

Community Foundation:
serving Tyne & Wear and Northumberland
(A company limited by guarantee)
Annual financial statements
for the year ended 31 March 2021

Registered company number 02273708

Registered charity number 700510



Community Foundation
serving Tyne & Wear and Northumberland
(A company limited by guarantee)

Annual financial statements
for the year ended 31 March 2021

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Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2021

Introduction

The Board present their report and the audited consolidated financial statements for the year ended 31 March 2021.

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

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

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

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

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

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

Community Foundation
serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2021 (continued)

Advisers

Independent Auditors

MHA Tait Walker
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Main Bankers

Barclays Bank PLC
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Investment Managers

Rathbone Investment Management Limited
Earl Grey House
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NE1 6EF

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2 Gresham Street
London
EC2V 7QP

Brewin Dolphin Limited
Time Central
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Newcastle upon Tyne
NE1 4SR

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

Solicitors

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

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serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2021 (continued)

Structure, governance and management

The Community Foundation is a limited company governed by Memorandum and Articles of Association drawn up in 1988 and amended in 1990, 2000, 2007, 2017 and 2018. A revision to the Charity's objects, which had been approved by the Charity Commission, was adopted by the membership at the 2018 Annual General Meeting.

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

Category A – voluntary organisations

Category B – individuals

Category C – statutory authorities

Category D – companies/businesses

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

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

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

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

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

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2021 (continued)

Structure, governance and management (continued)

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

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

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

Fiona Cruickshank OBE – Chair elected November 2011, resigned October 2020, appointed December 2020	(G, F&A)
Geoffrey Hodgson – Deputy Chair co-opted June 2013, elected October 2013	(G,F&A)
Paul Farquhar - Treasurer co-opted March 2018	(G,F&A, Inv)
Jill Baker co-opted June 2019	
Anna, Lady Blackett co-opted December 2015	(Inv)
Michael Brodie co-opted February 2020	
Robin Fry appointed December 2020	
Andrew Haigh elected December 2016	(Inv)
Claire Malcolm co-opted March 2019	(G,F&A)
Patrick Melia appointed December 2016 to represent statutory authorities	(Inv)
Laura Warwick appointed November 2018	
Neil Warwick OBE co-opted December 2015, elected November 2016	(Inv)
Lucy Winskell OBE elected December 2016	(G,F&A)

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Annual report for the year ended 31 March 2021 (continued)

Structure, governance and management (continued)

Fiona Cruickshank will retire at the 2021 Annual General Meeting having been re-co-opted for one year from December 2020 to provide continuity in the chair role during and after the Coronavirus crisis. Neil Warwick will also retire having served two three-year terms.

During the year, the Board began an open recruitment process to appoint a new chair. In June 2021, the Board agreed to appoint Phil Moorhouse to the role. He will succeed Fiona at the 2021 Annual General Meeting.

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

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

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

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

Rob Williamson	Chief Executive Officer
Sandra King	Chief Philanthropy Officer
Sonia Waugh	Chief Finance and Operating Officer
Adam Lopardo	Director of Community Relations

At the year-end there was a total of 22 staff (full time equivalent 19.49).

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

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Annual report for the year ended 31 March 2021 (continued)

Objectives and activities

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

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

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

Public benefit

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

Plans for future periods

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

Strategic report

Achievements and performance

2021-22 was the first year of the Community Foundation's strategy to 2025. However much of what was originally planned for the year was put on hold to focus on responding to the Coronavirus pandemic. A Coronavirus Response and Recovery Fund appeal launched on 18 March 2020 and received major support from Newcastle Building Society, Virgin Money Foundation and the Sir James Knott Trust. A wide range of other individual and business donors supported the fund, some existing donors and some new who came via

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Annual report for the year ended 31 March 2021 (continued)

Strategic report (continued)

Achievements and performance (continued)

online giving channels and other routes. The Foundation also received and distributed funds in Tyne & Wear and Northumberland raised through the National Emergencies Trust's appeal. The appeal and fund closed in June 2021 at which point the Foundation had awarded £2.83m in response and recovery grants to 225 organisations across all its funds.

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

Goal 1: enable more and better philanthropy

- £3.8m in endowment gifts and £4.7m in revenue gifts were received, the latter including funds received in response to the Coronavirus appeal and from the National Emergencies Trust.
- 12 new funds were established.
- 3 new legacy notifications were received.
- Demonstrated very strong satisfaction rates in anonymous survey of Foundation fund-advisors

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

- 1,331 grants (2020: 1,256) totalling £7.22m (2020: £6.63m) were awarded, exceeding the baseline of £6.8m and close to the five-year target of £7.5m. The majority continued to be for amounts of under £5,000. In total 621 organisations and 80 individuals were supported. The table below shows the breakdown by fund type.

Fund type	No of grants	Total awards
Individual and family funds	342	1,472,917
Corporate funds	260	962,395
Charity and trust funds	464	2,729,316
Collective funds	187	478,968
Projects and partnership funds	53	690,187
Agency funds (benefiting a named organisation)	25	883,200
Total grants awarded by the full Group	1,331	7,216,983

- 7 'Time to Talk' sessions for grantees were held and 2 funding events attended.
- Funding was delivered for partners including Newcastle and Gateshead Councils.
- Grant-making support services were delivered for Ridley Family Charity and the Bernicia Foundation.
- 15 trustee matches made through our brokerage scheme.

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

- Published a *Vital Signs* report on diversity, equity and inclusion
- Published *Third Sector Trends in North East England 2020*
- Joined technical panel of Pro Bono Economics' Law Commission on Civil Society
- Agreed to co-finance North of Tyne poverty truth commission alongside the Combined Authority

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Annual report for the year ended 31 March 2021 (continued)

Strategic report (continued)

Achievements and performance (continued)

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

- Endowment value increased from £75.9m to £92.5m
- Significant legacy gifts were received from the estates of long-standing fund-advisors

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

- Successfully recruited new chair through open process
- Consulted members on new diversity, equity and inclusion policy which was published in March 2021
- Joined strategy group for Association of Charitable Foundation's collaborative funding hub
- 83% of core costs covered by endowment and revenue fund contributions
- Achieved Gold level in the Better health at work scheme.

Fundraising

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

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

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

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

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

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Annual report for the year ended 31 March 2021 (continued)

Strategic report (continued)

Programme related investments

Northern Rock Foundation (NRF) was involved in the set up of the North East Social Investment Fund (NESIF) and made loan commitments for 20 years to the primary vehicle – the North East Social Investment Community Interest Company (NESIC). As part of the winding up of NRF, its Board agreed to transfer the Loan Fund of £3m to the Community Foundation to ensure continuity of the programme, with both sides signing the novation of the Loan Fund on 12 April 2016. The full value of the novation of £3m was recognised within donations to restricted funds at the time of the novation.

Financial review

Net assets at 31 March 2021 were £102.05m (2020: £83.55m). £93.41m of the assets related to endowment funds (2020: £75.90m). The total unrealised and realised gains on investments amounted to £16.54m (2020: losses £7.49m). There were new donations to the endowment funds during the year of £3.78m (2020: £4.93m), and fees and transfers out of endowment of £2.98m (2020: £2.89m). The expendable endowment fund (charity only) is treated by the Trustees as a long-term capital fund to provide income for future grant-making. Further details of performance of subsidiary undertakings are detailed in note 21. The investments were managed by Rathbone Investment Management, Investec Wealth & Investment Management, CCLA Investment Management and Brewin Dolphin, to achieve maximum total returns and provide an agreed amount annually for grant-making. CCLA Investment Management also manages the funds donated to the Community First Trust as required by the match funding agreement. There is separate provision for donors who wish to invest ethically. The Investment Committee monitors the managers' performance in relation to a peer group benchmark, ARC Charity Steady Growth, and other relevant indices at its quarterly meetings and meets with each of the managers at least annually, more frequently with Rathbone Investment Management and Investec Wealth & Investment.

