tyne & Wear and Northumberland (continued)

Use of report


This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)

For and on behalf of Azets Audit Services
Chartered Accountants and Statutory Auditor

Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 

Azets Audit Services is a trading name of Azets Audit Services Limited

Community Foundation
serving Tyne & Wear and Northumberland

**Consolidated statement of financial activities
for the year ended 31 March 2022**

| | Note | Unrestricted funds | Restricted funds | Endowment funds | Total 2022 | Total 2021 |
|------------------------------------|------|-----------------------|---------------------|--------------------|---------------|---------------|
| | | £ | £ | £ | £ | £ |
| Income and endowments from: | | | | | | |
| Donations and legacies | 3 | 633,889 | 2,538,910 | 1,317,427 | 4,490,226 | 8,479,425 |
| Charitable activities | 4 | 39,325 | - | - | 39,325 | 54,458 |
| Other trading activities | 5 | - | - | - | - | 2,000 |
| Investment income | 6 | 1,009,695 | 831,458 | - | 1,841,153 | 1,926,609 |
| Total income and endowments | | 1,682,909 | 3,370,368 | 1,317,427 | 6,370,704 | 10,462,492 |
| Expenditure on: | | | | | | |
| Raising funds | 8 | 221,985 | - | - | 221,985 | 218,100 |
| Investment management costs | | - | - | 266,392 | 266,392 | 236,905 |
| Charitable activities | 9 | 4,037,221 | 5,477,172 | - | 9,514,393 | 8,041,492 |
| Total expenditure | | 4,259,206 | 5,477,172 | 266,392 | 10,002,770 | 8,496,497 |
| Net (losses)/gains on investments | | - | (142,000) | 5,813,762 | 5,671,762 | 16,541,116 |
| Net (loss)/income | | (2,576,297) | (2,248,804) | 6,864,797 | 2,039,696 | 18,507,111 |
| Transfers between funds | | 2,048,903 | 2,285,263 | (4,334,166) | - | - |
| Net movement in funds | | (527,394) | 36,459 | 2,530,631 | 2,039,696 | 18,507,111 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 3,164,212 | 5,482,323 | 93,406,695 | 102,053,230 | 83,546,119 |
| Total funds carried forward | | 2,636,818 | 5,518,782 | 95,937,326 | 104,092,926 | 102,053,230 |

All of the above results are derived from continuing operations. All gains and losses which were incurred in the current year and prior year are included above. The comparative figures for each category of funds are shown in the notes to the accounts (note 2).

**Consolidated income and expenditure account
for the year ended 31 March 2022**

| | Note | 2022 £ | 2021 £ |
|--|------|--------------------|--------------------|
| Income - continuing operations | | | |
| Donations and legacies | | 3,172,799 | 4,703,282 |
| Charitable activities | | 39,325 | 54,458 |
| Other trading activities | | - | 2,000 |
| Investment income | 6 | 1,841,153 | 1,926,609 |
| | | 5,053,277 | 6,686,349 |
| Expenditure - continuing operations | | | |
| Grants | 9 | 8,535,156 | 7,144,993 |
| Staff costs | 10 | 900,062 | 875,602 |
| Other costs | | 301,160 | 238,997 |
| | | 9,736,378 | 8,259,592 |
| Net loss on investments | | (142,000) | (167,294) |
| Net loss for the year before transfers and taxation | | (4,825,101) | (1,740,537) |
| Transfer from endowment fund | | 4,334,166 | 2,745,332 |
| Taxation | 16 | - | - |
| Net (deficit)/surplus for the year | | (490,935) | 1,004,795 |

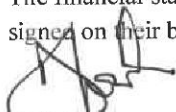
The total income of £5,053,277 comprises £1,682,909 for unrestricted funds and £3,370,368 for restricted funds as shown in the statement of financial activities. The total expenditure of £9,736,378 comprises £4,259,206 for unrestricted funds and £5,477,172 for restricted funds as shown in the statement of financial activities.

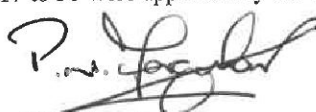
Community Foundation
serving Tyne & Wear and Northumberland

Balance sheets as at 31 March 2022
Registered company number 02273708

| | Note | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|--|------|--------------------|--------------------|----------------------|----------------------|
| Fixed assets | | | | | |
| Endowment fund investments | 11 | 95,660,736 | 90,411,682 | 92,635,526 | 87,436,491 |
| Programme related and other investments | 11 | 856,809 | 797,914 | 856,909 | 798,014 |
| Tangible assets | 12 | 685,882 | 699,816 | 685,882 | 699,816 |
| Total fixed assets | | 97,203,427 | 91,909,412 | 94,178,317 | 88,934,321 |
| Current assets | | | | | |
| Debtors | 13 | 122,193 | 2,946,862 | 118,594 | 2,941,792 |
| Assets held for resale | | 14,000 | - | 14,000 | - |
| Cash on short-term deposit | | 5,543,905 | 5,537,380 | 5,543,905 | 5,537,380 |
| Cash at bank and in hand | | 3,761,173 | 3,516,638 | 3,518,465 | 3,344,621 |
| Total current assets | | 9,441,271 | 12,000,880 | 9,194,964 | 11,823,793 |
| Creditors: amounts falling due within one year | 14 | (1,814,962) | (987,712) | (1,810,522) | (987,712) |
| Net current assets less current liabilities | | 7,626,309 | 11,013,168 | 7,384,442 | 10,836,081 |
| | | 104,829,736 | 102,922,580 | 101,562,759 | 99,770,402 |
| Creditors: amounts falling due after more than one year | 15 | (736,810) | (869,350) | (736,810) | (869,350) |
| Total assets | | 104,092,926 | 102,053,230 | 100,825,949 | 98,901,052 |
| The funds of the charity: | | | | | |
| Endowment funds | 17 | 95,937,326 | 93,406,695 | 92,757,278 | 90,361,180 |
| Restricted income funds | 18 | 5,518,782 | 5,482,323 | 5,431,853 | 5,375,660 |
| Unrestricted income funds | 19 | 2,636,818 | 3,164,212 | 2,636,818 | 3,164,212 |
| Total charity funds | | 104,092,926 | 102,053,230 | 100,825,949 | 98,901,052 |

The financial statements on pages 17 to 50 were approved by the Board on 21 September 2022 and were signed on their behalf by:


Phil Moorhouse
Chair


Paul Farquhar
Treasurer

Community Foundation
serving Tyne & Wear and Northumberland

Consolidated cash flow statement for the year ended 31 March 2022

| | Note | 2022 £ | 2021 £ |
|--|------|--------------|--------------|
| Cash flows from operating activities: | | | |
| Net cash used in operating activities | 24 | (3,251,559) | (6,988,423) |
| Cash flows from investing activities: | | | |
| Dividends and interest from investments | | 1,841,153 | 1,926,609 |
| Purchase of fixed assets | | (19,774) | (4,576) |
| Proceeds from the sale of investments | | 15,667,653 | 14,768,526 |
| Purchase of investments | | (15,102,945) | (12,765,385) |
| Programme related investments drawn down | | (200,895) | (119,942) |
| Net cash provided by investing activities | | 2,185,192 | 3,805,232 |
| Cash flows from financing activities: | | | |
| Receipt of endowment | | 1,317,427 | 3,776,143 |
| Net cash provided by financing activities | | 1,317,427 | 3,776,143 |
| Change in cash and cash equivalents in the year | | 251,060 | 592,952 |
| Cash and cash equivalents at the beginning of the year | 24 | 9,054,018 | 8,461,066 |
| Cash and cash equivalents at the end of the year | 24 | 9,305,078 | 9,054,018 |

Notes to the financial statements for the year ended 31 March 2022

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of listed investments and freehold investment property. The financial statements have been prepared in accordance with 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) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and the Charities Act 2011.

The Community Foundation meets the definition of a public benefit entity under FRS 102. The directors consider that there are no material uncertainties about the group's ability to continue as a going concern.

The financial statements consolidate the results of the Charity and its wholly-owned subsidiaries, Joseph Brough Charitable Trust, Tyne & Wear Foundation Limited and Tyne and Wear Foundation Trust, on a line by line basis using consistently applied accounting policies.

