



Foundation
Derbyshire



Annual

Financial Statements.

Year Ending March 2021.

Registered number: 02893759
Charity number: 1039485

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

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DERBYSHIRE COMMUNITY FOUNDATION**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees Oliver Stephenson, Chairman
William Kerr, Treasurer
Philip Bloxham
Paul Broadhead
Nick Hodgson
Peter Pimm
Louise Pinder
Sheila Taylor
David Palmer
Andrew Cochrane
Alison Williams
Jane Gerard-Pearse (appointed 3 August 2020)
Gurmail Raju (appointed 10 May 2021)
David Ball (resigned 25 October 2020)

Company registered number 02893759

Charity registered number 1039485

Registered office Unit 2 Heritage Business Centre
Derby Road
Belper
Derbyshire
DE56 1SW

Chief executive officer Rachael Grime

Independent auditor BHP LLP
Chartered Accountants
Statutory Auditors
57-59 Saltergate
Chesterfield
Derbyshire
S40 1UL

Bankers Royal Bank of Scotland plc
34 King Street
Belper
Derbyshire
DE56 1PS

Solicitors Geldards
Number One Pride Place
Pride Park
Derby
DE24 8QR

DERBYSHIRE COMMUNITY FOUNDATION
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Patron	The Duke of Devonshire KCVO, CBE, DL
President	Brian Ashby Sir Richard FitzHerbert Bt - President Emeritus
Investment managers	Cazenove Charities 12 Moorgate London EC2R 6DA Rathbone Brothers plc Temple Point 1 Temple Row Birmingham B2 5LG CCLA Senator House 85 Queen Victoria Street London EC4V 4ET M & G Investments 10 Fenchurch Ave London EC3M 5AG

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

The chairman presents his statement for the year.

The financial year end of 31 March 2021 came at the time when the anti-coronavirus vaccine in the UK was beginning to roll out, with increasingly apparent efficacy. After a full year of furlough, lockdown and hardship there was a renewed sense of hope in the community.

The preceding twelve months witnessed significant adjustments for Foundation Derbyshire; the way that we conduct our business, major swings in our endowments' values, the type of applications seeking our help; all of these made for a notable year for the Foundation.

However, the most significant challenge for the Foundation was the request from the National Emergencies Trust (NET) that we should be responsible, on their behalf, for the distribution of £1.2 million of emergency support to a range of organisations across the county.

As was the case for all manner of institutions last year, the requirement to be physically distanced from one another meant that the Trustees were unable to meet in person. A new world of Zoom transformed the way we work and had the unintended but positive effect of increasing the regular contact between us all.

The task of distributing the NET monies may have been considered a mountainous challenge. However, without exception the staff of the Foundation and the Board Trustees stepped up to the task, with weekly Zoom meetings taking place over a period of six months. I am forever grateful to the Trustees for their commitment to the Foundation during this time, but most particularly to Sarah Stainthorpe who worked so diligently to enable the weekly sessions to happen with the ensuing allocation of funds to the worthy recipients.

Whilst we were offering so much NET support to so many during the year, the quantity of regular applicants to the Foundation reduced, and it remains reduced at the year end. This is easily explainable, as many of the smaller community groups that we help were curtailed and retrenching during the pandemic.

Financial markets swung dramatically during the calendar year 2020/21. The value of our balance sheet had fallen as a result of the pandemic to £6.6million at 31st March 2020, but I am pleased to say that this figure recovered to a new high of £8.1 million by the year end, and this growth has continued thus far during this current year.

I firmly believe that Foundation Derbyshire had a good year in 2020/21, maintaining the achievement of its principal stated aims: That is, to donate in excess of £350,000 in regular grants annually, and to increase the Foundation's profile as a trusted philanthropic advisor within the County of Derbyshire. We have been fortunate to receive new funds, in the form of generous donations or in the transfer of legacies and trusts, to the value of £435,000.

I am exceedingly pleased to report of the groundbreaking transfer of charitable assets, from Derbyshire County Council. This transfer, undertaken as part of the Charity Commission's Revitalising Trusts Initiative, will amount to a value in excess of £1million. It is a slow and thorough process involving monetary and property assets; a process which we expect to complete during the financial year 2021/22. When complete, the Foundation's balance sheet will see a significant increase in value, and will enable us to distribute even more regular grant aid in support of education across the County. We are immensely grateful to Barry Lewis and his team at Derbyshire County Council for the faith that they have shown in our organisation.

Also, I would like to express gratitude for the recent transfer to the Foundation of a pre-existing Sitwell Trust of Renishaw by its Trustees. This trust had become unwieldy, but, administered as part of the Foundation's endowment assets the Trust's proceeds are now to be used as an educational bursary in conjunction with the University of Derby. None of this would have been possible without the support and input of Mrs Alexandra Hayward at Renishaw, and of the Vice Chancellor Prof Kathryn Mitchell, Prof Keith McLay and their respective teams at the University.

DERBYSHIRE COMMUNITY FOUNDATION
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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Because of the restrictions placed on all our lives, we have been unable to host events of a social nature. Drinks receptions, golf days, garden tours, Christmas wine tastings... all these events have been curtailed for the time being. However, our Friends scheme continues and I am delighted that so many individuals throughout the County continue to support us.

We are always pleased to receive support and friendship from the county's High Sheriff. Lord Burlington's support of Foundation Derbyshire was quite wonderful. He held events at Chatsworth in our name, and most significantly undertook an incredible 208 mile bicycle ride round the county in one day (together with biking colleagues), which raised £51,000 for the Foundation's endowment. I cannot thank William enough for all that he did for us in his Shrieval year. To work alongside him brought the greatest pleasure to the Foundation team.

