

UK COMMUNITY FOUNDATIONS

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

Company number: 2651777
Charity number: 1004630



**UKCOMMUNITY
FOUNDATIONS**

GIVING FOR LOCAL GOOD

CONTENTS	PAGE
Introduction	1-2
Chair's Report	3-4
Trustees' Report	5-15
Legal & Administration Details	16-17
Trustees' Responsibilities Statement	18-19
Independent Auditor's Report	20-24
Statement of Financial Activities	25
Balance Sheet	26
Cash Flow Statement	27
Notes to the Financial Statements	28-42

INTRODUCTION

UK Community Foundations (UKCF) is the national membership organisation for all accredited community foundations across the United Kingdom. We enable investment in communities to transform people's lives. UKCF provides a range of services for members, including training and support, networking opportunities, national publicity, and national grant programmes. We want our members to be the best place-based grant makers, leaders, convenors and catalysts of local communities, encouraging and developing local philanthropy, and helping people and organisations direct their giving to where it is most needed and where it will make the most impact. Our vision is of a society where local philanthropy and giving is the norm and where communities can help all those in need.

The Network

Our network consists of 47 accredited community foundations and two overseas members. They are mainly county based or cover metropolitan boroughs. In the case of Scotland, Wales and Northern Ireland, there is one community foundation for each of the devolved administrations. Our overseas members are Jersey and Bermuda.

What Our Members Do

Community foundations are the best way for local people and organisations to give right to the heart of their communities wherever they live across the UK. They address the widest possible range of issues across all communities of England, Northern Ireland, Scotland and Wales.

Community foundations have an unparalleled reach. Each foundation has a deep understanding of its local area, its priority needs and how best to address those needs. Thus, community foundations can advise donors on how best to give to local causes most efficiently and effectively.

Community foundations are focussed on local philanthropy and giving. As endowed charities, they build a sustainable source of funding from and for their local communities.

Community foundations support and fund local projects and organisations at the grassroots level across a wide range of local issues, such as poverty alleviation, emergency crisis response, youth engagement, isolation, and mental health. The causes our members fund are as diverse as the communities with which they engage.

Community foundations are community convenors and leaders, able to harness and influence local resources to achieve community benefit. They bring disparate people and agencies around the table to achieve meaningful social change.

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2025

INTRODUCTION

Our network of community foundations together owned endowments of **£888** million at 31 March 2024 (figures from our most recent census survey) and last year awarded grants totalling **£170** million. Collectively, this makes the UKCF network one of the UK's larger grant-giving organisations. Over the past 50 years, community foundations have distributed over **£2** billion to support communities to address local needs. This generosity demonstrates how the philanthropic spirit in the UK has secured long term and sustainable benefit for communities and achieved lasting social change.

CHAIR'S REPORT

The 2024/25 financial year marked a significant period of transition for UKCF. The start of 2025 signalled the beginning of a new phase for the organisation: one focused on stabilisation, renewal and strategic momentum.

Like many membership bodies operating in a complex and evolving environment, UKCF has encountered several challenges during the year. At the same time, we have made important progress and laid strong foundations for the future, thanks to the commitment of our staff team, the Board of Trustees and our network of 47 community foundations.

Progress and Learning

The delivery of our Digital Transformation project (DiTA), a major investment intended to modernise grant-making infrastructure across the network, proved more complex than anticipated. Following careful review, the team implemented a six-month pause in order to improve and test the system further. With the continued support of the participating community foundations, we concluded the year in a stronger position to resume implementation in 2025/26. The learning gained through this experience will be valuable as the project progresses.

UKCF also continued to deliver national programmes to help strengthen civil society. Our flagship *Know Your Neighbourhood* programme entered its third year and was extended into a fourth, in recognition of its impact in communities. In partnership with CCLA Investment Management and LAMIT, we successfully launched the *Care Leavers Programme*, aimed at addressing structural disadvantage for one of the most underserved groups in society.

Other areas of work saw considerable success. UKCF's biannual conference in Harrogate brought together Chief Executives and Chairs from across the UK for two days of shared learning, discussion and connection. Feedback from members was extremely positive, reaffirming the importance of convening the network in this way. Our current quality accreditation process – QA6 – is progressing well and has been well received by members.

Governance and Leadership

A major development during the year was the appointment of our new Chief Executive, Emma de Closset, who joined UKCF in January 2025. Her appointment has already brought renewed energy and focus to the organisation, and the Board has full confidence in the leadership now in place. Alongside this, steps have been taken to strengthen the senior leadership team, reflecting the ambition and scale of the work ahead.

UKCF's finances remained under pressure during the year, not least due to the delayed timing of a trust transfer which arrived shortly after the financial year had ended. Although this affected our reported year-end position, UKCF entered 2025/26 on a substantially firmer financial footing. The Board and executive continue to monitor financial performance closely and are planning cautiously for the year ahead.

Looking Ahead

This year served as a reminder that meaningful change requires patience, resilience and clarity of purpose. The Chief Executive is adapting UKCF's strategy to reflect the increased confidence and ambition of the organisation and will engage the Board and community foundations in the coming months.

On behalf of the Board, I extend sincere thanks to the entire UKCF team, our partners, and our member community foundations for their dedication and support throughout the year. Their contribution is greatly valued.

In a changing political and economic context, UKCF and the network are uniquely well placed to ensure that communities, particularly those often overlooked, receive the investment and attention they deserve. With a new leadership team in place and a clear strategy to guide us, the organisation is well positioned for the future.

Andrew Tuggey

Andrew Tuggey CBE DL
Chair and Trustee

UK Community Foundations

30/09/2025

TRUSTEES' REPORT

The Trustees present their annual report, together with the audited accounts of the charity for the year ended 31 March 2025.

AIMS AND OBJECTIVES

During the 2025 financial year, the Board complied with the duty set out in section 17 of the Charities Act 2011, which is to have due regard to the public benefit guidance published by the Charity Commission (England and Wales) when reviewing UKCF's aims and objectives and planning future activities. In particular, the Board has considered how planned activities will contribute to the aims and objectives they have set.

AIMS

Our charitable objects are:

- To promote and improve the efficiency and effectiveness of community foundations in direct pursuit of their objectives, in such a manner as may be thought fit and by raising and distributing funds for application for the general purposes of such foundations.
- To advance the education of the public in the work of such foundations.
- To promote other charitable purposes of benefit to the community.

2024/25 OBJECTIVES

1. **Strengthen the Network.** We support each of our members to build their skills and capacity to meet the needs of their communities.
2. **Build Profile.** We support policy and systems change, advocating for long-term, relationships-driven approaches.
3. **Unlock Resources.** We generate investment in the network from a wide range of philanthropists, donors, and partners.
4. **Digital Transformation.** We co-invest alongside 33 members to build a new end-to-end grant management system and database that will provide UKCF with access to unique place-based, hyper local data that will support our strategy as a key national provider of grants, capable of tailored delivery in every single UK postcode.

