

UK COMMUNITY FOUNDATIONS

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Company number: 2651777
Charity number: 1004630



**UKCOMMUNITY
FOUNDATIONS**

GIVING FOR LOCAL GOOD

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2024

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INTRODUCTION

UK Community Foundations (UKCF) is the national membership organisation for all accredited community foundations across the United Kingdom. We invest 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 invest 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.

Who We Are

Our network consists of 47 accredited community foundations and three 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 from the Republic of Ireland, 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 and work with communities that are the hardest to reach.

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. This knowledge is the result of extensive local research. Thus, community foundations are able to 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 we fund are as diverse as the communities with which we engage.

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

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INTRODUCTION

The network of accredited community foundations gives grants totalling around £170 million annually. Collectively, this makes us one of the UK's larger grant-giving organisations. Over the past 20 years, donors have given over £1 billion to and through community foundations 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.

Our network of community foundations together owned endowments of £822 million at 31 March 2024.

CHAIR'S REPORT

The financial year 2023/24 consolidated the work of the previous year and saw the preparation and drafting of UKCF's new strategy for the period 2024 – 2027. The Board approved the new strategy which is based on growing UKCF's external influence and that of our network of 47 community foundations with their postcode coverage of the UK, with the purpose of investing in communities to transform people's lives.

Our Chief Executive Officer, Rosemary Macdonald BEM, departed UKCF on 31 May 2024. Her appointment at UKCF will be marked by her dedication in ensuring the delivery of the amazing grant-funding of some £83 million across the whole network during the dark days of the pandemic. Her work demonstrated her passion for supporting communities across the UK. More recently, Rosemary's commitment was evidenced by the launch of the care-leavers' programme in April 2024, which she had prepared in partnership with colleagues from CCLA. The care-leavers' programme will be life-changing for many in our communities. During her tenure as CEO at both UKCF and before that at Wiltshire Community Foundation, Rosemary had a positive impact on the network. On behalf of the 47 community foundations, UKCF thanks Rosemary for all that she achieved.

We are well advanced in the recruitment of a new CEO and on track to appoint a successful candidate during Autumn 2024 to assume the appointment in January 2025. In the interim, on 1 June the Board was pleased to appoint two interim co-CEOs, Ben Robinson (Deputy CEO) and Kaveed Ali (Chief Operating Officer). In parallel, a Director of Strategic Communications, a new appointment, is being recruited. The intention is that the new Director will be in place before the end of 2024.

The UKCF committee structure continues to work well. Independent Trustee Neil MacDonald OBE, appointed in early June 2023, was appointed Treasurer, in addition to chairing the Finance, Audit & Operations (FAO) committee of the Board. That appointment added great value to the organisation. A UKCF governance review was commissioned in January 2024 and reported to the Board in September 2024.

Trustees Toby Anstruther (Foundation Scotland Trustee) and Stephanie Taylor (CEO Leeds Community Foundation) have stepped down from the Board during the year, and Kevin Richmond (CEO Sussex Community Foundation) will step down at the AGM 2024. Les Rance (Foundation Scotland) has been welcomed as a co-opted Trustee to replace Toby. Les comes with significant experience of strategic leadership in the corporate sector. Toby joined the Board in December 2019 and served as Chair of the Nominations & Governance Committee. Kevin was elected in 2020 and Steph in 2023. I am hugely grateful to all three colleagues for their outstanding contributions to the UKCF Board. We wish Kevin, Steph and Toby well as they 'return' to their parent community foundations.

Community foundation CEOs meet regularly online and the bi-monthly webinars for community foundation Chairs and Trustees, together with the annual Chairs' Day, continue to facilitate pan-network engagement. The UKCF Board and executive team value the

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engagements as a means of involving the network in UKCF, as well as providing opportunities for learning and understanding across the network.

The digital transformational project (DiTA), previewed in last year's report, continues and will be delivered this year. As with all such complicated digital projects, the organisation continues to learn through the delivery. This is a new area for UKCF and for many of the foundations in the network.

For the first time, UKCF has brought on a Trusts Manager to strengthen our fundraising capabilities, alongside another key addition to the finance team. Rachel Morgan, the Trusts Manager brings significant experience and is already adding tremendous value to the organisation.

Finally, we always know that as a membership organisation our duty is to serve our members. Having said that, UKCF needs to generate income over and above the fees our members pay in order to support the organisational costs needed to deliver a top-quality service to the network.

Looking forward, our financial year 2024/25 brings several new developments:

- A new CEO will be appointed to lead the organisation and to take forward the strategy of growing UKCF's external influence and that of our network
- The new Director of Strategic Communications will facilitate and support that strategy
- The new Quality Assurance process (QA6), designed in the wake of the lessons learned from QA5, will progress in two parts, compliance and development, commencing in the autumn with the compliance element. QA6 will be robust, but will be a more inclusive and learning process that includes a plan to introduce a Membership Charter for the network
- Our UKCF conference will take place in Harrogate between 8 – 10 October
- There is a new government – and there are fresh opportunities for UKCF and the network to support communities in need across the UK



Andrew Tuggey CBE DL

Chair and Trustee, UK Community Foundations

2 October 2024

TRUSTEES' REPORT

The Trustees present their annual report, together with the audited accounts of the charity for the year ended 31 March 2024.

VISION, PURPOSE AND MISSION

Vision. Community foundations have a UK-wide reputation as agile agents for change in every local community – addressing need through vibrant local philanthropy and giving, sustainable charitable funding, and local partnership working – and are recognised as an integral element of any national discussions relating to local communities.

Purpose - Investing in Communities to Transform People's Lives. Our new purpose was developed by the Trustees during their residential in 2023. It reflects UKCF's commitment to addressing current and emerging community needs.

Mission. To provide inspirational leadership and advocacy at the national level by delivering training, resources, and a national profile to enhance and sustain the support of local communities.

VALUES

We believe in justice and fairness. Everyone should have the opportunity to have a fulfilling life and to feel they belong. This cannot be mandated by government or done to people, only with them. Change needs to come from within communities, driven by people who understand the local situation. Our support makes this possible. We understand the challenges, we find the funding, and we work with those who have the solutions to improve lives.