Ed Burkes, the eighth winner of our biennial Jonathan Vickers Fine Art Award, overcame the challenges of his residency in lockdown to create a bold collection of work. This was exhibited at both the Derby Museum & Art Gallery in the autumn, and at the Mall Galleries in London in the summer. I would like to recognise all those on the Vickers Committee for the commitment that they gave to this perennially exciting project.

We have gained a new Trustee since our last Annual Report, Gurmail Raju who hails from Derby. We welcome Gurmail and look forward to working with him. We have lost David Ball as a Trustee, and we thank him for his past, and continuing, support of the Foundation.

As ever, the contribution of all Trustees has been fantastic. I would like to single out the work of Alison Williams and Jane Gerard-Pearse who have put an enormous amount of time into reworking our communication and media methods, together with our imagery.

In closing, I take this opportunity of thanking everyone who plays a part at Foundation Derbyshire, remembering the Executive team, the Finance Committee chaired by William Kerr, the Board of Trustees, and the volunteer members of the Grantmaking Panels. I especially thank Rachael Grime for her tireless work and executive leadership at Foundation Derbyshire, which all of the Trustees appreciate greatly.

Oliver Stephenson
Chairman
Date: 11 November 2021

DERBYSHIRE COMMUNITY FOUNDATION
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their annual report together with the audited financial statements of the charitable company for the 1 April 2020 to 31 March 2021. The Annual Report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

Derbyshire Community Foundation (operating as Foundation Derbyshire) ("the Foundation") is an independent Derbyshire based registered charity. Our vision is to see a culture of giving at the heart of life in Derbyshire, helping to create a county where communities are strong, civil society is valued and all individuals have the opportunity to fulfil their potential and be treated fairly and with respect.

The charitable objects of the Foundation, as defined in its Memorandum and Articles of Association are to support or promote exclusively charitable purposes which in the opinion of Trustees are beneficial to the community, with a preference for those in Derbyshire.

When reviewing the Foundation's charitable objectives and deciding what activities the Foundation should undertake, the Trustees give due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance "Public benefit: running a charity (PB2)".

The Trustees are satisfied that these objects meet the appropriate charitable purposes as defined by the Charities Act 2016. Given that public benefit is an intrinsic part of the Foundation's objectives and activities, additional information on its delivery is provided throughout the body of this report.

b. Strategies for achieving objectives

The strategies for achieving our objectives are:

- To build a multi-purpose endowment that provides a growing and sustainable source of funding that can meet the needs of today and anticipated and unexpected future needs.
- To grow philanthropy in Derbyshire by enabling anyone to be a philanthropist; in life, through a legacy, establishing a named fund or collective giving.
- To make grants creatively and effectively for both our grant recipients and funders, creating the bridge between people who care about and can give to their local community and the wide range of grassroots groups and charities that work to tackle disadvantage, address need & improve the quality of life in our county.

DERBYSHIRE COMMUNITY FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

The main activities undertaken to deliver our objectives of building endowment and growing philanthropy are to provide donors with:

- a range of tailor-made services to help donors channel their charitable giving, in a tax efficient way, into Derbyshire;
- the versatility to assist a wide range of causes, including children, older people, sport, arts and culture, the environment and community development;
- the means to improve quality of life and help to build stronger communities across the county in perpetuity;
- a countywide knowledge that helps us to identify suitable recipients and enables donors to reach grass roots projects that might not otherwise find the funds they need.

By linking local donors with local needs in this way, we are able to deliver public benefit in a sustainable way, by addressing both the problems of today and the issues facing future generations.

The Foundation has also continued to augment its grantmaking activity and impact by distributing funds on behalf of companies, individuals and other charities, through a variety of grant making programmes.

Our other objective focuses on grant making as our bridge between the people who care about the local community and the wide range of groups and individuals that need their help. Our donors and funders enable us to bring about this change, by entrusting us with the management and/or distribution of their funds and our strategy for maintaining and strengthening this "bridge" is continually to ensure that our grants:

- are awarded after careful assessment and with probity,
- meet the priority needs of the communities we serve,
- achieve their aims, and
- that people with detailed local knowledge contribute to decision making.

Achievements and performance

a. Main achievements of the charitable company

- £1.62 million of grants awarded to 314 organisations and 7 individuals.
- Endowed funds totalling £7.99 million as at 31st March 2021.
- £1.08 million of emergency response funding distributed within first 6 months of pandemic.
- 65 endowed funds now under Foundation Derbyshire's management.

Achievements and performance (continued)

b. Review of activities

2020 was defined by the Coronavirus pandemic and its impact on the Foundation and the communities that we serve.

By April 2020, we had already launched our Coronavirus Response Fund and raised £130k from existing donors and Derbyshire County Council.

We had also started distributing funds on behalf of the newly formed National Emergencies Trust ("NET"), alongside the national network of community foundations.