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

b) Going concern

The trustees have prepared budgets and forecasts which give them adequate comfort that the charitable company and group entities are a going concern. Therefore, the trustees are of the view that the charitable company and group have sufficient resources for at least the next 12 months from the date of approving the financial statements. As a result, the charitable company and group's financial statements have been prepared on the going concern basis.

c) Incoming resources

Income is recognised in the period in which it is receivable unless the Charity has to fulfil conditions before becoming entitled to it or if the donor has specified that the income is to be expended in a future period, in which case it is deferred. Donations are accounted for in the period in which they are received or receipt is probable and the charity is entitled to the donation at that point in time. All donations are derived from the UK. Investment income is recognised on an accruals basis. Grants from the Government and other agencies have been included as income from charitable activities where these amount to a contract for services.

Legacy entitlement is taken as the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors to the Charity that a distribution will be made, or when a distribution is actually received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution.

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

1 Accounting policies (continued)

d) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Costs relating to raising funds and charitable activities have been allocated direct to those cost headings and support costs (including governance costs) have been apportioned on the basis of staff time spent on each area.

e) Grant commitments

Grants payable are charged in the year when the offer is approved and conveyed to the recipient. Cancelled grants are re-credited at the point the decision is made not to pay out the grant or when a refund has been received.

f) Fund accounting

Funds held by the Charity are as follows:

Unrestricted general funds: these are funds which can be used in accordance with the charitable objects at the discretion of the Directors.

Unrestricted designated funds: these are funds which the Directors regard as unrestricted because they are used for general charitable grant-making purposes in the Community Foundation's area of benefit although grants may still be made on recommendations from the donor.

Restricted funds: these are funds that can only be used for particular restricted purposes within the objects of the Charity.

Endowment funds are invested and the income from these funds is applied to the relevant restricted or unrestricted income funds.

Investment income is allocated to the income funds on a "total return" basis for the Charity. Withdrawals from the endowment fund have been made at a rate of 6%, which the Directors review annually and consider to be a reasonable total return withdrawal rate. A total of £3,435,265 (2021: £2,712,850) in excess of investment income, was transferred from the main and ethical endowment funds to restricted £1,498,160 and unrestricted £1,937,105 funds in the year. A separate agreement operates for Community First funds and any gain above indexed adjusted value is withdrawn from the funds and £915,233 (2021: nil) was withdrawn during the year.

g) Listed and unlisted investments

Listed investments are stated at their quoted market value at the year end. Unlisted investments are quoted at cost. Freehold investment property is stated at the fair value estimate as valued by property consultants in March 2022 and the Directors consider the valuations to be reasonable.

The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Realised gains and losses for the year are calculated based on market value brought forward plus any additions in the year. No depreciation is charged on investment properties.

Community Foundation

serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022

(continued)

1 Accounting policies (continued)

g) Listed and unlisted investments (continued)

Property Valuations

Properties held within Investments are held at an assessed valuation by a surveyor and are formally valued every year. At the year end one of the investments was moved to current assets, assets held for resale as a sale was agreed post year end.

Investments are held at valuations provided by the investment manager, whereas listed investments are held at a closing value indicated by the stock exchange.

h) Programme related investments

Programme related investments consist entirely of loans made to North East Social Investment Community Interest Company (NESIC). As part of the winding up of Northern Rock Foundation (NRF) its Board agreed to transfer the Loan Fund of £3m to Community Foundation with both sides signing the novation of the Loan Fund on 12 April 2016. At the transfer date £265,814 had been advanced to NESIC and since the transfer, another £1,210,995 has been advanced. NESIC use these loans to invest directly into The North East Social Investment Fund (NESIF). The total advanced of £1,476,809 is shown as a Programme Related Investment.

The investments are recorded at cost less any diminution in value. The Board have reviewed the recoverability of the loan and in order to be prudent, have decided to provide for diminution in value of the investment based on the share of the most recent overall fund balance sheet deficit plus amber (at risk) loans not already provided for. The Board will continue to review recoverability and valuation on an annual basis. At the year end a total provision of £620,000 has been provided against the recoverability of the Programme Related Investment.

The balance on the original £3,000,000 loan funds available to be drawn down by NESIC at 31 March 2022 was £1,523,191. The £3,000,000 funds, less the provision, are listed within restricted funds and at the year end were £2,380,000. The loan agreement allows for drawdown by NESIC of the funds for a period of 10 years from the original agreement date of 10 December 2014. The loans are unsecured and bear no interest. No repayments will be received during the 10-year loan fund period as all funds are to be retained in the loan fund with NESIF during the investment period.

Notes to the financial statements for the year ended 31 March 2022
(continued)

1 Accounting policies (continued)

i) Tangible fixed assets and depreciation

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives on a straight line basis, at the following rates:

| | | |
|-------------------------|---|-----------------------|
| Land and buildings | - | Over 50 years |
| Furniture and equipment | - | 20% and 25% per annum |
| Office improvements | - | Over 10 years |

j) Pensions

The Community Foundation makes contributions on behalf of all staff into a defined contribution group pension scheme. Contributions are charged in the period to which they relate.

k) Liquid resources

Liquid resources for cash flow purposes consist of cash held at banks in current and short-term deposit accounts.

l) Debtors

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

m) Cash at bank and in hand

Cash at Bank and In Hand and Cash on Short-term Deposit includes cash and short term highly liquid investments with a short maturity of twelve months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. This includes grants payable when the offer is approved and conveyed to the recipient. Creditors and provisions are normally recognised at their settlement amount.

Notes to the financial statements for the year ended 31 March 2022
(continued)

1 Accounting policies (continued)

o) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Any key judgements have been detailed in the separate accounting policies applied, including notably;

- Programme Related Investments – the Board amortise the asset balance at each year end based on their view of the recoverability of the asset. This is an estimation technique applied each year, based on unobservable factors, which results in the asset being adjusted, normally with a charge being made to the SoFA, and the Restricted Reserve balance, held in respect of the Programme Related Investment fund, being reduced.

Notes to the financial statements for the year ended 31 March 2022
(continued)

2 Statement of Financial Activities prior year fund comparatives

| | Unrestricted funds | Restricted funds | Endowment funds | Total 2021 |
|------------------------------------|-----------------------|---------------------|--------------------|--------------------|
| | £ | £ | £ | £ |
| Income and endowments from: | | | | |
| Donations and legacies | 1,127,564 | 3,575,718 | 3,776,143 | 8,479,425 |
| Charitable activities | 54,458 | - | - | 54,458 |
| Other trading activities | 2,000 | - | - | 2,000 |
| Investment income | 909,579 | 1,017,030 | - | 1,926,609 |
| Total income and endowments | 2,093,601 | 4,592,748 | 3,776,143 | 10,462,492 |
| Expenditure on: | | | | |
| Raising funds | 218,100 | - | - | 218,100 |
| Investment management costs | - | - | 236,905 | 236,905 |
| Charitable activities | 2,537,595 | 5,503,897 | - | 8,041,492 |
| Total expenditure | 2,755,695 | 5,503,897 | 236,905 | 8,496,497 |
| Net (losses)/gains on investments | - | (167,294) | 16,708,410 | 16,541,116 |
| Net (loss)/income | (662,094) | (1,078,443) | 20,247,648 | 18,507,111 |
| Transfers between funds | 1,556,188 | 1,189,144 | (2,745,332) | - |
| Net movement in funds | 894,094 | 110,701 | 17,502,316 | 18,507,111 |
| Reconciliation of funds: | | | | |
| Total funds brought forward | 2,270,118 | 5,371,622 | 75,904,379 | 83,546,119 |
| Total funds carried forward | 3,164,212 | 5,482,323 | 93,406,695 | 102,053,230 |

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

3 Donations and legacies

| | 2022 | 2021 |
|-----------|-----------|-----------|
| | £ | £ |
| Donations | 4,488,860 | 5,608,808 |
| Legacies | 1,366 | 2,870,617 |
| | 4,490,226 | 8,479,425 |

4 Charitable activities

| | 2022 | 2021 |
|-----------------------------|--------|--------|
| | £ | £ |
| Other charitable activities | 39,325 | 54,458 |

5 Other trading activities

| | 2022 | 2021 |
|--------------------------|------|-------|
| | £ | £ |
| Other trading activities | - | 2,000 |

6 Investment income

| | 2022 | 2021 |
|---|-----------|-----------|
| | £ | £ |
| Dividends and interest from endowment fund assets | 1,825,343 | 1,901,769 |
| Interest receivable on cash deposits | 15,810 | 24,840 |
| | 1,841,153 | 1,926,609 |

Notes to the financial statements for the year ended 31 March 2022
(continued)

7 Allocation of support costs, overheads and governance

Support costs and overheads have been apportioned using the basis of staff time spent on the various activities.