- We embed inclusivity in all that we do
- We put relationships first
- We are ambitious for members and the communities they support

IMPACT

UKCF's impact during the year has been substantial, advancing the future thinking of our members amidst significant national changes. In preparation for the new government, UKCF has strategically positioned itself to engage more meaningfully with public affairs and policy. This approach is crucial as we address ongoing issues such as disadvantage, climate change, and equity, diversity, and inclusion.

The cost-of-living crisis has underscored the vulnerability of many communities and highlighted the critical role of community groups. UKCF has secured funding for these

communities, supported our members, and built partnerships outside the network to gather the necessary skills, resources, and connections to support local initiatives.

THEMES OF THE NEW STRATEGY

- 1. Equity, Diversity and Inclusion.** We have woven EDI into all activities to support members in becoming more representative of the communities they serve.
- 2. UN Sustainable Development Goals.** Adopting the SDGs provides a framework for measuring our impact and positioning community foundations nationally and internationally.
- 3. Digital Transformation.** Enhancing digital capabilities across UKCF's operations is a key focus, improving everything from grant-making and impact measurement to communication and finance.

AIMS AND OBJECTIVES

During the 2024 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

- 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

OBJECTIVES

1. **Strengthen the Network.** We work to ensure that each of our members has the skills and capacity to meet the needs of their communities by offering a range of services that add value to members of all sizes, based on their needs and interests.
2. **Build Profile.** We endeavour to improve our visibility with government and other influencers to position community foundations as the partner of choice and experts on place-based social change by enhancing our communications and developing a policy platform and a clear and unified voice.
3. **Unlock Resources.** We generate investment in the network from a wide range of philanthropists, donors, and partners by building a strong case for support of community foundations and UKCF.
4. **Digital Transformation.** We invest in data and insights to drive operational efficiencies across the network, enhancing the collective impact of our work.

Project DiTA is a strategically important initiative and long-term investment for the community foundation network supported by UKCF. Being delivered across 37 foundations, Project DiTA provides a platform for better data management and shared learning. UKCF has significantly subsidised the cost of the project for members by investing its own reserves, ensuring this vital development is accessible to all.

As both the leader and beneficiary of the project, UKCF is also implementing the CRM system internally. This will not only improve our access to valuable data and insights but also enhance our operational efficiencies. By adopting the same system, UKCF can lead by example, driving effectiveness across the network while benefiting from the same streamlined processes and data-driven decision-making that we advocate for all foundations.

- 5. Governance.** We aim to strengthen governance practices across the entire network, fostering greater resilience and effectiveness in how we collectively operate.

This year, UKCF has undertaken a comprehensive governance review aimed at ensuring our structures, processes, and practices remain robust and fit for purpose. The insights and learning from this review have been shared across our Board and Executive team, and will be shared with our members as well.

ACHIEVEMENTS AND PERFORMANCE

1. Strengthen the Network:

- Developed a new strategy in collaboration with members, engaging CEOs and Trustees
- Held the online conference "Together 23" attended by representatives from all foundations
- Hosted CEO and Chairs' residentials
- Increased membership on the Members' Hub
- Invested in philanthropy training and expertise, bringing additional capacity to develop resources and learning
- Achieved a significant increase in engagement and collaboration within the network, demonstrating the value of our new strategic initiatives

2. Build Profile:

- This year saw a more structured approach to building our profile, focusing on developing a new endowment match challenge and co-developing a national philanthropy strategy with sector partners
- Increased social media followings and budgeted for strategic communications director and research and insights manager positions
- Continued relationships with other funders and think tanks such as Pro Bono Economics, New Philanthropy Capital, and Beacon Collaborative

3. Unlock Resources:

- Unlocked significant amounts in trust transfer and revitalising trusts programme, continued work with the Charity Commission
- Continued delivery of "Know Your Neighbourhood" with DCMS and signed the Anchor Programme for another year
- Expanded corporate donations through partnerships with Prospectus, CCLA, Sarasin, and Evouchers

- Compared to previous years, the diversity and scale of resources unlocked have increased, enabling us to support more extensive and impactful community projects

4. Digital Transformation:

- Ongoing rollout of the CRM with all foundations expected to go live by March 2025. The complexity of migrating data from a shared legacy system to new individual CRMs has presented a technical challenge for the project. This has caused a delay in the delivery of the system from Summer 2024 to March 2025. A revised delivery plan has been shared with community foundations. It has also led to unbudgeted costs for hiring data specialist contractors
- Changes in the staff team have impacted UKCF's ability to support the legacy system during the transition. A full team is now in place (expanded from two to four members), including an experienced Project Manager who previously worked in an executive role at a community foundation
- Plan to hire a research and insights role to support the CRM network-wide
- This initiative has progressed significantly from last year, with tangible improvements in data management and member collaboration

5. Governance:

- Governance structures have been strengthened to ensure robust oversight and strategic direction, reflecting our commitment to continuous improvement
- Established a new strategy committee to support the development and implementation of the 2024 - 2027 strategy
- Conducted a governance review by an independent member of the Nominations and Governance Committee. Recommendations from this review will be taken forward in collaboration with the Board and executive team in the next year as part of the organisation's strategic plan

PLANS FOR THE FUTURE

Over the past three years, UKCF's strategy has focused on four key objectives: strengthening the network, building profile, unlocking resources, and building a thriving UKCF. We have made significant progress by fostering a culture of learning across the network, enhancing our communications to position UKCF and its members as experts in philanthropy and place-based giving, securing new partnerships to drive local investment, and embedding digital transformation within our operations. As we look ahead, we will build on these achievements with a refined strategic focus that addresses emerging challenges and opportunities.

Our future direction is shaped by five key objectives:

Establishing a Stronger Voice and Influence for Community Foundations. Our aim is to harness the collective knowledge and expertise of the network to establish a stronger national profile that can shape wider systems and policy. We will invest in our learning, strategic communications, and public affairs capabilities to amplify the voice of community foundations, ensuring they are recognised as authoritative leaders on key social issues at both local and national levels.

