

REGISTERED COMPANY NUMBER: 04468139 (England and Wales)
REGISTERED CHARITY NUMBER: 1094935

**Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2021**

for

HEREFORDSHIRE COMMUNITY FOUNDATION

Haines Watts Worcester Audit Limited
First Floor
Saggar House
Princes Drive
Worcester
WR1 2PG

HEREFORDSHIRE COMMUNITY FOUNDATION

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for the year ended 31 March 2021**

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HEREFORDSHIRE COMMUNITY FOUNDATION

**Reference and Administrative Details
for the year ended 31 March 2021**

TRUSTEES

F Myers MBE
O Cooke
B Davison
K Hall
G Hughes
L Hughes
A Lowther
P Spens
S Wynn

REGISTERED OFFICE

The Fred Bulmer Centre
Wall Street
Hereford
HR4 9HP

REGISTERED COMPANY NUMBER 04468139 (England and Wales)

REGISTERED CHARITY NUMBER 1094935

AUDITORS

Haines Watts Worcester Audit Limited
First Floor
Saggar House
Princes Drive
Worcester
WR1 2PG

BANKERS

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Maling
Kent
ME19 4JQ

HEREFORDSHIRE COMMUNITY FOUNDATION

Chairman's Report for the year ended 31 March 2021

Last year was a remarkable year and one that will be remembered for years to come. As the Covid-19 pandemic spread across the globe, the UK went into lockdown and everything changed for everyone. For many households it was the toughest of times. Some charities and community groups were forced to close their doors while others were able to adapt quickly and find a different way to deliver services. It was a time when communities came together to look after the most vulnerable.

Herefordshire Community Foundation was proud to take an active role in supporting community action across the county. It was a challenging year but the HCF team adapted effectively to remote working. They worked diligently and tirelessly to ensure funds were distributed quickly and to where support was most needed. I am delighted to report we awarded 295 grants to individuals and community groups. A total of £567,124 was distributed, an increase of 10% on the previous year. Grants ranged in size from £200 to £10,000. In terms of grant-making, it was the busiest period in the history of HCF and I thank the trustees, staff and the organisations we support for their commitment to making Herefordshire a place where everyone has the opportunity to thrive.

HCF worked with UKCF, the National Emergencies Trust (NET), the Department for Culture, Media and Sport (DCMS), Barclays and the Co-Op to distribute £380,617 of Covid-related emergency relief to charities and groups working across the county. The funding was used to support local food projects, digitisation of services, PPE, food boxes, mental health support, money advice and many other vital services to help those in need.

During the year HCF saw an increased demand in support of households in fuel poverty. Many households experienced a drop in income and some families struggled to meet the additional fuel and food costs of home school. In January 2021, HCF launched an appeal in the Hereford Times for our Surviving Winter programme and we were able to help 30 households in hardship with a grant of up to £300.

Storm Christoph hit the county in January 2021 and resulted in areas of the county being flooded. HCF awarded grants of £200 from our Flood Fund to 24 households badly affected by the flooding. The Fund was set up in 2020 in response to Storm Dennis and last year attracted a further £5,020 in donations.

We were grateful to receive a legacy of £50,000 from a local family which was split between the Care Fund (for emergency relief) and the recently launched Mental Health Fund. Additionally, a further £50,000 was anonymously donated to the Mental Health Fund. HCF will look at strategies for growing the Mental Health Fund and ensuring it is designed to have the greatest impact across the county.

HCF continued to distribute grants from our other programmes. As in previous years, we remain grateful for the continued support of the Iron Fund donor (who wishes to remain anonymous). For the last five years, the Iron Fund has been our largest grant programme with its broad aims enables us to work flexibly and quickly to deliver support where it is most needed across Herefordshire.

HCF secures its funding by setting up personally named (or anonymous if preferred) local giving funds on behalf of companies, individuals and families. In this way donors are able to support the causes or areas of their choice at far less cost and bureaucracy than creating their own standalone charity. Creating a charitable fund with HCF will allow you to put your donations into a single fund and HCF will do all the work of vetting, distributing the money and securing the valuable Gift Aid.

We are also able to offer our help in setting up an appropriate governance structure to enable organisations with charitable motives to make early progression and securely manage and distribute funds with full accountability. It removes the need to negotiate the legal formalities of doing it themselves. This proved to be invaluable for the hugely successful Laptops2Kids project during the Covid 19 periods of lockdown.

In order to continue to expand the work we do we are always seeking new donors. For grassroots organisations a small grant can make a huge difference and donors can be assured we aim to maximise the impact of every pound donated. We also offer to set up memorial funds which can be a way of providing some comfort at times of grief, enabling the memory of the deceased to live on and to provide ongoing purpose to a precious life lost.

HEREFORDSHIRE COMMUNITY FOUNDATION

Chairman's Report
for the year ended 31 March 2021

We are particularly keen to identify ways for smaller businesses, who might consider themselves too small to make a difference, to create a collective fund devoted to improving life changes for the disadvantaged in our community. Please do contact us if you would like further information.



F Myers MBE - Trustee

HEREFORDSHIRE COMMUNITY FOUNDATION

Report of the Trustees for the year ended 31 March 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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).

Trustees of the Charity

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who served during the year and since the year end were as follows:

F Myers MBE (Chair)	
O Cooke	
B Davison	
K Hall	(appointed 20 January 2021)
G Hughes	
L Hughes	(appointed 19 May 2020)
W Lindesay	(resigned 30 July 2021)
A Lowther	
C Rixon	(resigned 30 June 2021)
P Spens	(appointed 20 January 2021)
L Stevenson	(appointed 19 May 2020) (resigned 30 July 2021)
S Wynn	(appointed 23 October 2020)

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects for which the Foundation is established are:

To promote any charitable purposes for the benefit of the community in the County of Herefordshire and in particular the advancement of education, the protection of good health both mental and physical and the relief of poverty and sickness;

To promote other exclusively charitable purposes in the United Kingdom and elsewhere which are in the opinion of the Trustees beneficial to the public including the community in the County of Herefordshire;

To match the wishes of donors, corporate or individual, to community needs, to encourage local philanthropy for the public benefit, and to enable donors to use the resources of the Foundation to achieve more effective giving;

To seek donations to endowment funds, individually tailored to the donor's wishes or, for smaller amounts in a pooled endowment fund;

To seek donations to flow-through funds for those who wish to see a more immediate impact from their generosity;

To enable its donors to take full advantage of all external aid to the sector including donation matching and gift aid;

To establish links with the voluntary, business and statutory sectors in order to ensure the best possible use of resources within these sectors.