| | Raising funds | Charitable activities | Total | Total |
|---|------------------|--------------------------|----------------|----------------|
| | £ | £ | 2022 | 2021 |
| | | | £ | £ |
| Support staff costs | 25,178 | 148,861 | 174,039 | 183,086 |
| Governance staff costs | 7,723 | 45,662 | 53,385 | 55,495 |
| Overhead costs | 41,484 | 187,064 | 228,548 | 165,183 |
| Governance direct costs | 4,836 | 21,806 | 26,642 | 22,283 |
| | 79,221 | 403,393 | 482,614 | 426,047 |
| Included in overhead costs are the following: | | | 2022 | 2021 |
| | | | £ | £ |
| Auditors' remuneration – audit services | | | 7,650 | 7,650 |
| Depreciation | | | 33,402 | 32,555 |
| Loss on disposal of fixed assets | | | 306 | - |

8 Costs of raising funds

| | 2022 | 2021 |
|------------------------|----------------|----------|
| | £ | £ |
| Staff costs | 130,472 | 131,973 |
| Direct costs | 12,292 | 12,639 |
| Support costs (Note 7) | 79,221 | 73,488 |
| | 221,985 | 218,100 |

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

9 Charitable activities

The Community Foundation serving Tyne & Wear and Northumberland undertakes its charitable activities through grant-making.

| | 2022 £ | 2021 £ |
|------------------------|------------------|------------------|
| Grants payable | 8,535,156 | 7,144,993 |
| Staff costs | 542,166 | 505,048 |
| Direct costs | 33,678 | 38,892 |
| Support costs (Note 7) | 403,393 | 352,559 |
| | 9,514,393 | 8,041,492 |

Grants were awarded in the year to other charities, voluntary organisations and individuals as follows:

| | 2022 £ | 2022 Number | 2021 £ | 2021 Number |
|---|------------------|----------------|------------------|----------------|
| Other charities and voluntary organisations | 8,466,087 | 1,257 | 7,126,415 | 1,251 |
| Individuals | 107,923 | 119 | 90,568 | 80 |
| Total new grants awarded in the year | 8,574,010 | 1,376 | 7,216,983 | 1,331 |
| Grants cancelled | (38,854) | | (71,990) | |
| Total grant expenditure | 8,535,156 | | 7,144,993 | 1,331 |

A breakdown of grants awarded is shown on page 7. A full listing of grants awarded in the financial year can be found on our website www.communityfoundation.org.uk.

Notes to the financial statements for the year ended 31 March 2022
(continued)

10 Staff costs

| Staff costs comprise the following: | 2022 £ | 2021 £ |
|-------------------------------------|----------------|----------------|
| Wages and salaries | 778,171 | 757,323 |
| Social security costs | 74,163 | 72,760 |
| Other pension costs | 47,728 | 45,519 |
| | 900,062 | 875,602 |

The average number of employees, excluding Trustees/Board Directors, employed by the Group during the year was 24 (2021: 24), full time equivalent 20.68 (2021: 19.57). The ratio of the highest salary to the median salary was 2.37:1 (2021: 2.4:1). The gross salary in the year relating to the executive members of staff responsible for the day-to-day management of the Charity was £248,204 (2021: £283,623) plus £16,110 (2021: £18,025) paid in employer pension contributions.

The Community Foundation is not required to report on gender pay gap as it is below the threshold for reporting. However, the Board has carried out a review of gender pay in line with the legislation and has set out some of the information for 5 April 2021 and 5 April 2022 below:

| | 5 April 2022 | 5 April 2021 |
|-----------------------|-----------------|-----------------|
| Mean gender pay gap | 14% | 12% |
| Median gender pay gap | 12% | 11% |

None of the Trustees/Board Directors received any remuneration during the year (2021: Nil). None of the Directors received reimbursements for expenses during the year (2021: Nil).

| During the year employees with emoluments over £60,000 were in the following bands: | 2022 Number | 2021 Number |
|---|----------------|----------------|
| £60,000 to £70,000 | 1 | 1 |
| £80,000 to £90,000 | - | 1 |
| £90,000 to £100,000 | 1 | - |

Notes to the financial statements for the year ended 31 March 2022
(continued)

11 Investments

Endowment fund investments - Group

| At valuation | Listed investments £ | Deposit & other cash balances £ | Freehold property £ | Total £ |
|--|-------------------------------------|--|--|--|
| At 1 April 2021 | 88,783,831 | 1,251,351 | 376,500 | 90,411,682 |
| Additions/movement in the year | 14,095,829 | 1,021,116 | (14,000) | 15,102,945 |
| Disposals in the year | (15,667,653) | - | - | (15,667,653) |
| Realised losses in the year | (86,012) | - | - | (86,012) |
| Unrealised gains in the year | 5,897,274 | - | 2,500 | 5,899,774 |
| At 31 March 2022 | 93,023,269 | 2,272,467 | 365,000 | 95,660,736 |
| At cost | | | | |
| At 31 March 2022 | 72,541,977 | 2,272,467 | 254,000 | 75,068,444 |
| At 31 March 2021 | 69,699,317 | 1,251,351 | 266,500 | 71,217,168 |
| Listed investments are detailed as follows: | | | 2022 Market Value £ | 2021 Market Value £ |
| UK Fixed Interest | | | 4,851,809 | 5,190,040 |
| UK Equities | | | 20,011,034 | 20,163,855 |
| Property | | | 1,463,315 | 1,380,581 |
| Overseas Fixed Interest | | | 2,325,674 | 2,277,484 |
| Overseas Equities | | | 32,140,913 | 33,073,554 |
| Collective Investment Schemes | | | 24,160,666 | 19,868,001 |
| Other | | | 8,069,858 | 6,830,316 |
| | | | 93,023,269 | 88,783,831 |

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

11 Investments (continued)

Programme Related Investments – Charity and Group

| | Total £ |
|------------------------------------|------------------|
| Loaned amounts | |
| At 1 April 2021 | 1,275,914 |
| Advances during the year | 200,895 |
| Repayments | - |
| At 31 March 2022 | 1,476,809 |
| Provisions | |
| At 1 April 2021 | 478,000 |
| Provided against during the year | 142,000 |
| Provision released during the year | - |
| At 31 March 2022 | 620,000 |
| Net loaned amounts | |
| At 31 March 2022 | 856,809 |
| At 31 March 2021 | 797,914 |

Endowment fund investments - Charity

| At valuation | Listed investments £ | Deposit & other cash balances £ | Freehold property £ | Total £ |
|--------------------------------|-------------------------------------|--|------------------------------------|--------------------|
| At 1 April 2021 | 85,808,640 | 1,251,351 | 376,500 | 87,436,491 |
| Additions/movement in the year | 13,733,864 | 1,021,116 | (14,000) | 14,740,980 |
| Disposals in the year | (15,206,774) | - | - | (15,206,774) |
| Realised losses in the year | (79,252) | - | - | (79,252) |
| Unrealised gains in the year | 5,741,581 | - | 2,500 | 5,744,081 |
| At 31 March 2022 | 89,998,059 | 2,272,467 | 365,000 | 92,635,526 |
| At cost | | | | |
| At 31 March 2022 | 70,215,545 | 2,272,467 | 254,000 | 72,742,012 |
| At 31 March 2021 | 67,366,913 | 1,251,351 | 266,500 | 68,884,764 |

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

11 Investments (continued)

| | 2022 Market Value £ | 2021 Market Value £ |
|---|------------------------------|------------------------------|
| Listed investments are detailed as follows: | | |
| UK Fixed Interest | 4,604,975 | 4,952,167 |
| UK Equities | 19,097,580 | 19,198,542 |
| Property | 1,387,811 | 1,291,844 |
| Overseas Fixed Interest | 2,325,674 | 2,277,484 |
| Overseas Equities | 30,767,592 | 31,763,642 |
| Collective Investment Schemes | 23,907,303 | 19,639,065 |
| Other | 7,907,124 | 6,685,896 |
| | 89,998,059 | 85,808,640 |

Other investments – Charity

| | Unlisted investments £ |
|------------------------------|------------------------------|
| At cost and valuation | |
| At 1 April 2021 | 100 |
| At 31 March 2022 | 100 |

Unlisted investments held by the charity relate to £100 (2021: £100) investment in the subsidiary company Tyne & Wear Foundation Limited at cost. At 31 March 2022 the charity owned all of the ordinary share capital, consisting of 100 ordinary shares, of Tyne & Wear Foundation Limited, a company registered in England and Wales which raises funds through fundraising events.

The total funds made available to be drawn down by NESIC were £3,000,000. At the year end the restricted reserve balance was £2,380,000 (note 18) (2021: £2,522,000) which is the original funds available of £3,000,000 less the aggregate amortisation to date charged against the restricted fund. The balance on the loan fund at 31 March 2022 was £1,523,191 which is all available to be drawn down in full by NESIC during the investment period which is 10 years from 10 December 2014.