Supporting Community Foundations to Continue Transforming Place-Based Grant-Making. Grant-making will remain at the heart of what we do, but the scale of current and future challenges requires a shift from transactional to transformational approaches. We will support the network in adopting more innovative, relational, and trust-based practices, prioritising funding approaches that are more agile, unrestricted, and focused on systemic change.

Growing Local Philanthropy and Giving. Local philanthropy is central to our work, and there is vast untapped potential to make it more inclusive and impactful. We will strengthen the network's capacity to grow local giving through a comprehensive library of resources, peer-learning events, and by positioning community foundations as key advocates for philanthropy at a national level.

Becoming an Insights and Data-Driven Network. Data and insights are powerful tools for driving social change, and we are committed to making them a core strength of our network. Through Project DiTA and other initiatives, we will build an integrated platform for seamless data collection, analysis, and sharing across the network. This will enable more strategic decision-making, more effective grant-making, and better advocacy based on a deeper understanding of community needs.

Positioning Community Foundations as the Long-Term Funder. To truly transform communities, we need to shift our focus toward addressing root causes and building long-term solutions. As permanent fixtures in local communities, community foundations are ideally placed to advocate for long-term approaches that tackle the underlying causes of social

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issues. We will work to position the network as a leading voice for sustainable, future-focused funding that drives genuine, lasting impact.

Through these strategic objectives, UKCF aims to support a network that is collaborative, resilient, and equipped to address the challenges of today and tomorrow. By 2027, we envision community foundations as recognised leaders in philanthropy, driving social change and transforming lives through their strategic vision and local expertise.

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. A community foundation is a foundation established to generate funds from all sources (including money given to build endowments) and to provide grants for charitable purposes related to the needs of a defined community. Community foundations thus provide services to donors and engage with others to strengthen local communities.

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 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 financial year were as follows:

- **Finance, Audit & Operations Committee:** Charged with reviewing financial strategy and planning, audit, risk, human resources, and major contracts
- **Nominations & Governance Committee:** Charged with overseeing the recruitment of Trustees and Trustee training and development

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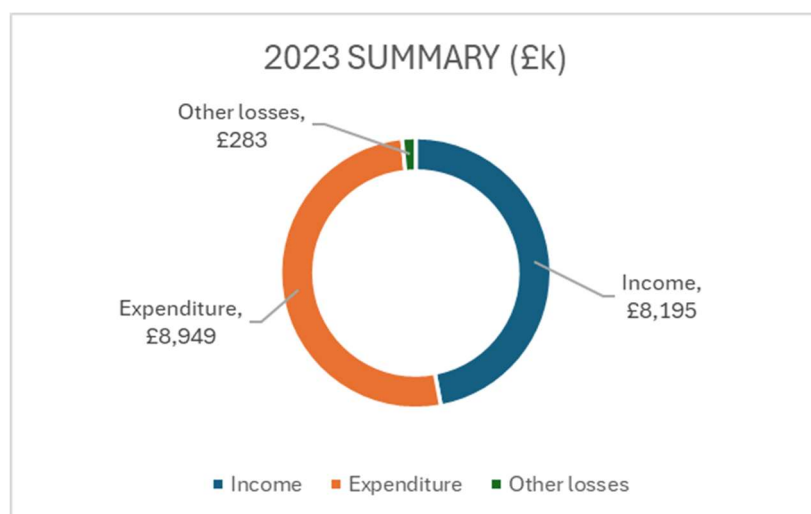
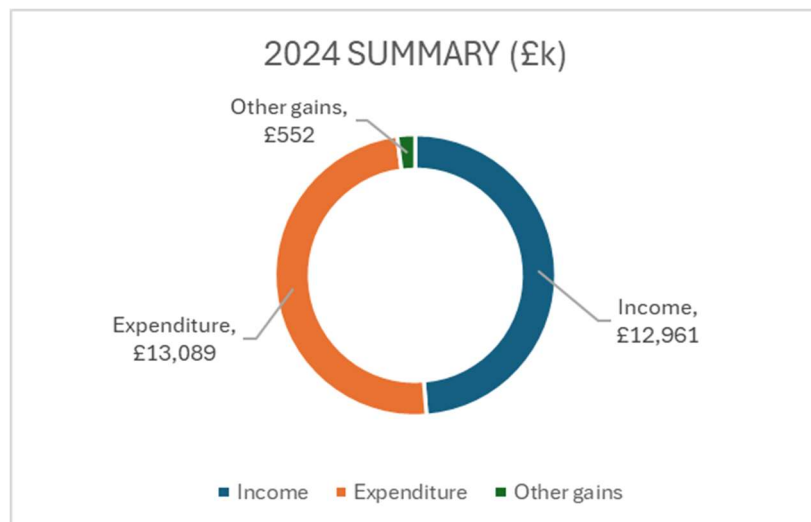
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- **Community First Investment Committee:** A sub-committee of the Finance, Audit & Operations Committee, charged with oversight of the UKCF endowment and the community foundations' endowment established during the Community First Match Challenge Programme
- **Strategy Committee:** This committee worked with SLT to develop the 3-year strategy for 2024-2027 and the vision for 2040.

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.

FINANCIAL REVIEW



FUNDS

UKCF has three types of funds, Unrestricted, Restricted and Endowment.

Unrestricted funds

Excluding the Information and Communications Technology subscriptions and Salesforce development costs, which are a fully recharged cost to our members, the unrestricted funds show the income and expenditure required to operate UKCF.

Unrestricted funds	2024 £k	2023 £k
Deficit	-92	-297
Funds transfers	-	20
Overall net movement in funds	-92	-277

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Restricted funds

In comparison, restricted funds are pass-through funds which we use to make grants to our members, and, on rare occasions, to other organisations.