Clear guidelines have been agreed in relation to asset allocation and these were also reviewed by the Investment Committee quarterly. On the full year's performance, the main fund performed ahead of the ARC benchmark with a total return average of 25.3% compared to the benchmark of 24%. The Board were content with performance on the other smaller funds in light of the very difficult financial market conditions.

Total income and endowment for the year totalled £10.46m (2020: £10.05m). The main sources of income were new donations and investment income. The main resources expended were for charitable grants of £7.14m net (2020: £6.55m net).

Financial review - reserves

The Statement of Financial Activities shows the movement in the year of the Community Foundation's (Group) Unrestricted and Restricted Funds. The year-end balances on the Restricted Funds are available in their entirety, less the property, Philanthropy House, for future grant-making and other direct charitable expenditure. The Unrestricted Funds balance at 31 March 2021 of £3,164,212 includes £2,386,443 set aside for designated funds which are solely for future grant-making, and the balance of £777,769 less fixed assets of £43,566, £734,203 is the general reserve available to meet future administration and development expenditure.

Annual report for the year ended 31 March 2021 (continued)

Strategic report (continued)

Financial review – reserves (continued)

The Board reviewed its reserve levels in March 2021 and designated £212,000 of the general reserves to support running costs as part of a two year budget plan. The Board sets a maximum level of reserves to allow the Community Foundation to operate for up to 12 months if income streams were significantly impacted by market conditions and a minimum level based on the same scenario but adjusting some costs during the 12 months and reviews its policy annually. The general reserve, after adjusting for designated costs, amounted to £522,203 which was within the range calculated, minimum level of £330,000 and the maximum £570,000. The Board is confident that reserves and the overall assets of the Community Foundation are sufficient to continue as a going concern.

Plans for future periods

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

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

The targets for the period are below.

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

Key priorities for 2021-22 include:

- Donor engagement through webinars, impact reporting and the development of an online portal
- Supporting post-Covid stabilisation and resilience among grantees, with particular focus on underserved communities and those who experience discrimination, including through trialling approaches to participatory grant making
- Adopting a new responsible investment policy by March 2022
- Passing national quality accreditation through UK Community Foundations
- Setting and published diversity data on our people and our grants

Annual report for the year ended 31 March 2021 (continued)

Strategic report (continued)

Principal risks and uncertainties

The Board receives an annual assessment of risk prepared by the executive team and agrees steps to manage risk. In December 2019 the Board reviewed its risk policy for determining, managing and reviewing the risks to which the Community Foundation is exposed. The Board will continue to review the risk policy every three years. The risk register is reviewed quarterly, and any significant changes reported to the Board. Every year, the Board receives a report on risk and approves an updated risk register. The main risks identified in the most recent register dated June 2020 were:

- Losing significant asset value
- Failure to achieve 6% return
- Disaster

The Board reviews controls already in place for mitigating risks and identifies further treatment or monitoring required to manage the identified risks. The first and second risks noted above are linked to the performance and drawdown from the Community Foundation's endowment funds. The Investment Committee meets regularly with the investment managers to discuss and review performance of the funds, which are invested in line with the Community Foundation's Investment Policy. The Board reviews its Investment Policy on a regular basis including the ranges of asset allocation and benchmarking. The Board agreed to maintain 6% withdrawal from the main and ethical funds as part of its 2020-25 strategy, defining triggers that would prompt it to review the withdrawal rate. The global Covid-19 pandemic has impacted significantly on markets, although there has been some recovery since March, the Board will keep this under close review. The third main risk has been increased in light of the ongoing pandemic; again the Board is monitoring the impact on operations and budgets on a regular basis.

Statement of trustees' responsibilities

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

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

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

Annual report for the year ended 31 March 2021 (continued)

Strategic report (continued)

Statement of trustees' responsibilities (continued)

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

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

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

Statement as to disclosure to our auditors

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

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

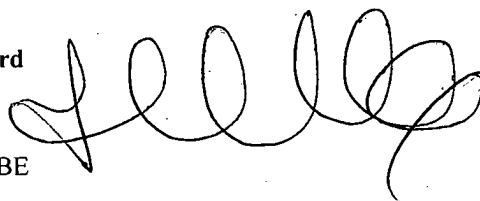
Independent Auditors

MHA Tait Walker have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the annual general meeting.

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

By Order of the Board

Fiona Cruickshank OBE
Chair



21 September 2021

Community Foundation

serving Tyne & Wear and Northumberland

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

We have audited the financial statements of Community Foundation serving Tyne & Wear and Northumberland (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021, which comprise the Consolidated Statement of Financial Activities, Consolidated Income and Expenditure Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Community Foundation

serving Tyne & Wear and Northumberland

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully set out on page 12, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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serving Tyne & Wear and Northumberland

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

Community Foundation
serving Tyne & Wear and Northumberland

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

Use of report

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



Simon Brown BA ACA DChA (Senior Statutory Auditor)

For and on behalf of MHA Tait Walker
Chartered Accountants and Statutory Auditor

Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 22-9-2021

MHA Tait Walker is a trading name of Tait Walker LLP.

Community Foundation
serving Tyne & Wear and Northumberland

**Consolidated statement of financial activities
for the year ended 31 March 2021**

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total 2021	Total 2020
		£	£	£	£	£
Income and endowments from:						
Donations and legacies		1,127,564	3,575,718	3,776,143	8,479,425	7,695,759
Charitable activities	3	54,458	-	-	54,458	52,300
Other trading activities	4	2,000	-	-	2,000	8,500
Investment income	5	909,579	1,017,030	-	1,926,609	2,295,650
Total income and endowments		2,093,601	4,592,748	3,776,143	10,462,492	10,052,209
Expenditure on:						
Raising funds	7	218,100	-	-	218,100	274,853
Investment management costs		-	-	236,905	236,905	254,181
Charitable activities	8	2,537,595	5,503,897	-	8,041,492	7,589,581
Total expenditure		2,755,695	5,503,897	236,905	8,496,497	8,118,615
Net (losses)/gains on investments		-	(167,294)	16,708,410	16,541,116	(7,485,414)
Net (loss)/income		(662,094)	(1,078,443)	20,247,648	18,507,111	(5,551,820)
Transfers between funds		1,556,188	1,189,144	(2,745,332)	-	-
Net movement in funds		894,094	110,701	17,502,316	18,507,111	(5,551,820)
Reconciliation of funds:						
Total funds brought forward		2,270,118	5,371,622	75,904,379	83,546,119	89,097,939
Total funds carried forward		3,164,212	5,482,323	93,406,695	102,053,230	83,546,119

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

Community Foundation
serving Tyne & Wear and Northumberland

**Consolidated income and expenditure account
for the year ended 31 March 2021**

	Note	2021 £	2020 £
Income - continuing operations			
Donations and legacies		4,703,282	2,766,278
Charitable activities		54,458	52,300
Other trading activities		2,000	8,500
Investment income	5	1,926,609	2,295,650
		6,686,349	5,122,728
Expenditure - continuing operations			
Grants	8	7,144,993	6,549,097
Staff costs	9	875,602	908,826
Other costs		238,997	406,511
		8,259,592	7,864,434
Net loss on investments		(167,294)	(115,597)
Net loss for the year before transfers and taxation		(1,740,537)	(2,857,303)
Transfer from endowment fund		2,745,332	2,639,453
Taxation	15	-	-
Net surplus/(deficit) for the year		1,004,795	(217,850)

The total income of £6,686,349 comprises £2,093,601 for unrestricted funds and £4,592,748 for restricted funds as shown in the statement of financial activities. The total expenditure of £8,259,592 comprises £2,755,695 for unrestricted funds and £5,503,897 for restricted funds as shown in the statement of financial activities.

