

HEREFORDSHIRE COMMUNITY FOUNDATION

(a company limited by guarantee)

REPORT AND ACCOUNTS

For the year ended 31st MARCH 2018

AUDITED

Registered Charity No. 1094935

Company Registered No. 04468139

Herefordshire Community Foundation

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 2018

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Herefordshire Community Foundation

REFERENCE AND ADMINISTRATIVE INFORMATION

for the year ended 31st March 2018

Charity Name	Herefordshire Community Foundation
Governing Instrument	The Charity is a company limited by guarantee having no share capital governed by its Memorandum and Articles of Association. It was incorporated on 24 th June 2002.
Registered Charity Number	1094935
Company Registered Number	04468139
Trustees (who are also the Directors)	<p>Oliver Cooke Wilma Gilmour Nat Hone (resigned 15th May 2017) Will Lindesay Frank Myers Sally Pettipher (resigned 23rd April 2018) David Snow Shelagh Wynn Richard Morgan Andy Williams (appointed 22nd January 2018) Nicola Foreman (appointed 22nd January 2018)</p> <p>The number of Trustees shall be no less than 3 and (unless otherwise determined by ordinary resolution) no more than 15.</p> <p>The Trustees have the power to appoint Trustees in accordance with the procedures laid out in the Memorandum and Articles of Association.</p> <p>The Trustees value diversity within the board of Trustees and strive to ensure the Board is representative of the community.</p>
Registered and Principal Office	<p>The Fred Bulmer Centre Wall Street Hereford HR4 9HP</p>
Company Secretary	<p>Wilma Gilmour (resigned 8th July 2018) Nicola Foreman (appointed 9th July 2018)</p>
Fund Director CEO	<p>Dave Barclay to 31st January 2017 Jayne Porchester from 1st February 2017 (resigned December 2017) Philippa Spens (appointed March 2018)</p>
Investment Managers	<p>CCLA Investment Management Limited 80 Cheapside London EC2V 6DZ</p>

Herefordshire Community Foundation

REFERENCE AND ADMINISTRATIVE INFORMATION

for the year ended 31st March 2018 (continued)

Bankers

CAF (Charities Aid Foundation)
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4TA

Solicitors

Farrer & Co
66 Lincoln's Inn Field
London
WC2A 3LH

Investment Powers

The Trustees have wide powers of investment. However, as part of the government contract all Community First endowment match challenge funds have to be invested through CCLA.

Auditors

Kendall Wadley LLP
Granta Lodge
71 Graham Road
Malvern
WR14 2JS

Herefordshire Community Foundation

CHAIRMAN'S REPORT

for the year ended 31st March 2018

Welcome to HCF's annual report for 2017/18. This is an opportunity for us to update you on the work we've been doing and the impact we are making as a charity. In summary, in 2017/18 we gave out 124 grants and a total of £246,110 as compared with 113 and £176,976 the year before. In addition, the Pippin Trust, which we administer on the Trustees behalf, gave out £32,571 as compared with £16,977 the year before.

HCF has awarded more grants and reached a wider group of people than ever before. The need in Herefordshire is often hidden and we strive to identify the charities and individuals that need our help the most. We have commissioned a report, known as Vital Signs, which will aim to highlight the changing needs in Herefordshire. This will be published during the financial year 2018/19 and will hopefully enable the community to target its charitable efforts.

We were delighted with the arrival of The Iron Fund, £200,000 available to be distributed immediately and £50,000 as an endowment, invested for the future. Donated by a generous Herefordshire business, The Iron Fund's purpose is for poverty, isolation and need in Herefordshire. It has meant that we have been and continue to be able to support various groups and individuals who previously did not meet the criteria of our other more restricted funds.

As the Vital Signs report uncovers evidence of other hard-to-reach causes, we will redouble our efforts to identify other generous donors who will help us to reach out and, where possible, eliminate hardship and disadvantage in our community.

To this end please consider whether you or your business can help us in future.

Frank Myers MBE
Chairman

Herefordshire Community Foundation

REPORT OF THE TRUSTEES (INCLUDING DIRECTORS' REPORT) **for the year ended 31st March 2018**

The Trustees, who are also the Directors, present the report and accounts for the Trust for the year ended 31st March 2018. These have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, applicable law and the requirements of "Accounting and Reporting by Charities", Statement of Recommended Practice applicable to charities preparing accounts in accordance with the financial reporting standard applicable in the UK and the Republic of Ireland (FRS102) (as amended for accounting periods commencing from 1st January 2016).

Objectives and activities

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.

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.

Herefordshire Community Foundation

REPORT OF THE TRUSTEES (INCLUDING DIRECTORS' REPORT)

for the year ended 31st March 2018 (continued)

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
- 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'.