Restricted funds	2024 £k	2023 £k
Deficit	-60	-504
Funds transfers	-	28
Overall net movement in funds	-60	-476

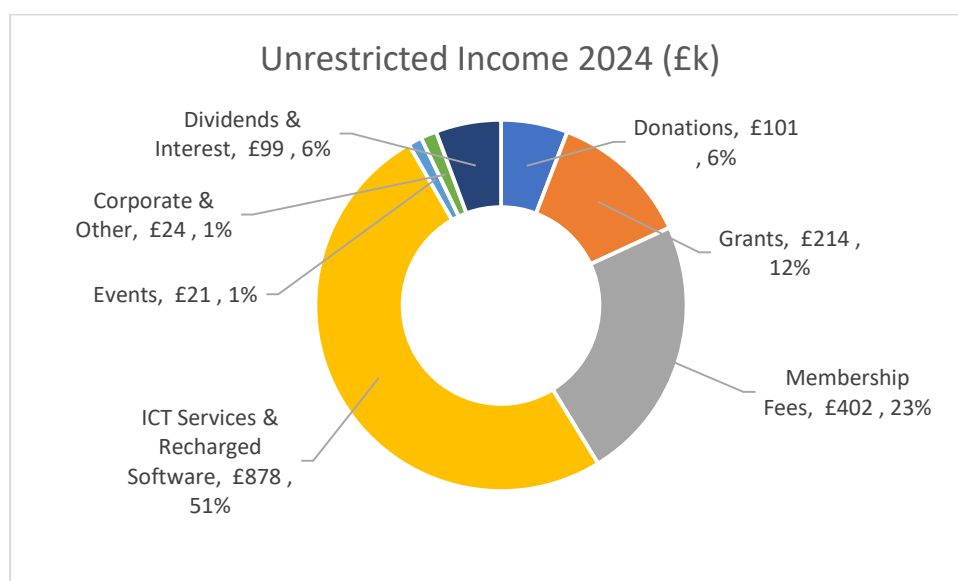
Endowment funds

As a result of the Revitalising Trusts Programme, UKCF also holds an endowment fund. This arises from transfers of inactive or dormant trusts which have a national or UK-wide objective.

Endowment funds	2024 £k	2023 £k
Income	24	47
Funds transfers	-	-48
Investment losses / gains	(gains) 552	(losses) -283
Overall net movement in funds	(upward) 576	(downward) -284

INCOME

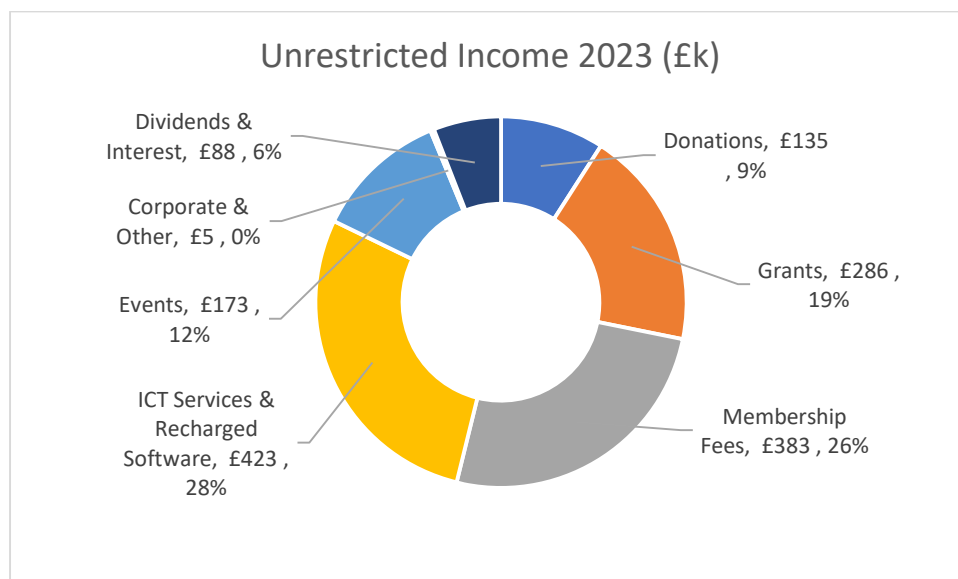
Unrestricted Income: £1,739k (2023: £1,493k)



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Membership income	Our membership fees are based on a percentage of the endowments held by each individual community foundation. Lower fees are charged to our overseas members as they have limited access to membership benefits compared to our UK accredited members.
Donations and core grants	Core funding from trusts and foundations, partners and via programmes.
ICT services and recharged software	These recharges mainly relate to the network-wide CRM which is administered by UKCF.
Events	Ticket sales and sponsorship of network events.
Corporate and other	Other earned income, e.g. from corporate partnerships.
Dividends and interest	Earned from investment holdings and bank interest.

Restricted Income: £11,198k (2023: £6,655k)

Restricted income used for flowthrough grant-making was £11,107k (2023: £6,560k).

Restricted investment income was £91k (2023: £95k).

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Endowment Income: £24k (2023: £47k)

Investment gains in 2023/24 were £552k (2023: £283k loss).

Funds transferred through the Revitalising Trusts Programme are held as endowment funds. The balance of this fund at the end of the year is £6,190k (2023: £5,614k).

The Sir George Earle Charitable Fund, which is held as a linked charity (charity number 1001630-1), makes up most of this balance. UKCF also has a second linked charity, Aid for the Aged in Distress (charity number 1004630-2).

The proceeds of the endowment funds are used to contribute to UKCF overheads and to provide grants to be made by individual community foundations.

Capital drawdowns are made in line with fund agreements to augment grant-making, this is shown as a fund transfer. Grants of £18k (2023: £150k) were made related to the Sir George Earle endowment fund, with a further £140k paid out early in financial year 2024/25.

EXPENDITURE

Unrestricted Expenditure: £1,831k (2023: £1,790k)

Significant expenditure areas	2024		2023	
	£		£	%
Team costs – Includes employee salaries and on-costs before redundancies and termination costs (Financial statements note 9)	£841k		£928k	55%
Headcount		16		18
Governance costs – Includes costs relating to Board meetings, Trustee travel and the external audit	£34k		£22k	

Restricted Expenditure: £11,258k (2023: £7,159k)

	2024	2023
Flowthrough grants awarded	£11,065k	£6,959k
Other project and programme expenditure (£188k of this expenditure (2023: £196k) relates to evaluation costs for the DCMS Know Your Neighbourhood programme)	£193k	£200k

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The difference between restricted income received and expended in-year arises due to grant-making in-year being made from brought forward funds.