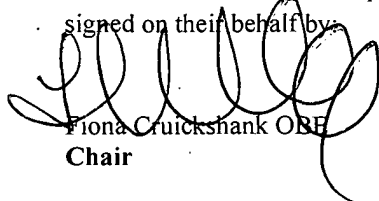
Community Foundation
serving Tyne & Wear and Northumberland

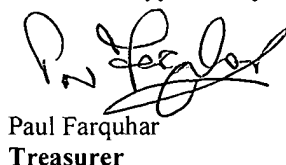
Balance sheets as at 31 March 2021

Registered company number 02273708

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed assets					
Endowment fund investments	10	90,411,682	75,706,413	87,436,491	73,340,329
Programme related and other investments	10	797,914	845,266	798,014	845,366
Tangible assets	11	699,816	727,795	699,816	727,795
Total fixed assets		91,909,412	77,279,474	88,934,321	74,913,490
Current assets					
Debtors	12	2,946,862	77,225	2,941,792	69,600
Cash on short-term deposit		5,537,380	6,030,934	5,537,380	6,030,934
Cash at bank and in hand		3,516,638	2,430,132	3,344,621	2,174,329
Total current assets		12,000,880	8,538,291	11,823,793	8,274,863
Creditors: amounts falling due within one year	13	(987,712)	(1,337,966)	(987,712)	(1,329,617)
Net current assets less current liabilities		11,013,168	7,200,325	10,836,081	6,945,246
		102,922,580	84,479,799	99,770,402	81,858,736
Creditors: amounts falling due after more than one year	14	(869,350)	(933,680)	(869,350)	(933,680)
Total assets		102,053,230	83,546,119	98,901,052	80,925,056
The funds of the charity:					
Endowment funds	16	93,406,695	75,904,379	90,361,180	73,414,960
Restricted income funds	17	5,482,323	5,371,622	5,375,660	5,239,978
Unrestricted income funds	18	3,164,212	2,270,118	3,164,212	2,270,118
Total charity funds		102,053,230	83,546,119	98,901,052	80,925,056

The financial statements on pages 17 to 49 were approved by the Board on 21 September 2021 and were signed on their behalf by:


Fiona Cruickshank OBE
Chair


Paul Farquhar
Treasurer

Community Foundation
serving Tyne & Wear and Northumberland

Consolidated cash flow statement for the year ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities:			
Net cash used in operating activities	23	(6,988,423)	(6,607,245)
Cash flows from investing activities:			
Dividends and interest from investments		1,926,609	2,295,650
Purchase of fixed assets		(4,576)	(4,263)
Proceeds from the sale of investments		14,768,526	18,392,550
Purchase of investments		(12,765,385)	(20,353,410)
Programme related investments drawn down		(119,942)	(239,375)
Net cash provided by investing activities		3,805,232	91,152
Cash flows from financing activities:			
Receipt of endowment		3,776,143	4,929,481
Net cash provided by financing activities		3,776,143	4,929,481
Change in cash and cash equivalents in the year		592,952	(1,586,612)
Cash and cash equivalents at the beginning of the year	23	8,461,066	10,047,678
Cash and cash equivalents at the end of the year	23	9,054,018	8,461,066

Community Foundation

serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of listed investments and freehold investment property. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and the Charities Act 2011.

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

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

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

b) Going concern

The trustees have prepared budgets and forecasts which give them adequate comfort that the charitable company and group entities are a going concern. Therefore, the trustees are of the view that the charitable company and group have sufficient resources for at least the next 12 months from the date of approving the financial statements even with the impact of the Covid-19 global pandemic. As a result, the charitable company and group's financial statements have been prepared on the going concern basis.

c) Incoming resources

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

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

Community Foundation

serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021 (continued)

1 Accounting policies (continued)

d) Resources expended

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

e) Grant commitments

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

f) Fund accounting

Funds held by the Charity are as follows:

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

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

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

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

Investment income is allocated to the income funds on a "total return" basis for the Charity. Withdrawals from the endowment fund have been made at a rate of 6%, which the Directors review annually and consider to be a reasonable total return withdrawal rate. A total of £2,712,850 (2020: £2,419,827) in excess of investment income, was transferred from the main and ethical endowment funds to restricted £1,405,523 and unrestricted £1,307,327 funds in the year. A separate agreement operates for Community First funds and any gain above indexed adjusted value is withdrawn from the funds and £nil (2020: £237,538) was withdrawn during the year.

g) Listed and unlisted investments

Listed investments are stated at their quoted market value at the year end. Unlisted investments are quoted at cost. Freehold investment property is stated at the fair value estimate as valued by property consultants in March 2021 and the Directors consider the valuations to be reasonable.

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

Community Foundation

serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021

(continued)

1 Accounting policies (continued)

g) Listed and unlisted investments (continued)

Property Valuations

Properties held within Investments are held at an assessed valuation by a surveyor and are formally valued every year.

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

h) Programme related investments

Programme related investments consist entirely of loans made to North East Social Investment Community Interest Company (NESIC). As part of the winding up of Northern Rock Foundation (NRF) its Board agreed to transfer the Loan Fund of £3m to Community Foundation with both sides signing the novation of the Loan Fund on 12 April 2016. At the transfer date £265,814 had been advanced to NESIC and since the transfer, another £1,010,100 has been advanced. NESIC use these loans to invest directly into The North East Social Investment Fund (NESIF). The total advanced of £1,275,914 is shown as a Programme Related Investment.

The investments are recorded at cost less any diminution in value. The Board have reviewed the recoverability of the loan and in order to be prudent, have decided to provide for diminution in value of the investment based on the share of the most recent overall fund balance sheet deficit plus amber (at risk) loans not already provided for. The Board will continue to review recoverability and valuation on an annual basis. At the year end a total provision of £478,000 has been provided against the recoverability of the Programme Related Investment.

The balance on the original £3,000,000 loan funds available to be drawn down by NESIC at 31 March 2021 was £1,724,086. The £3,000,000 funds, less the provision, are listed within restricted funds and at the year end were £2,522,000. The loan agreement allows for drawdown by NESIC of the funds for a period of 10 years from the original agreement date of 10 December 2014. The loans are unsecured and bear no interest. No repayments will be received during the 10-year loan fund period as all funds are to be retained in the loan fund with NESIF during the investment period.