Public benefit

The Trustees seek to ensure that the activities of each of the Funds under the umbrella of the Foundation meet 'Public Benefit' tests in accordance with the following Charity Commission guidance:

Know what the Fund was set up to achieve - this is known as the Fund's 'purpose'.

Identify how the Fund's purpose is beneficial - this is the 'benefit aspect' of public benefit.

**Report of the Trustees
for the year ended 31 March 2021**

OBJECTIVES AND ACTIVITIES

Public benefit - continued

Know how the Fund's purpose benefits the public or a sufficient section of the public - this is the 'public aspect' of public benefit.

Identify how the Fund's purpose will be delivered - this is known as 'furthering' the charity's purpose for the public benefit.

The Trustees, having reviewed the objectives and activities of the Foundation and its constituent Funds and, having given due consideration to Charity Commission guidance above, are satisfied that the Foundation business is properly conducted for the 'public benefit'.

The Funds

The Foundation manages a number of sub-funds that fall into two broad categories - Endowment and Flow-through. Although all the funds belong to the Foundation, they are ring-fenced and operate separately in accordance with the wishes of the donor.

Endowment Funds are long-term capital funds with the aim of increasing their value by judicious investment applying their income to the charitable purpose of the sub-fund.

Flow-through Funds tend to have a limited life with the goal of distributing the whole sum donated in accordance with the goals of the donor.

Our approach to fundraising

In order to carry out its activities, the trustees have considered The Charities (Protection and Social Investment) Act 2016. The charity complies with the Code of Fundraising Practice. It has received no complaints on fundraising activity and does not undertake fundraising in a way that might intrude on any person's privacy or take advantage of vulnerable people. The majority of the charity's fundraising activity is derived from grant funding and contract opportunities via grant making trust, public agencies and prime contractors. It does not carry out either directly or through other professional agencies, direct marketing or face-to-face approaches to individuals vulnerable or otherwise.

STRATEGIC REPORT

Achievement and performance

Charitable activities

In the year under review the emphasis has once again been on grant giving and that I am pleased to advise that the value of grants disbursed has continued to rise. Financial markets have remained turbulent during the year but we have benefited from sound investment which has resulted in the value of our funds increasing over this financial period.

The Foundation remains as a significant benefactor for the County of Herefordshire.

Financial review

Principal funding sources

Income for endowment fund building comes from donations. Income from donations combined with dividend and interest income is used for grant making. The administration (unrestricted fund) income comes from a contribution from each fund and from unrestricted donations

Investment policy and objectives

All endowment capital is invested in the COIF Charities Investment Fund, run by CCLA Investment Management. To quote from their web site:

"CCLA is one of the UK's largest charity fund managers according to the latest Charity Finance Survey. Managing investments for charities, religious organisations and the public sector is all we do. Based in the City of London, with an office in Edinburgh, we are largely owned by our clients' funds."

HEREFORDSHIRE COMMUNITY FOUNDATION

Report of the Trustees for the year ended 31 March 2021

STRATEGIC REPORT

Financial review - continued

Reserves policy

The total reserves of the charity increased by £1,147,792 to £5,706,265 from £4,558,473. Restricted funds increased from £4,468,397 to £5,598,257. Unrestricted funds increased from £90,076 to £108,008 in the year. The Trustees continue to seek further funding for marketing and endowment fund development activities. The Foundation aims to retain sufficient free reserves to provide adequate working capital to fund its administration and fund development activities for at least six months, taking into account committed income. The Trustees are satisfied that the net assets of the Foundation are adequate to fulfil the obligations of the Foundation. Free reserves currently amount to £5,385,743 (2020: £4,256,367), the Trustees are satisfied that free reserves are more than sufficient for a minimum of six months development activities.

Going concern

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

Quality Accreditation

The Foundation holds the latest Quality Accreditation awarded by the UKCF. These exacting standards are endorsed by the Charity Commission and cover the key areas of Definition and Governance, Finance and Risk, Donor Services and Development, Grant Making and Community Engagement and Communications. Community Foundations must hold this quality accreditation to manage publicly funded grant programmes. The foundation continues to hold the latest Quality Accreditation (QA4).

Future plans

The Trustees plan, during the next twelve months, to:

- Continue to make grants to support local communities for the public benefit and in accordance with the wishes of donors.
- Seek to extend its Endowment and Flow-through Funds for individuals and corporate givers.
- Raise the profile of the Foundation in the County.
- Actively encourage local philanthropy for local benefit.
- Develop a range of donor 'vehicles' designed to meet the ever-widening range of charitable aims of prospective donors.
- Enable existing donors to achieve more effective giving.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Incorporation as a company limited by guarantee took place on 24th June 2002 and registration as a charity occurred on 5th December 2002.

Recruitment and appointment of new trustees

Laura Hughes was appointed 19th May 2020, Louise Stevenson was appointed on 19th May 2020, Shelagh Wynn was appointed 23rd October 2020, Karen Hall was appointed 20th January 2021 and Philippa Spens was appointed on 20th January 2021. Other Trustees serving are as shown on the Reference and Administrative Information pages preceding this report.

HEREFORDSHIRE COMMUNITY FOUNDATION

Report of the Trustees for the year ended 31 March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees - continued

The Board aims to achieve representation across the different areas of the County; to maintain a wide range of interests within the voluntary and community sectors and to ensure that key skills, such as fund development, financial and legal knowledge, are provided within the Trustee group

Organisational structure

The Trustee Board is the strategic decision-making body of the Foundation. It employs the part-time Director, who carries out the day-to-day management of the Foundation. Grant panels are established as appropriate for the assessment of grants and their recommendations are submitted to the Board for final approval. At the current stage of development, active participation by Board members is required to advance fund development, the website and the profile of the Foundation within Herefordshire. The remuneration of key management of the charity is set by the board.

Induction and training of new trustees

All Trustees are provided with induction to the work of the Foundation and opportunities to attend training and development events are provided.

Related parties

The Foundation is affiliated to and acknowledges the support of the United Kingdom Community Foundation (UKCF). The Foundation benefits from, and is grateful for, the help and office support that it receives from the EF Bulmer Benevolent Fund.