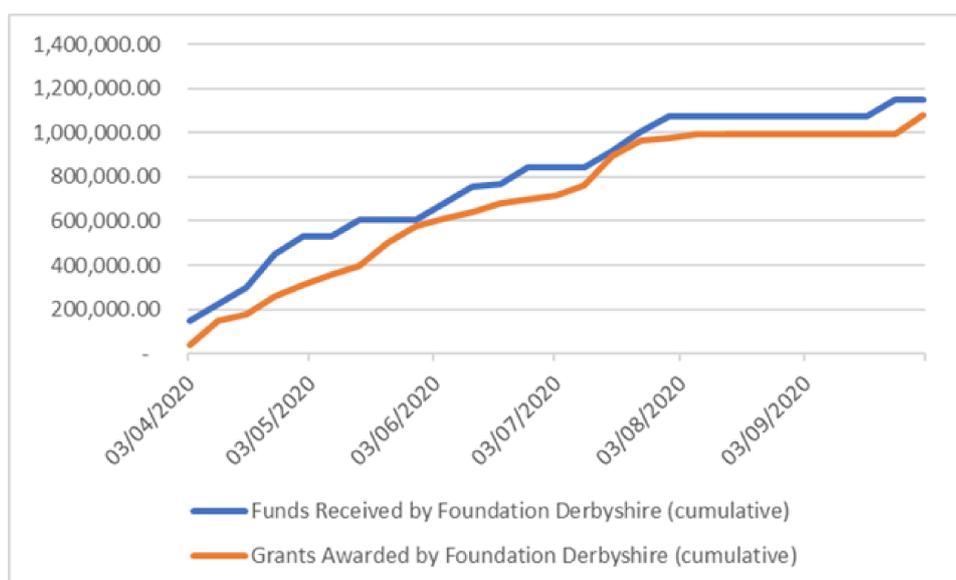
Little did we know at that point that we would go on to distribute an unprecedented £1.2 million of grants over the next 6 months, providing vital financial support to the community groups and organisations that were beginning to see (and to meet) overwhelming increases in demand for their services and were moving quickly, effectively and creatively to help those made most vulnerable by lockdown:

- Foodbanks immediately increased their capacity and moved from collection to delivery based services, to ensure people were able to receive their food parcels safely.
- Community cafes forced to close during lockdown used their kitchens and volunteers to make batch cooked meals for those that were self-isolating or shielding.
- A cycling charity established a key workers bike scheme, providing free bikes (and free bike services) for key workers, enabling them to get to work without using public transport during lockdown.
- Hospices created "Covid wards" and "at home" care packages to ensure those at end of life continued to receive the care and support they needed.
- Dementia, bereavement and mental health services quickly adopted online digital technologies to ensure that their clients could continue to access the support and counselling they so desperately need.

Derbyshire's voluntary and community sector responded quickly and effectively at the beginning of the Coronavirus pandemic. Services were adapted overnight, new partnerships were established to get things done and people worked above and beyond, often putting themselves at risk, to help those most vulnerable.

It was vital that funding for the sector was similarly responsive and Foundation Derbyshire worked hard to ensure that grants were distributed as soon as possible into our communities. The graph (below) plots our receipt of Coronavirus funding (in blue) against the Coronavirus grants that we awarded (in orange) between April and September, 2020.

Achievements and performance (continued)



In September, Lord Burlington took advantage of the brief respite between the first and second lock-downs to complete his epic 208 mile cycle ride around Derbyshire in support of Foundation Derbyshire. Originally due to take place at the end of March 2020, Ride Around Derbyshire was unfortunately postponed due to the Coronavirus Lockdown but Lord Burlington, alongside his fellow riders Leigh Timmis, Alison Fovargue, Michael Kirkland, Paul Gibson and Andy Hooton, completed the Herculean challenge on 12th September, 2020 and raised over £51,000 for the Foundation's endowment.

During the year, Ed Burkes, the eighth winner of our Jonathan Vickers Fine Art Award, overcame the challenges of being a visiting artist in lockdown to create 'Dandelion', a bold and exciting collection of paintings in response to his time in Derbyshire that reflects our county back at us with references to both our traditions and our everyday.

Although lockdown meant that certain elements of the residency, including the community outreach project, could not be completed, Ed was able to undertake his teaching fellowship at the University of Derby's College of Arts and worked closely with Derby Museums on the curation of the Dandelion exhibition.

The Jonathan Vickers Fine Art Award has developed in to one of the most valuable art prizes in the country, with each resident artist enhancing and enriching the cultural life of Derbyshire with the unique body of work that they create.

Key to our success are the invaluable partnerships that evolve and strengthen with each residency and this time we were delighted to announce an exciting new collaboration with Mall Galleries, whereby past exhibitors of the Federation of British Artist's Futures Award (the UK's largest annual survey of emerging figurative art), were invited to be considered for the Vickers residency.

In addition to introducing us to Ed Burkes, this initiative has also enabled us to include an exhibition at London's Mall Galleries, as part of the Award. Due to Covid restrictions the London exhibition was delayed until July, 2021.

As ever, we thank Peter Ashworth and John Nicholson, Trustees of the Jonathan Vickers Charitable Trust, whose vision and generosity made the Award a reality.

We are also extremely grateful to the members of our Award Committee and to our Partners, Derby Museums, the University of Derby, Rolls-Royce plc and Mall Galleries for their ongoing support.

Achievements and performance (continued)