Endowment Expenditure: £nil (2023: nil)

INVESTMENTS

Through its Community First Investment Committee (CFIC), UKCF oversees the investment of the Community First investment funds on behalf of 45 of the community foundations. That fund was valued at £181m at 31 March 2024 (2023: £161m).

UKCF's endowment fund, which comprises the Sir George Earle Fund and some smaller funds (as described in financial statements note 17), stood at £6.2m at 31 March 2024 (2023: £5.6m).

These funds are all managed by CCLA Investment Management Limited.

UKCF's policy is to build and hold a significant endowment fund, created to support community foundations and their communities now and for generations to come. The intention is that UKCF will continue to develop its endowment from the transfer of dormant or inactive trusts with a national reach.

UKCF's endowment is invested in CCLA's COIF Ethical Fund. UKCF operates a total return policy to invest funds for longer-term growth.

The CFIC meets twice a year and reports regularly to the membership network. In the opinion of the CFIC, CCLA exercised its investment responsibilities with due care during the year.

In addition, UKCF has responsibility for the oversight of the Community First Match Fund Challenge Endowment which is held by individual community foundations and is invested in CCLA COIF funds. This oversight has been delegated to the CFIC.

Total investment performance net of fees and costs to 31 March	Year 2024	Year 2023	Annualised three-years 2024
CCLA – COIF Ethical Investment Fund	+13.11%	-2.00%	+7.34%
Comparator	+16.72%	-3.94%	+7.81%

RESERVES POLICY

At 31 March 2024:

- Total funds amounted to £6,713k (2023: £6,289k)
- Unrestricted funds were £256k (2023: £348k)
- Restricted funds were £267k (2023: £327k)
- Endowment funds were £6,190k (2023: £5,614k)

In August 2024, the Trustees reviewed the reserves policy, following the steps outlined in the Charity Commission's guidance CC19 (Charity Reserves: building resilience). This involves taking a detailed look at the restrictions on the funds and assets we hold, understanding the impact of risk, assessing the reliability of our sources of income and considering future plans.

The Trustees determined that a target of £250k was an appropriate level for our unrestricted general reserves (2023: £300k – £410k). This change reflects the changing funding landscape resulting in anticipated lower spend in 2024/25. In determining the level of reserves we have also considered the impact of any timing lag on income in developing new programmes, partnerships and strategic projects. This revised reserves 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.

At the balance sheet date, the unrestricted reserves were £256k (2023: £348k), within target. All designated funds were spent in the year.

RISKS

The Trustees regularly review the major risks to which the charity is exposed. Systems and procedures, including a risk register, are in place to manage these risks, with regular reports from the CEO. 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:

- ensuring sufficient funding is secured to cover our unrestricted core costs and therefore allow UKCF to deliver on its mandate and strategy. To mitigate the risks of

a reduction of income, UKCF is actively pursuing new programmes, core funding opportunities and diversifying income streams through new corporate partnerships

- ensuring delivery of our digital transformation project is on budget and managing cash flow on the project. A separate Steering Group is responsible for detailed oversight on the digital transformation project risk register
- ensuring member satisfaction and continued engagement with our strategy. 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.

In particular, the Trustees have considered the charity's forecasts for the period to 31 March 2025 and projections for the financial year 2025/26. The Trustees have taken account of the likely fall in unrestricted programme income (as a key national programme with DCMS comes to an end in March 2025) and the potential need to reduce unrestricted expenditure to a more sustainable level. With these cost savings and a close eye on our cash flow, 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 register them with the CEO or Company Secretary and, following UKCF's policy, withdraw from decisions where a conflict of interest arises.

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The CEO's salary is reviewed annually considering movement in average earnings and the relativity with the average salary of other employees. The remuneration of the CEO 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.

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 (from 16 June 2023) / Thomas Van Oss (until 16 June 2023)

Trustees

Toby Anstruther (resigned 19 February 2024)

Gill Bull

Michelle Cooper MBE

John Gordon DL

Neil MacDonald OBE (appointed 16 June 2023)

Fiona McDiarmid

Helen McEachern (resigned 16 June 2023)

Anushka Nagpal

Leslie Rance (appointed 22 March 2024)

Kevin Richmond (standing down 9 October 2024)

Kayathiri Supramaniam

Stephanie Taylor (resigned 19 May 2024)

Andrew Tuggey CBE DL

Thomas Van Oss

Emma-Jane Watchorn

Hannah Wickes (appointed 31 January 2024)

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2024

TRUSTEES' REPORT

Company Secretary

Rosemary Macdonald BEM (until 31 May 2024)

Kaveed Ali (from 1 June 2024)

Chief Executive

Rosemary Macdonald BEM (until 31 May 2024)

Kaveed Ali – Co-CEO (from 1 June 2024)

Ben Robinson – Co-CEO (from 1 June 2024)

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

Auditors

Haysmacintyre 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 2024 was 46.

Trustees' Insurance

During the year, Trustees were covered by Directors' and Officers' insurance.

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
- State whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping proper accounting records 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

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2024

TRUSTEES' REPORT

- 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 2 October 2024:

A S Tuggey

Signed on its behalf by

Andrew Tuggey CBE DL

Chair and Trustee, UK Community Foundations

N. A. MacDonald

Signed on its behalf by

Neil MacDonald OBE

Treasurer and Trustee, UK Community Foundations

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 2024 which comprise the Balance Sheet as at 31 March 2024, the Statement of Financial Activities, 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 2024 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.

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2024

INDEPENDENT AUDITOR'S REPORT

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

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 Trustees' Report and the Chair's 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' Annual 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement (set out on pages 27-28), 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.

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2024

INDEPENDENT AUDITOR'S REPORT

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 Commission and we considered the extent to which non-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 and the Charities Act 2011, Charity 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 critical 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.

UK COMMUNITY FOUNDATIONS

YEAR ENDED 31 MARCH 2024

INDEPENDENT AUDITOR'S REPORT

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 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.