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2025

TRUSTEES' REPORT

- 5. Governance.** We deliver quality assurance programmes to strengthen governance practices at UKCF and across the entire network, ensuring that structures, processes, and practices remain robust and fit for purpose.

ACHIEVEMENTS AND PERFORMANCE

1. Strengthen the Network.

- Held UKCF's biennial in-person conference on 8th, 9th and 10th October, and brought together over 300 delegates from the UK and internationally in Harrogate to explore the future of philanthropic community investment.
- Face-to-face peer learning: CEO Residential and Chairs' Day.
- Communities of Practice continued, Communities of Interest formed around health, rural philanthropy, data, impact and learning.
- Increased engagement on the Members' Hub.
- New strategy engagement event held in London in September – enhanced relationships with key funders including the Henry Smith Charity (now Henry Smith Foundation).
- Achieved a significant increase in engagement and collaboration within the network, demonstrating the value of our new strategic initiatives.

2. Build Profile.

- Profiled arrival of the new Chief Executive in Civil Society Media, through an interview that highlighted the scale and reach of community foundations across the UK.
- Hired a strategic communications director, who took up post in December 2024.
- Established new membership of the Impact Economy Collective, an influential coalition of organisations from philanthropy, social investment and responsible business.
- Continued relationships with other funders and think tanks such as Pro Bono Economics, New Philanthropy Capital, and Beacon Collaborative.

3. Unlock Resources.

- Supported the transfer of inactive and dormant trusts with a total asset value of £6.18M in 2024, in continued partnership with the Charity Commission.
- Secured one-year extension of "Know Your Neighbourhood" with the Department of Culture, Media and Sport, and expanded the Anchor partnership to five more community foundations.

- Expanded corporate donations by sustaining meaningful and valued partnerships with CCLA, Sarasin, Prospectus and Evouchers. As a result of the partnership with UKCF, Evouchers are now widely used across the network as a delivery tool, benefitting our members and the communities they serve.

4. Digital Transformation.

- Two community foundations began using the new end-to-end grant management system in 2024 (Community Foundation Northern Ireland and the Community Foundation for Staffordshire and Shropshire).
- Rollout to further community foundations was paused in Autumn 2024 to allow for additional development time. A Systems Improvement Group (SIG) was established to provide members with visibility into the status of development for prerequisites, and members of the SIG provided invaluable support in user acceptance testing.
- At the UKCF Board meeting in March 2025, Trustees approved significant UKCF investment in upgrading the approach to data migration for community foundations. This enabled the project to move away from manual data migration and invest in an automated Extract, Transfer, Load tool, which is considered best practice for a programme of this nature.
- 2024/25 was a challenging period for this project, but it is moving into 2025/26 on firmer footing with a clear plan for a phased rollout beginning in May 2025 .

5. Governance.

- Concluded the governance review overseen by an independent member of the Nominations and Governance Committee. The insights and learning from this review have been shared across our Board and Senior Management team. Recommendations, and feedback from subsequent sessions held with them, have been enacted and continue to be adopted in governance planning in 2025/26.
- Committee terms of reference, work plans and membership have been strengthened to ensure robust oversight, increasing confidence in our governance structures. We are also conducting a thorough review of our internal policies, procedures and delegated authority process. This work will continue in 2025/26.
- We continue to support members through the Quality Accreditation process, which benchmarks practice against national standards and provides a valuable framework for continuous improvement. Alongside compliance, we share tools, templates, and examples of good practice through our online Resource Library, ensuring learning is accessible and

practical. Insights from accreditation reviews help us identify common strengths, gaps, and emerging themes across the network, directly informing our collective learning plans and guiding targeted capacity-building initiatives.

PLANS FOR THE FUTURE

The new Chief Executive is consulting on changes to the UKCF strategy, including 2025-2030 strategic priorities and our overarching mission: *enabling investment in communities to transform people's lives*.

Our strategic priorities will be finalised in consultation with the Board of Trustees and community foundations by Autumn 2025. As currently drafted, they are to:

- Amplify the community voice in policy making;
- Grow regional and place-based philanthropy and giving, including micro-giving;
- Transform grant-making and convene effective local systems; and
- Foster resilient communities in the face of challenges (*newly added, to reflect the significant role that our members play in this area*).

These strategic priorities are underpinned by three key enablers:

- **Partnership.** We work collaboratively with strategic partners who share our goals and priorities, to maximise our impact in communities;
- **Continuous Learning.** We foster a culture of continuous learning and development across all community foundations, underpinned by Quality Accreditation.
- **Data and Insight.** We use community insights to inform decisions and demonstrate impact, driven by a shared data strategy and supporting infrastructure.

The foundation of our strategy is strong governance, financial management and responsibility. Taken together, the draft strategy sets out a bold vision for UKCF to become an ambitious, high performing membership body, relentlessly championing community foundations and enabling their vital work in communities across England, Northern Ireland, Scotland and Wales.

FINANCIAL REVIEW

Financial Performance

Reflective of the challenging year described above, UKCF produced an unrestricted deficit of £203k in 2024/25, significantly depleting our unrestricted reserves. The deficit arose due to two main factors:

- (a) Leadership changes and reduced staff capacity meant that income targets were not met.
- (b) Delays and further costs incurred in the delivery of Project DiTA.

With the appointment of the new permanent Chief Executive, a bolstered leadership team, and renewed confidence in the implementation of Project DiTA, the budget for 2025/26 has been set with the core objective of moving the organisation on to a more sustainable footing.

UKCF was fortunate to receive a significant unrestricted trust transfer shortly after the financial year end. Though this income is not accrued in these financial statements, the receipt of this funding materially (and positively) changes the unrestricted reserves position and supports the Trustees' going concern assessment.

Income

Total income for 2025 was £11,286k, of which £9,434k was restricted (2024: £12,961k, of which £11,198k was restricted). Our primary sources of income are:

- **Donations and Grants.** Primarily restricted grants that represent flow-through funding to our network of community foundations. We also receive some core funding (unrestricted grants) from other trusts and foundations, external partners or via programmes.
- **Membership Fees.** Our membership fees are based on the valuation of the endowments held by each individual community foundation.
- **Trust Transfers.** These can arise from transfers of inactive or dormant trusts which have a national or UK-wide objective. Transfers may be endowed, restricted, or unrestricted.
- **Events.** Events such as our biennial national conference generate income via ticket sales and sponsorship opportunities.
- **Other Member Services.** For example, corporate partnership agreements or fees related to our Revitalising Trusts Programme work.
- **ICT Services and Recharged Software.** This relates to the UKCF delivery of Project DiTA and ongoing support for the legacy Salesforce system.