Achievements and performance

In the year under review, the emphasis has been on grant giving. The increase in our endowment funds by donations has been enhanced by a recovery in investment value. The value of grants disbursed was more than last year. New funds were established. Stock market conditions were helpful and the investment return achieved represented a good outcome in the context of the stock market as a whole.

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

Strategic report

The description under the headings "Achievements and performance" and "Financial Review" meet the company law requirements for the trustees to present a strategic report.

Grants and donations

All grants and donations received by the Foundation are applied according to its objects. The Trustees approve where funds are to be applied and thereafter monitor their application.

Endowment Funds

During the year, The Foundation's Endowment Funds received £74,367 (2017: £46,321) in donations, of which £24,367 was added to existing Funds and £50,000 was applied to a new fund created during the year.

A full list of funds managed by the Foundation, grouped by type and with a description of their charitable purpose, can be found in note 14 to the accounts.

Herefordshire Community Foundation

REPORT OF THE TRUSTEES (INCLUDING DIRECTORS' REPORT) for the year ended 31st March 2018 (continued)

Flow-Through Funds

The Flow-Through Funds received £474,516 (2017: £158,168) in donations and grants, which was added to existing funds for subsequent distribution.

Grant giving

The Foundation has made 124 (2017: 113) individual grant donations and related payments totalling £246,110 (2017: £176,976). A complete list of grants to organisations may be found in Note 21 to the accounts. Grants to individuals have been aggregated.

In addition to making these grants that pass through the Foundation's books, the Foundation also acts as advisor to other grant-giving bodies.

Grants totalling £32,571 (2017: £16,977) were made by the Pippin Trust, an independent registered charity on the Foundation's advice. The Foundation received a fee of £2,443 (2017: £1,273) for these services.

Financial Review

Details of the financial position of the Foundation are set out in the following accounts on pages 16 to 39. In summary, for the year ended 31st March 2018:

- Total reserves at year end were £4,496,410 (2017: £4,043,462)
- Realised and unrealised gains on investments totalled £63,862 (2016: £485,889)
- Income less expenditure (before investment gains and losses) generated a surplus of £389,086 (2017: £102,485)
- Endowment funds at year end totalled £3,936,856 (2017: £3,832,376).
- The Administration of the Foundation (General Fund) made a surplus of £4,633 (2017: £3,716).

Herefordshire Community Foundation

REPORT OF THE TRUSTEES (INCLUDING DIRECTORS' REPORT) **for the year ended 31st March 2018 (continued)**

Reserves Policy

The total reserves of the charity increased by £452,948 to £4,496,410 from £4,043,462. Restricted funds increased from £3,961,962 to £4,410,277. Unrestricted funds increased from £81,500 to £86,133 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.

Principle sources of income

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.

Risk assessment

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.

Investment Policy

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.”

Plans for future periods

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.

Herefordshire Community Foundation

REPORT OF THE TRUSTEES INCLUDING DIRECTORS' REPORT)

for the year ended 31st March 2018 (continued)

Structure, governance and management

Governing document

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 Trustees

Nat Hone resigned as director and Treasurer during the year. Andy Williams and Nicola Foreman were appointed on 22nd January 2018 and Sally Pettipher resigned on 23rd April 2018. Other Trustees serving are as shown on the Reference and Administrative Information pages preceding this report.

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.

Trustee induction and training

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

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.

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.

Herefordshire Community Foundation

REPORT OF THE TRUSTEES (INCLUDING DIRECTORS' REPORT) for the year ended 31st March 2018 (continued)

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. During the year, the Foundation obtained the latest Quality Accreditation, (QA4).

Auditors

A resolution proposing that Kendall Wadley LLP be reappointed as auditor of the company will be put to the members at the next Annual General Meeting.

Disclosure of information to auditors

Each of the Directors/Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware.

They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

This report has been prepared having taken advantage of the small companies exemption contained within the Companies Act 2006.

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

On behalf of the Board of Trustees

Frank Myers MBE
Trustee

Dated: 22nd October 2018

The Fred Bulmer Centre
Wall Street
Hereford
HR4 9HP

Herefordshire Community Foundation

STATEMENT OF TRUSTEES' RESPONSIBILITIES

for the year ended 31st March 2018

The Trustees (who are also Directors of Herefordshire Community Foundation for the purposes of company law) are responsible for preparing the Trustees' 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 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company 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 corporate and financial information included on 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.

Herefordshire Community Foundation

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HEREFORDSHIRE COMMUNITY FOUNDATION

Opinion

We have audited the financial statements of Herefordshire Community Foundation (the 'charitable company') for the year ended 31st March 2018 which comprise the Statement of Financial Activities, Balance Sheet, 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2018, 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 Auditor's 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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.