Realised gains and losses are calculated based on the market value brought forward plus any additions in the year. Total net realised gains calculated using historical cost was £4,255,737 for the full group (2021:£83,412). No single investment accounts for more than 5% of the endowment fund investments. One property holding was moved to current assets, assets held for resale, at the year end as a sale was agreed post year end.

Notes to the financial statements for the year ended 31 March 2022
(continued)

12 Tangible fixed assets

Group and Charity

| | Land & Buildings £ | Furniture & equipment £ | Office improve- ments | Total £ |
|---------------------------------|-----------------------|-------------------------------|-----------------------------|----------------|
| Cost | | | | |
| At 1 April 2021 | 750,000 | 85,738 | 33,472 | 869,210 |
| Additions | - | 5,136 | 14,638 | 19,774 |
| Disposals | - | (8,441) | - | (8,441) |
| At 31 March 2022 | 750,000 | 82,433 | 48,110 | 880,543 |
| Accumulated Depreciation | | | | |
| At 1 April 2021 | 93,750 | 56,013 | 19,631 | 169,394 |
| Charge for the year | 15,000 | 14,322 | 4,080 | 33,402 |
| Disposals | - | (8,135) | - | (8,135) |
| At 31 March 2022 | 108,750 | 62,200 | 23,711 | 194,661 |
| Net book value | | | | |
| At 31 March 2022 | 641,250 | 20,233 | 24,399 | 685,882 |
| At 31 March 2021 | 656,250 | 29,725 | 13,841 | 699,816 |

13 Debtors

| | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|-----------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Other debtors | 72,481 | 2,887,750 | 72,481 | 2,887,750 |
| Dividends and interest receivable | 49,712 | 59,112 | 46,113 | 54,042 |
| | 122,193 | 2,946,862 | 118,594 | 2,941,792 |

Other debtors include an outstanding legacy which was known at the year end totalling £61,366 (2022: 2 legacies totalling £2,870,617).

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

14 Creditors: amounts falling due within one year

| | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Other creditors and accruals | 336,860 | 320,763 | 336,860 | 320,763 |
| Taxation and social security costs | 18,523 | 23,820 | 18,523 | 23,820 |
| Grants payable | 1,459,579 | 643,129 | 1,455,139 | 643,129 |
| | 1,814,962 | 987,712 | 1,810,522 | 987,712 |

Other creditors include amounts totalling £259,930 (2021: £127,390) relating to amounts due to an organisation of outstanding grant commitment transferred from Northern Rock Foundation under deeds of assignment as part of their winding up process.

15 Creditors: amounts falling due after more than one year

| | Group 2022 £ | Group 2021 £ | Charity 2022 £ | Charity 2021 £ |
|------------------------------|--------------------|--------------------|----------------------|----------------------|
| Other creditors and accruals | 736,810 | 869,350 | 736,810 | 869,350 |

Other creditors relates to amounts due to an organisation of outstanding grant commitments transferred from Northern Rock Foundation under deeds of assignment as part of their winding up process.

16 Taxation

As registered charities, the Community Foundation, Joseph Brough Charitable Trust and Tyne and Wear Foundation Trust are entitled to the exemptions from taxation in respect of income and capital gains received within categories covered by s505 Income and Corporation Taxes Act 1988 and s256 Taxation of Chargeable Gains Act 1992, to the extent that the income/gains received are applied for charitable purposes only. They are therefore not normally liable to UK Income Tax, Corporation Tax, or Capital Gains Tax.

| | 2022 £ | 2021 £ |
|-------------------------|-----------|-----------|
| Corporation tax payable | - | - |

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

17 Endowment funds

The expendable endowment fund is treated by the Directors as a long-term capital fund to provide income for future grant-making. Endowment donations received are allocated between unrestricted and restricted funds in accordance with the policy for each income fund. Joseph Brough Charitable Trust and Tyne and Wear Foundation Trust both hold permanently endowed funds.

| | Group | Charity |
|---|-------------------|-------------------|
| | £ | £ |
| At 1 April 2021 | 93,406,695 | 90,361,180 |
| Transfers between funds: | | |
| Total returns endowment withdrawal | (4,350,498) | (4,350,498) |
| Transfers to endowment from income funds | 19,001 | 19,001 |
| Exceptional withdrawal from endowment funds | (2,669) | (2,669) |
| Net gain before transfers | 6,864,797 | 6,730,264 |
| At 31 March 2022 | 95,937,326 | 92,757,278 |

The Community Foundation (Charity) operates a total returns investment strategy and withdraws income from the endowment funds at a rate of 6% per annum to credit income funds to pay for grants and running costs. The difference between the actual endowment income received on the investments and the total withdrawal figure was £4,350,498 (including Community First indexed gain withdrawal) and is shown as a transfer from the endowment fund. A withdrawal of £2,669 was made from the Jeremy Beecham Schools Fund which was used to cover grant-making commitments during the year.

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

18 Income funds - restricted

The Community Foundation receives income and donations both for general charitable purposes and also for more specific areas and issues. All grants are approved by the Board in consultation with people and companies who have set up funds within the Community Foundation for grant-making. Funds are deemed to be restricted either if they have been donated for a specific purpose or appeal, or if the donor has made a request that they are applied in one area or field. Since the year end the funds in deficit at 31 March 2022 have received sufficient funds to return them to credit.

| | At 1 April 2021 £ | Income & transfers £ | Grants £ | Other outgoings & transfers £ | At 31 March 2022 £ |
|--|-------------------------|----------------------------|-------------|--|--------------------------|
| #iwill | 1,835 | - | 1,210 | - | 625 |
| Frank Acfield | 926 | 1,025 | - | - | 1,951 |
| Abbot Memorial Grants | 1,100 | - | - | - | 1,100 |
| Akzo Nobel International Paint | 2,696 | 18,409 | 19,571 | 1,300 | 234 |
| Akzo Nobel International Paint Community First | - | - | - | - | - |
| Arts Council England Let's Create Jubilee | - | 126,320 | - | 9,357 | 116,963 |
| Asian | 4,707 | 6,083 | 5,000 | - | 5,790 |
| Stuart Ayre | - | 1,957 | 1,957 | - | - |
| Nancy Barbour Award | 4,395 | 5,840 | 6,000 | - | 4,235 |
| Jeremy Beecham Schools | 167 | 664 | 4,000 | (2,669) | (500) |
| Bellingham | 2,737 | 2,750 | 3,710 | - | 1,777 |
| Berwick Academy Endowment | 28,158 | 9,444 | 38,000 | - | (398) |
| Blackett Family Community First | - | 17,189 | 17,220 | - | (31) |
| EDF Energy Blyth Offshore Demonstrator Wind Farm Community Benefit | 28,178 | 64,274 | 63,028 | 5,843 | 23,581 |
| Enid Blyton Fund for Seven Stories | - | 48,522 | 48,522 | - | - |
| Bowey Community First | - | - | - | - | - |
| Ron & Louise Bowey | - | - | - | - | - |
| Grassroots | 5,060 | 20,156 | 20,784 | - | 4,432 |
| Carolyn and Tony Brookes | 185 | 3,036 | 3,000 | - | 221 |
| Burnell Community First | - | - | - | - | - |
| Lawrence Campbell Community First | 3,875 | 12,934 | 8,000 | - | 8,809 |
| Canford Audio | 156 | 539 | - | - | 695 |
| Capacitybuilders CPP | 5,458 | - | - | - | 5,458 |
| Chapman | 23,843 | 26,315 | 3,305 | - | 46,853 |
| Chronicle Sunshine | - | 9,232 | 9,232 | - | - |
| The Community Infrastructure Levy (CIL) | - | 171,026 | 21,749 | 3,256 | 146,021 |
| Sir Tom Cowie | 104,578 | 76,305 | 109,108 | - | 71,775 |
| Abigail & Stephen Crampton | 576 | 1,899 | 2,000 | - | 475 |
| CrecheMobile | 33,651 | 5,296 | 38,550 | - | 397 |
| Culture Bridge | 313 | 7,658 | 8,778 | - | (807) |
| The Louise Dalton | 305 | 2,318 | - | - | 2,623 |
| Duncan & Sarah Davidson | 1,744 | 6,336 | 6,385 | - | 1,695 |
| Pamela and Dorothy Denham | - | 4,714 | 4,229 | - | 485 |
| Carried forward | 254,643 | 650,241 | 443,338 | 17,087 | 444,459 |