c. Grantmaking

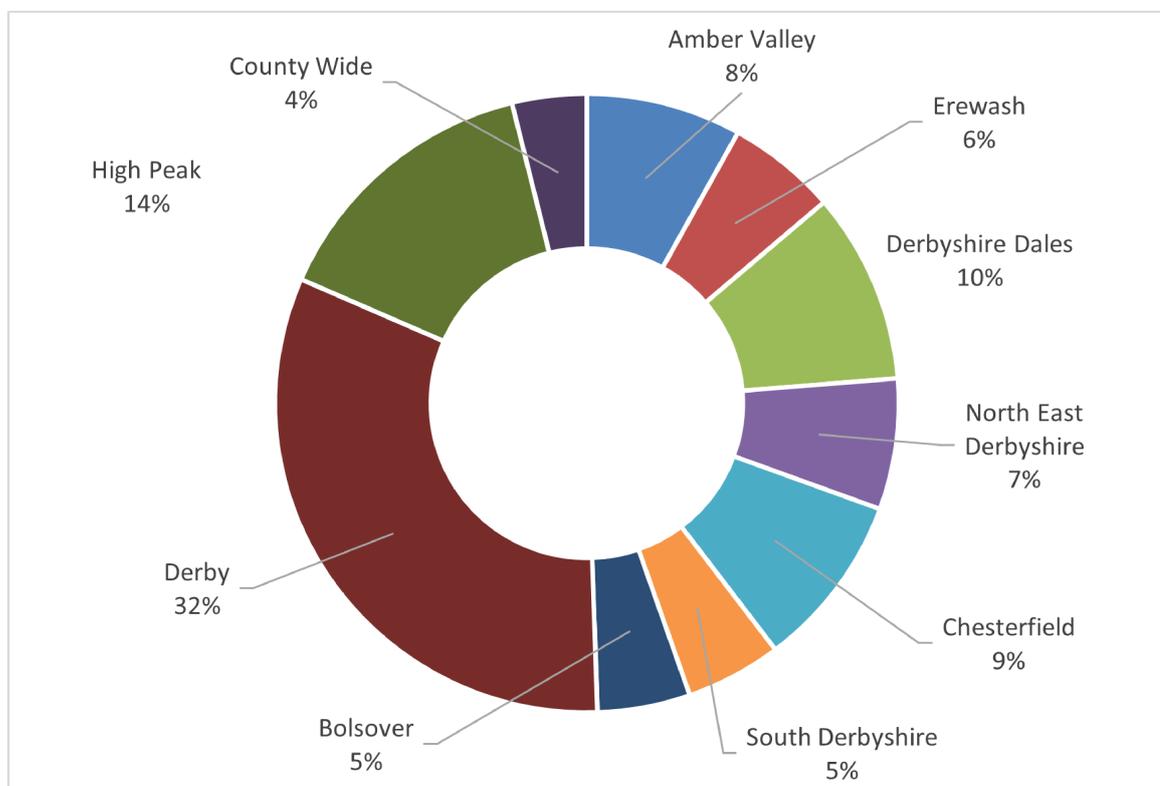
The essence of the Foundation's activity is to provide public benefit for the residents of Derbyshire and Derby City, through the provision of grant funding. In 2020/21, £1.62 million of funds were distributed throughout Derbyshire, bringing the total value of grants made by the Foundation, since its establishment in 1996, to over £17.5 million.

The total value of grants made during the year of £1.62 million was £1.27 million higher than last year's total of £351k. This was due to the Coronavirus Response funding that was distributed during the year.

£260k (2019/20: £273k) of grants were distributed from the Foundation's portfolio of named endowment funds.

Of the 321 grants awarded during the year, 95 grants (totalling £1.22 million) were in excess of £7,000, reflecting the nature of the emergency Coronavirus Response funding programme.

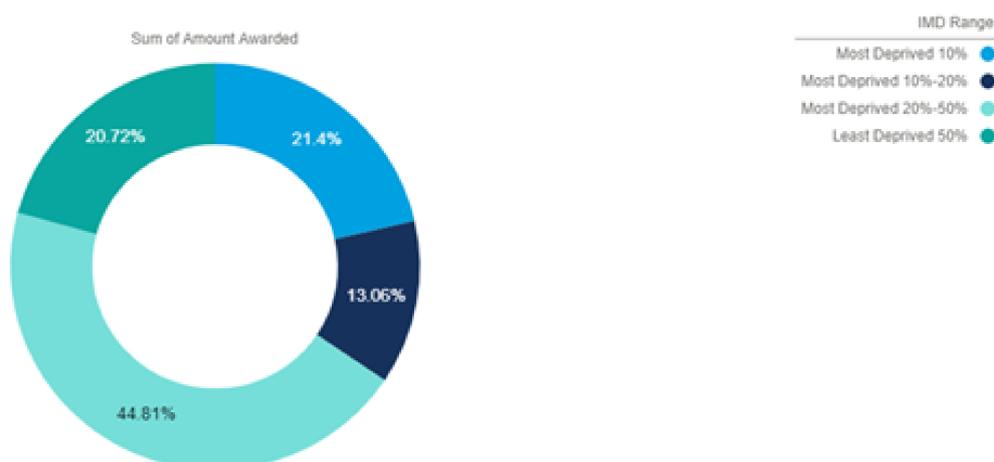
Derby City (which accounts for c. 25% of the county's population) received 32% of the Foundation's grantmaking (2019/20: 43%), in part a reflection of the grants awarded from the Foundation's largest Fund, the Tom Carey Fund (established for the benefit of the Abbey Ward area of the city). The remaining 68% was distributed across all eight Derbyshire districts, with High Peak and Derbyshire Dales taking the highest proportions at 14% and 10% respectively of total grantmaking.



In terms of grantmaking distribution by "need" rather than "geography", as can be seen from the below chart, 21.4% of the Foundation's funding went to areas of the county that fall within the 'Most Deprived 10%' areas of England.

Achievements and performance (continued)

Value of Grants Awarded by Need



Our grantmaking is made possible by the generosity of local people, corporates, funders and charitable trusts who recognise the fantastic and invaluable work that is being done at a grassroots level and use our expertise and local knowledge to invest in their local communities and reach those groups that need their help the most.

There are now 65 endowed funds under Foundation Derbyshire's management and a further 5, which we administer on a "flow through" basis (i.e. held and spent within a specific period, rather than invested for the long term) on behalf of both businesses and individual donors.

There are an estimated 3,700 voluntary and community organisations operating across Derbyshire, including formally registered organisations, such as charities, social enterprises and co-operatives, and a large number of 'below the radar' organisations that are not formally registered or incorporated. Nationally, approximately 50% of organisations are micro in size (annual income under £10,000) but receive only 1% of national voluntary sector income and it is therefore at this grassroots level where the Foundation's grantmaking can and does make a real difference across Derbyshire.