There are occasions when the Foundation is asked to support a beneficiary of other charities and may receive funds for management from charitable projects in which a certain number of the Trustees have an interest. At all times these transactions are within the scope of its objects.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Fund Director has carefully controlled administration costs that are funded by direct donations and internal transfers from the individual funds managed. Trustees regularly review the risk assessment profile, in line with Charity Commission recommended guidelines.

Trustees' responsibilities

The trustees (who are also the directors of Herefordshire Community Foundation for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HEREFORDSHIRE COMMUNITY FOUNDATION

**Report of the Trustees
for the year ended 31 March 2021**

Disclosure of information to the auditors


We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Haines Watts Worcester Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 27.10.2021..... and signed on the board's behalf by:


.....
F Myers MBE - Trustee

**Report of the Independent Auditors to the Members of
Herefordshire Community Foundation**

Opinion

We have audited the financial statements of Herefordshire Community Foundation (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the entity's activities, funders, suppliers and wider economy. The Trustees' view on the impact of COVID-19 is disclosed in the Report of the Council.

Our responsibilities and the responsibilities of the trustees 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 Report of the Independent Auditors 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Herefordshire Community Foundation

Matters on which we are required to report by exception

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

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 or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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 on non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud, the extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to both the charitable company itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the trustees and other management. The most significant were identified as the Companies Act 2006, the Charities Act 2011 and Charities SORP (FRS102).

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- Making enquiries of management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- Obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- Assessing the design effectiveness of the controls in place to prevent and detect fraud;
- Assessing the risk of management override including identifying and testing journal entries;
- Challenging the assumptions and judgements made by management in its significant accounting estimates.

Whilst our audit did not identify any significant matters relating to the detection of irregularities including fraud, and despite the audit being planned and conducted in accordance with ISAs (UK), there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity would likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

**Report of the Independent Auditors to the Members of
Herefordshire Community Foundation**

Use of our report

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



Andrew Hughes ACA (Senior Statutory Auditor)
for and on behalf of Haines Watts Worcester Audit Limited
First Floor
Saggar House
Princes Drive
Worcester
WR1 2PG

Date: 10/11/2021

HEREFORDSHIRE COMMUNITY FOUNDATION

**Statement of Financial Activities
for the year ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	3	9,750	464,341	291,177	765,268	549,122
Other trading activities	4	-	-	-	-	1,250
Investment income	5	1	3,702	154,109	157,812	148,223
Other income		88,369	-	-	88,369	15,063
Total		98,120	468,043	445,286	1,011,449	713,658
EXPENDITURE ON						
Charitable activities						
Grants Made	6	-	455,328	111,796	567,124	513,765
Management Costs		75,519	-	70,960	146,479	71,707
Governance Costs		4,669	-	-	4,669	8,001
Total		80,188	455,328	182,756	718,272	593,473
Net gains/(losses) on investments		-	5,701	848,914	854,615	(142,052)
NET INCOME/(EXPENDITURE)		17,932	18,416	1,111,444	1,147,792	(21,867)
Net movement in funds		-	-	-	-	-
RECONCILIATION OF FUNDS						
Total funds brought forward		90,076	302,106	4,166,291	4,558,473	4,580,340
TOTAL FUNDS CARRIED FORWARD		<u>108,008</u>	<u>320,522</u>	<u>5,277,735</u>	<u>5,706,265</u>	<u>4,558,473</u>

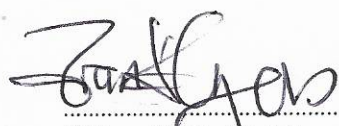
The notes form part of these financial statements

HEREFORDSHIRE COMMUNITY FOUNDATION

**Balance Sheet
31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS						
Investments	14	-	155,825	5,154,854	5,310,679	4,064,770
CURRENT ASSETS						
Debtors	15	58,906	71,619	-	130,525	60,932
Cash at bank		<u>54,965</u>	<u>119,249</u>	<u>230,465</u>	<u>404,679</u>	<u>497,327</u>
		113,871	190,868	230,465	535,204	558,259
CREDITORS						
Amounts falling due within one year	16	<u>(5,863)</u>	<u>(26,171)</u>	<u>(107,584)</u>	<u>(139,618)</u>	<u>(64,556)</u>
NET CURRENT ASSETS		<u>108,008</u>	<u>164,697</u>	<u>122,881</u>	<u>395,586</u>	<u>493,703</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>108,008</u>	<u>320,522</u>	<u>5,277,735</u>	<u>5,706,265</u>	<u>4,558,473</u>
NET ASSETS		<u>108,008</u>	<u>320,522</u>	<u>5,277,735</u>	<u>5,706,265</u>	<u>4,558,473</u>
FUNDS	18					
Unrestricted funds					108,008	90,076
Restricted funds					320,522	302,106
Endowment funds					<u>5,277,735</u>	<u>4,166,291</u>
TOTAL FUNDS					<u>5,706,265</u>	<u>4,558,473</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 27.10.2021 and were signed on its behalf by:


.....
F Myers MBE - Trustee

The notes form part of these financial statements

HEREFORDSHIRE COMMUNITY FOUNDATION

**Cash Flow Statement
for the year ended 31 March 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>36,116</u>	<u>145,871</u>
Net cash provided by operating activities		<u>36,116</u>	<u>145,871</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(442,519)	(245,221)
Sale of fixed asset investments		<u>236,521</u>	<u>2,028</u>
Net cash provided by/(used in) investing activities		<u>(205,998)</u>	<u>(243,193)</u>
Cash flows from financing activities			
Income attributable to endowment		445,286	309,565
Expenditure attributable to endowment		<u>(182,756)</u>	<u>(174,825)</u>
Net cash provided by financing activities		<u>262,530</u>	<u>134,740</u>
Change in cash and cash equivalents in the reporting period		92,648	37,418
Cash and cash equivalents at the beginning of the reporting period		<u>497,327</u>	<u>459,909</u>
Cash and cash equivalents at the end of the reporting period		<u>404,679</u>	<u>497,327</u>

The notes form part of these financial statements

HEREFORDSHIRE COMMUNITY FOUNDATION

**Notes to the Cash Flow Statement
for the year ended 31 March 2021**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	1,147,792	(21,867)
Adjustments for:		
(Gain)/losses on investments	(854,615)	142,052
Income attributable to endowment	(445,286)	(309,565)
Expenditure attributable to endowment	182,756	174,825
Decrease/(increase) in debtors	(69,593)	(22,348)
(Decrease)/increase in creditors	<u>75,062</u>	<u>182,774</u>
Net cash provided by operations	<u>36,116</u>	<u>145,871</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
Net cash			
Cash at bank	<u>497,327</u>	<u>(92,648)</u>	<u>404,679</u>
	<u>497,327</u>	<u>(92,648)</u>	<u>404,679</u>
Total	<u>497,327</u>	<u>(92,648)</u>	<u>404,679</u>