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2025

TRUSTEES' REPORT

- **Investment Income.** Dividends and interest earned from investment holdings and bank deposits.

Expenditure

Total expenditure was £11,439k, of which £9,270k relates to restricted flow-through grants and programme costs (2024: £13,089k, of which £11,258k was restricted). Notable exceptional expenditure in 2024/25 related to:

- **Project DiTA:** delivery required significant additional costs relating primarily to data migration work and unbudgeted software licence extensions.
- **Staff restructure:** costs incurred in enacting changes in the leadership and recruitment of a permanent Chief Executive.

Funds

UKCF has unrestricted, restricted and endowment funds:

- **Unrestricted General Funds.** Excluding ICT costs recharged to members, unrestricted funds show the income and expenditure required to operate UKCF.
- **Unrestricted Designated Funds.** These represent funds ringfenced at the Trustees' discretion for community grant-making.
- **Restricted Funds.** Restricted funds consist of both flow-through funds which we use to make grants to our members, and, on rare occasions, to other organisations; and investment income (and capital drawdown as per below) restricted to programme spend.
- **Endowment Funds.** As a result of the Revitalising Trusts Programme, UKCF also holds an endowment fund. The Sir George Earle Charitable Fund, which is held as a linked charity (charity number 1001630-1), is the largest endowment fund. Capital drawdowns are made in line with fund agreements to provide grants to be made by individual community foundations; this is shown as a fund transfer to restricted funds. UKCF also draws down a contribution to overheads in line with fund agreements.

Investments

UKCF held investments with a valuation at 31 March 2025 of £5.7 million (2024: £6.2 million). Investment performance was impacted in 2024/25 by the election of the Trump administration, leading to market declines amid a US trade war and global policy uncertainty. Total reported losses were £244k (2024: gains of £552k). Investments are managed by CCLA Investment Management Limited and are held in CCLA's COIF Ethical Fund. UKCF operates a total return policy to invest funds for longer-term growth.

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2025

TRUSTEES' REPORT

Through its Community First Investment Committee (CFIC), UKCF also has responsibility for the oversight of the Community First Match Fund Challenge Endowment which is held by 44 individual community foundations and is invested in CCLA COIF funds. That fund was valued at £165.7m at 31 March 2025 (2024: £181.5m).

CFIC meets twice a year and reports regularly to the membership network. In the opinion of CFIC, CCLA exercised its investment responsibilities with due care during the year. However, CFIC has noted that performance has not only been poor relative to the comparator over the short term but, for the first time in recent history, also relatively poor over the longer term.

Total investment performance net of fees and costs to 31 March	Year 2025	Year 2024	Annualised three-years 2025
CCLA – COIF Ethical Investment Fund	-2.63%	+12.59%	+5.44%
Comparator	+0.82%	+16.52%	+9.70%

It was announced in July that CCLA is to be acquired by Jupiter Investment Management Group. CFIC will monitor developments under the new structure to ensure its obligations to community foundations are met in full.

RESERVES POLICY

At 31 March 2025, UKCF's total funds amounted to £6,316k (2024: £6,713k). Unrestricted general funds were £53k (2024: £256k), designated funds were £287k (2024: £nil), restricted funds were £788k (2024: £267k) and endowment funds were £5,188k (2024: £6,190k).

In August 2024, the Trustees reviewed UKCF's reserves policy, in line with the Charity Commission's guidance CC19 (Charity Reserves: building resilience) and determined that a target of £250k was an appropriate level for unrestricted general reserves. This target translates to around three months of unrestricted operating expenditure (excluding recharged costs).

The Trustees believe this policy is a sensible balance between the need to maintain a secure long-term financial position and the desire not to hold excessive charitable funds that should be distributed. The Trustees review the reserves policy every year and are of the opinion that the target remains appropriate in 2025.

At the balance sheet date, however, unrestricted general reserves fell significantly short of this target, at £53k (2024: £256k). This financial position was impacted by the timing of a large trust transfer received early in 2025/26. The Trustees were made aware of the likely receipt of the transfer in Autumn 2024 but unavoidable delays in winding up the trust resulted in

UKCF not receiving the funds until after the financial year end. Whilst these financial statements reflect a challenging year, the Trustees are confident that unrestricted general reserves will revert closer to policy level in the next 12 months.

RISKS

The Trustees regularly review the major risks to which the charity is exposed. Systems and procedures, including an organisation-wide and specific project risk registers, are in place to manage these risks, with regular reports from the Chief Executive. Mitigating actions are planned and prioritised and those with a financial implication are considered when setting the reserves policy.

The key risks are associated with the financial, operational, and reputational risks associated with the delivery of UKCF's objectives. The most significant risks are:

- Returning the organisation to a sustainable footing, ensuring sufficient funding is secured to cover our unrestricted core costs and therefore allow UKCF to deliver on its mandate and strategy. To mitigate this risk, UKCF is proactively pursuing new strategic partnerships and core funding opportunities, and further diversifying income streams, as well as delivering cost savings via a streamlined budget.
- Ensuring delivery of Project DiTA and managing unplanned costs on the project. The DiTA Steering Committee is responsible for detailed oversight of all project risks and meets monthly to review mitigating actions.
- Ensuring continued engagement with our strategy both within our membership network, and externally with key partners. This is managed by our membership and senior leadership team with any financial risks escalated as necessary.

GOING CONCERN

The Trustees have assessed whether the use of the going concern basis is appropriate for UKCF and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

Given the depleted reserves position at 31 March 2025, the Trustees have considered the post year end results (and cash flow) achieved to date in the current financial year, forecasts for the period to 31 March 2026 and projections for the financial year 2026/27. As mentioned above, the receipt of the trust transfer in May 2025 has replenished reserves. The unrestricted budget for 2025/26 includes cost savings on core running costs and a rationalised staff team.

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2025

TRUSTEES' REPORT

Therefore the Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Therefore, the charity continues to adopt the going concern basis in preparing its financial statements.

REMUNERATION POLICY

The Trustees consider that the Board and the Senior Management Team comprise the key management personnel in charge of directing and controlling the charity and operating it on a day-to-day basis.

All Trustees give their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses are disclosed in note 15 to the accounts.

Trustees are required to disclose all relevant interests and withdraw from decisions where a conflict of interest arises.

The Chief Executive's salary is reviewed annually considering movement in average earnings and the relativity with the average salary of other employees. The remuneration of the Chief Executive and their senior reports is bench-marked with grant-making charities of a similar size and activity to ensure that the remuneration set is fair and comparable with that generally paid for similar roles. The new permanent Chief Executive was recruited in Autumn 2024 with compensation set at current market rates.

FUNDRAISING

UKCF does not actively fundraise from members of the public and no third-party fundraisers are used by the charity. Most of our funding comes directly from grants and institutional funders. We have not received any complaints in respect of fundraising and are registered with the Fundraising Regulator.