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

1 Accounting policies (continued)

i) Tangible fixed assets and depreciation

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

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

j) Pensions

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

k) Liquid resources

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

l) Debtors

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

m) Cash at bank and in hand

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

n) Creditors and provisions

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

Notes to the financial statements for the year ended 31 March 2021
(continued)

1 Accounting policies (continued)

o) Judgements and key sources of estimation uncertainty

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

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

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

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

2 Statement of Financial Activities prior year fund comparatives

	Unrestricted funds	Restricted funds	Endowment funds	Total 2020
	£	£	£	£
Income and endowments from:				
Donations and legacies	1,113,747	1,652,531	4,929,481	7,695,759
Charitable activities	52,300	-	-	52,300
Other trading activities	8,500	-	-	8,500
Investment income	1,143,490	1,152,160	-	2,295,650
Total income and endowments	2,318,037	2,804,691	4,929,481	10,052,209
Expenditure on:				
Raising funds	271,770	3,083	-	274,853
Investment management costs	-	-	254,181	254,181
Charitable activities	3,051,690	4,537,891	-	7,589,581
Total expenditure	3,323,460	4,540,974	254,181	8,118,615
Net (losses)/gains on investments	-	(115,597)	(7,369,817)	(7,485,414)
Net (loss)/income	(1,005,423)	(1,851,880)	(2,694,517)	(5,551,820)
Transfers between funds	1,417,943	1,221,510	(2,639,453)	-
Net movement in funds	412,520	(630,370)	(5,333,970)	(5,551,820)
Reconciliation of funds:				
Total funds brought forward	1,857,598	6,001,992	81,238,349	89,097,939
Total funds carried forward	2,270,118	5,371,622	75,904,379	83,546,119

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

3 Charitable activities

	2021	2020
	£	£
Other charitable activities	54,458	52,300

4 Other trading activities

	2021	2020
	£	£
Other trading activities	2,000	8,500

5 Investment income

	2021	2020
	£	£
Dividends and interest from endowment fund assets	1,901,769	2,209,175
Interest receivable on cash deposits	24,840	86,475
	1,926,609	2,295,650

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

6 Allocation of support costs, overheads and governance

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

	Raising funds	Charitable activities	Total 2021	Total 2020
	£	£	£	£
Support staff costs	29,085	154,001	183,086	192,038
Governance staff costs	8,816	46,679	55,495	55,001
Overhead costs	32,047	133,136	165,183	327,277
Governance direct costs	3,540	18,743	22,283	25,280
	73,488	352,559	426,047	599,596
Included in overhead costs are the following:			2021	2020
			£	£
Auditors' remuneration – audit services			7,650	7,650
Depreciation			32,555	34,158
Loss on disposal of fixed assets			-	-

7 Costs of raising funds

	2021	2020
	£	£
Staff costs	131,973	144,482
Direct costs	12,639	16,457
Support costs (Note 6)	73,488	113,914
	218,100	274,853

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

8 Charitable activities

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

	2021	2020
	£	£
Grants payable	7,144,993	6,549,097
Staff costs	505,048	517,305
Direct costs	38,892	37,499
Support costs (Note 6)	352,559	485,680
	8,041,492	7,589,581

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

	2021 £	2021 Number	2020 £	2020 Number
Other charities and voluntary organisations	7,126,415	1,251	6,544,330	1,133
Individuals	90,568	80	90,215	123
Total new grants awarded in the year	7,216,983	1,331	6,634,545	1,256
Grants cancelled	(71,990)		(85,448)	
Total grant expenditure	7,144,993	1,331	6,549,097	1,256

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

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2020
(continued)

9 Staff costs

Staff costs comprise the following:	2021	2020
	£	£
Wages and salaries	757,323	784,136
Social security costs	72,760	76,519
Other pension costs	45,519	48,171
	875,602	908,826

The average number of employees, excluding Trustees/Board Directors, employed by the Group during the year was 24 (2020: 24), full time equivalent 19.57 (2020: 21.12). The ratio of the highest salary to the median salary was 2.4:1 (2020: 2.4:1). The gross salary in the year relating to the executive members of staff responsible for the day-to-day management of the Charity was £283,623 (2020: £286,101) plus £18,025 (2020: £18,295) paid in employer pension contributions.

The Community Foundation is not required to report on gender pay gap as it is below the threshold for reporting. However, the Board has carried out a review of gender pay in line with the legislation and has set out some of the information for 5 April 2020 and 5 April 2021 below:

	5 April 2021	5 April 2020
Mean gender pay gap	12%	14%
Median gender pay gap	11%	7%

None of the Trustees/Board Directors received any remuneration during the year (2020: Nil). None of the Directors received reimbursements for expenses during the year (2019: Nil).

During the year employees with emoluments over £60,000 were in the following bands:	2021	2020
	Number	Number
£60,000 to £70,000	1	2
£80,000 to £90,000	1	1

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

10 Investments

Endowment fund investments - Group

At valuation	Listed investments £	Deposit & other cash balances £	Freehold property £	Total £
At 1 April 2020	72,330,178	2,995,235	381,000	75,706,413
Additions/movement in the year	14,509,269	(1,743,884)	-	12,765,385
Disposals in the year	(14,768,526)	-	-	(14,768,526)
Realised losses in the year	(28,351)	-	-	(28,351)
Unrealised gains in the year	16,741,261	-	(4,500)	16,736,761
At 31 March 2021	88,783,831	1,251,351	376,500	90,411,682
At cost				
At 31 March 2021	69,699,317	1,251,351	266,500	71,217,168
At 31 March 2020	70,339,900	2,995,235	266,500	73,601,635
Listed investments are detailed as follows:			2021 Market Value £	2020 Market Value £
UK Fixed Interest			5,190,040	5,768,818
UK Equities			20,163,855	18,128,696
Property			1,380,581	1,620,822
Overseas Fixed Interest			2,277,484	1,261,901
Overseas Equities			33,073,554	24,020,726
Collective Investment Schemes			19,868,001	15,833,559
Other			6,830,316	5,695,656
			88,783,831	72,330,178

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

10 Investments (continued)

Programme Related Investments – Charity and Group

	Total £
Loaned amounts	
At 1 April 2020	1,155,972
Advances during the year	119,942
Repayments	-
At 31 March 2021	1,275,914
Provisions	
At 1 April 2020	310,706
Provided against during the year	167,294
Provision released during the year	-
At 31 March 2021	478,000
Net loaned amounts	
At 31 March 2021	797,914
At 31 March 2020	845,266

Endowment fund investments - Charity

At valuation	Listed investments £	Deposit & other cash balances £	Freehold property £	Total £
At 1 April 2020	69,964,094	2,995,235	381,000	73,340,329
Additions/movement in the year	13,946,677	(1,743,884)	-	12,202,793
Disposals in the year	(14,246,310)	-	-	(14,246,310)
Realised losses in the year	(29,486)	-	-	(29,486)
Unrealised gains in the year	16,173,665	-	(4,500)	16,169,165
At 31 March 2021	85,808,640	1,251,351	376,500	87,436,491
At cost				
At 31 March 2021	67,366,913	1,251,351	266,500	68,884,764
At 31 March 2020	68,045,879	2,995,235	266,500	71,307,614

Community Foundation
serving Tyne & Wear and Northumberland

**Notes to the financial statements for the year ended 31 March 2021
(continued)**

10 Investments (continued)

	2021 Market Value £	2020 Market Value £
Listed investments are detailed as follows:		
UK Fixed Interest	4,952,167	5,478,954
UK Equities	19,198,542	17,313,556
Property	1,291,844	1,518,195
Overseas Fixed Interest	2,277,484	1,261,901
Overseas Equities	31,763,642	23,057,325
Collective Investment Schemes	19,639,065	15,732,468
Other	6,685,896	5,601,695
	85,808,640	69,964,094

Other investments – Charity

At cost and valuation	Unlisted investments £
At 1 April 2020	100
At 31 March 2021	100

Unlisted investments held by the charity relate to £100 (2020: £100) investment in the subsidiary company Tyne & Wear Foundation Limited at cost. At 31 March 2021 the charity owned all of the ordinary share capital, consisting of 100 ordinary shares, of Tyne & Wear Foundation Limited, a company registered in England and Wales which raises funds through fundraising events.

The total funds made available to be drawn down by NESIC were £3,000,000. At the year end the restricted reserve balance was £2,522,000 (note 17) (2020: £2,689,294) which is the original funds available of £3,000,000 less the aggregate amortisation to date charged against the restricted fund. The balance on the loan fund at 31 March 2021 was £1,724,086 which is all available to be drawn down in full by NESIC during the investment period which is 10 years from 10 December 2014.

Realised gains and losses are calculated based on the market value brought forward plus any additions in the year. Total net realised gains calculated using historical cost was £83,412 for the full group (2020: £28,440). No single investment accounts for more than 5% of the endowment fund investments.