Siobhan Holmes (Senior Statutory Auditor)

For and on behalf of:

Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place

London

EC4R 1AG

Date: 3 October 2024

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000	Total 2023 £'000
Income and endowments from:						
Donations and legacies	3	717	11,107	24	11,848	7,416
Charitable activities	4	923	-	-	923	596
Investments	5	99	91	-	190	183
Total income		1,739	11,198	24	12,961	8,195
Expenditure on:						
Raising funds		136	-	-	136	103
Charitable activities:						
ICT services		837	-	-	837	408
Member services		708	-	-	708	1,047
Projects and programmes including grants		150	11,258	-	11,408	7,391
Total expenditure	7	1,831	11,258	-	13,089	8,949
Net gains / (losses) on investments	11	-	-	552	552	(283)
Net income / (expenditure)	10	(92)	(60)	576	424	(1,037)
Transfers between funds		-	-	-	-	-
Net movement in funds	17	(92)	(60)	576	424	(1,037)
Reconciliation of funds:						
Total funds brought forward		348	327	5,614	6,289	7,326
Total funds carried forward		256	267	6,190	6,713	6,289

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 37 to 51 form an integral part of these financial statements.

	Notes	Total 2024 £'000	Total 2023 £'000
Fixed assets			
Investments	11	6,172	5,609
Total fixed assets		<u>6,172</u>	<u>5,609</u>
Current assets			
Debtors	12	1,515	207
Cash at bank and in hand		615	811
Total current assets		<u>2,130</u>	<u>1,018</u>
Current liabilities			
Creditors: Amounts falling due within one year	13	1,589	338
Net current assets		<u>541</u>	<u>680</u>
Total net assets	18	<u>6,713</u>	<u>6,289</u>
The funds of the charity:			
Unrestricted funds:			
Total unrestricted funds		256	348
Revenue funds:			
Restricted income funds		267	327
Capital funds:			
Endowments		6,190	5,614
Total funds	17	<u>6,713</u>	<u>6,289</u>

The financial statements were approved and authorised for issue by the Trustees on 2 October 2024 and signed on their behalf by:

A S Tuggey

Andrew Tuggey CBE DL
Chair

N. A. MacDonald

Neil MacDonald OBE
Treasurer

The notes set out on pages 37 to 51 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Total 2024 £'000	Total 2023 £'000
Cash flows from operating activities:		
Net income / (expenditure)	424	(1,037)
Adjustments for:		
(Gains)/losses on investments	(552)	283
(Increase)/decrease in debtors	(1,308)	(134)
(Decrease)/increase in creditors	1,251	91
Net cash (used in) operating activities	(185)	(797)
Cash flows from investing activities:		
Purchase of investments	(11)	(133)
Proceeds on disposal of investments	-	49
Net cash (used in) investing activities	(11)	(84)
Net change in cash and cash equivalents in the reporting period	(196)	(881)
Cash and cash equivalents at the beginning of the reporting period	811	1,692
Cash and cash equivalents at the end of the reporting period	615	811

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) 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 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. In particular the trustees have considered charity's forecasts for the period to 31 March 2025 and projections for the financial year 2025/26. The Trustees have taken account of the likely fall in unrestricted programme income (as a key national programme with DCMS comes to an end in March 2025) and the potential need to reduce unrestricted expenditure to a more sustainable level. With these cost savings and a close eye on our cash flow, 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. The charity therefore continues to adopt 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.

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.

Fundraising 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, including ICT consultants and other recharged software costs.

Member services comprise mainly staffing and consultancy 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.

Funds

Unrestricted funds are donations and other income received or generated for charitable purposes.

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. The capital must be retained by the charity however the income from funds invested partly represents an unrestricted management fee at an agreed rate. Income in excess of the unrestricted management fee is restricted as set out in note 17.

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.

Operating lease

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the lease duration.

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 charity is exempt from corporation tax under section 505 of the Income and Corporation Taxes Act 1988 as all its income is applied to charitable purposes.

3. Income from donations and legacies

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2024 £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2023 £'000
Donations:								
C S Mott Foundation	39	-	-	39	66	-	-	66
CCLA	60	-	-	60	60	-	-	60
Original Cottages Donation	1	9	-	10	3	-	-	3
Other	1	-	-	1	1	-	-	1
ShareGift Donation	-	-	-	-	5	-	-	5
Total donations	101	9	-	110	135	-	-	135
Grants:								
#iWill	-	-	-	-	35	603	-	638
Anchor Community Connection Fund	20	110	-	130	5	110	-	115
Arts Council Lets Create Jubilee Fund	-	-	-	-	70	(47)	-	23
British Red Cross Ukrainian Support Fund	-	-	-	-	18	660	-	678
Cellnex Digital Exclusion Fund	-	50	-	50	2	149	-	151
Clean Air Fund Micro Grants Programme	-	100	-	100	5	122	-	127
Communities in Crisis - British Red Cross	-	-	-	-	18	286	-	304
Communities in Crisis - DCMS	-	-	-	-	20	760	-	780
Communities in Crisis - M&G	-	-	-	-	7	343	-	350
DCMS - Know Your Neighbourhood Fund	137	5,786	-	5,923	45	1,485	-	1,530
Ladbrokes	-	-	-	-	27	-	-	27
Local Authorities Mutual Investment Trust (LAMIT) Care Leavers	30	660	-	690	-	-	-	-
Masonic Charitable Found'n Refugee Fund	-	-	-	-	15	485	-	500
MOPAC - Victim Support	22	4,297	-	4,319	10	1,525	-	1,535
Nationwide	-	-	-	-	2	-	-	2
NET - COVID 19	-	-	-	-	-	(24)	-	(24)
PHP Group - Social Prescribing Fund	5	95	-	100	8	143	-	151
Tampon Tax	-	-	-	-	-	(40)	-	(40)
Total grants	214	11,098	-	11,312	286	6,560	-	6,846
Subscriptions:								
Membership fees	402	-	-	402	383	-	-	383
Endowment transfer:								
Legacies	-	-	24	24	5	-	47	52
Total donations and legacies	717	11,107	24	11,848	809	6,560	47	7,416

4. Income from charitable activities

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2024 £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2023 £'000
Charitable activities:								
ICT services and recharged software	878	-	-	878	423	-	-	423
Event sponsorship and ticket sales	21	-	-	21	173	-	-	173
Corporate partnerships	20	-	-	20	-	-	-	-
Other earned income	4	-	-	4	-	-	-	-
Total charitable activities	923	-	-	923	596	-	-	596

5. Income from investments

	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2024 £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	Total 2023 £'000
Investments:								
Dividends and interest	99	91	-	190	88	95	-	183
Total investment income	99	91	-	190	88	95	-	183

6. Government grants

The charity received grant income from the Department for Culture, Media and Sport (DCMS), Arts Council England and the Mayor's Office for Policing and Crime (MOPAC) to fund charitable activities. Total income from government grants was £10,242 (2023: £3,868).