The notes form part of these financial statements

HEREFORDSHIRE COMMUNITY FOUNDATION

Notes to the Financial Statements for the year ended 31 March 2021

1. COMPANY INFORMATION

Herefordshire Community Foundation Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Fred Bulmer Centre, Wall Street, Hereford, HR4 9HP.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Critical accounting judgements and key sources of estimation uncertainty

The financial statements have been prepared on a going concern basis. The Directors have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the Directors have tested their cash flow analysis to take into account the impact on their business of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Directors have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts

Income

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Grants payable are payments made to third parties in the furtherance of charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified. Notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

Notes to the Financial Statements - continued
for the year ended 31 March 2021

2. ACCOUNTING POLICIES - continued

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The Foundation manages a number of sub-funds that fall into two broad categories - Endowment and Flow-through. Although all the funds belong to the Foundation, they are ring-fenced and operate separately in accordance with the wishes of the donor.

Endowment Funds are long-term capital funds with the aim of increasing their value by judicious investment applying their income to the charitable purpose of the sub-fund.

Flow-through Funds tend to have a limited life with the goal of distributing the whole sum donated in accordance with the goals of the donor.

Listed investments

Listed investments are valued at the mid-market price at the end of the last weekday before the financial year end.

Realised gains or losses are calculated as the difference between sale proceeds and market value at the previous balance sheet date.

All gains and losses whether realised or unrealised are taken to the Statement of Financial Activities.

Financial instruments

Financial assets and financial liabilities are categorised under FRS 102 as either basic financial instruments or other financial instruments.

The company deals principally in basic financial instruments, which are accounted for in accordance with section 11 of FRS102.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expense.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

HEREFORDSHIRE COMMUNITY FOUNDATION

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	427,600	395,541
Grants	<u>337,668</u>	<u>153,581</u>
	<u>765,268</u>	<u>549,122</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Other grants	<u>337,668</u>	<u>153,581</u>

4. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fundraising events	<u>-</u>	<u>1,250</u>

5. INVESTMENT INCOME

	2021	2020
	£	£
Investments	<u>157,812</u>	<u>148,223</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
Grants Made	-	567,124	-	567,124
Management Costs	146,479	-	-	146,479
Governance Costs	<u>-</u>	<u>-</u>	4,669	<u>4,669</u>
	<u>146,479</u>	<u>567,124</u>	<u>4,669</u>	<u>718,272</u>

7. GRANTS PAYABLE

	2021	2020
	£	£
Grants Payable to Institution's	550,103	498,248
Grants Payable to Individual's	<u>17,021</u>	<u>15,517</u>
	<u>567,124</u>	<u>513,765</u>

8. SUPPORT COSTS

	Governance costs £
Governance Costs	<u>4,669</u>

HEREFORDSHIRE COMMUNITY FOUNDATION

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

8. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

	2021	2020
	Governance Costs	Total activities
	£	£
Wages	-	1,125
Auditors' remuneration	4,020	3,900
Insurance	649	280
Accountancy and legal fees	-	<u>2,696</u>
	<u>4,669</u>	<u>8,001</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Operating lease rental	1,848	1,848
Auditors' remuneration	<u>4,020</u>	<u>3,900</u>

10. TRUSTEES' AND KEY MANAGEMENT REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

The Charity considers its key management personnel comprise the management and admin team. The total amount of employee benefits received by key management personnel was £62,878 (2020 - £56,250).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

11. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	<u>62,878</u>	<u>56,250</u>
	<u>62,878</u>	<u>56,250</u>

Support costs, included in the above, are as follows:

	2021	2020
	Governance Costs	Total activities
	£	£
Wages and salaries	62,250	55,221
Social Security	565	1,029
Pension	63	-
	<u>62,878</u>	<u>56,250</u>

HEREFORDSHIRE COMMUNITY FOUNDATION

Notes to the Financial Statements - continued
for the year ended 31 March 2021

11. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

Staff	2021	2020
	<u>3</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

Office and staff costs are split 98% to Management and 2% to Governance. All external costs, Management and Governance except for investment management and programme audit fees are in respect of charitable activities and charged to the General Fund. The total amount in respect of rent paid in the year was £1,614 (2020: £1,937).

HEREFORDSHIRE COMMUNITY FOUNDATION

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	6,843	379,327	162,952	549,122
Other trading activities	-	1,250	-	1,250
Investment income	102	1,507	146,614	148,223
Other income	<u>15,063</u>	<u>-</u>	<u>-</u>	<u>15,063</u>
Total	22,008	382,084	309,566	713,658
EXPENDITURE ON				
Charitable activities				
Grants Made	-	338,939	174,826	513,765
Management Costs	71,707	-	-	71,707
Governance Costs	8,001	-	-	8,001
Total	79,708	338,939	174,825	593,473
Net gains/(losses) on investments	<u>-</u>	<u>-</u>	<u>(142,052)</u>	<u>(142,052)</u>
NET INCOME/(EXPENDITURE)	(57,700)	43,145	(7,312)	(21,867)
Transfers between funds	<u>73,070</u>	<u>(14,771)</u>	<u>(58,299)</u>	<u>-</u>
Net movement in funds	15,370	28,374	(65,611)	(21,867)
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>74,706</u>	<u>273,732</u>	<u>4,231,902</u>	<u>4,580,340</u>
TOTAL FUNDS CARRIED FORWARD	<u>90,076</u>	<u>302,106</u>	<u>4,166,291</u>	<u>4,580,340</u>

13. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 1 April 2020 and 31 March 2021	<u>135,520</u>	<u>1,248</u>	<u>136,768</u>
DEPRECIATION			
At 1 April 2020 and 31 March 2021	<u>135,520</u>	<u>1,248</u>	<u>136,768</u>
NET BOOK VALUE			
At 31 March 2021	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2020	<u>-</u>	<u>-</u>	<u>-</u>

HEREFORDSHIRE COMMUNITY FOUNDATION

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

14. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2020 and 31 March 2021	4,064,770
Additions	442,519
Disposals	(51,225)
Revaluations	854,615
At 31 March 2021	_____
NET BOOK VALUE	
At 31 March 2021	<u>5,310,679</u>
At 31 March 2020	<u>4,064,770</u>

There were no investment assets outside the UK.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	9,340	-
Other debtors	<u>121,185</u>	<u>60,932</u>
	<u>130,525</u>	<u>60,932</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Social security and other taxes	1,157	1,280
Other creditors	149	-
Accruals and deferred income	<u>138,312</u>	<u>63,276</u>
	<u>139,618</u>	<u>64,556</u>

DEFERRED INCOME

Deferred income, included in the above, are as follows:

	63,276	23,801
At 1 April 2020		
Amounts provided during the year	41,231	63,276
Amounts released during the year	(63,276)	(23,801)
At 31 March 2021	41,231	63,276

Deferred income relates to amounts received as a result of the investment portfolio held at the year end, relating to future periods and for which no charitable expenses have yet been incurred.