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

11 Tangible fixed assets

Group and Charity

	Land & Buildings £	Furniture & equipment £	Office improve- ments	Total £
Cost				
At 1 April 2020	750,000	101,762	33,472	885,234
Additions	-	4,576	-	4,576
Disposals	-	(20,600)	-	(20,600)
At 31 March 2021	750,000	85,738	33,472	869,210
Accumulated Depreciation				
At 1 April 2020	78,750	62,406	16,283	157,439
Charge for the year	15,000	14,207	3,348	32,555
Disposals	-	(20,600)	-	(20,600)
At 31 March 2021	93,750	56,013	19,631	169,394
Net book value				
At 31 March 2021	656,250	29,725	13,841	699,816
At 31 March 2020	671,250	39,356	17,189	727,795

12 Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Other debtors	2,887,750	16,725	2,887,750	16,725
Dividends and interest receivable	59,112	60,500	54,042	52,875
	2,946,862	77,225	2,941,792	69,600

Other debtors include two outstanding legacies which were known at the year end totalling £2,870,617. Since the year end £2,810,617 of the debtor has been received.

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

13 Creditors: amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Other creditors and accruals	320,763	275,428	320,763	275,428
Taxation and social security costs	23,820	20,833	23,820	20,833
Grants payable	643,129	1,041,705	643,129	1,033,356
	987,712	1,337,966	987,712	1,329,617

Other creditors include amounts totalling £127,390 (2020: £63,060) relating to amounts due to an organisation of outstanding grant commitment transferred from Northern Rock Foundation under deeds of assignment as part of their winding up process.

14 Creditors: amounts falling due after more than one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Other creditors and accruals	869,350	933,680	869,350	933,680

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

15 Taxation

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

	2021 £	2020 £
Corporation tax payable	-	-

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

16 Endowment funds

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

	Group	Charity
	£	£
At 1 April 2020	75,904,379	73,414,960
Transfers between funds:		
Total returns endowment withdrawal	(2,712,850)	(2,712,850)
Transfers to endowment from income funds	17,518	17,518
Exceptional withdrawal from endowment funds	(50,000)	(50,000)
Net gain before transfers	20,247,648	19,691,552
At 31 March 2021	93,406,695	90,361,180

The Community Foundation (Charity) operates a total returns investment strategy and withdraws income from the endowment funds at a rate of 6% per annum to credit income funds to pay for grants and running costs. The difference between the actual endowment income received on the investments and the total withdrawal figure was £2,712,850 (including Community First indexed gain withdrawal) and is shown as a transfer from the endowment fund. A withdrawal of £5,000 was made from the Jeremy Beecham Schools Fund and a withdrawal of £45,000 was made from the Chronicle Sunshine Fund, all of which were used to cover grant-making commitments during the year.

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

17 Income funds - restricted

The Community Foundation receives income and donations both for general charitable purposes and also for more specific areas and issues. All grants are approved by the Board in consultation with people and companies who have set up funds within the Community Foundation for grant-making. Funds are deemed to be restricted either if they have been donated for a specific purpose or appeal, or if the donor has made a request that they are applied in one area or field. Since the year end the funds in deficit at 31 March 2021 have received sufficient funds to return them to credit.

	At 1 April 2020 £	Income & transfers £	Grants £	Other outgoings & transfers £	At 31 March 2021 £
#iwill	6,835	-	5,000	-	1,835
Frank Acfield	-	926	-	-	926
Akzo Nobel International Paint	3,325	16,830	16,159	1,300	2,696
Akzo Nobel International Paint	-	-	-	-	-
Community First	-	-	-	-	-
Abbot Memorial Grants	1,100	-	-	-	1,100
Asian	-	5,487	780	-	4,707
Stuart Ayre	-	1,765	1,765	-	-
Nancy Barbour Award	9,126	5,269	10,000	-	4,395
Jeremy Beecham Schools	500	667	6,000	(5,000)	167
Bellingham	3,366	2,481	3,110	-	2,737
Berwick Academy Endowment	19,640	8,518	-	-	28,158
Blackett Family Community First	(1)	3,843	-	3,842	-
EDF Energy Blyth Offshore Demonstrator Wind Farm	-	-	-	-	-
Community Benefit	(33,360)	124,374	51,529	11,307	28,178
Enid Blyton Fund for Seven Stories	-	43,654	43,654	-	-
Bowey Community First	923	(923)	-	-	-
Ron & Louise Bowey Grassroots	(236)	12,682	7,386	-	5,060
Carolyn and Tony Brookes	941	2,744	3,500	-	185
Burnell Community First	-	-	-	-	-
Lawrence Campbell Community First	1,069	2,806	-	-	3,875
Canford Audio	679	477	1,000	-	156
Capacitybuilders CPP	5,458	-	0	-	5,458
Chapman	25,288	23,695	25,140	-	23,843
Chronicle Sunshine	-	10,150	55,150	(45,000)	-
Comic Relief Community Cash	45	-	-	45	-
Comic Relief Local Communities	1	-	-	1	-
The Community Infrastructure Levy (CIL)	35,704	-	35,704	-	-
Sir Tom Cowie	84,047	68,619	48,088	-	104,578
Abigail & Stephen Crampton	1,371	1,705	2,500	-	576
CrecheMobile	-	36,651	-	3,000	33,651
Culture Bridge	6	6,907	6,600	-	313
The Louise Dalton	-	305	-	-	305
Duncan & Sarah Davidson	29	5,715	4,000	-	1,744
Pamela and Dorothy Denham	1,417	2,424	1,392	2,449	-
Carried forward	167,273	387,771	328,457	(28,056)	254,643

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

17 Income funds - restricted (continued)

	At 1 April 2020	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2021
	£	£	£	£	£
Brought forward	167,273	387,771	328,457	(28,056)	254,643
Pamela Denham Community					
First	-	-	-	-	-
Pamela Denham Grassroots	1,139	470	-	1,363	246
David Dockray's West End					
Young People's	(56)	42,938	42,189	-	693
Dream Jar	3,034	1,851	3,250	-	1,635
Andrew and Charlotte Dixon	915	1,208	1,800	-	323
The Edwin John Easydorchik					
Travelling Scholarship	7,724	5,336	-	-	13,060
Enviresearch	20,591	10,000	9,871	1,000	19,720
Evangelical	26,253	7,792	28,345	-	5,700
Express Enterprise	153	1,095	0	-	1,248
FARNE	17,954	22,425	30,284	-	10,095
David & Gitta Faulkner	2,639	1,915	4,000	-	554
Fausta and Rosemary					
Community First	-	-	-	-	-
Fergusons of Blyth	1,147	7,191	-	-	8,338
Fogo Community First	-	-	-	-	-
Gateshead Thrive	10,529	-	10,000	-	529
David Goldman Awards	-	27,630	27,630	-	-
Allison Greenlees Continuation	-	5,706	3,000	-	2,706
The EDF Energy Green Rigg					
Wind Farm Community Benefit	4,050	40,624	35,065	9,075	534
The EDF Energy Renewables					
Barmoor Windfarm Community					
Benefit	11,759	144,495	41,105	13,136	102,013
Jackie Haq Fund for Scotswood	859	1,952	1,500	-	1,311
Henderson Family	-	609	-	-	609
Heyman Travelling Scholarships	8,301	9,495	-	-	17,796
Joy Higginson	3,227	1,277	-	-	4,504
High Sheriff of Northumberland	22,604	50,854	36,250	(250)	37,458
Hokey Cokey Community First	-	-	-	-	-
Hoult Family Community First	-	-	-	-	-
Hoult Family Grassroots	3,098	2,436	3,000	-	2,534
The HunterPemberton					
Community First	2,379	2,051	1,000	-	3,430
JesDesStaff	-	726	-	-	726
RWE Renewables UK Kiln Pit					
Hill Wind Farm Community	5,860	19,772	20,993	1,798	2,841
Josephs Family	965	1,233	-	-	2,198
JPMorgan	2,414	2,266	2,403	-	2,277
Kellett	422,041	350,929	335,818	-	437,152
Kerry Community First	429	1,259	1,000	-	688
Kerry Grassroots	2,563	3,036	-	-	5,599
June King	3,934	3,697	3,700	-	3,931
Latterford	378	647	-	-	1,025
Carried forward	754,156	1,160,686	970,660	(1,934)	946,116