Our named endowed funds support a wide and diverse range of issues and activities, from supporting carers, survivors of domestic abuse and isolated elderly residents to providing the people of Derbyshire with access to music, sport, advice, childcare, transport, counselling and a host of other services.

Smaller donations and gifts from donors that do not want to establish a separate named fund, are held within our General Fund. This Fund has no specific priorities and therefore has the flexibility to respond to emerging issues and fund activities that might not meet the criteria of our donor directed funds.

Funding surgeries held across the City and County continue to be a key and effective way of communicating the availability of grants and how to apply for them to potential recipients. Despite the pandemic, during 2020/21 seven community outreach events were organised or attended, including funding surgeries, workshops and presentations for other infrastructure organisations.

Achievements and performance (continued)

d. Volunteers

The Foundation aims to maximise the quality of public benefit delivered by involving members of the public in our grant making decisions. The Foundation has recruited a number of grant advisors (volunteers who live in their panel area and are involved in and have a strong understanding of the voluntary and community sector) as members of the Foundation's grants committee, to attend meetings and advise on our grant making policy.

This helps us to ensure that funding is directed where it is most needed and that all bids are considered in accordance with both the Foundation's constitutional objectives and the criteria of our funders and donors.

The Foundation also manages a number of fund specific panels. All of our Panels continued to meet virtually throughout the year and the Board thanks all Panel members for their ongoing commitment and contribution to the Foundation, during a very challenging time.

e. UKCF

We continue our membership of the national body for community foundations, UKCF, which continues to lobby at a national government and corporate level, in order to promote the capabilities of our national network. UKCF were instrumental in co-ordinating the delivery of £68 million of NET Coronavirus funding by community foundations during the pandemic. Preparatory work began during the year for UKCF's fifth round of Quality Accreditation, which we have successfully held since it was established in 2009.

f. Fund development activity

The Foundation is committed to its role as a trusted philanthropic adviser and therefore focus continued throughout the year on strengthening and developing the service that we offer to our existing donors, to ensure that their experience of giving through the Foundation is rewarding.

Enabling donors to see, first hand, the impact that their philanthropy is having in their local communities is a highly important aspect of this work. Unfortunately, the pandemic meant that our "Seeing is Believing" visits were suspended this year but we continued to provide case studies and monitoring feedback to donor panels, and produce donor-specific newsletters, all of which continued to be both popular and inspiring.

Social Media continues to play an increasingly important role in communicating the work of the Foundation to both recipients and donors. Around 1,000 subscribers now receive our quarterly e-newsletter and we have over 2,380 followers on Twitter and 590 Facebook followers.

Work also began on a new Foundation Derbyshire website (which will launch in 2021), alongside a new marketing and communications strategy, part of which is focused on developing our digital technology and social media platforms to raise awareness and profile of the work that we do.

DERBYSHIRE COMMUNITY FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance (continued)

g. Foundation Derbyshire Friends

Our Friends of Foundation Derbyshire scheme has been established to enable new and existing supporters, by making a small monthly donation, to help us cover our day to day costs and develop our growth.

We thank our Friends for their support and for making it possible for us to reach even more of Derbyshire's community groups and projects, which desperately need our help.

Foundation Derbyshire Friends

Barbara Ball	Jasper Olivier
Joanne & Tim Basford	David Pinder
Edward Cadogan	Barbi Rodgers
Andrew Cochrane	Robert Shields
Emma Curzon	Charles Stephenson
Alexandra Hayward	Fiona Stephenson
William and Griselda Kerr	Oliver Stephenson
Longcliffe Quarries	Elizabeth Tarling
Matthew Montague Architects	Tony Walker

Foundation Derbyshire Lifetime Friends

Duncan Ashby	Bill & Gillian Hutchinson
James Litchfield	James Litchfield
Peter Ashworth	Derek & Karen Mapp
Helen Bishop	Nick Mirfin
Arthur Blackwood	Lady Marion Morris
Jeremy Bowler	Mel Morris
David Coleman	John Nicholson
Mike Copestake	David & Lucy Palmer
Chris Endsor	Robert Shields
Deborah Fern	Rex Stone
Sir Richard FitzHerbert	Brigadier Edward Wilkinson
Peter Gadsby	John Wilson
Michael Hall	Robin Wood
Roger Hollick	

DERBYSHIRE COMMUNITY FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Financial review

a. Going concern

The Trustees have considered the impact of COVID-19 on the charity's income, operating cost base and investment portfolios. They have prepared forecasts of income and expenditure to 31 March 2023 and subjected these to sensitivity analysis. These show they have sufficient reserves and cash to continue in operational existence for the foreseeable future. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The reserves policy was revised in 2007 to reflect a target level of a minimum of four months running costs equating to £74,160. This revision reflected the increased timescales and potential costs of winding down the much larger organisation. Free reserves as at 31 March 2021 were £79,088 (2020: £6,643).

c. Results for the year

Unrestricted Funds

Management fee income of £99.3k was £91k higher than 2019/20 (at £8.3k). This was primarily due to fee income earned distributing National Emergencies Trust Coronavirus Funding during the year.

£7.3k of unrestricted donations during the year and net administration fees of £139k from endowed funds resulted in an operating surplus of £77.2k. This left unrestricted reserves at £169.4k as at 31st March 2021 (31st March, 2020: £92.2k).

Restricted Funds

Restricted income of £1.34 million and restricted expenditure of £1.64 million, reflect the Coronavirus Response funding received and distributed during the year.