Herefordshire Community Foundation

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HEREFORDSHIRE COMMUNITY FOUNDATION (continued)

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 11, 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

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.

Other matter

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

Sarah Morley ACA
(Senior Statutory Auditor)
for and on behalf of Kendall Wadley LLP
Chartered Accountants Statutory Auditor
Granta Lodge
71 Graham Road
Malvern
WR14 2JS

Dated: 22nd October 2018

Kendall Wadley LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Herefordshire Community Foundation

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

for the year ended 31st March 2018

	Note	Unrestricted General £	Restricted Flow-Through £	Restricted Endowment £	Total 2018 £	Total 2017 £
Income and endowments from:						
Incoming resources from generated Funds						
Donations and legacies	2	18,693	474,516	74,367	567,576	212,045
Investments	2	-	-	138,783	138,783	129,167
Total income and endowments		<u>18,693</u>	<u>474,516</u>	<u>213,150</u>	<u>706,359</u>	<u>341,212</u>
Expenditure on:						
Charitable activities						
Grants made	2	-	(124,477)	(121,633)	(246,110)	(176,976)
Management costs	3	(60,505)	-	(345)	(60,850)	(52,698)
Governance costs	4	(10,313)	-	-	(10,313)	(9,053)
Total resources expended		<u>(70,818)</u>	<u>(124,477)</u>	<u>(121,978)</u>	<u>(317,273)</u>	<u>(238,727)</u>
Net gains on investments		--	-	63,862	63,862	485,889
Net (outgoing)/incoming resources before transfers		<u>(52,125)</u>	<u>350,039</u>	<u>155,034</u>	<u>452,948</u>	<u>588,374</u>
Transfers						
Fees	2	56,758	(6,204)	(50,554)	-	-
Net movement in funds		<u>4,633</u>	<u>343,835</u>	<u>104,480</u>	<u>452,948</u>	<u>588,374</u>
Reconciliation of funds						
Fund balances brought forward		81,500	129,586	3,832,376	4,043,462	3,455,088
Fund balances carried forward		<u>86,133</u>	<u>473,421</u>	<u>3,936,856</u>	<u>4,496,410</u>	<u>4,043,462</u>

All activities are classed as continuing.

All recognised gains and losses are included in the above. The notes on pages 17 to 40 form part of these accounts. The Statement of Financial Activities also complies with the requirements for an income and expenditure account under Companies Act 2006.

Herefordshire Community Foundation

BALANCE SHEET

at 31st March 2018

Company registered number: 04468139

		2018		2017	
	Note	£	£	£	£
Fixed assets					
Charitable assets	6	-		-	
Tangible fixed assets	7	-		-	
Investments	8	3,760,940		3,677,442	
			3,760,940		3,677,442
Current assets					
Debtors	10	48,189		33,695	
Cash at bank and in hand		713,124		340,296	
		<u>761,313</u>		<u>373,991</u>	
Creditors: amounts falling due within one year	11	(25,843)		(7,971)	
Net current assets			<u>735,470</u>		<u>366,020</u>
Total assets less current liabilities			<u>4,496,410</u>		<u>4,043,462</u>
Funds					
Unrestricted:	2,13		86,133		81,500
Restricted:	2, 14				
Endowment funds capital		3,889,565		3,801,888	
Endowment funds income		47,291		30,488	
Flow-through funds		<u>473,421</u>		<u>129,586</u>	
			<u>4,410,277</u>		<u>3,961,962</u>
Total Funds			<u>4,496,410</u>		<u>4,043,462</u>

The company is entitled to exemption from the audit requirement contained in Section 477 of the Companies Act 2006 relating to small companies for the year ended 31st March 2018, although an audit has been carried out under Section 144 of the Charities Act 2011. No member or members eligible to do so have deposited a notice requesting an audit within the specified time period in accordance with Section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime.

The accounts on pages 14 to 40 were approved and authorised for issue 22nd October 2018 on behalf of the Trustees by

Frank Myers MBE
Trustee

Dated: 22nd October 2018

The notes on pages 17 to 40 form part of these accounts.

Herefordshire Community Foundation

Statement of Cash Flows For the Year Ended 31st March 2018

	Note	2018		2017	
		£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	17		253,681		(24,211)
Investing activities					
Proceeds on disposal of investments		162,579		50,400	
Purchase of investments		(182,215)		(49,257)	
Interest received		328		380	
Dividends received		138,455		128,787	
		<u>138,455</u>		<u>128,787</u>	
Net cash generated from investing activities			119,147		130,310
Net increase in cash and cash equivalents			<u>372,828</u>		<u>106,099</u>
Cash and cash equivalents at beginning of year			340,296		234,197
Cash and cash equivalents at end of year			<u><u>713,124</u></u>		<u><u>340,296</u></u>
Relating to:					
Bank balances and short-term deposits			<u><u>713,124</u></u>		<u><u>340,296</u></u>

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018

1 Accounting policies

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.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) (as amended for accounting periods commencing from 1st January 2016), “Accounting and Reporting by Charities” the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1st January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on the historical cost convention modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 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.