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

17 Income funds - restricted (continued)

	At 1 April 2020	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2021
	£	£	£	£	£
Brought forward	754,156	1,160,686	970,660	(1,934)	946,116
Lendrum Community First	399	1,736	-	-	2,135
Capt. C.D. Leyland	5,954	3,799	4,200	-	5,553
Linden Community First	-	0	-	-	-
Local Environmental Action	47,856	13,028	5,766	-	55,118
George Loggie	1,100	1,154	2,238	-	16
Lady Betty Martin Fund within the North East Fund for the Arts	513	7,746	3,713	-	4,546
Grigor McClelland Community First	804	-	-	-	804
Moor	1,682	1,587	3,269	-	-
Nash	-	9,552	4,568	-	4,984
NEF Grassroots	1,683	1,577	-	-	3,260
NET Coronavirus Appeal	50,000	1,122,724	1,044,483	73,636	54,605
NET DCMS Big Night In match	-	415,096	393,896	21,200	-
Newcastle Culture Investment	51,205	628,630	623,383	22,500	33,952
Newcastle Dispensary Relief in Sickness	-	74,505	-	7,207	67,298
North East Endowment for Musical Traditions	3,394	5,787	-	-	9,181
North East Fund for the Arts	6,440	5,147	4,184	-	7,403
North East Social Investment	2,689,294	-	-	167,294	2,522,000
Northern Angel Fund for Berwick	623	24,559	19,589	-	5,593
Northern Powergrid Community Energy Seed	562	-	-	562	-
Northern Rock Foundation	-	-	-	-	-
Legacy Grants	11,510	-	-	11,510	-
North Tyneside	26	1,654	-	-	1,680
Northumberland Group	33,747	31,618	33,596	-	31,769
Northumberland Village Homes Trust	-	174,766	108,993	7,994	57,779
Northumberland Wildlife Trust	-	1,667	1,667	-	-
Out & About	5,623	4,987	(556)	-	11,166
The Pargiter Trust	-	50,000	45,000	5,000	-
Anne & David Parker	-	10,000	9,000	1,000	-
Partnership programme	65,341	-	-	-	65,341
Patch	23,542	14,318	30,000	-	7,860
Pea Green Boat Community First	(1,555)	29,032	26,791	-	686
Pen & Palette Club Fund within the North East Fund for the Arts	5,669	4,531	4,900	-	5,300
Percy Family	78	8,683	5,500	-	3,261
Philanthropy House	749,893	-	-	-	749,893
Platten Family Community First	463	-	-	-	463
Prudhoe League of Friends	-	3,468	-	-	3,468
Geoffrey and Ann Purves	-	1,127	700	427	-
Ray Wind Farm Small Grants Programme	100,631	2,074	88,870	10,000	3,835
Readman Community First	-	-	-	-	-
Carried forward	4,610,633	3,815,238	3,434,410	326,396	4,665,065

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

17 Income funds - restricted (continued)

	At 1 April 2020	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2021
	£	£	£	£	£
Brought forward	4,610,633	3,815,238	3,434,410	326,396	4,665,065
Readman Family Grassroots	22,656	66,253	79,440	-	9,469
Readman Foundation	61,355	-	28,000	2,800	30,555
Carrie Reay Grassroots	3,050	3,644	1,060	-	5,634
REEDS Community First	-	-	-	-	-
REEDS Grassroots	22,309	24,421	21,815	-	24,915
Riddell Family Community First	3,240	15,221	11,442	-	7,019
Riding Grange Grassroots	2,029	3,059	2,900	-	2,188
Jane Robertson Alnwick	3,917	3,914	2,000	-	5,831
Roseline Foundation	-	100,000	-	8,750	91,250
Brian Roycroft	6,239	19,828	10,401	-	15,666
RWE Innogy UK Middlemoor	-	-	-	-	-
Wind Farm Community	73,498	106,544	54,513	21,587	103,942
Sage Gateshead	-	663,698	663,698	-	-
Smail Family	748	4,221	4,505	-	464
Henry Smith Charity	26,100	(40,506)	(14,406)	-	-
Sowler Family UK Charitable	-	37,500	33,000	4,500	-
Spriggs Family Community	-	-	-	-	-
First	-	-	-	-	-
Shohba & Trikoli Srivastava	-	-	-	-	-
Community First	679	210	-	298	591
Sunderland Industrial &	-	-	-	-	-
Reformatory School	1,154	1,186	800	-	1,540
Suz Grassroots	1,670	1,564	-	-	3,234
Taylor	9,493	18,961	28,454	-	-
Third Sector Trends	(1,007)	20,000	-	-	18,993
Thornton Family Grassroots	1,348	3,772	3,100	500	1,520
Three Valleys	2,827	11,057	-	13,884	-
Tiny Lives	-	91,401	91,401	-	-
Tyne & Wear High Sheriff	-	-	-	-	-
Awards	17,204	57,376	57,750	(250)	17,080
Tyne & Wear High Sheriff	-	-	-	-	-
Community First	-	-	-	-	-
Tyne & Wear Grassroots	842	791	839	-	794
Ventient Sisters North Steads	-	-	-	-	-
Wind Farm Community Benefit	46,674	297,034	94,600	28,304	220,804
Vicky F Grassroots	849	1,311	-	-	2,160
Virgin Money	2,129	3,383	4,000	-	1,512
Vital Gateshead	12,080	7,361	11,500	-	7,941
Vital Newcastle	13,905	5,448	12,500	-	6,853
Vital North Tyneside	5,022	1,526	5,037	-	1,511
Vital Northumberland	22,233	17,521	22,000	-	17,754
Vital South Tyneside	4,930	1,387	5,000	-	1,317
Vital Sunderland	17,632	6,677	16,055	-	8,254
Ted Weekes	13,356	12,520	9,941	-	15,936
The Wellesley Trust	214,015	274,178	425,992	10,000	52,200
The Wellesley Trust	-	-	-	-	-
Community First	-	-	-	-	-
The 1989 Willan Charitable	-	-	-	-	-
Trust	-	263,231	231,742	12,341	19,148
Carried forward	5,222,809	5,920,930	5,353,489	429,110	5,361,140

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

17 Income funds - restricted (continued)

	At 1 April 2020	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2021
	£	£	£	£	£
Brought forward	5,222,809	5,920,930	5,353,489	429,110	5,361,140
Mark and Ian Wilson Family	2,038	2,193	1,500	-	2,731
Wood	2,575	6,928	7,100	-	2,403
CH Wood	-	4,783	-	-	4,783
Women's	10,879	31,109	40,500	3	1,485
Women's Community First	-	-	-	-	-
Young Musician's	1,677	6,276	4,835	-	3,118
Total Community Foundation	5,239,978	5,972,219	5,407,424	429,113	5,375,660
Joseph Brough Charitable Trust	73,969	39,007	78,447	30	34,499
Tyne and Wear Foundation					
Trust	57,705	17,545	3,056	-	72,194
Tyne & Wear Foundation					
Limited	(30)	-	-	-	(30)
Total Group	5,371,622	6,028,771	5,488,927	429,143	5,482,323

Income and transfers include credits of £1,405,523 transferred from the main and ethical endowment funds to distribute as income on a total returns basis and £30,500 of other transfers. Other outgoings include transfers between funds of £279,361, net transfer credit from endowment of £32,482, amortisation of Programme Related Investments of £167,294 and other fund expenses of £14,940. The Women's Fund includes income from People of Ward Hadaway in memory of Sue Watts fund, Fausta and Rosemary Community First fund and Pamela and Dorothy Denham fund, Brian Roycroft fund includes income from the Tessa Hide fund, Local Environmental fund includes income from Ivy and Gilbert Purvis fund and Sandra King Rainy Day fund, and High Sheriff of Northumberland Youth fund includes income from the Burnell Family and Community First funds.