Balances unspent at 31 March 2021 amounted to £604k, £24k lower than balances at 31 March 2020.

The remaining restricted fund balance relates to funds which have not fully distributed their grant making capacity and will be available for grant distribution during 2021/22.

Endowment Fund

Strong market performance throughout 2021 resulted in the Foundation's investments returning an unrealised gain for the year of £1,373k (2019/20: £698k loss). These gains, combined with investment income (interest, dividends and rental income) of £196k during the year, were more than enough to cover endowment expenses (investment management costs and expenses relating to our investment property) of £54k and £367k of distributions (relating to transfers under the Foundation's Total Return Policy) and resulted in a £1,582k increase in endowed funds during the year to £7.99 million.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

d. Investments policy

Under the Memorandum and Articles of Association, Derbyshire Community Foundation has the power to invest any funds not immediately required for the furtherance of its objects in such investments, securities or property as may be thought fit.

The investment objectives remain as:-

- (a) the creation of a sufficient financial return to enable the Foundation to carry out its purposes effectively and without interruption, and
- (b) to maintain and, if possible, enhance the value of the Foundation's investment funds whilst they are invested,
- (c) to obtain a reasonable balance between capital growth and income so that the Foundation can meet future as well as current need,
- (d) to avoid investments that the Board of Trustees considers to be unduly risky.

The Trustees have delegated their investment powers to appointed investment managers (currently Rathbones and Cazenove Capital Management) on a discretionary basis. In addition, the Office for Civil Society requires that CCLA manage a small portion of the Foundation's endowment (£693k as at 31st March, 2021) under the Community First programme.

The investment manager is responsible for carrying out all day-to-day investment decisions including acquisition and realisation of investments. The investment manager is required to exercise the power to give effect to the principles as contained in the Foundation's Investment Policy and, in particular, must have regard to the need for diversification and suitability of investments selected.

Whilst the Trustees are not involved in the day-to-day operation of the investment portfolio and do not directly influence attainment of a performance target, they assess performance quarterly.

In addition, the appointment of investment managers is reviewed at least every five years by the Trustees.

Investment policy remains to secure a balance between income and capital growth, with a minimum requirement of a 6% total return to support our agreed spending policy.

As at 30 September 2021 the value of the Foundation's investment portfolio was £8,085k (as at the balance sheet date of 31 March 2021: £7,580k).

e. Principal risks and uncertainties

The Foundation has developed a Risk Management Register that details the risks to which the charity is exposed in the key areas of governance, finance, personnel, grant making, donor services, management, environment and premises.

Along with the potential impact of those risks, the probability of them occurring and the mitigating action required is also outlined, to assist with:

- a) regulatory compliance;
- b) achieving the charity's aims more effectively;
- c) ensuring that significant risks are known and monitored, thereby enabling trustees to make a more effective contribution; and
- d) improved forward planning.

Major risks to which the Foundation is currently exposed and systems or procedures established to manage those risks are:

1. Loss of revenue / discontinuation of major donation(s):
The Foundation's strategic planning process is on a three year rolling basis and donor care and development is a key element of this process. In addition, the Finance Committee monitors investment performance and reviews appropriateness of Total Return Policy distribution levels on an ongoing basis. Budgets are established at the beginning of each financial year and reviewed quarterly by the Finance Committee, along with cash flow and P&L performance.
2. Stock Market volatility and/or poor performance:
The Foundation utilises the services of three investment managers (including CCLA who manage the Community First endowment) in order to mitigate poor investment management performance and monitors their performance closely (including face to face meetings every 6 months). In addition, the appropriateness of distribution levels is reviewed alongside investment performance information.
3. Inadequate planning/forecasting:
An annual Board/Senior Management Strategy session ensures that both staff and Trustees are involved in setting targets and that these are not only relevant but that an appropriate balance between realistic and challenging is maintained.

DERBYSHIRE COMMUNITY FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

a. Constitution

The charitable company is limited by guarantee without having a share capital and the liability of the members is limited to £1 each. The charitable company is governed by its Memorandum and Articles of Association and is a registered charity.

b. Methods of appointment or election of trustees

As of the 2010 AGM, at which amendments to the Articles of Association were approved, Trustees serve for a four year term. Trustees must retire at the AGM following their completion of four years' service, but may stand for re-election, subject to a maximum of three consecutive four-year terms.

To ensure that board transparency and effectiveness are not compromised, re-election is subject to satisfactory performance and the achievement of minimum performance standards.

The Board has the power at any time to appoint any person to be a Trustee, either to fill a casual vacancy or as an addition to the existing Trustees, subject to the total number of Trustees at any time not exceeding sixteen. Any Trustee appointed holds office only until the next following AGM, and then becomes eligible for re election.

New Trustees are found from the contacts and networks of existing Trustees. The Board regularly undertakes skills audits, in order to identify skills gaps amongst existing Trustees and to enable it to seek new Trustees with the skills and experience to fill these gaps.

c. Organisational structure and decision-making policies

The Board of Trustees administers the charity. The Board meets quarterly and there are sub-committees covering Finance and Grant Making. As part of an initiative to increase Board Engagement, the decision was taken during 2018/19 to temporarily amalgamate the Fund and Board Development Committee meetings with full Board meetings.

The Chief Executive is appointed by the Trustees and manages the day to day operations of the charity, working within terms of delegation, approved by the Trustees, for operational matters including finance, employment, fund development and grant making related activities.

d. Policies adopted for the induction and training of trustees

New Trustees attend an induction meeting, at which they are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committees and decision making processes, the business plan, staffing structure and recent financial performance of the charity.