1.3 Charitable funds

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.

1.4 Incoming resources

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.

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

1.5 Charitable fixed assets

The Foundation owns a charitable asset in the form of the Herefordshire Trow, a barge normally on the River Wye. The cost of its construction as at the balance sheet date has been capitalised. It was being depreciated in equal annual instalments over its expected useful life of 25 years; but was fully impaired in 2016.

1.6 Tangible fixed assets

Tangible fixed assets costing more than £150 are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised in order to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office & equipment	4 years – straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss if any.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

1.9 Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

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

1.10 Grants

Grant making expenditure is recognised when any conditions have been fulfilled and payment is made.

1.11 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.

1.12 Resources expended

Liabilities are recognised for the amounts that the charity anticipates it will have to pay to settle a debt or the amount it has received in advance as payment for services it has to provide.

Expenditure on charitable activities includes the costs associated with the activities undertaken to further the purpose of the charity and includes administration and governance costs

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

1.13 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31ST MARCH 2018

2 Fund Analysis

Fund Name		Balance at	Incoming resources		Resources Expended			Transfers	Gains on Investments	Balance at 31st March 2018
		1st April 2017	Donations	Investment	Grants	Fee Transfers	External Costs			
Becket Bulmer	Capital	894,349	-	-	-	(13,803)	-	15,740	896,287	
	Income	13,334		33,033	(36,512)	-	-	-	9,856	
	2016-17	793,758	65	31,398	(23,403)	(12,652)	-	118,517	907,685	
Richard Bulmer	Capital	166,480	-	-	-	(2,618)	-	2,920	166,782	
	Income	7,750	-	6,124	(8,608)	-	-	-	5,267	
	2016-17	151,785	300	5,853	(3,340)	(2,419)	-	22,052	174,231	
John Morgan	Capital	24,542	-	-	-	(421)	-	429	24,550	
	Income	3,614	-	907	(2,000)	-	-	-	2,521	
	2016-17	24,924	-	870	(500)	(392)	-	3,254	28,156	
Hergest	Capital	60,443	-	-	-	(1,017)	-	1,057	60,483	
	Income	10,378	-	2,227	(10,000)	-	-	-	2,605	
	2016-17	62,136	-	2,149	(500)	(986)	-	8,022	70,821	
Glencora	Capital	127,945	-	-	-	(2,027)	-	2,243	128,161	
	Income	3,865	-	4,707	(3,980)	-	-	-	4,592	
	2016-17	114,099	-	4,488	(1,906)	(1,822)	-	16,951	131,810	
Coneygree	Capital	21,861	-	-	-	(400)	-	382	21,843	
	Income	4,107	-	811	-	-	-	-	4,918	
	2016-17	23,155	-	777	(500)	(363)	-	2,899	25,968	

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31ST MARCH 2018
(CONTINUED)

2 Fund Analysis

Fund Name		Balance at	Incoming resources		Resources Expended			Transfers	Gains on Investments	Balance at 31st March 2018
		1st April 2017	Donations	Investment	Grants	Fee Transfers	External Costs			
CPRE	Capital	20,940	-	-	-	(352)	-	367	20,955	
	Income	1,838	-	773	-	-	-	-	2,611	
	2016-17	19,574	-	740	-	(314)	-	2,778	22,778	
High Sheriff	Capital	133,625	6000	-	-	(2,196)	-	2,261	139,690	
	Income	1,249	-	5,100	(1,080)	-	-	-	5,269	
	2016-17	114,574	5,000	4,588	(4,500)	(1,952)	-	17,164	134,874	
Jack Hughes	Capital	42,076	-	-	-	(660)	-	500	41,916	
	Income	1,400	-	1,090	(960)	-	-	-	1,530	
	2016-17	40,683	-	1,036	(1,300)	(636)	-	3,693	43,476	
Bulmer Gilmour	Capital	60,296	-	-	-	(955)	-	1,056	60,397	
	Income	1,831	-	2,219	(2,190)	-	-	-	1,860	
	2016-17	53,801	-	2,104	(816)	(860)	-	7,897	62,127	
H.E.C	Capital	156,762	17,308	-	-	(2,810)	-	2,550	173,810	
	Income	2,214	-	6,188	(2,000)	-	-	-	6,402	
	2016-17	132,338	7,012	5,294	(3,000)	(2,242)	-	1,9574	158,976	
Herefordshire Country Fair	Capital	54,317	-	-	-	(853)	-	954	54,419	
	Income	765	-	2,003	-	-	-	-	2,768	
	2016-17	49,236	-	1,928	(2,500)	(793)	-	7,211	55,083	