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

18 Income funds - restricted (continued)

| | At 1 April 2021 | Income & transfers | Grants | Other outgoings & transfers | At 31 March 2022 |
|--------------------------------|--------------------|-----------------------|-----------|-----------------------------------|---------------------|
| | £ | £ | £ | £ | £ |
| Brought forward | 254,643 | 650,241 | 443,338 | 17,087 | 444,459 |
| Pamela Denham Community | | | | | |
| First | - | - | - | - | - |
| Pamela Denham Grassroots | 246 | 525 | 771 | - | - |
| David Dockray's West End | | | | | |
| Young People's | 693 | 47,727 | 41,221 | 30 | 7,169 |
| Dream Jar | 1,635 | 2,051 | - | - | 3,686 |
| Andrew and Charlotte Dixon | 323 | 1,339 | - | - | 1,662 |
| The Edwin John Easydorchik | | | | | |
| Travelling Scholarship | 13,060 | 5,914 | - | - | 18,974 |
| Enviresearch | 19,720 | - | 8,680 | - | 11,040 |
| Evangelical | 5,700 | 8,665 | - | - | 14,365 |
| Express Enterprise | 1,248 | 1,213 | - | - | 2,461 |
| FARNE | 10,095 | 24,940 | 2,000 | - | 33,035 |
| David & Gitta Faulkner | 554 | 2,121 | 2,050 | - | 625 |
| Fausta and Rosemary | | | | | |
| Community First | - | - | - | - | - |
| Fergusons of Blyth | 8,338 | 7,997 | - | - | 16,335 |
| Fogo Community First | - | - | - | - | - |
| Gateshead Thrive | 529 | (10,529) | (10,000) | - | - |
| David Goldman Awards | - | 30,674 | 30,674 | - | - |
| Allison Greenlees Continuation | 2,706 | 6,326 | 3,000 | 6,032 | - |
| The EDF Energy Green Rigg | | | | | |
| Wind Farm Community Benefit | 534 | 80,610 | 33,817 | 7,200 | 40,127 |
| The EDF Energy Renewables | | | | | |
| Barmoor Windfarm Community | | | | | |
| Benefit | 102,013 | 75,505 | 51,364 | 6,864 | 119,290 |
| Jackie Haq Fund for Scotswood | 1,311 | 2,207 | 500 | - | 3,018 |
| Henderson Family | 609 | 1,323 | 1,000 | - | 932 |
| Heyman Travelling Scholarships | 17,796 | 10,526 | 609 | - | 27,713 |
| Joy Higginson | 4,504 | 1,446 | - | - | 5,950 |
| High Sheriff of Northumberland | 37,458 | 78,231 | 48,250 | 13,651 | 53,788 |
| Hokey Cokey Community First | - | - | - | - | - |
| Hoult Family Community First | - | - | - | - | - |
| Hoult Family Grassroots | 2,534 | 3,279 | 5,089 | - | 724 |
| The HunterPemberton | | | | | |
| Community First | 3,430 | 9,268 | 5,000 | - | 7,698 |
| JesDesStaff | 726 | 1,541 | 2,250 | - | 17 |
| RWE Renewables UK Kiln Pit | | | | | |
| Hill Wind Farm Community | 2,841 | 20,732 | 15,404 | 1,885 | 6,284 |
| Josephs Family | 2,198 | 1,367 | 3,500 | - | 65 |
| JPMorgan | 2,277 | 2,512 | - | - | 4,789 |
| Kellett | 437,152 | 392,198 | 460,429 | - | 368,921 |
| Kerry Community First | 688 | 5,801 | 2,000 | - | 4,489 |
| Kerry Grassroots | 5,599 | 3,366 | - | - | 8,965 |
| June King | 3,931 | 4,098 | 7,980 | - | 49 |
| Latterford | 1,025 | 743 | - | - | 1,768 |
| Carried forward | 946,116 | 1,473,957 | 1,158,926 | 52,749 | 1,208,398 |

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

18 Income funds - restricted (continued)

| | At 1 April 2021 | Income & transfers | Grants | Other outgoings & transfers | At 31 March 2022 |
|--|--------------------|-----------------------|-----------|-----------------------------------|---------------------|
| | £ | £ | £ | £ | £ |
| Brought forward | 946,116 | 1,473,957 | 1,158,926 | 52,749 | 1,208,398 |
| Lendrum Community First | 2,135 | 106,441 | 90,972 | 8,750 | 8,854 |
| Capt. C.D. Leyland | 5,553 | 4,212 | 2,000 | - | 7,765 |
| Linden Community First | - | - | - | - | - |
| Local Environmental Action | 55,118 | 14,602 | 40,914 | - | 28,806 |
| George Loggie | 16 | 1,281 | - | - | 1,297 |
| Lady Betty Martin Fund within the North East Fund for the Arts | 4,546 | 8,588 | 3,100 | - | 10,034 |
| Grigor McClelland Community First | 804 | - | - | - | 804 |
| Moor | - | 1,765 | 1,765 | - | - |
| Nash | 4,984 | 10,589 | 14,592 | - | 981 |
| NEF Grassroots | 3,260 | 1,754 | - | - | 5,014 |
| NET Coronavirus Appeal | 54,605 | - | 54,603 | - | 2 |
| Newcastle Culture Investment | 33,952 | 794,262 | 772,930 | 28,715 | 26,569 |
| Newcastle Dispensary Relief in Sickness | 67,298 | 4,136 | 71,020 | - | 414 |
| North East Endowment for Musical Traditions | 9,181 | 6,486 | 6,493 | - | 9,174 |
| North East Fund for the Arts | 7,403 | 6,544 | 6,810 | - | 7,137 |
| North East Social Investment | 2,522,000 | - | - | 142,000 | 2,380,000 |
| Northern Angel Fund for Berwick | 5,593 | 27,395 | 27,500 | - | 5,488 |
| North Tyneside | 1,680 | 1,871 | 3,551 | - | - |
| Northumberland Group | 31,769 | 35,177 | - | - | 66,946 |
| Northumberland Village Homes Trust | 57,779 | 117,762 | 94,820 | - | 80,721 |
| Northumberland Wildlife Trust | - | 1,845 | 1,845 | - | - |
| Out & About | 11,166 | 5,528 | 6,000 | - | 10,694 |
| The Pargiter Trust | - | 80,000 | 72,000 | 8,000 | - |
| Anne & David Parker | - | 6,678 | 6,000 | 263 | 415 |
| Partnership programme | 65,341 | - | - | - | 65,341 |
| Patch | 7,860 | 15,941 | 17,000 | - | 6,801 |
| Pea Green Boat Community First | 686 | 127,766 | 127,447 | - | 1,005 |
| Pen & Palette Club Fund within the North East Fund for the Arts | 5,300 | 5,025 | 2,660 | - | 7,665 |
| Percy Family | 3,261 | 9,626 | 2,550 | - | 10,337 |
| Philanthropy House | 749,893 | - | - | - | 749,893 |
| Platten Family Community First | 463 | - | - | - | 463 |
| Port of Tyne | - | 10,000 | 7,265 | 1,000 | 1,735 |
| Prudhoe League of Friends | 3,468 | 3,844 | 7,312 | - | - |
| Geoffrey and Ann Purves | - | 1,433 | - | - | 1,433 |
| Ray Wind Farm Small Grants Programme | 3,835 | 102,296 | 95,526 | 10,000 | 605 |
| Readman Community First | - | - | - | - | - |
| Readman Family Grassroots | 9,469 | 93,301 | 42,848 | - | 59,922 |
| Carried forward | 4,674,534 | 3,080,105 | 2,738,449 | 251,477 | 4,764,713 |