STRUCTURE, GOVERNANCE AND MANAGEMENT

UKCF is a charitable company limited by guarantee with governance arrangements set out in the company's memorandum and articles of association.

UKCF is the national membership organisation for community foundations in the UK. Full membership of UKCF is restricted to quality-accredited community foundations in the UK.

Some of our Trustees are from our membership and some are independent, with members in the majority (see note 16 in the financial statements for more detail). We hold elections for UKCF Trustees from our membership, whether they are Trustees or employees of community foundations. Independent Trustees are co-opted to the board to bring experience and skills that are considered necessary. This process is overseen by our Nominations Committee. Terms of office as a Trustee are a maximum of three terms of two years.

All Trustees have an induction and are encouraged to attend training provided for them. Many of UKCF's Trustees attend third sector seminars and events, and some are offered training and development opportunities by their relevant community foundation. All UKCF Trustees are given the opportunity to attend UKCF's online and in person conference, which fall in alternating years. Both events have a programme of plenary speeches and workshops designed to develop the skills and knowledge of all attendees. In addition, the Board agenda includes updates on charity governance matters.

Board meetings fit into the planning cycle so that the Board can focus on developing strategy, approving the operational plan, agreeing the annual budget, and reviewing lessons learned. The Board of UKCF is the decision-making body of the company. The Board delegates powers to committees to recommend specific decisions to the Board consistent with the overall direction set by the Board. The committees in the 2024/25 financial year were as follows:

- **Finance, Audit & Operations Committee:** Charged with reviewing financial strategy and planning, audit, risk, human resources, and major contracts.
 - **Community First Investment Committee:** A sub-committee of the Finance, Audit & Operations Committee, charged with oversight of the UKCF endowment and the community foundations' endowment established during the Community First Match Challenge Programme.
- **Nominations & Governance Committee:** Charged with overseeing the recruitment of Trustees and Trustee training and development.
- **DiTA Steering Committee:** Charged with overseeing the successful delivery of Project DiTA.

LEGAL AND ADMINISTRATION DETAILS

Status of the Charity

A company limited by guarantee which was incorporated on 7 October 1991 and registered as a charity on 11 October 1991.

Governing Documents

The charity was established under a memorandum of association on 7 October 1991 as amended on 2 December 1993, 17 July 1996, 21 October 1998, 19 January 2000, 27 April 2001, 23 April 2003, 17 November 2010, 19 March 2013, 16 November 2016 and 10 December 2020. The memorandum established the objects and powers of the charity. It is governed under its articles of association.

Company Number: 2651777

Charity Number: 1004630

Honorary Officers

President – Lord (Michael) Hastings of Scarisbrick CBE

Chair – Andrew Tuggey CBE DL

Treasurer – Neil MacDonald OBE

Trustees

Steve Adams (appointed 14 November 2024)

Deborah Appleby (appointed 14 November 2024)

Gill Bull

Michelle Cooper MBE

John Gordon DL

Neil MacDonald OBE

Fiona McDiarmid (resigned 19 March 2025)

Anushka Nagpal (resigned 12 December 2024)

Leslie Rance

Kevin Richmond (resigned 14 November 2024)

Kayathiri Supramaniam

Stephanie Taylor (resigned 19 May 2024)

Andrew Tuggey CBE DL

Thomas Van Oss

Emma-Jane Watchorn

Hannah Wickes

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2025

TRUSTEES' REPORT

Company Secretary

Rosemary Macdonald BEM (until 31 May 2024)

Kaveed Ali (from 1 June 2024 until 31 March 2025)

Emma de Closset (from 1 April 2025)

Chief Executive

Rosemary Macdonald BEM (until 31 May 2024)

Kaveed Ali – Interim Co-CEO (from 1 June 2024 until 7 January 2025)

Ben Robinson – Interim Co-CEO (from 1 June 2024 until 7 January 2025)

Emma de Closset (from 8 January 2025)

Registered Office

Northgate Business Centre, 38-40 Northgate, Newark, NG24 1EZ

Bankers

CAF Bank Ltd, Kings Hill, West Malling, Kent ME19 4TA

NatWest Commercial Banking, 1st Floor, 440 Strand, London, WC2R 0QS

Investment Managers

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

Independent Auditors

HaysMac LLP, 10 Queen Street Place, London EC4R 1AG

Members' Liability

Members of the charity guarantee to contribute an amount not exceeding £1 to its assets in the event it is wound up. The number of members at 31 March 2025 was 46.

Trustees' Insurance

During the year, Trustees were covered by Directors' and Officers' insurance. The premium for this is not separately identifiable from the organisation's overall insurance policy.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards, including FRS 102, 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.

At the date that this Trustees' report is approved, so far as each of the Trustees is aware:

- There is no relevant information of which the auditors are unaware; and
- The Trustees have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' report, including the strategic report, was approved by the Board on 25 September 2025:

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2025

TRUSTEES' REPORT

Andrew Tuggey

Signed on its behalf by

Andrew Tuggey CBE DL

Chair and Trustee, UK Community Foundations

30/09/2025

N.A. MacDonald

Signed on its behalf by

Neil MacDonald OBE

Treasurer and Trustee, UK Community Foundations

30/09/2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK COMMUNITY FOUNDATIONS

Opinion

We have audited the financial statements of UK Community Foundations for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 31 March 2025 and charitable company's net movement in funds, including the 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 Charity 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

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2025

INDEPENDENT AUDITOR'S REPORT

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.

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 Introduction, the Chair's Report and the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

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 Trustee's Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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 Trustees' Report (which incorporates the strategic report and the directors' report).

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

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

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement (set out on pages 18-19), 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

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law and company law and we considered the extent to which non-

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2025

INDEPENDENT AUDITOR'S REPORT

compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, Charities Statement of Recommended Practice (SORP) and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluating management's controls designed to prevent and detect irregularities;
- identifying and testing journals, in particular journal entries posted with unusual account combinations; and
- challenging assumptions and judgements made by management in their accounting estimates.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2025

INDEPENDENT AUDITOR'S REPORT

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.