HEREFORDSHIRE COMMUNITY FOUNDATION

Notes to the Financial Statements - continued
for the year ended 31 March 2021

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	1,848	-
Between one and five years	<u>7,392</u>	<u>2,968</u>
	<u>9,240</u>	<u>2,968</u>

Operating lease commitments are for office accommodation. Lease are negotiated for an average of 6 years. Such leases may be renewed at the end of the term or surrendered as activity dictates.

HEREFORDSHIRE COMMUNITY FOUNDATION

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

18. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	90,076	17,932	-	108,008
Restricted funds				
Herefordshire Lifestyles	4,406	(3,357)	-	1,049
Herefordshire RSN	4,814	6	-	4,820
Surviving Winter	7,687	(2,917)	-	4,770
Odey Fund	2,529	4	-	2,533
TVYP	138,150	(4,731)	-	133,419
Iron Fund Flow-Through	74,034	27,819	-	101,853
Ross Tennis Club	509	1,254	-	1,763
AONB Restricted	10,118	(7,202)	-	2,916
Emergency Appeal Fund	53,359	(10,821)	-	42,538
NET Fund	6,500	(6,500)	-	-
George's Fund	-	11,936	-	11,936
Heaton Fund	-	12,925	-	12,925
	302,106	18,416	-	320,522
Endowment funds				
Becket Bulmer	912,378	183,278	-	1,095,656
Richard Bulmer	172,973	35,425	-	208,398
John Morgan	27,841	5,548	-	33,389
Hergest	63,875	10,289	-	74,164
Glencora	132,533	26,120	-	158,653
Coneygree	22,629	4,462	-	27,091
CPRE	25,327	4,706	-	30,033
Jack Hughes	37,299	8,001	-	45,300
Bulmer Gilmour	62,377	12,099	-	74,476
H.E.C	187,280	30,713	-	217,993
Herefordshire Country Fair	63,676	13,196	-	76,872
Joanies	1,848,230	377,546	-	2,225,776
Iron Fund Endowment	143,582	192,558	-	336,140
Herefordshire Arts College	57,384	12,786	-	70,170
HCF Care Fund	12,659	30,390	-	43,049
Judith Shrimpton Fund	27,713	6,024	-	33,737
HCF Sports Fund	3,977	678	-	4,655
Much Marcle United Fund	86,113	17,765	-	103,878
Heaton Endowment	12,910	(12,910)	-	-
Diamond Jubilee Trow Endowment	7,602	5,596	-	13,199
High Sheriff Endowment	168,997	36,221	-	205,218
The Charlotte Ballard Trust Fund	15,678	2,738	-	18,416
Charles & Anne Saunders Family Fund	24,636	21,534	-	46,170
HCF Arts fund	3,984	849	-	4,833
AONB Endowment	44,639	9,893	-	54,532
HCF MHF	(1)	75,939	-	75,938
TOTAL FUNDS	<u>4,166,291</u>	<u>1,111,444</u>	-	<u>5,277,735</u>
	4,558,473	1,147,792	-	5,706,265

HEREFORDSHIRE COMMUNITY FOUNDATION

Notes to the Financial Statements - continued
for the year ended 31 March 2021

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	98,123	(80,191)	-	17,932
Restricted funds				
Herefordshire Lifestyles	(301)	(3,056)	-	(3,357)
Herefordshire RSN	6	-	-	6
Surviving Winter	5,321	(8,238)	-	(2,917)
Odey Fund	4	-	-	4
TVYP	1,119	(8,960)	3,110	(4,731)
Iron Fund Flow-Through	94,710	(69,482)	2,591	27,819
Ross Tennis Club	1,254	-	-	1,254
AONB Restricted	(361)	(6,841)	-	(7,202)
Emergency Appeal Fund	5,020	(15,841)	-	(10,821)
NET Fund	235,783	(242,283)	-	(6,500)
Welsh Water	4,750	(4,750)	-	-
DCMS	75,334	(75,334)	-	-
Barclays Group Fund	12,375	(12,375)	-	-
Sick Man's Fund	9,143	(9,143)	-	-
Hereford Time Christmas Appeal Fund	2,595	(2,595)	-	-
George's Fund	11,936	-	-	11,936
Heaton Fund	12,925	-	-	12,925
	471,613	(458,898)	5,701	18,416
Endowment funds				
Becket Bulmer	17,909	(21,661)	187,031	183,278
Richard Bulmer	3,257	(2,600)	34,768	35,425
John Morgan	444	-	5,104	5,548
Hergest	1,192	(3,500)	12,597	10,289
Glencora	2,524	(3,100)	26,696	26,120
Coneygree	428	(500)	4,534	4,462
CPRE	356	-	4,350	4,706
Jack Hughes	675	-	7,326	8,001
Bulmer Gilmour	1,186	(1,680)	12,593	12,099
H.E.C	3,969	(9,451)	36,195	30,713
Herefordshire Country Fair	1,213	-	11,983	13,196
Joanies	46,505	(46,398)	377,439	377,546
Iron Fund Endowment	287,953	(133,391)	38,596	192,558
Herefordshire Arts College	1,106	-	11,680	12,786
HCF Care Fund	30,956	(3,657)	3,093	30,389
Judith Shrimpton Fund	512	-	5,512	6,024
HCF Sports Fund	48	-	630	678
Much Marcle United Fund	1,357	(183)	16,591	17,765
Heaton Endowment	-	(12,910)	-	(12,910)
Diamond Jubilee Trow Endowment	5,997	(401)	-	5,596
High Sheriff Endowment	15,977	(13,848)	34,092	36,221
The Charlotte Ballard Trust Fund	269	(500)	2,969	2,738
Charles & Anne Saunders Family Fund	16,951	(742)	5,325	21,534
HCF Arts fund	71	-	778	849
AONB Endowment	861	-	9,032	9,893
HCF MHF	-	75,939	-	75,939
	441,713	(179,183)	848,914	1,111,444
TOTAL FUNDS	1,011,449	(718,272)	854,615	1,147,792