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

18 Income funds - restricted (continued)

| | At 1 April 2021 | Income & transfers | Grants | Other outgoings & transfers | At 31 March 2022 |
|---|--------------------|-----------------------|-----------|-----------------------------------|---------------------|
| | £ | £ | £ | £ | £ |
| Brought forward | 4,674,534 | 3,080,105 | 2,738,449 | 251,477 | 4,764,713 |
| Readman Foundation | 30,555 | - | (6,666) | - | 37,221 |
| Carrie Reay Grassroots | 5,634 | 4,104 | 8,150 | - | 1,588 |
| REEDS Community First | - | - | - | - | - |
| REEDS Grassroots | 24,915 | 44,152 | 37,591 | - | 31,476 |
| Riddell Family Community First | 7,019 | 70,157 | 77,538 | - | (362) |
| Riding Grange Grassroots | 2,188 | 3,391 | 1,000 | - | 4,579 |
| Jane Robertson Alnwick | 5,831 | 7,565 | 5,000 | - | 8,396 |
| Roseline Foundation | 91,250 | - | 70,000 | - | 21,250 |
| Brian Roycroft | 15,666 | 20,936 | 28,945 | - | 7,657 |
| RWE Innogy UK Middlemoor | | | | | |
| Wind Farm Community | 103,942 | 109,011 | 172,973 | 19,453 | 20,527 |
| Sage Gateshead | - | 736,784 | 736,784 | - | - |
| Smail Family | 464 | 4,681 | 3,850 | - | 1,295 |
| Spriggs Family Community First | - | - | - | - | - |
| Shohba & Trikoli Srivastava Community First | 591 | 972 | 1,500 | - | 63 |
| Sunderland Industrial & Reformatory School | 1,540 | 1,335 | 1,980 | - | 895 |
| Suz Grassroots | 3,234 | 1,740 | - | - | 4,974 |
| Taylor | - | 21,088 | 11,804 | - | 9,284 |
| Third Sector Trends | 18,993 | 25,000 | 40,000 | - | 3,993 |
| Thornton Family Grassroots | 1,520 | 4,184 | 3,000 | - | 2,704 |
| Tiny Lives | - | 103,927 | 103,927 | - | - |
| Tyne & Wear High Sheriff Awards | 17,080 | 51,968 | 49,000 | 716 | 19,332 |
| Tyne & Wear High Sheriff Community First | - | - | - | - | - |
| Tyne & Wear Grassroots | 794 | 876 | - | - | 1,670 |
| Ventient Sisters North Steads | | | | | |
| Wind Farm Community Benefit | 220,804 | 165,536 | 219,410 | 14,173 | 152,757 |
| Vicky F Grassroots | 2,160 | 1,459 | - | - | 3,619 |
| Virgin Money | 1,512 | 3,750 | 5,000 | - | 262 |
| Vital Gateshead | 7,941 | 15,571 | 12,000 | - | 11,512 |
| Vital Newcastle | 6,853 | 25,197 | - | - | 32,050 |
| Vital North Tyneside | 1,511 | 7,018 | - | - | 8,529 |
| Vital Northumberland | 17,754 | 24,939 | 16,620 | - | 26,073 |
| Vital South Tyneside | 1,317 | 6,395 | 7,500 | - | 212 |
| Vital Sunderland | 8,254 | 30,776 | - | - | 39,030 |
| Ted Weekes | 15,936 | 13,920 | 10,174 | - | 19,682 |
| The Wellesley Trust | 52,200 | 546,772 | 423,127 | 10,000 | 165,845 |
| The Wellesley Trust Community First | - | - | - | - | - |
| The 1989 Willan Charitable Trust | 19,148 | 572,250 | 557,952 | 29,750 | 3,696 |
| Carried forward | 5,361,140 | 5,705,559 | 5,336,608 | 325,569 | 5,404,522 |

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

18 Income funds - restricted (continued)

| | At 1 April 2021 £ | Income & transfers £ | Grants £ | Other outgoings & transfers £ | At 31 March 2022 £ |
|-----------------------------------|-------------------------|----------------------------|------------------|--|--------------------------|
| Brought forward | 5,361,140 | 5,705,559 | 5,336,608 | 325,569 | 5,404,522 |
| Mark and Ian Wilson Family | 2,731 | 2,430 | - | - | 5,161 |
| Wood | 2,403 | 7,682 | 3,500 | - | 6,585 |
| CH Wood | 4,783 | 5,303 | 10,086 | - | - |
| Women's | 1,485 | 41,823 | 30,000 | - | 13,308 |
| Women's Community First | - | - | - | - | - |
| Young Musician's | 3,118 | 7,082 | 7,923 | - | 2,277 |
| Total Community Foundation | 5,375,660 | 5,769,879 | 5,388,117 | 325,569 | 5,431,853 |
| Joseph Brough Charitable Trust | 34,499 | 38,757 | 10,000 | 30 | 63,226 |
| Tyne and Wear Foundation | 72,194 | 13,625 | 62,060 | 26 | 23,733 |
| Tyne & Wear Foundation Limited | (30) | - | - | - | (30) |
| Total Group | 5,482,323 | 5,822,261 | 5,460,177 | 325,625 | 5,518,782 |

Income and transfers include credits of £1,498,160 transferred from the main and ethical endowment funds and £915,233 from Community First funds to distribute as income on a total returns basis and £38,500 of other transfers. Other outgoings include transfers between funds of £166,630, amortisation of Programme Related Investments of £142,000 and other fund expenses of £16,995. The Women's Fund includes income from People of Ward Hadaway in memory of Sue Watts fund, Fausta and Rosemary Community First fund and Pamela and Dorothy Denham fund, Brian Roycroft fund includes income from the Tessa Hide fund, Local Environmental fund includes income from Ivy and Gilbert Purvis fund and Sandra King Rainy Day fund, and High Sheriff of Northumberland Youth fund includes income from the Burnell Family and Community First funds.

19 Income funds - unrestricted

As well as a general administrative unrestricted fund (included below for completeness) the Community Foundation holds the following designated funds which the Directors regard as unrestricted because they are used for general charitable purposes in the Community Foundation's area of benefit although grants may still be made on recommendations from the donor. The funds are to be used for grant-making and grants are awarded throughout the year when committees meet and make recommendations to the Board. Since the year end the funds in deficit at 31 March 2022 have received sufficient funds to return them to credit.

| | At 1 April 2021 £ | Income & transfers £ | Grants £ | Other outgoings & transfers £ | At 31 March 2022 £ |
|--|-------------------------|----------------------------|-------------|--|--------------------------|
| Adderstone | 2,009 | 12,928 | 10,000 | - | 4,937 |
| AJM | - | 898 | - | - | 898 |
| Anonymous | 7,757 | 3,458 | - | - | 11,215 |
| Appletree | 3,997 | 25,100 | 25,020 | - | 4,077 |
| Ashington Community Development Trust | 4,120 | 4,007 | - | - | 8,127 |
| Barley Hill | 3,723 | 4,126 | 7,750 | - | 99 |
| Barnes | 1,269 | 8,026 | 7,486 | - | 1,809 |
| Christopher Beadle | 3,585 | 5,663 | 7,700 | - | 1,548 |
| Charles Robert Bell | - | 15,506 | 5000 | - | 10,506 |
| John Bell | 52,930 | 70,052 | 3,390 | - | 119,592 |
| Bellway | 3,168 | 3,192 | 5,548 | - | 812 |
| Carried forward | 82,558 | 152,956 | 71,894 | - | 163,620 |