Tracey Young (Senior Statutory Auditor)

For and on behalf of:

HaysMac LLP

Statutory Auditors

10 Queen Street Place

London

EC4R 1AG

Date: 06/10/2025

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000	Total 2024 £'000
Income and endowments from:						
Donations and legacies	3	725	9,251	-	9,976	11,848
Charitable activities	4	1,010	-	-	1,010	923
Investments	5	3	183	-	186	101
Other income	6	114	-	-	114	89
Total income		1,852	9,434	-	11,286	12,961
Expenditure on:						
Raising funds		103	-	-	103	136
Charitable activities:						
ICT services		842	-	-	842	837
Member services		961	-	-	961	700
Projects and programmes including grants		149	9,270	-	9,419	11,416
Other expenditure		-	-	114	114	-
Total expenditure	8	2,055	9,270	114	11,439	13,089
Net (expenditure) / income before investment (losses) / gains		(203)	164	(114)	(153)	(128)
Net (losses) / gains on investments	12	-	(16)	(228)	(244)	552
Net (expenditure) / income	11	(203)	148	(342)	(397)	424
Transfers between funds	17	287	373	(660)	-	-
Net movement in funds		84	521	(1,002)	(397)	424
Reconciliation of funds:						
Total funds brought forward		256	267	6,190	6,713	6,289
Total funds carried forward	17	340	788	5,188	6,316	6,713

All the results are derived from continuing activities. There were no recognised gains or losses other than those stated above. Movements in funds are disclosed in note 17 to the accounts.

A full comparative Statement of Financial Activities is included at note 20.

The notes set out on pages 28 to 42 form an integral part of these financial statements.

	Notes	Total 2025 £'000	Total 2024 £'000
Fixed assets			
Investments	12	5,665	6,172
Total fixed assets		<u>5,665</u>	<u>6,172</u>
Current assets			
Debtors	13	271	1,515
Cash at bank and in hand		1,539	615
Total current assets		<u>1,810</u>	<u>2,130</u>
Current liabilities			
Creditors: Amounts falling due within one year	14	1,159	1,589
Net current assets		<u>651</u>	<u>541</u>
Total net assets	18	<u>6,316</u>	<u>6,713</u>
The funds of the charity:			
Unrestricted funds:			
Designated funds		287	-
General funds		53	256
Restricted funds:			
Restricted income funds		788	267
Capital funds:			
Endowments		5,188	6,190
Total funds	17	<u>6,316</u>	<u>6,713</u>

The financial statements were approved and authorised for issue by the Trustees on 25 September 2025 and signed on their behalf by:

Andrew Tuggey

Andrew Tuggey CBE DL
Chair

N.A. MacDonald

Neil MacDonald OBE
Treasurer

The notes set out on pages 28 to 42 form an integral part of these financial statements.

	Total 2025 £'000	Total 2024 £'000
Cash flows from operating activities:		
Net income (expenditure) / income	(397)	424
Adjustments for:		
Dividends and interest	(186)	(101)
Losses / (gains) on investments	244	(552)
Decrease / (increase) in debtors	1,244	(1,308)
(Decrease)/increase in creditors	(430)	1,251
Net cash provided by / (used in) operating activities	475	(286)
Cash flows from investing activities:		
Dividends and interest	186	101
Purchase of investments	(20)	(11)
Proceeds on disposal of investments	283	-
Net cash provided by / (used in) investing activities	449	90
Net change in cash and cash equivalents in the reporting period	924	(196)
Cash and cash equivalents at the beginning of the reporting period	615	811
Cash and cash equivalents at the end of the reporting period	1,539	615

During both the current and prior year, all cash and cash equivalents were held as cash at bank or in hand. At no stage did the charity have any borrowings, including overdrafts and finance leases, therefore no analysis of net debt note is required.

1. Accounting policies

Company information

UK Community Foundations is a private company limited by guarantee incorporated in England and Wales. The registered office is 38-40 Northgate Business Centre, Newark, Nottinghamshire, NG24 1EZ.

Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities SORP (FRS 102) - second edition and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £'000.

Linked charities

UKCF has two linked charities: The Sir George Earle Fund (charity number 1004630-1, transferred January 2019) and Aid for the Aged in Distress (charity number 1004630-2, transferred August 2021). These have both been transferred as part of the Revitalising Trusts Programme and all income and expenditure is included as part of these financial statements.

Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate for UKCF and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

Given the depleted reserves position at 31 March 2025, the Trustees have considered the post year end results (and cash flow) achieved to date in 2025/26, forecasts for the period to 31 March 2026 and projections for the financial year 2026/27. The receipt of a significant unrestricted trust transfer in May 2025 has replenished reserves in line with the reserves policy as outlined in the Trustees Annual Report. The unrestricted budget for 2025/26 includes cost savings on core running costs and a rationalised staff team. The Trustees have therefore concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Therefore, there is no material uncertainty regarding the charity's adoption of the going concern basis in preparing its financial statements.

Income

Grants are recognised when there is entitlement to the income, receipt is probable and the amount can be measured reliably. Where grant agreements include a management fee or contribution to overheads this is separately recorded as unrestricted income of the charity.

Income generated from the supply of goods or services is recognised in the period in which the supply is made. Membership subscriptions are recognised when receivable.

Other donations and gifts to the charity are recognised when received. Gifts in kind are recognised as income where the value of the gift can be measured reliably. General volunteer time is not included in the financial statements in line with the guidance set out in the SORP.

In line with the Charities SORP, income derived from endowment management is recognised as other income.

Expenditure

Expenditure is recognised in the period in which it is incurred. Irrecoverable VAT is included within the expense items to which it relates. Costs which are directly related to activities are allocated to those activities.

Raising funds costs comprise a proportion of staff salary costs based on an estimate of time spent working with current and potential donors.

ICT services costs comprise costs directly attributable to the network's CRM system and Project DiTA, including consultants, contractors, recharged software costs and other licence and applications costs absorbed by UKCF.

Member services comprise mainly staffing costs and other general costs related to our membership functions.

Projects and programmes comprise flow-through grants distributed throughout the community foundation network and staffing and other costs, where these are specifically funded by donors. Grants payable are charged in the year where the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Other expenditure comprises endowment management charges.

Funds

Unrestricted funds are donations and other income received or generated for charitable purposes. Designated funds are unrestricted funds of the charity but are ringfenced at the discretion of the Trustees for projects or purposes as stated in the movement in funds note.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Endowment funds reflect funds transferred to UKCF which relate to the Revitalising Trusts Programme and which are required to be held under a permanent endowment.

Investments

Investments held as fixed assets are revalued at market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

Realised gains and losses are calculated on the difference between sale proceeds and the opening carrying value or the purchase value if acquired in the financial year.

Unrealised gains and losses are calculated as the difference between fair value at the year end and the opening carrying value or purchase value if acquired in the financial year.

Other financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

i. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less. Held in current accounts within UK banks and on deposit at CCLA.

ii. Debtors

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

iii. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and where the amount due to settle the obligation can be measured or estimated reliably.

Pensions

The charitable company makes payments to defined contribution pension schemes on behalf of employees. The contributions are treated as an expense in the year in which they are payable. The charity has no other obligation under these schemes.

Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2. Taxation

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

3. Income from donations and legacies

	Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	2025	£'000	£'000	£'000	2024
				£'000				£'000
Donations:								
C S Mott Foundation	38	-	-	38	39	-	-	39
CCLA	60	-	-	60	60	-	-	60
The David Brownlow Charitable Foundation	20	-	-	20	-	-	-	-
Original Cottages Donation	-	-	-	-	1	9	-	10
Other	1	-	-	1	1	-	-	1
Total donations	119	-	-	119	101	9	-	110
Grants:								
Anchor Community Connection Fund	10	57	-	67	20	110	-	130
Arup	-	10	-	10	-	-	-	-
Cellnex Digital Exclusion Fund	1	79	-	80	-	50	-	50
Clean Air Fund Micro Grants Programme	8	23	-	31	-	100	-	100
DCMS - Know Your Neighbourhood Fund	148	5,769	-	5,917	137	5,786	-	5,923
Local Authorities Mutual Investment Trust (LAMIT) Care Leavers	-	-	-	-	30	660	-	690
MOPAC - Victim Support	16	3,207	-	3,223	22	4,297	-	4,319
PHP Group - Social Prescribing Fund	-	-	-	-	5	95	-	100
Total grants	183	9,145	-	9,328	214	11,098	-	11,312
Subscriptions:								
Membership fees	423	-	-	423	402	-	-	402
Other:								
Legacies and trust transfers	-	106	-	106	-	-	24	24
Total donations and legacies	725	9,251	-	9,976	717	11,107	24	11,848

4. Income from charitable activities

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2025 £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2024 £'000
Charitable activities:								
ICT services and recharged software	730	-	-	730	878	-	-	878
Event sponsorship and ticket sales	216	-	-	216	21	-	-	21
Corporate partnerships	45	-	-	45	20	-	-	20
Other earned income	19	-	-	19	4	-	-	4
Total charitable activities	1,010	-	-	1,010	923	-	-	923

5. Income from investments

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2025 £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2024 £'000
Investments:								
Dividends and interest	3	183	-	186	10	91	-	101
Total investment income	3	183	-	186	10	91	-	101

6. Other income

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2025 £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2024 £'000
Other income:								
Endowment management	114	-	-	114	89	-	-	89
Total investment income	114	-	-	114	89	-	-	89

7. Government grants

The charity received grant income from the Department for Culture, Media and Sport (DCMS) and the Mayor's Office for Policing and Crime (MOPAC), to fund charitable activities. Total income from government grants was £9,124k (2024: £10,242k).

8. Expenditure

	Raising funds £'000	ICT services £'000	Member services £'000	Projects and programmes (including grants) £'000	Other expenditure £'000	Total 2025 £'000
Grants payable (note 9)	-	-	15	8,977	-	8,992
Staff costs (note 10)	103	190	594	102	-	989
Consultancy, contractors and evaluation	-	205	1	310	-	516
Other staff costs	-	8	81	1	-	90
Recharged software costs	-	308	-	-	-	308
Project DiTA other licenses and apps cost	-	113	-	-	-	113
Event costs	-	-	144	-	-	144
Endowment management	-	-	-	-	114	114
Support costs:						
IT costs	-	3	14	19	-	36
Office and other costs	-	11	36	1	-	48
Premises costs	-	-	-	-	-	-
Professional fees	-	-	23	-	-	23
Governance costs:						
Audit, accountancy and tax fees (note 11)	-	-	27	-	-	27
Legal fees	-	4	15	9	-	28
Board meeting costs	-	-	11	-	-	11
Total expenditure	103	842	961	9,419	114	11,439

Prior year comparative expenditure:

	Raising funds £'000	ICT services £'000	Member services £'000	Projects and programmes (including grants) £'000	Other expenditure £'000	Total 2024 £'000
Grants payable (note 9)	-	-	-	11,065	-	11,065
Staff costs (note 10)	136	115	442	148	-	841
Consultancy, contractors and evaluation	-	305	19	187	-	511
Other staff costs	-	23	31	1	-	55
Recharged software costs	-	382	-	-	-	382
Event costs	-	-	27	-	-	27
Support costs:						
IT costs	-	2	31	8	-	41
Office and other costs	-	10	62	4	-	76
Premises costs	-	-	29	-	-	29
Professional fees	-	-	25	3	-	28
Governance costs:						
Audit, accountancy and tax fees (note 11)	-	-	23	-	-	23
Legal fees	-	-	5	-	-	5
Board meeting costs	-	-	6	-	-	6
Total expenditure	136	837	700	11,416	-	13,089

9. Grants

	Total 2025 £'000	Total 2024 £'000
To organisations		
#iWill	(1)	-
Anchor Community Connection Fund	57	110
Arts Council Lets Create Jubilee Fund	-	37
Arup	10	-
British Red Cross Ukrainian Support Fund	-	(4)
Cellnex Digital Exclusion Fund	59	-
Clean Air Fund	3	222
Communities in Crisis - British Red Cross	-	34
DCMS - Know Your Neighbourhood Fund	5,491	5,587
LAMIT Care Leavers	-	660
MOPAC - Victim Support	3,207	4,297
Original Cottages	-	9
PHP Group - Social Prescribing Fund	-	95
Sir George Earle Individuals Grants	11	18
Sir George Earle National Programme	140	-
To individuals		
International conference delegates	15	-
Total grants	8,992	11,065

Grants to organisations were distributed to our community foundation members relating to the restricted programmes listed. Grants to individuals were made to international delegates who received bursaries to attend the UKCF Foundations for the Future: Investing in Communities Conference in October 2024.

10. Staff costs and remuneration of key management personnel

	Total 2025 £'000	Total 2024 £'000
Salaries and wages	858	732
Social security costs	87	69
Employer pension contributions	44	40
	989	841
Redundancy and termination costs	54	5
	1,043	846

The number of staff whose emoluments were greater than £60,000 are:

	2025 No.	2024 No.
Number of employees earning between £60,001 and £70,000	1	2
Number of employees earning between £70,001 and £80,000	2	1
Number of employees earning between £100,001 and £110,000	-	1

The average head count was 18 (2024: 16).

Key management personnel includes the CEO and Senior Leadership Team (Chief Operating Officer, Deputy CEO & Director of Strategy, Interim Co-CEOs). The remuneration paid to the key management personnel was £354k (2024: £300k).

11. Net income/(expenditure) for the year

This is stated after charging:

	Total 2025 £'000	Total 2024 £'000
Auditor's remuneration:		
Current year - Statutory audit	24	17
Current year - Certification of grant programme income and expenditure	-	4
Current year - Tax advisory services	3	2

12. Investments

	2025 £'000	2024 £'000
Valuation at 1 April	6,172	5,609
Additions in year	20	11
Disposals during the year	(283)	-
Net (loss) / gain on revaluation	(244)	552
Valuation at 31 March	5,665	6,172

All investments are held with CCLA in COIF Charities Ethical Investment Fund.