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31ST MARCH 2018
(CONTINUED)

2 Fund Analysis

Fund Name		Balance at	Incoming resources		Resources Expended			Transfers	Gains on Investments	Balance at 31st March 2018
		1st April 2017	Donations	Investment	Grants	Fee Transfers	External Costs			
Joanies	Capital	1,776,612	-	-	-	(18,461)	-	31,305	1,789,456	
	Income	25,853	-	65,705	(49,853)	-	-	-	41,705	
	2016-17	1,583,783	-	62,377	(62,045)	(16,739)	-	235,089	1,802,465	
Iron Fund	Capital	-	50,000	-	-	(1,062)	-	(999)	47,939	
	Income	-	-	1,296	-	-	-	-	1,296	
	2016-17	-	-	-	-	-	-	-	-	
Hereford College of Arts	Capital	55,900	-	-	-	(882)	-	981	55,998	
	Income	2,768	-	2,058	(2,250)	-	-	-	2,576	
	2016-17	51,039	-	1967	(950)	(810)	-	7,422	58,668	
HCF Care Fund (previously H'fordshire Fund)	Capital	8,129	-	-	-	(133)	-	122	8,119	
	Income	692	-	259	(350)	-	-	-	601	
	2016-17	12,818	(4,926)	248	-	(220)	-	901	8,822	
Judith Shrimpton Fund	Capital	26,377	-	-	-	(412)	-	464	26,429	
	Income	228	-	980	(700)	-	-	-	508	
	2016-17	-	26,641	228	-	(266)	-	2	26,605	
HCF Sports Fund	Capital	12	701	-	-	-	-	-	713	
	Income	-	-	-	-	-	-	-	-	
	2016-17	12	-	-	-	-	-	-	12	

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31ST MARCH 2018
(CONTINUED)

2 Fund Analysis

Fund Name		Balance at	Incoming resources		Resources Expended			Transfers	Gains on Investments	Balance at 31st March 2018
		1st April 2017	Donations	Investment	Grants	Fee Transfers	External Costs			
Much Marcle United Fund	Capital	78,692	358	-	-	(1,266)	-	1,352	79,136	
	Income	3,002	-	2,861	(100)	-	-	-	5,763	
	2016-17	58,309	12,230	2,660	(250)	(1,195)	-	9,940	81,694	
Heaton Fund	Capital	18,944	-	-	-	(79)	-	-	18,866	
	Income	105	-	44	(1,050)	-	-	-	(901)	
	2016-17	20,822	-	76	(1,720)	(129)	-	-	19,050	
Diamond Jubilee Trow	Capital	63,658	-	-	-	(66)	-	-	63,592	
	Income	(54,865)	-	21	-	-	(345)	-	(55,189)	
	2016-17	9,152	-	30	-	(65)	(324)	-	8,793	
Hunter Trow	Capital	9,926	-	-	-	(81)	-	178	10,023	
	Income	356	-	377	-	-	-	-	733	
	2016-17	7,478	-	356	-	(75)	-	2,523	10,282	
Restricted Endowment Funds	Capital	3,801,888	74,367	-	-	(50,554)	-	63,862	3,889,565	
	Income	30,488	-	138,783	(121,633)	-	(345)	-	47,291	
	TOTAL	3,832,376	74,367	138,783	(121,633)	(50,554)	(345)	63,862	3,936,856	
	2016-17	3,323,483	46,322	129,167	(107,230)	(44,930)	(324)	485,889	3,832,376	

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31ST MARCH 2018
(CONTINUED)

2 Fund Analysis

Fund Name		Balance at	Incoming resources		Resources Expended			Transfers	Gains on Investments	Balance at 31st March 2018
		1st April 2017	Donations	Investment	Grants	Fee Transfers	External Costs			
Comic Relief	Flow-through	16,936	22,664	-	(24,550)	(2,153)	-	-	12,896	
	2016-17	34,267	28,948	-	(43,531)	(2,748)	-	-	16,935	
Herefordshire Lifestyles	Flow-through	28,077	44	-	(14,934)	(995)	-	-	12,191	
	2016-17	-	44,886	-	(14,874)	(1,935)	-	-	28,077	
Herefordshire RSN	Flow-through	5,536	13	-	-	-	-	-	5,549	
	2016-17	-	5,910	-	(340)	(34)	-	-	5,536	
#iwill (formerly Youth Social Action)	Flow-through	70,009	16,555	-	(69,139)	(1,501)	-	-	15,924	
	2016-17	-	77,009	-	-	(7,000)	-	-	70,009	
Surviving Winter Stay Warm	Flow-through	32	4,587	-	(300)	-	-	-	4,319	
	2016-17	418	1,367	-	(1,753)	-	-	-	32	
Herefordshire Tree Fund	Flow-through	-	-	-	-	-	-	-	-	
	2016-17	1,437	-	-	(1,293)	(144)	-	-	-	
Odey Fund	Flow-through	8,997	21	-	(500)	(50)	-	-	8,468	
	2016-17	17,700	47	-	(7,955)	(795)	-	-	8,997	
Grassroots	2016-17	-	-	-	-	-	-	-	-	
Youthbank	2016-17	-	-	-	-	-	-	-	-	
Heaton	2016-17	-	-	-	-	-	-	-	-	