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

19 Income funds - unrestricted (continued)

| | At 1 April 2021 | Income & transfers | Grants | Other outgoings & transfers | At 31 March 2022 |
|--|--------------------|-----------------------|-----------|-----------------------------------|---------------------|
| | £ | £ | £ | £ | £ |
| Brought forward | 82,558 | 152,956 | 71,894 | - | 163,620 |
| Sara Alexandra Bernstone | 800 | 5,251 | 6,000 | - | 51 |
| Bonas Machine Company | 598 | 1,999 | 1,500 | - | 1,097 |
| Ron and Louise Bowey | 19,130 | 40,741 | 61,970 | - | (2,099) |
| Dawn Brown | 2,344 | 1,477 | 3,062 | - | 759 |
| Stephen Byers | 6,830 | 8,359 | 15,162 | - | 27 |
| The Muriel Campbell | 1,421 | 1,606 | - | - | 3,027 |
| Carr-Ellison Charitable Trust | 6,954 | 10,791 | 9,750 | - | 7,995 |
| Carroll Savage | 5,815 | 6,436 | 11,005 | - | 1,246 |
| Chrysalis | 3,577 | 2,048 | 5,097 | - | 528 |
| Daphne & Martin Cookson | 1,056 | 5,528 | 6,000 | - | 584 |
| Roland Cookson | - | 75,878 | 75,878 | - | - |
| Roland Cookson Community | (809) | 21,615 | 16,060 | 1,642 | 3,104 |
| Coquet | 15,671 | - | 12,000 | - | 3,671 |
| Coronavirus Response and Recovery | 875,731 | 1,377 | 870,000 | 153 | 6,955 |
| Crozier | - | 5,197 | - | 5,197 | - |
| Curtain PARP | 32,209 | 54,552 | 58,892 | 359 | 27,510 |
| John D Endowment | (2,173) | 14,397 | 13,966 | - | (1,742) |
| Dickon Trust | 631 | 79,833 | 82,014 | - | (1,550) |
| Elgon | 3,170 | 1,197 | - | - | 4,367 |
| Fogo | 18,862 | 55,729 | 34,995 | - | 39,596 |
| Gateshead Housing Company Community | - | (3,001) | (3,001) | - | - |
| George and Peggy | 6,789 | 5,919 | 10,020 | - | 2,688 |
| Adrian and Ingrid Gifford | - | 885 | - | - | 885 |
| The Giving Network | 9,215 | 17,002 | 15,801 | 1,026 | 9,390 |
| Margaret and Dorothy | - | - | - | - | - |
| Gordon Memorial | 724 | 1,304 | 2,028 | - | - |
| Groves Family | 7,467 | 5,680 | 6,000 | - | 7,147 |
| Michael and Christine Heppell | 6,383 | 3,500 | - | - | 9,883 |
| Bill and May Hodgson | - | 17,382 | 12,000 | 1,382 | 4,000 |
| The Hokey Cokey (that's what it's all about) | 3,801 | 5,085 | 6,970 | - | 1,916 |
| I'Anson Family | 2,751 | 2,991 | 1,500 | - | 4,242 |
| If only... | 142 | 1,649 | 1,500 | - | 291 |
| Sir James Knott | - | 2,350 | 2,350 | - | - |
| John Laing | 4,331 | 5,599 | 10,000 | - | (70) |
| William Leech Charity | 29,549 | 23,171 | 20,000 | - | 32,720 |
| Leech Challenge | 3,250 | 3,409 | 2,500 | - | 4,159 |
| Linden Family | (6,005) | 189,364 | 186,898 | - | (3,539) |
| FB & PFB Lough | 4,165 | 111,513 | 100,490 | - | 15,188 |
| Grigor McClelland | 13,206 | 33,127 | - | - | 46,333 |
| Daisy Marr | 12,730 | 31,780 | 42,898 | - | 1,612 |
| Maudslay Family | 701 | 2,560 | 1,900 | - | 1,361 |
| G S May Family | 4,529 | 6,475 | 8,500 | 500 | 2,004 |
| McIntosh | 1,084 | 1,616 | 2,000 | - | 700 |
| Milburn Briel | 981 | 8,092 | 7,625 | - | 1,448 |
| Muckle LLP | 21,670 | 39,328 | 22,905 | 2,561 | 35,532 |
| Carried forward | 1,201,838 | 1,063,747 | 1,816,129 | 12,820 | 436,636 |

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

19 Income funds - unrestricted (continued)

| | At 1 April 2021 £ | Income & transfers £ | Grants £ | Other outgoings & transfers £ | At 31 March 2022 £ |
|---|-------------------------|-------------------------------|------------------|--|--------------------------|
| Brought forward | 1,201,838 | 1,063,747 | 1,816,129 | 12,820 | 436,636 |
| Newcastle Building Society | | | | | |
| Community | 15,656 | 289,777 | 276,905 | 22,174 | 6,354 |
| Emma Newton | 3,040 | 5,429 | 4,500 | - | 3,969 |
| North East Brewers | 6,165 | 6,799 | - | - | 12,964 |
| Northern Powergrid | - | 17,624 | 17,870 | - | (246) |
| Northumbrian Water | 37 | 6,665 | - | - | 6,702 |
| Opencast Charitable | 18,000 | - | 18,000 | - | - |
| Pattinson Estate Agents | 2,902 | 7,198 | 3,000 | - | 7,100 |
| Platten Family | 336,246 | 235,325 | 59,750 | 11,750 | 500,071 |
| PricewaterhouseCoopers | 450 | 2,018 | 2,000 | - | 468 |
| Prime | 1,976 | 130,866 | 140,367 | - | (7,525) |
| Proudfoot Family | 1,395 | 1,510 | 2,000 | - | 905 |
| P&G | 220 | 61,598 | 67,947 | - | (6,129) |
| Guy Readman endowment | 340,347 | 139,528 | 21,821 | - | 458,054 |
| Matthew Ridley | - | 926 | - | - | 926 |
| Ringtons | 15,409 | 59,601 | 70,312 | - | 4,698 |
| Rolls-Royce | 5,233 | 2,810 | 7,622 | - | 421 |
| St Cuthbert's | 11,469 | 2,276 | - | - | 13,745 |
| John & Barbara Sadler & Jeanette Henderson | - | 5,742 | 4,000 | - | 1,742 |
| Johnnie & Tricia Smith and Family | 3,704 | 4,571 | 7,576 | - | 699 |
| Barry & Faga Speker | 1,132 | 1,342 | 1,000 | - | 1,474 |
| Spriggs Family | 1 | 1,736 | - | - | 1,737 |
| Squires Foundation | 4,019 | 25,219 | 30,100 | 2,400 | (3,262) |
| Shobha and Triloki Srivastava | | | | | |
| Grassroots | 3,601 | 2,857 | 5,000 | - | 1,458 |
| Star | 6,304 | 10,661 | 9,000 | - | 7,965 |
| Tess | 4,428 | 3,347 | - | - | 7,775 |
| Brian & Margaret Thompson | 2,500 | 1,590 | 4,000 | - | 90 |
| Thorne & Derrick | - | 30,000 | 9,532 | 3,600 | 16,868 |
| Treeline | 120 | 3,654 | 2,500 | - | 1,274 |
| Vaux | 8,189 | 9,033 | - | - | 17,222 |
| Ward Hadaway | 3,527 | 5,791 | 8,000 | 300 | 1,018 |
| Watkin Family | 81 | 30,772 | 23,723 | - | 7,130 |
| Weightman | 1,015 | 2,695 | 3,000 | 150 | 560 |
| Welch Family | 680 | 1,439 | 2,119 | - | - |
| Wide Open Road | 1,789 | 7,927 | 9,000 | - | 716 |
| Willis Charitable | 1,470 | 5,296 | 5,750 | - | 1,016 |
| The Lucy Winskell | - | 1,248 | 1,248 | - | 0 |
| Winter Family | (19) | 17,067 | 17,485 | - | (437) |
| Robert Wood Trust | (192) | 4,789 | - | - | 4,597 |
| Other general grant-making funds | 383,711 | 414,023 | 423,723 | 80,342 | 293,669 |
| Total designated funds | 2,386,443 | 2,624,496 | 3,074,979 | 133,536 | 1,802,424 |
| Administrative fund | 777,769 | 1,254,511 | - | 1,197,886 | 834,394 |
| Total Community Foundation | 3,164,212 | 3,879,007 | 3,074,979 | 1,331,422 | 2,636,818 |
| Total Group | 3,164,212 | 3,879,007 | 3,074,979 | 1,331,422 | 2,636,818 |

Notes to the financial statements for the year ended 31 March 2022
(continued)

19 Income funds - unrestricted (continued)

Income and transfers include £1,937,105 transferred from the main and ethical endowment funds to distribute as income on a total returns basis and £258,993 of other transfers. Other outgoings and transfers consist of £147,195 transferred between funds, £900,062 staff costs, £1,340 designated fund expenses and other net administrative costs of £282,825.

A number of funds contribute to the Community Foundation's general unrestricted grant funds, including Crosshatch, Crozier, Tony Follows Legacy, Ian and Jane Gregg, Greggs plc, Sir James Knott Trust, Mitford, Templeton, Three Valleys, Tolent, Tyne Tees Television, and two anonymous funds. Two funds contribute directly to the administrative fund, Ronald Edward William Murray and Hadrian Trust. In addition to the funds listed in restricted and unrestricted funds there are 8 acorn type funds at the year end, a number of which currently donate their income to other funds and they will appear in the above analysis once they reach maturity.

20 Analysis of net assets between funds

Group

| | Unrestricted funds | Restricted funds | Endowment funds | 2022 Total |
|------------------------------|-----------------------|---------------------|--------------------|---------------|
| | £ | £ | £ | £ |
| Investments | - | 856,809 | 95,660,736 | 96,517,545 |
| Tangible fixed assets | 44,632 | 641,250 | - | 685,882 |
| Current assets | 3,271,883 | 5,881,379 | 288,009 | 9,441,271 |
| Current liabilities | (679,697) | (1,123,846) | (11,419) | (1,814,962) |
| Creditors due after one year | - | (736,810) | - | (736,810) |
| Total net assets | 2,636,818 | 5,518,782 | 95,937,326 | 104,092,926 |

Charity

| | Unrestricted funds | Restricted funds | Endowment funds | 2022 Total |
|------------------------------|-----------------------|---------------------|--------------------|---------------|
| | £ | £ | £ | £ |
| Investments | - | 856,909 | 92,635,526 | 93,492,435 |
| Tangible fixed assets | 44,632 | 641,250 | - | 685,882 |
| Current assets | 3,271,883 | 5,789,910 | 133,171 | 9,194,964 |
| Current liabilities | (679,697) | (1,119,406) | (11,419) | (1,810,522) |
| Creditors due after one year | - | (736,810) | - | (736,810) |
| Total net assets | 2,636,818 | 5,431,853 | 92,757,278 | 100,825,949 |

Community Foundation

serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022 (continued)

21 Pensions

The Community Foundation contributes to a defined contribution group pension scheme for all staff. The assets of the schemes are held separately from those of the Community Foundation in independently administered funds. The pension charge represents contributions by the Community Foundation to the funds and amounted to £47,728 (2021: £45,519). There were no outstanding contributions at 31 March 2022 (2021: Nil).