13. Debtors

	2025 £'000	2024 £'000
Trade and sundry debtors	83	1,119
Prepayments	47	57
Accrued income	140	339
VAT recoverable	1	-
	271	1,515

14. Creditors : Amounts falling due within one year

	2025 £'000	2024 £'000
Trade and sundry creditors	76	220
Grants payable	983	1,220
Accruals and deferred income	69	119
Social security and other taxes	31	30
	<u>1,159</u>	<u>1,589</u>

Included within note 14 above is accrued grants payable as follows:

Analysis of grants payable

	2025 £'000	2024 £'000
Grants payable brought forward	1,220	-
Paid in year	(1,220)	-
Accrued in year	983	1,220
As at 31 March 2025	<u>983</u>	<u>1,220</u>

All grants payable are due within one year.

Included within note 14 above is deferred income as follows:

Analysis of deferred income

	2025 £'000	2024 £'000
Deferred income brought forward	65	53
Released to income in year	(65)	(53)
Deferred in year	-	65
As at 31 March 2025	<u>-</u>	<u>65</u>

Deferred income in the prior year relates to income for ICT services invoiced in advance of delivery.

15. Trustee remuneration and expenses

Eight members of the board (2024: six) received reimbursement of travel expenses to attend meetings. This amounted to £5,838 (2024: £1,242). No members of the board (2024: nil) received remuneration.

Some trustees are also either trustees or employees of UKCF's member organisations (see note 16).

UKCF holds trustees liability insurance, the charge for which cannot be separately identified from the value of the premium.

16. Related party transactions

UKCF is a membership organisation which exists to serve its members. Some of our trustees are also involved in local community foundations, listed below, which are members of UKCF. This involvement may be as an employee, a trustee, or by having a close family relationship with a trustee. Day to day transactions such as membership fees, licence fees and grant payments, take place between UKCF and its members. These transactions are on the same basis as the other members. If decisions are made about transactions with individual community foundations where trustees may have a conflict of interest, this interest is declared and the trustee not involved in the decision.

Trustee Name	Community Foundation
Steve Adams	Community Foundation for Staffordshire and Shropshire
Deborah Appleby	Dorset Community Foundation
Michelle Cooper	Point North Community Foundation
John Gordon	Community Foundation Northern Ireland
Neil MacDonald	South Yorkshire Community Foundation
Fiona McDiarmid	Norfolk Community Foundation
Leslie Rance	Foundation Scotland
Kevin Richmond	Sussex Community Foundation
Stephanie Taylor	Leeds Community Foundation
Andrew Tuggey	Community Foundation Wales
Tom Van Oss	Cornwall Community Foundation

17. Movement in funds

	At 1 April 2024 £'000	Income £'000	Expenditure £'000	Endowment management £'000	Transfers between funds £'000	Investment gains / (losses) £'000	At 31 March 2025 £'000
Endowment funds:							
Sir George Earle Charitable Fund	4,945	-	-	(93)	(240) ^(a)	(194)	4,418
Education Fund	82	-	-	(1)	(4) ^(a)	(3)	74
Relief of Poverty Fund	879	-	-	(16)	(137) ^(a/b)	(30)	696
General Fund	284	-	-	(4)	(279) ^(a/c)	(1)	-
Total endowment funds	6,190	-	-	(114)	(660)	(228)	5,188
Restricted funds:							
Anchor Community Connection Fund	-	57	(57)	-	-	-	-
Arup	-	10	(10)	-	-	-	-
British Red Cross Ukrainian Support Fund	4	-	-	-	-	-	4
Cellnex Digital Exclusion Fund	50	79	(59)	-	-	-	70
Clean Air Fund Micro Grants Programme	-	23	(3)	-	-	-	20
DCMS - Know Your Neighbourhood Fund	9	5,769	(5,775)	-	-	-	3
Endowment - Education Fund	5	3	-	-	4 ^(a)	-	12
Endowment - Relief of Poverty Fund	25	85	-	-	137 ^(a/b)	(5)	242
Endowment - General Fund	10	9	-	-	(8) ^(a/c)	(11)	-
Endowment - Sir George Earle Individuals	56	151	(11)	-	(61) ^(d)	-	135
Endowment - Sir George Earle National	79	-	(140)	-	301 ^(a/d)	-	240
Flood and Storm Donations	6	-	-	-	-	-	6
#iWill	8	-	(8)	-	-	-	-
MOPAC - Victim Support	-	3,207	(3,207)	-	-	-	-
Physical Education & Recreation	-	41	-	-	-	-	41
Surviving Winter	15	-	-	-	-	-	15
Total restricted funds	267	9,434	(9,270)	-	373	(16)	788
Unrestricted funds:							
Designated funds - Community Fund	-	-	-	-	287 ^(c)	-	287
General funds	256	1,852	(2,055)	-	-	-	53
Total unrestricted funds	256	1,852	(2,055)	-	287	-	340
Total funds	6,713	11,286	(11,325)	(114)	-	(244)	6,316

Transfers between funds:

Transfers between funds comprise several items:

1. Historic endowment management fees^(a) (recognised in 24/25 as other expenditure)
2. A reclassification of trust transfers made to UKCF historically for which no permanent endowment was stipulated, therefore, these funds have been released to restricted funds^(b) or unrestricted designated funds^(c) to utilise as flow-through funding for communities, in line with the intentions of the original donors.
3. An annual reallocation of funds from the individuals stream of the Sir George Earle fund to the national programme stream, in line with the fund agreement^(d)

Purposes of designated funds:

The general endowment fund and its associated restricted revenue fund have both been released to unrestricted designated funds in the year to be used as flow-through funding for communities, in line with the intentions of the original donors.

Purposes of endowment funds:

As part of the Revitalising Trusts Programme with the Charity Commission, the Sir George Earle Charitable Fund was transferred to UKCF in 2018-19 and multiple other smaller value funds have been transferred to UKCF since. Investment income from these funds are spent in accordance with their initial restrictions prior to transfer to UKCF. Further detail on the restrictions relating to the Sir George Earle Fund can be found below. Income from the other funds must be spent respectively on Education or Relief of Poverty.

Purposes of restricted funds:

The Anchor Community Connection Fund

The fund offered grants to local community organisations, causes or programmes which focus on bringing people together to share food and strengthen community connections. The funding was delivered in three areas of the UK via the community foundation network.

Arup

This funding was received in the wake of the Southport riots and passed to two of our member community foundations.

British Red Cross Ukrainian Support Fund

The fund supported local VCS organisations directly supporting refugee arrivals from Ukraine, and local infrastructure organisations to develop the capacity to prepare, coordinate and enable the successful integration of refugees. The funding was delivered via the community foundation network.

Cellnex Digital Exclusion Fund

The aim of the fund is to target digital exclusion and the funds have been used to support and work with organisations who are working in this area. The funding was delivered in three areas of the UK via the community foundation network.