HEREFORDSHIRE COMMUNITY FOUNDATION

Notes to the Financial Statements - continued

18. MOVEMENT IN FUNDS - continued
Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	74,706	(57,700)	73,070	90,076
Restricted funds				
Comic Relief	(1)	-	1	-
Herefordshire Lifestyles	7,384	(2,705)	(273)	4,406
Herefordshire RSN	4,787	27	-	4,814
iwill	7	(7)	-	-
Surviving Winter	5,146	3,246	(705)	7,687
Odey Fund	6,344	(3,465)	(350)	2,529
TVYP	169,995	(28,876)	(2,969)	138,150
Iron Fund Flow-Through	79,778	3,887	(9,631)	74,034
Ross Tennis Club	292	224	(7)	509
Brandon Trust	-	837	(837)	-
AONB Restricted	-	10,118	-	10,118
Emergency Appeal Fund	-	53,359	-	53,359
NET Fund	-	6,500	-	6,500
	273,732	43,145	(14,771)	302,106
Endowment funds				
Becket Bulmer	959,624	(32,014)	(15,231)	912,377
Richard Bulmer	183,732	(7,874)	(2,885)	172,973
John Morgan	28,422	(122)	(459)	27,841
Hergest	67,631	(2,679)	(1,077)	63,875
Glencora	142,085	(7,335)	(2,217)	132,533
Coneygree	28,868	(5,833)	(406)	22,629
CPRE	25,607	127	(407)	25,327
Jack Hughes	39,114	(1,203)	(612)	37,299
Bulmer Gilmour	64,806	(1,399)	(1,030)	62,377
H.E.C	193,920	(3,586)	(3,054)	187,280
Herefordshire Country Fair	62,543	2,116	(983)	63,676
Joanies	1,944,156	(75,383)	(20,543)	1,848,230
Iron Fund Endowment	54,058	91,518	(1,994)	143,582
Herefordshire Arts College	60,437	(2,106)	(947)	57,384
HCF Care Fund	13,457	(586)	(212)	12,659
Judith Shrimpton Fund	29,565	(1,388)	(464)	27,713
HCF Sports Fund	4,020	21	(64)	3,977
Much Marcle United Fund	92,606	(5,088)	(1,405)	86,113
Hunter Trow	11,850	777	(12,627)	-
Heaton Endowment	14,448	(1,425)	(114)	12,910
Diamond Jubilee Trow Endowment	8,010	(348)	(60)	7,602
High Sheriff Endowment	158,142	954	9,900	168,997
The Charlotte Ballard Trust Fund	15,855	77	(254)	15,678
Charles & Anne Saunders Family Fund	24,917	118	(399)	24,636
HCF Arts fund	4,029	20	(65)	3,984
AONB Endowment	-	45,329	(690)	44,639
	4,231,902	(7,312)	(58,299)	4,166,291
TOTAL FUNDS	4,580,340	(21,867)	-	4,558,473

HEREFORDSHIRE COMMUNITY FOUNDATION

**Notes to the Financial Statements - continued
for the year ended 31 March 2021**

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	23,450	(79,708)	-	(56,258)
Restricted funds				
Heaton Fund	(1,439)	8,499	-	7,060
Herefordshire Lifestyles	29	(2,734)	-	(2,705)
Herefordshire RSN	27	-	-	27
iwill	49,993	(50,000)	-	(7)
Surviving Winter	10,300	(7,554)	-	2,746
Odey Fund	35	(3,500)	-	(3,465)
TVYP	811	(29,687)	-	(28,876)
Iron Fund Flow-Through	100,580	(96,694)	-	3,886
Ross Tennis Club	880	(656)	-	224
Brandon Trust	8,369	(7,532)	-	837
AONB Restricted	10,117	-	-	10,117
GVC Fund	45,000	(45,000)	-	-
Tampon Tax	33,081	(33,081)	-	-
Emergency Appeal Fund	75,359	(30,000)	-	45,359
NET Fund	47,500	(41,000)	-	6,500
	<u>380,642</u>	<u>(338,939)</u>	-	41,703
Endowment funds				
Becket Bulmer	33,109	(36,470)	(28,653)	(32,014)
Richard Bulmer	6,172	(8,723)	(5,323)	(7,874)
John Morgan	1,907	(1,250)	(779)	(122)
Hergest	2,247	(3,000)	(1,926)	(2,679)
Glencora	4,740	(7,985)	(4,090)	(7,335)
Coneygree	814	(5,954)	(693)	(5,833)
CPRE	790	-	(663)	127
Jack Hughes	1,301	(1,433)	(1,071)	(1,203)
Bulmer Gilmour	2,230	(1,700)	(1,929)	(1,399)
H.E.C	7,071	(5,118)	(5,539)	(3,586)
Herefordshire Country Fair	6,561	(2,000)	(2,445)	2,116
Joanies	66,628	(83,556)	(58,455)	(75,383)
Iron Fund Endowment	104,151	-	(12,633)	91,518
Herefordshire Arts College	2,127	(2,443)	(1,790)	(2,106)
HCF Care Fund	437	(650)	(373)	(586)
Judith Shrimpton Fund	981	(1,525)	(844)	(1,388)
HCF Sports Fund	117	-	(96)	21
Much Marcle United Fund	2,955	(5,526)	(2,517)	(5,088)
Hunter Trow	98	-	679	777
Heaton Endowment	75	(1,500)	-	(1,425)
Diamond Jubilee Trow Endowment	44	(392)	-	(348)
High Sheriff Endowment	12,723	(5,600)	(6,169)	954
The Charlotte Ballard Trust Fund	531	-	(454)	77
Charles & Anne Saunders Family Fund	854	-	(736)	118
HCF Arts fund	139	-	(119)	20
AONB Endowment	50,763	-	(5,434)	45,329
	<u>309,565</u>	<u>(174,825)</u>	<u>(142,052)</u>	<u>(7,312)</u>
TOTAL FUNDS	713,657	(593,472)	(142,052)	(21,867)

HEREFORDSHIRE COMMUNITY FOUNDATION

Notes to the Financial Statements - continued for the year ended 31 March 2021

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021 and for the year ended 31 March 2020.