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

e. Governance and management

The Board of Trustees plays an important part in fulfilling the Foundation's purpose and vision. Our goal continues to be that we maximise public benefit by ensuring that we:

- embrace and reflect the whole community that we serve;
- function effectively within the terms of a modern and relevant code of governance;
- promote the commitment and satisfaction of those who serve on it; and
- help the Foundation achieve its objectives.

A Board skills audit is conducted on a regular basis and is used to inform the Trustee recruitment process. Work continued during the year to recruit new Trustees that have the skills and expertise required for the future growth and development of the Foundation and that are reflective of the communities that we serve.

The Foundation now employs a core staff of four part time employees (2.0 FTE) and continues to manage a significant grants budget and increasing number of named endowment funds. To enable us to maintain our efficiency and probity, ongoing work on our infrastructure, including policies, operational standards and management practice, therefore continued as an ongoing priority.

Remuneration of key management personnel is reviewed on an annual basis by the Foundation's Finance Committee and their recommendations are then submitted to the Board for approval.

f. Employees

The Trustees would like to formally express their appreciation to all employees, together with the members of the various grant making panels for their contribution to another successful year.

g. Trustees

The Trustees who have held office during the year are listed on page 1.

The Board welcomes Jane Gerard Pearse and Gurmail Raju, both of whom were co-opted during the year. Jane Gerard Pearse was formally appointed at the AGM in December 2020 and Gurmail Raju will be formally appointed at the 2021 AGM.

The Board thanks all members for their contribution to another successful year for Derbyshire Community Foundation.

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

h. Fundraising standards information

Due to lockdown restrictions, the only fundraising activity undertaken during the year was the Coronavirus Emergency Response Appeal, which was organised by Foundation Derbyshire staff.

The Foundation does not use professional fund-raisers or commercial participators to carry out fundraising activities on its behalf and does not use direct marketing, telephone, doorstep or on-street fundraising.

Some fundraising was done for the Foundation by third parties, for example Lord Burlington's Ride Around Derbyshire campaign and David Palmer's Retirement collection via Just Giving.

In addition, the Foundation used its e-newsletter to raise awareness of its Coronavirus Response Appeal and Lord Burlington's Ride Around Derbyshire Campaign.

The charity was not subject to an undertaking to be bound by a voluntary scheme for regulating fund-raising, or voluntary standard for fund-raising in respect of its activities but did sign up to the Fundraising Regulator in May 2021.

The Foundation has developed a Donor Care policy that sets out the practices and commitment we make to all of our supporters, as part of our fundraising ethos and working practice.

Plans for future periods

A new three year strategic plan, to take the organisation through to 2024, was the focus of several Trustee Strategic planning sessions with senior staff during the final quarter of the financial year.

The plan focuses on the delivery of our two key objectives, namely to:

- Build on Foundation Derbyshire's position as the county's trusted philanthropic enabler and advisor, a fair and intelligent grant-maker and a professional manager of charitable funds
- Ensure our grantmaking is:
 - a. Relevant, supportive & equitable - reflecting & meeting the needs of the communities we serve, (including minority groups/hard to reach) and targeting priority areas and issues.
 - b. Pre-emptive as well as responsive and supportive

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. 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 of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Disclosure of information to auditor

So far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware, and
- the trustees have taken all the steps that they ought to have taken in order to be aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

The auditor, BHP LLP, has indicated their willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees and signed on their behalf by:

.....
Oliver Stephenson
Chairman
Date: 11 November 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBYSHIRE COMMUNITY FOUNDATION

Opinion

We have audited the financial statements of Derbyshire Community Foundation (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBYSHIRE COMMUNITY FOUNDATION
(CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the directors' report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBYSHIRE COMMUNITY FOUNDATION
(CONTINUED)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the sector in which it operates, and considered the risk of such regulations, including fraud. We designed audit procedures to respond to the risk. We focused on laws and regulations relevant to the charitable company which could give rise to a material misstatement in the financial statements. Our testing included discussions with management, trustees, and those staff with direct responsibility for the compliance of laws and regulations. We also reviewed legal expenses. We addressed the risk of management override of internal controls, including the testing of journals and review of the nominal ledger. We evaluated whether there was evidence of bias by management or the trustees that represented a risk of material misstatement due to fraud.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DERBYSHIRE COMMUNITY FOUNDATION
(CONTINUED)

Use of our report

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

Jane Marshall (Senior statutory auditor)

for and on behalf of

BHP LLP

Chartered Accountants

Statutory Auditors

57-59 Saltergate

Chesterfield

Derbyshire

S40 1UL

22 November 2021

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:						
Donations and legacies	4	7,275	1,339,799	434,823	1,781,897	301,322
Charitable activities	5	99,252	-	-	99,252	8,290
Other trading activities	6	-	44,377	-	44,377	15,078
Investments	7	-	-	195,561	195,561	218,322
Total income and endowments		106,527	1,384,176	630,384	2,121,087	543,012
Expenditure on:						
Raising funds	8	11,734	-	29,971	41,705	48,317
Charitable activities	8	156,504	1,636,553	24,273	1,817,330	521,620
Total expenditure		168,238	1,636,553	54,244	1,859,035	569,937
Net (expenditure)/income before net gains/(losses) on investments						
		(61,711)	(252,377)	576,140	262,052	(26,925)
Net gains/(losses) on investments	17,16	-	-	1,372,846	1,372,846	(697,838)
Net (expenditure)/income						
		(61,711)	(252,377)	1,948,986	1,634,898	(724,763)
Transfers between funds	21	138,895	228,165	(367,060)	-	-
Net movement in funds		77,184	(24,212)	1,581,926	1,634,898	(724,763)
Reconciliation of funds:						
Total funds brought forward		92,219	627,714	6,408,147	7,128,080	7,852,843
Net movement in funds		77,184	(24,212)	1,581,926	1,634,898	(724,763)
Total funds carried forward		169,403	603,502	7,990,073	8,762,978	7,128,080

The Statement of Financial Activities includes all gains and losses recognised in the year.