Clean Air Fund Micro Grants Programme

The purpose of the programme was to scope the best ways of increasing demand and support for clean air policies in the worst affected cities (Manchester, Birmingham and Liverpool) via scoping a micro-granting project to support individuals and small organisations.

UKCF and the community foundations designed and delivered a pilot micro-granting project to support action on air pollution in these areas. This programme built awareness and demand for clean air in these cities.

DCMS - Know Your Neighbourhood Fund (KYN)

The KYN Fund has been extended and will run until March 2026. A key focus of the programme is to generate and share learning on how people in disadvantaged areas can be supported to volunteer and improve their social connections, which will help to support sustained action beyond the lifetime of the fund. The funding included a match element, requiring £1.5m to be raised across the life of the programme by those participating across the community foundation network.

Endowment Funds

There are three (2024: four) endowment funds held by UKCF which generate income for restricted funding. The largest is funded mainly by the investment income from the Sir George Earle Charitable Foundation, which was originally set up to provide discretionary grants to support current and former employees of the cement manufacturer in cases of financial hardship (Individuals). The scope has been extended to work with local communities and projects which support older people, particularly with regard to reducing loneliness or isolation, and in specific geographies around historic cement works (National).

The relief of poverty fund can be used specifically to address relief of poverty, and the education fund for the advancement of education.

The general fund can be used for broader purposes and as per the transfers note above has been released to unrestricted designated funds in the year to be used as flow-through funding for communities, in line with the intentions of the original donors.

Flood and Storm Donations

From December 2013 onwards, 11 community foundations set up local programmes to assist the victims of the extreme floods and storms. UKCF launched a national programme to support them. As a result, the Office for Civil Society, Wren Living Ltd, Comic Relief and others awarded grants to UKCF to distribute via the participating community foundations. This will continue to be disbursed in 2025/26.

#iWill

Funded by the National Lottery Community Fund and DCMS. The #iwill Fund supported the broader #iWill movement – a collaboration of over 1,000 cross-sector organisations and over 300 young people who are united by a shared belief that all children and young people should be supported and empowered to make a positive difference on the issues that affect their lives, their communities, and broader society.

The #iWill Fund distributed via the community foundation network supported social action activities that create opportunities for young people aged 10-20 to develop their potential and their capacity to significantly contribute to their community. Social action involves activities such as campaigning, fundraising and volunteering and has huge potential to create enjoyable opportunities and skills development for young people, and in turn benefit the local people and places.

Lamit Care Leavers

The Care Leavers Programme has a primary focus of improving the life chances of care leavers through decentralised funding into regions around the country. The £3.6 million match fund scheme will run over three years and is being funded by the Local Authorities' Mutual Investment Trust (LAMIT), a shareholder of the UK's biggest charities asset manager, CCLA.

MOPAC - Victim Support

The grant programme will involve the distribution of several million pounds of grant funding to organisations which deliver crime prevention and victim support services in London. Specifically, domestic abuse and sexual violence support. This is being distributed by London Community Foundation.

Physical Education & Recreation

A fund created from the transfer of an inactive charity to UKCF by the Charity Commission. To be utilised within the original charitable objectives of physical education and recreation in 2025/26.

Surviving Winter

The Surviving Winter campaign is funded by donations from the public to raise money for pensioners affected by fuel poverty. The funding is distributed via the community foundation network.

18. Analysis of net assets between funds

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Investments	-	268	209	5,188	5,665
Current assets	182	19	1,609	-	1,810
Current liabilities	(129)	-	(1,030)	-	(1,159)
Net assets at 31 March 2025	53	287	788	5,188	6,316
Investments	-	-	-	6,172	6,172
Current assets	589	-	1,542	18	2,149
Current liabilities	(333)	-	(1,275)	-	(1,608)
Net assets at 31 March 2024	256	-	267	6,190	6,713

19. Movement in funds - prior year comparative

	At 1 April 2023 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Investment gains / (losses) £'000	At 31 March 2024 £'000
Endowment funds:						
Sir George Earle Charitable Fund	4,503	-	-	-	442	4,945
Education Fund	75	-	-	-	7	82
Relief of Poverty Fund	778	24	-	-	77	879
General Fund	258	-	-	-	26	284
Total endowment funds	5,614	24	-	-	552	6,190
Restricted funds:						
Anchor Community Connection Fund	-	110	(110)	-	-	-
Arts Council Lets Create Jubilee Fund	40	-	(40)	-	-	-
British Red Cross Ukrainian Support Fund	-	-	4	-	-	4
Cellnex Digital Exclusion Fund	-	50	-	-	-	50
Clean Air Fund Micro Grants Programme	122	100	(222)	-	-	-
Communities in Crisis - DCMS	34	-	(34)	-	-	-
DCMS - Know Your Neighbourhood Fund	-	5,786	(5,777)	-	-	9
Endowment - Education Fund	4	1	-	-	-	5
Endowment - Relief of Poverty Fund	13	12	-	-	-	25
Endowment - General Fund	6	4	-	-	-	10
Endowment - Sir George Earle Individuals	66	74	(18)	(66)	-	56
Endowment - Sir George Earle National	13	-	-	66	-	79
Flood and Storm Donations	6	-	-	-	-	6
#iWill	8	-	-	-	-	8
LAMIT Care Leavers	-	660	(660)	-	-	-
MOPAC - Victim Support	-	4,297	(4,297)	-	-	-
Original Cottages	-	9	(9)	-	-	-
PHP Group - Social Prescribing Fund	-	95	(95)	-	-	-
Surviving Winter	15	-	-	-	-	15
Total restricted funds	327	11,198	(11,258)	-	-	267
Unrestricted funds:						
General funds	344	1,739	(1,827)	-	-	256
Designated funds: Digital Transformation	4	-	(4)	-	-	-
Total unrestricted funds	348	1,739	(1,831)	-	-	256
Total funds	6,289	12,961	(13,089)	-	552	6,713

Negative expenditure figures represent a grant underspend being returned to UKCF.

20. Comparative Statement of Financial Activities - Prior year

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000
Income and endowments from:				
Donations and legacies	717	11,107	24	11,848
Charitable activities	923	-	-	923
Investments	10	91	-	101
Other income	89	-	-	89
Total income	1,739	11,198	24	12,961
Expenditure on:				
Raising funds	136	-	-	136
Charitable activities:				
ICT services	837	-	-	837
Member services	700	-	-	700
Projects and programmes including grants	158	11,258	-	11,416
Total expenditure	1,831	11,258	-	13,089
Net (expenditure) / income before investment (losses) / gains	(92)	(60)	24	(128)
Net gains / (losses) on investments	-	-	552	552
Net income / (expenditure)	(92)	(60)	576	424
Transfers between funds	-	-	-	-
Net movement in funds	(92)	(60)	576	424
Reconciliation of funds:				
Total funds brought forward	348	327	5,614	6,289
Total funds carried forward	256	267	6,190	6,713