7. Expenditure

	Raising funds £'000	ICT services £'000	Member services £'000	Projects and programmes (including grants) £'000	Total 2024 £'000
Grants payable (note 8)	-	-	-	11,065	11,065
Staff costs (note 9)	136	115	442	148	841
Consultancy and other staff costs	-	328	50	188	566
Recharged software	-	382	-	-	382
Support costs:					
Event costs	-	-	27	-	27
IT costs	-	2	39	-	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 10)	-	-	23	-	23
Legal fees	-	-	5	-	5
Board meeting costs	-	-	6	-	6
Total expenditure	136	837	708	11,408	13,089

Prior year comparative expenditure:

	Raising funds £'000	ICT services £'000	Member services £'000	Projects and programmes (including grants) £'000	Total 2023 £'000
Grants payable (note 8)	-	-	-	6,959	6,959
Staff costs (note 9)	103	52	544	229	928
Consultancy and other staff costs	-	110	129	196	435
Recharged software	-	244	-	-	244
Support costs:					
Event costs	-	-	138	-	138
IT costs	-	2	65	-	67
Office and other costs	-	-	72	7	79
Premises costs	-	-	62	-	62
Professional fees	-	-	15	-	15
Governance costs:					
Audit, accountancy and tax fees (note 10)	-	-	13	-	13
Legal fees	-	-	1	-	1
Board meeting costs	-	-	8	-	8
Total expenditure	103	408	1,047	7,391	8,949

8. Grants paid to organisations

	Total 2024 £'000	Total 2023 £'000
#iWill	-	615
Anchor Community Connection Fund	110	110
Arts Council Lets Create Jubilee Fund	37	(88)
British Red Cross Ukrainian Support Fund	(4)	660
Cellnex Digital Exclusion Fund	-	149
Clean Air Fund	222	-
Communities in Crisis - British Red Cross	34	286
Communities in Crisis - DCMS	-	726
Communities in Crisis - M&G	-	343
DCMS - Know Your Neighbourhood Fund	5,587	1,295
Ladbrokes	-	580
LAMIT Care Leavers	660	-
Masonic Charitable Found'n Refugee Fund	-	485
MOPAC - Victim Support	4,297	1,525
NET - COVID 19	-	(17)
Original Cottages	9	-
PHP Group - Social Prescribing Fund	95	143
Royal London	-	7
Sir George Earle Individuals Grants	18	10
Sir George Earle National Programme	-	140
Surviving Winter	-	1
Tampon Tax	-	(11)
Total grants paid	11,065	6,959

All grants paid are restricted.

9. Staff costs and remuneration of key management personnel

	Total 2024 £'000	Total 2023 £'000
Salaries and wages	732	796
Social security costs	69	92
Employer pension contributions	40	40
	<u>841</u>	<u>928</u>
Redundancy and termination costs	5	48
	<u>846</u>	<u>976</u>

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

		2024 No.	2023 No.
Number of employees earning between	£60,001 and £70,000	2	2
Number of employees earning between	£70,001 and £80,000	1	2
Number of employees earning between	£100,001 and £110,000	1	-
Number of employees earning between	£110,001 and £120,000	-	1

The average head count was 16 (2023: 18).

The total amount paid in the year for redundancy and compensation for loss of office was £5k (2023: £48k). These payments related to one employee (2023: three).

Key management personnel includes the CEO and Senior Leadership Team (Chief Operating Officer, Deputy CEO & Director of Strategy and the Director of Business Development until October 2022). The remuneration paid to the key management personnel was £300k (2023: £359k).

10. Net income/(expenditure) for the year

This is stated after charging:

	Total 2024 £'000	Total 2023 £'000
Auditor's remuneration:		
Current year - Statutory audit	17	13
Current year - Certification of grant programme income and expenditure	4	1
Current year - Tax advisory services	2	-

11. Investments

	2024 £'000	2023 £'000
Valuation at 1 April	5,609	5,764
Additions in year	11	177
Disposals during the year	-	(49)
Net gain / (loss) on revaluation	552	(283)
Valuation at 31 March	6,172	5,609

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

12. Debtors

	2024 £'000	2023 £'000
Trade and sundry debtors	1,119	130
Prepayments	57	21
Accrued income	339	56
	1,515	207

13. Creditors : Amounts falling due within one year

	2024 £'000	2023 £'000
Trade and sundry creditors	1,143	154
Accruals and deferred income	416	104
Social security and other taxes	30	80
	1,589	338

Included with the above is deferred income as follows:

Analysis of deferred income

	2024 £'000	2023 £'000
Deferred income brought forward	53	93
Released to income in year	(53)	(93)
Deferred in year	65	53
As at 31 March 2024	65	53

Deferred income in the current year relates to income for ICT services invoiced in advance of delivery. Deferred income in the prior year relates to income from evaluation and monitoring work related to programmes which were ongoing at the year end.

14. Operating lease commitments

Total annual commitments payable under operating leases are as follows:

	Land and buildings	
	Total	Total
	2024	2023
	£'000	£'000
Operating leases which expire		
Less than 1 year	-	16
	<u>-</u>	<u>16</u>

15. Trustee remuneration and expenses

Six members of the board (2023: eight) received reimbursement of travel expenses to attend meetings. This amounted to £1,242 (2023: £3,564). No members of the board (2023: nil) received remuneration.