20. POST BALANCE SHEET EVENTS

A balance of £135,520 within fixed assets (nil net book value) relating to the cost of the Diamond Jubilee Trow was gifted to the National Trust in April 2021.

21. RESTRICTED FUNDS

The Foundation manages a number of different types of funds. They fall into two main groups :-

- Endowment funds where the donations are held as capital and the income is distributed as grants in accordance with the wishes of the donor.
- Flow-through funds where the whole donation is distributed as grants over a set period, usually five years or less.

Endowment funds are further divided into three groups:-

- Unmatched Endowment funds received no matched funding from Government apart from Gift-Aid. The Foundation manages one such fund, invested with CCLA Investment Management Limited. Fees are charged to capital.
- Grassroots Endowment funds received matched government funding under a now closed Grassroots Endowment Match Challenge scheme in addition to Gift-Aid. The Foundation manages nine such funds, invested with CCLA Investment Management Limited. Fees are charged to capital.
- Community First Endowments receive matched government funding under a current scheme in addition to Gift Aid. Such funds are invested with CCLA Investment Management Limited in accordance with the rules of the scheme. Fees are charged to income. The income is supplemented by capital gains in excess of inflation.

There follows a brief description of the charitable objects of each fund grouped as above.

Unmatched Endowment Funds (no additional government funds)

Becket Bulmer

To promote the cultural advancement of the people of Herefordshire in particular through the theatre, music and arts, enhance the education of young people, the improvement of the environment and the support of disabled people. In addition to support Hereford Cider Museum and award an annual bursary to the Hereford Police Male Choir Young Musician of the Year. Approximately 8% of the value of the Becket Bulmer Fund was matched through the Grassroots Endowment Match Challenge, a government scheme that ran from 2008 to 2011.

Much Marcle United Fund

A consolidated group of old charities for the benefit of the people of the Ancient Parish of Much Marcle. Specifically, to support organisations and community groups that work in support of the wider community. Grants for individuals will be considered for education or welfare issues.

21. RESTRICTED FUNDS - continued

Unmatched Endowment Funds (no additional government funds) - continued

HCF Care Fund

To fund any Herefordshire emergency or requirement which needs an immediate response. The emphasis should be on individuals, the homeless, poor or needy such as replacement clothing for a family after a house fire, or an essential home appliance for an individual or family needing urgent rehousing after domestic abuse.

HCF Sports Fund

A currently inactive fund but established to raise money for sport in Herefordshire.

Richard Bulmer

To help under-25's living in and from Herefordshire to further their artistic aspirations with particular emphasis on music and travel.

John Morgan

To promote activities which raise environmental awareness and which benefit the environment with emphasis on the Kington area.

Hergest

As for John Morgan but also to support the artistic endeavours of residents from Kington.

Glencora

To promote activities that benefit the environment, enhance the lifestyles of the older generation and further the arts with particular emphasis on music. Priority given to applications from the Ledbury/Colwall area.

Coneygree

To support the activities of community/voluntary groups in Ledbury and the twenty-three surrounding parishes to provide care and fellowship to individuals and rehabilitate those with mental or physical health problems through their activities. There is a special focus given to groups working with older people.

CPRE (Herefordshire)

To support groups that protect the countryside.

Judith Shrimpton Fund

A fund created to benefit such organisations and activities in Herefordshire and the West Midlands whose aim is to relieve the needs of people with disabilities of any kind and to help individuals lead a lifestyle of their choice.

Charlotte Emma Ballard Trust Fund

A fund created to support children living in Ledbury.

Charles & Anna Saunders Family Trust Fund

A fund created to help people who are working to better themselves through hard work.

HEREFORDSHIRE COMMUNITY FOUNDATION

Notes to the Financial Statements - continued for the year ended 31 March 2021

21. RESTRICTED FUNDS - continued

HCF Mental Health Fund

It has been a long-time priority of HCF to provide a fund dedicated to addressing mental health issues throughout Herefordshire. Thanks to a legacy left to the Foundation and a large, very generous, corporate donation, the HCF Mental Health Fund has now been set up and the Foundation is currently collaborating with local organisations and providers, including the NHS, to ensure the funding will be targeted where it is most needed.

Community First Endowment Match Challenge (a government scheme that offered £1 for every £2 endowed)

Hereford College of Arts

A fund created to support the arts in Herefordshire, including bursaries for students at the Hereford College of Arts and an annual Brian Hatton Award to the Herefordshire Young Artist of the year.

Bulmer Gilmour

To support voluntary and community groups in Herefordshire, with emphasis on families.

H.E.C. Herefordshire Education Fund.

To support education, including Bursaries for the under- 25's.

H.C.F. Herefordshire Country Fair.

A fund using any available surplus from the annual Country Fair to support the rural community in Herefordshire.

Joanies

This fund, covering England and Wales, has a wide-ranging, community-based focus but particularly welcomes applications from organisations working with young people aged 11 to 25 and is especially interested in projects that lead to employment, accreditation, further education, training and integration. It looks for innovation and entrepreneurship and for strong evidence of how closely applicants consult young people in developing their service, and for any community involvement or local financial support.

Hunter Trow

This fund may contribute to the running costs of the Diamond Jubilee Herefordshire Trow and other similar activities.

Jack Hughes Fund

Established by the Herefordshire County Proficiency Tests Committee to support the rural communities across the county, initially with rural education requirements and skill enhancement opportunities.

21. RESTRICTED FUNDS - continued

Hybrid Funds

High Sheriff

To support community and voluntary groups involved with law and order and community cohesion. This fund is regularly augmented and has benefited from both government schemes.

Diamond Jubilee Trow

The replica traditional Wye barge (a Trow), built in the first instance to represent Herefordshire in the Diamond Jubilee Thames Pageant and subsequently to provide adventure to the young or disadvantaged and to be a source of pride for the County.

Flow-through Funds

Comic/Sports Relief

Used to support work where there is clear evidence of a sustained beneficial impact on the lives of people who are excluded or disadvantaged through low income, rural or social isolation, age, disabilities, race, sexuality or gender. Administered across both Herefordshire and Shropshire.

Surviving Winter

Grants of up to £300 to vulnerable individuals and families to help pay for winter heating funded by transfer of winter fuel allowance.