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31ST MARCH 2018
(CONTINUED)

2 Fund Analysis

Fund Name		Balance at	Incoming resources		Resources Expended			Transfers	Gains on Investments	Balance at
		1st April 2017	Donations	Investment	Grants	Fee Transfers	External Costs			31st March 2018
WWTW	2016-17	-								
Other	2016-17	-								
TVYP	Flow-through 2016-17	-	231,602	-	-	-	-	-	-	231,602
		-	-	-	-	-	-	-	-	-
Iron Fund	Flow-through 2016-17	-	195,315	-	(15,054)	(1,505)	-	-	-	178,756
		-	-	-	-	-	-	-	-	-
Bristol & West	Flow-through 2016-17	-	567	-	-	-	-	-	-	567
		-	-	-	-	-	-	-	-	-
Ross Tennis Club	Flow-through 2016-17	-	3,148	-	-	-	-	-	-	3,148
		-	-	-	-	-	-	-	-	-
Restricted Funds	TOTAL	129,586	474,516	-	(124,477)	(6,204)	-	-	-	473,421
Flow-through Funds	2016-17	53,822	158,167	-	(69,746)	(12,656)	-	-	-	129,586
Unrestricted Funds (Admin)	TOTAL	81,500	18,693	-	-	56,758	(70,818)	-	-	86,133
	2016-17	77,784	7,556	-	-	57,587	(61,427)	-	-	81,500
TOTAL FUNDS	TOTAL	4,043,462	567,576	138,783	(246,110)	-	(71,163)	-	63,862	4,496,410
	2016-17	3,455,088	212,045	129,167	(176,976)	-	(61,751)		485,889	4,043,462

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

3 Breakdown of Management Costs

General fund	2018 £	2017 £
Office	3,709	3,979
Travel and Subsistence	39	142
Staff costs (note 5)	27,614	26,471
Contractors	17,294	9,254
Marketing and Publicity	-	264
Fees, subs & training	5,742	6,752
Bank charges	180	85
DIGITS/Web	3,613	3,862
Office fit-out	2,314	871
Fund Development	-	694
	<hr/>	<hr/>
Total	60,505	52,374
	<hr/>	<hr/>
	2018 £	2017 £
Endowment funds		
Cost of maintenance of the Diamond Jubilee Trow (inc. depreciation)	345	325
	<hr/>	<hr/>

Office and staff costs are split 98% to Management and 2% to Governance (note 4). 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 £1,484 (2017: £1,484).

4 Breakdown of Governance Costs

General fund	2018 £	2017 £
Office	76	81
Salaries (note 5)	564	540
Accounting	5,377	4,373
Insurance	280	235
Audit	4,016	3,824
	<hr/>	<hr/>
Total	10,313	9,053
	<hr/>	<hr/>

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

5 Staff Costs and Numbers

Staff Costs	2018	2017
	£	£
Wages and Salaries	28,178	27,011
Social security costs	-	-
	<hr/>	<hr/>
	28,178	27,011
	<hr/>	<hr/>
	2018	2017

Average number of employees on a full time equivalent basis

Administration of the charity	2	1
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No Trustees received any form of remuneration or expenses from the Charity during the year (2017: £nil).

No employee received more than £60,000.

6 Charitable Assets

	2018	2017
	£	£
The Diamond Jubilee Herefordshire Trow		
Cost brought forward from previous year	135,519	135,519
Additions	-	-
	<hr/>	<hr/>
Total cost at end of year	135,519	135,519
Accumulated Depreciation		
Balance at 1 April 2016	(135,519)	(135,519)
Charge for the year	-	-
Impairment	-	-
	<hr/>	<hr/>
Accumulated depreciation	(135,519)	(135,519)
	<hr/>	<hr/>
Net book value at end of year	-	-
	<hr/> <hr/>	<hr/> <hr/>

In its current state the Trow is deemed to have no carrying value.