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

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
Toby Anstruther	Foundation Scotland
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 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.

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, Relief of Poverty or more broadly for the General Fund.

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.

Arts Council Lets Create Jubilee Fund

The fund supported voluntary and community groups to develop creative and cultural activities as part of the Queen's Platinum Jubilee celebrations in June 2022. The funding was delivered throughout England via the community foundation network.

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 is 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 will design and deliver a pilot micro-granting project to support action on air pollution in these areas. This programme will build awareness and demand for clean air in these cities.

Communities in Crisis - British Red Cross, DCMS & M&G

The aim of the fund was to increase the beneficiary numbers of warm hubs/spaces and support them to maintain and/or increase their opening times and funding energy costs of community centres, so that they can maintain their current community activities and/or increase them. The funding was delivered via the community foundation network.

DCMS - Know Your Neighbourhood Fund (KYN)

The KYN Fund will run until March 2025. A key focus of the programme will be 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 includes 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 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.

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 2024/25.

#iWill

Funded by the National Lottery Community Fund and DCMS. The #iwill Fund supports 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 looks to support 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

CCLA (via the Local Authorities' Mutual Investment Trust) has initiated a funding programme to support care leavers. This programme invited community foundations to bring forward proposals where they will be working with local authorities and other organisations to support young people in addressing any of the multitude of challenges they face and provide experiences and opportunities from which they may not otherwise benefit.

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.

Original Cottages

After the small partnership and core funding donations a few years ago, Original Cottages developed UKCF as a core opt-in donation partner for their brands which cover over 120,000 holiday bookings each year. Funds are raised through opt-in donations on the Original Cottages website for UKCF, for which regions these bookings were made with donations being sent to the relevant regional community foundations.

PHP Group - Social Prescribing Fund

Funded by Primary Healthcare Properties Group, the aim of the programme is to provide grants to charities focussed on social prescribing and community wellbeing. The funding was delivered in three areas of the UK via the community foundation network.

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.

Purposes of designated funds:

The designated funds relating to digital transformation have been utilised in the development of an improved network-wide CRM system.

18. Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
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
Investments	-	-	5,609	5,609
Current assets	598	415	5	1,018
Current liabilities	(250)	(88)	-	(338)
Net assets at 31 March 2023	348	327	5,614	6,289

19. Movement in funds - prior year comparative

	At 1 April 2022 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Investment gains / (losses) £'000	At 31 March 2023 £'000
Endowment funds:						
Sir George Earle Charitable Fund	4,788	-	-	(48)	(237)	4,503
Education Fund	79	-	-	-	(4)	75
Relief of Poverty Fund	759	47	-	-	(28)	778
General Fund	272	-	-	-	(14)	258
Total endowment funds	5,898	47	-	(48)	(283)	5,614
Restricted funds:						
Anchor Community Connection Fund	-	110	(110)	-	-	-
Arts Council Lets Create Jubilee Fund	-	(47)	87	-	-	40
British Red Cross Ukrainian Support Fund	-	660	(660)	-	-	-
Cellnex Digital Exclusion Fund	-	149	(149)	-	-	-
Clean Air Fund Micro Grants Programme	-	122	-	-	-	122
Communities in Crisis - British Red Cross	-	286	(286)	-	-	-
Communities in Crisis - DCMS	-	760	(726)	-	-	34
Communities in Crisis - M&G	-	343	(343)	-	-	-
DCMS - Know Your Neighbourhood Fund	-	1,485	(1,485)	-	-	-
Endowment - Education Fund	2	2	-	-	-	4
Endowment - Relief of Poverty Fund	3	10	-	-	-	13
Endowment - General Fund	-	6	-	-	-	6
Endowment - Sir George Earle Individuals	107	75	(10)	(106)	-	66
Endowment - Sir George Earle National	-	-	(140)	153	-	13
Fidelity	3	-	(3)	-	-	-
Flood and Storm Donations	6	-	-	-	-	6
#iWill	21	603	(615)	(1)	-	8
Ladbrokes	578	2	(580)	-	-	-
Masonic Charitable Found'n Refugee Fund	-	485	(485)	-	-	-
MOPAC - Victim Support	-	1,525	(1,525)	-	-	-
NET - COVID 19	7	(24)	17	-	-	-
PHP Group - Social Prescribing Fund	-	143	(143)	-	-	-
Royal London	7	-	(7)	-	-	-
Surviving Winter	16	-	(1)	-	-	15
Tampon Tax	53	(40)	5	(18)	-	-
Total restricted funds	803	6,655	(7,159)	28	-	327
Unrestricted funds:						
General funds	455	1,493	(1,662)	57	-	344
Designated funds: Strategic Development	100	-	(80)	(20)	-	-
Designated funds: Digital Transformation	70	-	(49)	(17)	-	4
Total unrestricted funds	625	1,493	(1,791)	20	-	348
Total funds	7,326	8,195	(8,949)	-	(283)	6,289

Negative income figures relate to either the correction of unrestricted income recognised as restricted in previous years or income which has been received in previous years but where there has been a grant underspend which is returned to the funder. Negative expenditure figures represent this grant underspend being returned to UKCF.

20. Comparative Statement of Financial Activities - Prior year

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000
Income and endowments from:					
Donations and legacies	3	809	6,560	47	7,416
Charitable activities	4	596	-	-	596
Investments	5	88	95	-	183
Total income		1,493	6,655	47	8,195
Expenditure on:					
Raising funds		103	-	-	103
Charitable activities:					
ICT services		408	-	-	408
Member services		1,047	-	-	1,047
Projects and programmes including grants		232	7,159	-	7,391
Total expenditure	7	1,790	7,159	-	8,949
Net gains / (losses) on investments	11	-	-	(283)	(283)
Net income / (expenditure)	10	(297)	(504)	(236)	(1,037)
Transfers between funds		20	28	(48)	-
Net movement in funds	17	(277)	(476)	(284)	(1,037)
Reconciliation of funds:					
Total funds brought forward		625	803	5,898	7,326
Total funds carried forward		348	327	5,614	6,289