18 Income funds - unrestricted

As well as a general administrative unrestricted fund (included below for completeness) the Community Foundation holds the following designated funds which the Directors regard as unrestricted because they are used for general charitable purposes in the Community Foundation's area of benefit although grants may still be made on recommendations from the donor. The funds are to be used for grant-making and grants are awarded throughout the year when committees meet and make recommendations to the Board. Since the year end the funds in deficit at 31 March 2021 have received sufficient funds to return them to credit.

	At 1 April 2020	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2021
	£	£	£	£	£
Adderstone	394	11,615	10,000	-	2,009
Anonymous	4,639	3,118	-	-	7,757
Appletree	2,304	25,013	20,070	3,250	3,997
Ashington Community					
Development Trust	2,909	3,615	2,404	-	4,120
Barley Hill	-	3,723	-	-	3,723
Barnes	3,028	7,241	9,000	-	1,269
Christopher Beadle	6,017	5,108	7,540	-	3,585
Charles Robert Bell	(961)	13,681	12,720	-	-
John Bell	52,444	62,929	62,443	-	52,930
Bellway	3,552	2,879	3,263	-	3,168
Sara Alexandra Bernstone	57	4,743	4,000	-	800
Carried forward	74,383	143,665	131,440	3,250	83,358

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

18 Income funds - unrestricted (continued)

	At 1 April 2020	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2021
	£	£	£	£	£
Brought forward	74,383	143,665	131,440	3,250	83,358
Bonas Machine Company	794	1,804	2,000	-	598
Ron and Louise Bowey	41,171	36,626	35,720	22,947	19,130
Dawn Brown	1,011	1,333	-	-	2,344
Stephen Byers	2,199	7,551	2,920	-	6,830
The Muriel Campbell	-	1,421	-	-	1,421
Carr-Ellison Charitable Trust	6,370	10,334	9,750	-	6,954
Carroll Savage	-	5,815	-	-	5,815
Chrysalis	1,728	1,849	-	-	3,577
Daphne & Martin Cookson	61	4,995	4,000	-	1,056
Roland Cookson	-	68,013	68,013	-	-
Roland Cookson Community	(3,434)	19,140	10,500	6,015	(809)
Coquet	-	30,000	10,729	3,600	15,671
Coronavirus Response and Recovery	448,234	691,837	229,258	35,082	875,731
Crozier	-	2,235	-	2,235	-
Curtain PARP	10,753	43,754	22,298	-	32,209
John D Endowment	(98)	12,925	15,000	-	(2,173)
Dickon Trust	9,873	71,190	80,432	-	631
Elgon	2,093	1,077	-	-	3,170
Fogo	7,760	32,602	21,500	-	18,862
Gateshead Housing Company Community	939	60	1,000	(1)	-
George and Peggy	1,443	5,346	-	-	6,789
The Giving Network	10,121	19,686	19,615	977	9,215
Margaret and Dorothy Gordon Memorial	297	1,177	750	-	724
Groves Family	3,334	5,133	1,000	-	7,467
Michael and Christine Heppell	3,750	3,133	500	-	6,383
The Hokey Cokey (that's what it's all about)	1,734	3,067	1,000	-	3,801
I'Anson Family	1,450	2,701	1,400	-	2,751
If only...	156	1,486	1,500	-	142
Sir James Knott	-	2,051	2,051	-	-
John Laing	722	5,049	1,440	-	4,331
William Leech Charity	7,460	22,089	-	-	29,549
Leech Challenge	-	3,250	-	-	3,250
Linden Family	(1,691)	92,547	96,861	-	(6,005)
FB & PFB Lough	34,825	100,327	130,987	-	4,165
Grigor McClelland	9,276	13,930	10,000	-	13,206
Daisy Marr	6,652	28,557	22,479	-	12,730
Maudslay Family	2,636	2,310	4,245	-	701
G S May Family	3,761	5,768	4,500	500	4,529
McIntosh	1,402	1,392	-	1,710	1,084
Milburn Briel	-	3,481	2,500	-	981
Muckle LLP	6,332	37,866	19,348	3,180	21,670
Newcastle Brown Ale	2,582	4,887	-	7,469	-
Newcastle Building Society Community	11,535	284,384	256,906	23,357	15,656
Carried forward	711,614	1,837,843	1,221,642	110,321	1,217,494

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

18 Income funds - unrestricted (continued)

	At 1 April 2020 £	Income & transfers £	Grants £	Other outgoings & transfers £	At 31 March 2021 £
Brought forward	711,614	1,837,843	1,221,642	110,321	1,217,494
Emma Newton	2,652	4,898	4,510	-	3,040
North East Brewers	6,531	6,134	6,500	-	6,165
Northern Powergrid	(79)	16,395	16,316	-	-
Northumbrian Water	-	5,946	5,909	-	37
Opencast Charitable	-	50,000	27,000	5,000	18,000
Pattinson Estate Agents	4,909	6,493	8,500	-	2,902
Philanthropy North East Story	(2,104)	2,104	-	-	-
Platten Family	322,316	76,703	57,207	5,566	336,246
PricewaterhouseCoopers	1,754	1,821	3,125	-	450
Prime	(1,983)	27,603	23,644	-	1,976
Proudfoot Family	31	1,364	-	-	1,395
P&G	1,559	55,231	56,570	-	220
Guy Readman endowment	273,931	125,416	59,000	-	340,347
Ringtons	14,757	48,277	24,625	23,000	15,409
Rolls-Royce	2,699	2,534	-	-	5,233
St Cuthbert's	9,417	2,052	-	-	11,469
Johnnie & Tricia Smith and Family	660	4,044	1,000	-	3,704
Barry & Faga Speker	721	1,211	800	-	1,132
Spriggs Family	354	1,097	1,450	-	1
Squires Foundation	2,611	57,806	50,035	6,363	4,019
Shobha and Triloki Srivastava					
Grassroots	1,074	2,527	-	-	3,601
Star	7,688	9,616	11,000	-	6,304
TESS	1,411	3,017	-	-	4,428
Brian & Margaret Thompson	295	3,938	1,733	-	2,500
Treeline	224	3,896	4,000	-	120
Vaux	8,677	8,148	8,636	-	8,189
Ward Hadaway	485	4,782	-	1,740	3,527
Watkin Family	11,319	27,648	38,886	-	81
Watson Family	1	-	-	1	-
Weightman	1,610	2,555	3,000	150	1,015
Welch Family	1,277	1,300	-	1,897	680
Wide Open Road	-	5,789	4,000	-	1,789
Willis Charitable	459	1,011	-	-	1,470
The Lucy Winskell	-	1,126	1,126	-	-
Winter Family	4,506	15,335	19,860	-	(19)
Robert Wood Trust	(520)	4,320	3,992	-	(192)
Other general grant-making funds	244,158	319,388	(8,000)	187,835	383,711
Total designated funds	1,635,014	2,749,368	1,656,066	341,873	2,386,443
Administrative fund	635,104	1,251,051	-	1,108,386	777,769
Total Community Foundation	2,270,118	4,000,419	1,656,066	1,450,259	3,164,212
Total Group	2,270,118	4,000,419	1,656,066	1,450,259	3,164,212

Income and transfers include £1,307,327 transferred from the main and ethical endowment funds to distribute as income on a total returns basis and £599,491 of other transfers. Other outgoings and transfers consist of £350,630 transferred between funds, £875,602 staff costs, £8,252 designated fund expenses and other net administrative costs of £215,775.