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

7	Tangible Fixed Assets	2018	2017
		£	£
	Office Equipment		
	Cost at beginning of year	1,248	1,248
	Purchases	-	-
	Disposals	-	-
	Cost at end of year	<u>1,248</u>	<u>1,248</u>
	Accumulated Depreciation		
	Balance at beginning of year	1,248	1,248
	Charge for the year	-	-
	Depreciation on disposals	-	-
	Balance at end of year	<u>1,248</u>	<u>1,248</u>
	Net book value at end of year	<u>-</u>	<u>-</u>

8	Listed Investments	2018	2017
			£
	Endowment Fund Value		
	Market value at beginning of year	3,677,442	3,192,696
	Purchases at cost	182,215	49,257
	Sale proceeds	(162,579)	(50,400)
	Realised gains not in opening balance	3,514	4,490
	Unrealised increase in value in the year	60,348	481,399
	Market value at end of year	<u><u>3,760,940</u></u>	<u><u>3,677,442</u></u>

Throughout the year, the only investment held by any sub-fund was the COIF Charities Investment Fund, managed by CCLA.

9	Financial instruments	2018	2017
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	48,189	33,695
	Carrying amount of financial liabilities		
	Measured at amortised cost	25,843	7,971

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

10 Debtors

	2018 £	2017 £
Other debtors	48,189	33,695
	48,189	35,695

Debtors are made up of accrued dividends, gift aid due and fees due.

11 Creditors: Amounts falling due within one year

	2018 £	2017 £
Accruals	25,843	7,971
	25,843	7,971

A provision of £3,840 has been made in respect of audit fees.

12 Analysis of net assets between funds

	Unrestricted Funds £	Flow-through Funds £	Endowment Funds £	Total £
Tangible fixed assets	-	-	-	-
Investments	-	-	3,760,940	3,760,940
Net current assets	86,133	473,421	175,916	735,470
Total	86,133	473,421	3,936,856	4,496,410

13 Unrestricted funds

	Balance 31.3.17 £	Incoming resources £	Resources expended £	Transfers £	Balance 31.3.18 £
General fund	81,500	18,693	(70,818)	56,758	86,133
	81,500	18,693	(70,818)	56,758	86,133

The General fund exists to support the day-to-day running costs of the Charity. It made a surplus of £4,633 in the year.

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

14 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.
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.
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.
HCF Care Fund	A Fund for the relief of poverty in Herefordshire.

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

14 Restricted funds (continued)

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.
Iron Fund	A new 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.

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.

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

14 Restricted funds (continued)

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.

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.

New University A fund created to receive, manage and disperse in the short term, funds contributed by donors wishing to support a new university in Herefordshire until the new institution gained charitable status in its own right. In the long term, the fund will support bursaries for students in further or higher education, either at the new university if established, or at existing institutions in Herefordshire if the university is not successfully established. The fund is currently inactive.

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.

Grassroots Government Community grant scheme now closed.

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.

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

14 Restricted funds (continued)

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.

15 Share capital

The Herefordshire Community Foundation is a company limited by guarantee and does not have a share capital.

16 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 2018 amounted to £11.

17 Cash generated from operations

	2018	2017
	£	£
Surplus for the year	452,949	588,374
Adjustments for:		
Investment income recognised in the surplus	(138,783)	(129,167)
Gain on disposal of investments	(3,514)	(4,490)
Fair value gains and losses on investments	(60,348)	(481,399)

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

Movements in working capital:		
Increase in debtors	(14,494)	2,192
Decrease in creditors	17,872	279
	<hr/>	<hr/>
Cash absorbed by operations	253,681	(24,211)
	<hr/>	<hr/>

18 Related Parties

There were no material related party transactions requiring disclosure.

19 Operating lease commitments

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.

At the reporting date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018	2017
	£	£
Expiring in 2 to 5 years	2,968	4,452
	<hr/>	<hr/>

20 Grants managed on behalf of third parties

The Foundation also acts as advisor to one other grant giving bodies.

A total of £32,571 (2017: £16,977) was made in grants by the Pippin Trust, an independent registered charity on the Foundation's advice. The Foundation received a fee for these services.