The Odey Fund

The Odey Fund operates in South Herefordshire and North Gloucestershire. Priority for grants is given to established charitable organisations active in the fields of education and youth development for the age range of 16 to 25 years old with the secondary element of wider community support grants.

The Heaton Fund

To support community groups and charities based in Ledbury.

Herefordshire Lifestyles

To relieve the needs of people with disabilities within the county of Herefordshire. To help individuals lead a lifestyle of their choice, given their disability.

Herefordshire RSN

To support the relief of mental and physical sickness of persons in Herefordshire who suffer from stress, by the provision of emotional support, practical support and advice. To advance the education of the public, including professionals, in the significance of stress in rural communities.

#iwill

Formally Youth Social Action #iwill is a lottery-funded programme aimed at raising the level and quality of youth social action in activities such as campaigning, fundraising and volunteering, all of which enable participants to make a positive difference to their communities.

HEREFORDSHIRE COMMUNITY FOUNDATION

Notes to the Financial Statements - continued for the year ended 31 March 2021

21. RESTRICTED FUNDS - continued

Flow-through Funds - continued

NET Fund

The National Emergencies Trust (NET) is an independent charity that collaborates with charities and other bodies to raise and distribute money at the time of a domestic disaster. Net launched the NET Coronavirus Appeal which has been divided between the 46 National Community Foundations to effectively and efficiently support local voluntary and community organisations that help vulnerable people impacted by the Covid-19 crisis.

DCMS-NET Fund

The DCMS-NET Fund is funding provided to NET by the Department of Culture, Media and Sport (DCMS) from the BBC's Big Night In appeal to support local voluntary and community organisations during the Covid-19 crisis.

Welsh Water Fund

The Welsh Water Fund is funding donated by Welsh Water for specific projects within its operational area in Herefordshire that are helping to deliver frontline services and bringing immediate benefits to recipients affected by the Coronavirus pandemic.

Barclays Group Fund

The Barclays Group Coronavirus Fund has been divided between the National Community Foundations through UKCF to fund organisation's project costs, including salaries, relating to Coronavirus emergency response.

Sick Man's Friend Fund

This fund was a dormant fund which has been distributed through UKCF to all the Community Foundations to provide support for Covid-19 related projects.

George's Fund

George's Fund has been set up by a Trustee of the Foundation to celebrate the short and special life of George Price, to be used to promote the interests of Herefordshire's young children.

The Hereford Times Christmas Appeal Fund

This is funding raised by the Hereford Times during Christmas 2020. It has been distributed between seven charities chosen by the Herefordshire's Mayors.

Iron Fund

A fund created to relieve the needs of people within the county of Herefordshire which favours projects that encourage community cohesion, issues of isolation and disadvantage, and are able to demonstrate local need.

HEREFORDSHIRE COMMUNITY FOUNDATION

Notes to the Financial Statements - continued for the year ended 31 March 2021

AONB

The Fund provides an opportunity to apply for grant aid for projects which conserve and enhance the Wye Valley Area of Outstanding Natural Beauty (AONB) and its setting. AONBs are nationally important landscapes, designated for their outstanding natural and scenic beauty. The HCF Wye Valley AONB Fund is administered by the Herefordshire Community Foundation and coordinated by the Wye Valley AONB Unit, based in Monmouth. The Fund supports projects which benefit communities and the environment of the Wye Valley Area of Natural Beauty (AONB) and the area adjoining the AONB boundary (where the majority of the benefit is in the AONB) that is within Herefordshire, Gloucestershire and Monmouthshire. The fund seeks to conserve and enhance the local characteristics of wildlife, landscape, land use and community. Sustaining social well-being and economic viability are also important aims.

Brandon Trust Fund

The fund aims to improve the lives of people with learning disabilities in Herefordshire, to promote and encourage them to use the skills that they have and to be an active part of the local community.

GVC Fund

The Fund supports local communities and projects, with a focus on sports and healthy activity projects, and those which support men's health.

Tampon Tax

The Tampon Tax Fund allocates the funds generated from the VAT on sanitary products to projects that improve the lives of disadvantaged women and girls. The Tampon Tax Community Fund aims to support women who are most marginalised to overcome barriers that prevent them from fulfilling their potential. The programme benefits women and girls, investing in a wide variety of projects, that make a tangible and long-term difference to health, well-being, confidence and social/economic activity, as well as addressing equality gaps.

Emergency Appeal Fund

Funds raised by HCF, in conjunction with Hereford Times, to support individuals, community groups and charities affected by the floods caused by Storm Dennis

22. GUARANTEE

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up during the time that he or she is a member or within one year afterwards for payment of the debts and liabilities of the company contracted before he or she ceases to be a member, and of the costs, charges and expense of winding up the same and for the adjustment of the rights of contributors amongst themselves, such amount as may be required not exceeding, in the case of any member, the sum of £1. Total guarantees at 31st March 2021 amounted to £10.

23. GRANTS MANAGED ON BEHALF OF THIRD PARTIES

The Foundation previously acted as an advisor to one other grant giving body.

A total of £nil (2020; £19,900) was made in grants by the Pippin Trust, an independent registered charity on the Foundations advice. HCF no longer administer the Pippin Trust.

HEREFORDSHIRE COMMUNITY FOUNDATION

**Detailed Statement of Financial Activities
For the year ended 31 March 2021**

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	427,600	395,679
Grants	<u>337,668</u>	<u>153,581</u>
	765,268	549,260
Other trading activities		
Fundraising events	-	1,250
Investment income		
Investments	157,812	148,084
Other income		
Management charges	<u>88,369</u>	<u>15,063</u>
Total incoming resources	1,011,449	713,657
EXPENDITURE		
Charitable activities		
Wages	62,878	55,125
Rent and service charge	1,614	1,937
Postage and stationery	168	521
Advertising	-	103
Sundries	1,179	3,382
Fees, Subs and Training	3,443	3,388
Bank Charges	263	222
Computer Maintenance	5,974	7,029
Management charges	70,960	-
Grants paid out	<u>567,124</u>	<u>513,764</u>
	713,603	585,471
Support costs		
Governance costs		
Wages	-	1,125
Auditors' remuneration	4,020	3,900
Insurance	649	280
Accountancy and legal fees	<u>-</u>	<u>2,696</u>
	4,669	8,001
Total resources expended	<u>718,272</u>	<u>593,472</u>
Net income before gains and losses	293,177	120,185
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>854,615</u>	<u>(142,052)</u>
Net income/(expenditure)	1,147,792	(21,867)

This page does not form part of the statutory financial statements