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Notes to the financial statements for the year ended 31 March 2021
(continued)

18 Income funds - unrestricted (continued)

A number of funds contribute to the Community Foundation's general unrestricted grant funds, including Crosshatch, Crozier, Tony Follows Legacy, Ian and Jane Gregg, Greggs plc, Sir James Knott Trust, Mitford, Templeton, Tolent, Tyne Tees Television, and two anonymous funds. Two funds contribute directly to the administrative fund, Ronald Edward William Murray and Hadrian Trust. In addition to the funds listed in restricted and unrestricted funds there are 11 acorn funds at the year end, a number of which currently donate their income to other funds and they will appear in the above analysis once they reach maturity.

19 Analysis of net assets between funds

Group

	Unrestricted funds	Restricted funds	Endowment funds	2021 Total
	£	£	£	£
Investments	-	797,914	90,411,682	91,209,596
Tangible fixed assets	43,566	656,250	-	699,816
Current assets	3,345,536	5,524,957	3,130,387	12,000,880
Current liabilities	(224,890)	(627,448)	(135,374)	(987,712)
Creditors due after one year	-	(869,350)	-	(869,350)
Total net assets	3,164,212	5,482,323	93,406,695	102,053,230

Charity

	Unrestricted funds	Restricted funds	Endowment funds	2021 Total
	£	£	£	£
Investments	-	798,014	87,436,491	88,234,505
Tangible fixed assets	43,566	656,250	-	699,816
Current assets	3,345,536	5,418,194	3,060,063	11,823,793
Current liabilities	(224,890)	(627,448)	(135,374)	(987,712)
Creditors due after one year	-	(869,350)	-	(869,350)
Total net assets	3,164,212	5,375,660	90,361,180	98,901,052

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Notes to the financial statements for the year ended 31 March 2021 (continued)

20 Pensions

The Community Foundation contributes to a defined contribution group pension scheme for all staff. The assets of the schemes are held separately from those of the Community Foundation in independently administered funds. The pension charge represents contributions by the Community Foundation to the funds and amounted to £45,519 (2020: £48,171). There were no outstanding contributions at 31 March 2021 (2020: Nil).

21 Subsidiary company and charities

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

Tyne & Wear Foundation Limited - wholly owned subsidiary

Joseph Brough Charitable Trust - sole trustee

Tyne and Wear Foundation Trust - sole trustee

As permitted by section 408 of the Companies Act 2006, and by paragraph 422 of the Statement of Recommended Practice 2005, no separate company Statement of Financial Activities has been presented for the Community Foundation serving Tyne and Wear and Northumberland within these financial statements. The Company's gross income for the year was £10,405,940 (2020: £10,052,209) and its net income for the year was £17,975,996 (2020: net loss £5,254,228) after the addition of gains on investments of £15,972,385 (2020: losses £7,140,070).

The Community Foundation owns the whole of the issued share capital of Tyne & Wear Foundation Limited, a company registered in England (Company number 3971646). The subsidiary is used to carry out larger fundraising events on behalf of the charity. The company was inactive during the year and therefore the amount gift aided to the Community Foundation was nil (2019: nil). A summary of results of the subsidiary company is shown below:

	Total 2021 £	Total 2020 £
Turnover	-	-
Cost of sales	-	-
Operating profit	-	-
Administrative costs	-	-
Net profit	-	-

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2021
(continued)

21 Subsidiary company and charities (continued)

The aggregate of the assets and liabilities was:

	Total	Total
	2021	2020
	£	£
Assets	70	70
Liabilities	-	-
Net assets	70	70

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

	Total	Total
	2021	2020
	£	£
Investment income	43,945	60,702
Donations and legacies	62	-
Charitable activities	(83,477)	(15,030)
Investment management costs	(7,120)	(7,529)
Gains/(losses) on investments	408,381	(232,564)
Net movement in funds	361,791	(194,421)

The aggregate of the assets, liabilities and funds was:

	Total	Total
	2021	2020
	£	£
Assets	2,210,378	1,856,936
Liabilities	-	(8,349)
Funds	2,210,378	1,848,587

Community Foundation
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Notes to the financial statements for the year ended 31 March 2021
(continued)

21 Subsidiary company and charities (continued)

Represented by:	Total	Total
	2021	2020
	£	£
Permanent endowment fund	2,175,879	1,774,618
Restricted funds	34,499	73,969
Funds	2,210,378	1,848,587

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

	Total	Total
	2021	2020
	£	£
Investment income	21,891	27,904
Investment management costs	(5,515)	(6,731)
Charitable activities	(7,402)	(11,564)
(Losses)/gains on investments	160,350	(112,780)
Net movement in funds	169,324	(103,171)

The aggregate of the assets, liabilities and funds was:

	Total	Total
	2021	2020
	£	£
Assets	941,830	772,506
Liabilities	-	-
Funds	941,830	772,506

Community Foundation
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Notes to the financial statements for the year ended 31 March 2021
(continued)

21 Subsidiary company and charities (continued)

Represented by:	Total 2021 £	Total 2020 £
Permanent endowment fund	869,636	714,801
Restricted funds	72,194	57,705
Funds	941,830	772,506

22 Related party transactions

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

During the year Directors and their associated companies donated a total of £273,715 (2020: £1,791,548) to Community Foundation named endowment and revenue funds, and £1,330 (2020: £1,572) was donated by members of the Executive Staff Team.

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

Organisation	Director/employee involved	Relationship	Total grants £
Charlotte Straker Project	Lady Blackett	Trustee	82,813
Derwenthaugh Boat Station	Lucy Winskell OBE	Honorary President	6,750
Newcastle Carers	Sandra King	Volunteer Mentor	6,000
Newcastle upon Tyne Hospitals NHS Foundation Trust	Jill Baker	Non- Executive Director	54,000
New Writing North	Claire Malcolm	Employee	20,000
North East Theatre Trust	Lucy Winskell OBE	Trustee	11,126
Northumberland Wildlife Trust	Sandra King	Wildlife Ambassador	9,398
November Club	Rob Williamson	Trustee	5,626
Voluntary Organisations Development Agency, North Tyneside	Robin Fry	Employee	40,000

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Notes to the financial statements for the year ended 31 March 2020
(continued)

23 Cash flow information for the Group

Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income/(deficit) for the year	18,507,111	(5,551,820)
Adjustments for:		
Receipt of endowment	(3,776,143)	(4,929,481)
Depreciation charges	32,555	34,158
(Gains)/loss on endowment investments	(16,708,410)	7,369,817
Loss on disposal of fixed assets	-	-
Losses on programme related investments	167,294	115,597
Dividends and interest from investments	(1,926,609)	(2,295,650)
(Increase)/decrease in debtors	(2,869,637)	24,815
Decrease in creditors	(414,584)	(1,374,681)
Net cash used in operating activities	(6,988,423)	(6,607,245)

Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	3,516,638	2,430,132
Short-term deposits	5,537,380	6,030,934
Total cash and cash equivalents	9,054,018	8,461,066

24 Ultimate controlling party

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