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

21 Grant Listing

<u>Fund</u>	<u>Payee</u>	£	£
Becket Bulmer	Beat it Percussion	950	
	Marches Counselling Service	2400	
	Herefordshire Carers Support	2000	
	Yeleni Therapy & Support	2000	
	Get into Reading	900	
	On Your Beach	1800	
	Cultivating & Learning	966	
	Homestart Herefordshire	2600	
	Hereford Cider Museum Qtr 1	4186	
	Age Concern Ross & District	1000	
	Hereford Make	1500	
	Newton Farm Community Association	1055	
	Marches Family Network	1000	
	Hereford Deaf Children's Society	500	
	Hereford Cider Museum Qtr 2	3398	
	Hereford Food Bank 215	176	
	Young Boots Football	700	
	1 Individual Grant	1000	
	1 Individual Grant	100	
	Hereford Cider Museum Qtr 3	3399	
Hereford Police Male Choir-Annual Bursary	1000		
Hereford Cider Museum Qtr 4	3882		
			36512
Richard Bulmer	Beat it Percussion	750	
	Feral Productions	1500	
	Lord Scudamore Academy	2250	
	Hereford V1 Form College-Academia Musica	500	
	David Rowan	1500	
	Howarth of London-Bassoon	1000	
	1 Individual Grant	608	
	Kingsland PCC	500	
			8608
John Morgan	Kington Museum	200	
	Kington Tourist Information	300	
	St Mary's Church Kington	500	

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

21 Grant Listing (continued)

<u>Fund</u>	<u>Payee</u>	£	£
John Morgan continued	Kington Tourist Information	500	
	Kington Library	500	2000
Hergest	St Mary's Kington	10000	10000
Glencora	Courtyard Trust – Tea Dances	1800	
	Courtyard Trust – Court Crafting	1680	
	Ledbury Food Bank	250	
	1 Individual Grant	250	3980
High Sheriff	Impact Print & Design	1080	1080
Jack Hughes	7 Individual grants	960	960
Herefordshire Care Fund	HVOSS – 1 Individual Grant	200	
	Herefordshire Council – GRT Fund	150	350
Bulmer Gilmour	Herefordshire Venture	500	
	The Washhouse (Tumble Dryer) – WVNHT	190	
	Hereford Council – 1 Individual Grant	200	
	Clubhouse Madley	300	
	Ross-on-Wye Mens' Sheds	1000	2190
Herefordshire Education Charity	Hfds & Ludlow College – Annual Bursaries	2000	2000

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

21 Grant Listing (continued)

<u>Fund</u>	<u>Payee</u>	£	£
Joanies Fund	Courtyard – PRU Project	2000	
	Poppy MacDonald	500	
	HCA	1500	
	SATRO	3000	
	Hereford Cathedral School	1000	
	Hereford V1 Form	2100	
	SATRO	3000	
	Neuromuscular Centre	7120	
	Ledbury Poetry Festival	2738	
	Basement Trust	4000	
	Hope Initiatives	3000	
	OHMI	5000	
	SATRO	3000	
	Herefordshire Youth Canoe Centre	1624	
	Central Youth Theatre	3210	
	Hereford Make	5061	
	Warwicks YC	2000	
			49853
Hereford College of Arts	HCA Brian Hatton Award	750	
	HCA Install8	1500	
			2250
Much Marcle Consolidated	1 Individual Grant	100	
			100
Judith Shrimpton	R82 UK Ltd	700	
			700
Comic / Sports Relief	Oswestry Rugby Club	4100	
	Families in Telford	4500	
	Shrewsbury Food Hub	5000	
	Longtown & District Historical Society	2500	
	Close House	1950	
	Longlands	1500	
	Hope Initiatives	3000	
	LGBTs	2000	
			24550

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

21 Grant Listing (continued)

<u>Fund</u>	<u>Payee</u>	£	£
Heaton	Ledbury Evergreen Club	750	
	Ledbury Food bank	250	
	1 Individual Grant	50	
			1050
Odey	Ellwood YFC	500	
			500
Surviving Winter	Webbs Oil Co	300	
			300
Iron Fund Flow Through	Walford Parish Council	2600	
	Knighton & District Community	2500	
	Everybody Dancing	2300	
	Environability	4968	
	Hereford Museums	1100	
	Dancefest	1586	
			15054
Herefordshire Lifestyles	National Star College	1521	
	HSUG	750	
	Barnabas Deaf Service	4000	
	Hereford MS Therapy Centre	1656	
	Crossroads Care	3000	
	1 Individual Grant	2000	
	GSR Heating	1507	
	Marches Family Network	500	
			14934

Herefordshire Community Foundation

NOTES ON ACCOUNTS FOR YEAR ENDED 31st MARCH 2018 (continued)

21 Grant Listing (continued)

<u>Fund</u>	<u>Payee</u>	£	£
Youth Social Action	Spring Greens	1950	
	South Shropshire Youth Forum	3877	
	Hope Support Services	4989	
	Close House	4570	
	Longlands	4655	
	New Leaf	5000	
	Canwood Gallery	4940	
	Ledbury Boxing Club	5000	
	Wye Float	1640	
	Hope Initiatives	5000	
	Growing Local	4925	
	Vennture	5000	
	Wyldwoods	5000	
	Ross Tennis Club	5000	
	Tall Ships Youth Trust	3000	
	Dirty Fleet Dance	4593	
	Total		246110