22 Subsidiary company and charities

These financial statements are consolidated to include the financial transactions of the following as required under the Statement of Recommended Practice:

Tyne & Wear Foundation Limited - wholly owned subsidiary

Joseph Brough Charitable Trust - sole trustee

Tyne and Wear Foundation Trust - sole trustee

As permitted by section 408 of the Companies Act 2006, and by paragraph 422 of the Statement of Recommended Practice 2005, no separate company Statement of Financial Activities has been presented for the Community Foundation serving Tyne and Wear and Northumberland within these financial statements. The Company's gross income for the year was £6,318,322 (2021: £10,405,940) and its net income for the year was £1,924,897 (2021: £17,975,996) after the addition of gains on investments of £5,522,829 (2021: £15,972,385).

The Community Foundation owns the whole of the issued share capital of Tyne & Wear Foundation Limited, a company registered in England (Company number 3971646). The subsidiary is used to carry out larger fundraising events on behalf of the charity. The company was inactive during the year and therefore the amount gift aided to the Community Foundation was nil (2021: nil). A summary of results of the subsidiary company is shown below:

| | Total 2022 £ | Total 2021 £ |
|-------------------------|-----------------------------|-----------------------------|
| Turnover | - | - |
| Cost of sales | - | - |
| Operating profit | - | - |
| Administrative costs | - | - |
| Net profit | - | - |

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

22 Subsidiary company and charities (continued)

| | | |
|--|--------------|--------------|
| The aggregate of the assets and liabilities was: | Total | Total |
| | 2022 | 2021 |
| | £ | £ |
| Assets | 70 | 70 |
| Liabilities | - | - |
| Net assets | 70 | 70 |

The Community Foundation is sole trustee of Joseph Brough Charitable Trust, a registered charity (Charity number 227332). All activities of the charity have been consolidated on a line by line basis in the SOFA. A summary of the results of Joseph Brough Charitable Trust is shown below:

| | | |
|------------------------------|-----------------|--------------|
| | Total | Total |
| | 2022 | 2021 |
| | £ | £ |
| Investment income | 43,757 | 43,945 |
| Donations and legacies | - | 62 |
| Charitable activities | (15,030) | (83,477) |
| Investment management costs | (8,231) | (7,120) |
| Gains on investments | 127,829 | 408,381 |
| Net movement in funds | 148,325 | 361,791 |

The aggregate of the assets, liabilities and funds was:

| | | |
|--------------|------------------|--------------|
| | Total | Total |
| | 2022 | 2021 |
| | £ | £ |
| Assets | 2,358,703 | 2,210,378 |
| Liabilities | - | - |
| Funds | 2,358,703 | 2,210,378 |

Community Foundation
serving Tyne & Wear and Northumberland

**Notes to the financial statements for the year ended 31 March 2022
(continued)**

22 Subsidiary company and charities (continued)

| Represented by: | Total | Total |
|--------------------------|------------------|-----------|
| | 2022 | 2021 |
| | £ | £ |
| Permanent endowment fund | 2,295,477 | 2,175,879 |
| Restricted funds | 63,226 | 34,499 |
| Funds | 2,358,703 | 2,210,378 |

The Community Foundation is also sole trustee of Tyne and Wear Foundation Trust, a registered charity (charity number 1030800). All activities of the charity have been consolidated on a line by line basis in the SOFA. A summary of the results of Tyne and Wear Foundation Trust is shown below:

| | Total | Total |
|------------------------------|-----------------|---------|
| | 2022 | 2021 |
| | £ | £ |
| Investment income | 19,030 | 21,891 |
| Investment management costs | (6,169) | (5,515) |
| Charitable activities | (67,491) | (7,402) |
| Gains on investments | 21,104 | 160,350 |
| Net movement in funds | (33,526) | 169,324 |

The aggregate of the assets, liabilities and funds was:

| | Total | Total |
|--------------|----------------|---------|
| | 2022 | 2021 |
| | £ | £ |
| Assets | 912,744 | 941,830 |
| Liabilities | (4,440) | - |
| Funds | 908,304 | 941,830 |

Notes to the financial statements for the year ended 31 March 2022
(continued)

22 Subsidiary company and charities (continued)

| Represented by: | Total 2022 £ | Total 2021 £ |
|--------------------------|---|---|
| Permanent endowment fund | 884,571 | 869,636 |
| Restricted funds | 23,733 | 72,194 |
| Funds | 908,304 | 941,830 |

23 Related party transactions

In the ordinary course of the Community Foundation's activities, it has awarded grants to other charities or organisations that have common Trustees/Directors, or whose employees are Directors of the Community Foundation or where members of the Executive Team are Trustees/Directors. All grants have been awarded using the same guidelines as any other grant. Directors and staff are always required to declare their interest in any organisation being considered for a grant and do not take part in any such decisions.

During the year Directors and their associated companies donated a total of £288,222 (2021: £273,715) to Community Foundation named endowment and revenue funds, and £1,377 (2021: £1,330) was donated by members of the Executive Staff Team.

Full details are given below of grants awarded during the year to related charities and organisations.

| Organisation | Director/employee involved | Relationship | Total grants £ |
|--|-----------------------------------|------------------------|---------------------------------|
| Charlotte Straker Project | Lady Blackett | Trustee | 81,893 |
| Derwenthaugh Boat Station | Lucy Winskell OBE | Honorary President | 7,696 |
| Newcastle upon Tyne Hospitals NHS Foundation Trust | Jill Baker | Non-Executive Director | 51,070 |
| New Writing North | Claire Malcolm | Employee | 44,500 |
| North East Theatre Trust | Lucy Winskell OBE | Trustee | 4,211 |
| Voluntary Organisations Development Agency, North Tyneside | Robin Fry | Employee | 10,000 |
| VONNE | Colin Hewitt | Trustee | 10,000 |

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

23 Related party transactions (continued)

During the year, the following transactions were made between the main charity and its subsidiaries.

| Subsidiary | Nature of transaction | Value £ |
|--------------------------------|--|------------|
| Joseph Brough Charitable Trust | Paid Community Foundation for administrative services | 5,000 |
| Tyne & Wear Foundation Trust | Paid Community Foundation for administrative services | 3,771 |
| Tyne & Wear Foundation Trust | Made donations to restricted funds in Community Foundation | 1,634 |

24 Cash flow information for the Group

Reconciliation of net income to net cash flow from operating activities

| | 2022 £ | 2021 £ |
|--|--------------------|--------------------|
| Net income for the year | 2,039,696 | 18,507,111 |
| Adjustments for: | | |
| Receipt of endowment | (1,317,427) | (3,776,143) |
| Depreciation charges | 33,402 | 32,555 |
| Gains on endowment investments | (5,813,762) | (16,708,410) |
| Increase in assets held for resale | (14,000) | - |
| Loss on disposal of fixed assets | 306 | - |
| Losses on programme related investments | 142,000 | 167,294 |
| Dividends and interest from investments | (1,841,153) | (1,926,609) |
| Decrease/(increase) in debtors | 2,824,669 | (2,869,637) |
| (Increase)/decrease in creditors | 694,710 | (414,584) |
| Net cash used in operating activities | (3,251,559) | (6,988,423) |

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2022
(continued)

24 Cash flow information for the Group (continued)

Analysis of cash and cash equivalents

| | 2022 £ | 2021 £ |
|--|------------------|------------------|
| Cash at bank and in hand | 3,761,173 | 3,516,638 |
| Short-term deposits | 5,543,905 | 5,537,380 |
| Total cash and cash equivalents | 9,305,078 | 9,054,018 |

25 Ultimate controlling party

The Directors do not consider that the Community Foundation (Charity) has an ultimate controlling party because the Community Foundation has a large and wide-ranging membership who elect the Board and would be required to agree any changes to the Memorandum and Articles. Due to the structure of the Community Foundation (Charity) the group also does not have an ultimate controlling party.