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02893759

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	173,927	174,382
Heritage assets	15	79,526	62,316
Investments	16	7,579,689	6,150,457
Investment property	17	300,000	210,000
		<u>8,133,142</u>	<u>6,597,155</u>
Current assets			
Debtors	18	60,256	44,580
Cash at bank and in hand		886,796	661,780
		<u>947,052</u>	<u>706,360</u>
Creditors: amounts falling due within one year	19	(238,985)	(91,865)
Net current assets		<u>708,067</u>	<u>614,495</u>
Total assets less current liabilities		<u>8,841,209</u>	<u>7,211,650</u>
Creditors: amounts falling due after more than one year	20	(78,231)	(83,570)
Total net assets		<u><u>8,762,978</u></u>	<u><u>7,128,080</u></u>
Charity funds			
Endowment funds (includes revaluation reserve of £90,000 (2020: £nil))	21	7,990,073	6,408,147
Restricted funds	21	603,502	627,714
Unrestricted funds	21	169,403	92,219
Total funds		<u><u>8,762,978</u></u>	<u><u>7,128,080</u></u>

DERBYSHIRE COMMUNITY FOUNDATION

(A Company Limited by Guarantee)

REGISTERED NUMBER: 02893759

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

.....
William Kerr

Treasurer

Date: 11 November 2021

The notes on pages 28 to 53 form part of these financial statements.

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	24	181,875	(264,224)
		<hr/>	<hr/>
Cash flows from investing activities			
Dividends, interests and rents from investments		195,561	218,322
Purchase of tangible fixed assets		(840)	(5,777)
Proceeds from sale of investments		495,156	404,819
Purchase of investments		(736,194)	(261,874)
		<hr/>	<hr/>
Net cash (used in)/provided by investing activities		(46,317)	355,490
		<hr/>	<hr/>
Cash flows from financing activities			
Repayments of borrowing		(5,193)	(4,466)
		<hr/>	<hr/>
Net cash used in financing activities		(5,193)	(4,466)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		130,365	86,800
Cash and cash equivalents at the beginning of the year		767,731	680,931
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	25	898,096	767,731
		<hr/> <hr/>	<hr/> <hr/>

1. General information

The charitable company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Derbyshire Community Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in sterling, which is the functional currency of the charity, and rounded to the nearest £1.

2.2 Going concern

The Trustees have considered the impact of COVID-19 on the charity's income, operating cost base and investment portfolios. They have prepared forecasts of income and expenditure to 31 March 2023 and subjected these to sensitivity analysis. These show they have sufficient reserves and cash to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2. Accounting policies (continued)

2.3 Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charitable company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charitable company, can be reliably measured.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Interest and dividends are included in the financial statements on an accruals basis. Tax recoverable on the above is accounted for on a receivable basis.

Investment income is allocated to restricted or unrestricted funds by reference to the nature of the underlying funds generating the income.

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Fundraising costs are those incurred in seeking the voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable company's objectives, as well as any associated support costs.

Grants payable are recognised as expenditure when the commitment is made.

All expenditure is inclusive of irrecoverable VAT.

2.5 Taxation

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

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	no depreciation (see note below)
Office equipment	-	20% straight line
Computer equipment	-	20% straight line

No depreciation has been charged on freehold property as in the view of the Trustees, based on the estimated residual value and a useful economical life of 25 years, annual depreciation charge would be immaterial.

2. Accounting policies (continued)

2.7 Heritage assets

Artwork is capitalised at its value on donation or insurance valuation. No depreciation is provided as the residual value is considered to be at least equal to the valuation. Any excess of market value (i.e. insurance value) over the value on donation is credited to the Statement of Financial Activities.

Heritage assets are reviewed for evidence of impairment annually and no provision had been made in either year. In the view of the trustees, this is reasonable when considering the condition of the artwork and its potential for resale and/ or generating income.

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

2.9 Investment property

The investment property is carried at market value and the valuation is reviewed at the end of each reporting period by Trustees using rental yield calculations and comparing these against commercial rates. Where there is deemed to be a material change to the valuation, a professional valuer is appointed. Where the excess of market value is less than original cost the resultant deficit is taken to the endowment fund.

2.10 Debtors

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

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2. Accounting policies (continued)

2.13 Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.15 Pensions

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charitable company to the fund in respect of the year.

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Endowment funds represent those assets which are expendable by the charity. Income arising on the endowment funds is included as endowment income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.17 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

The following assumptions have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

Valuation of non-investment and investment property - these valuations are subject to a number of judgements which include, but are not limited to, local area assessments, market conditions and state of repair of the property.

Valuation of heritage assets - these valuations are subject to judgements made by insurers and these may change over time with changes to the artwork market. Impairment reviews consider recent exhibitions and the active market for which data may not be readily available.

Allocation of investment income, management costs and gains/ losses - these are allocated to funds by reference to the nature of the underlying funds which generated the income, incurred the costs or made the gain/ loss. Any misallocation could result in a material misstatement of fund balances and impact free reserves reported in these financial statements.

4. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	7,275	1,339,799	434,823	1,781,897	301,322
Total 2020	7,998	273,681	19,643	301,322	

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Admin Fees	99,252	99,252	8,290
Total 2020	8,290	8,290	

6. Fundraising income

Income from fundraising events

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Events	42,407	42,407	14,628
Vickers artwork sales	1,970	1,970	450
	44,377	44,377	15,078
Total 2020	15,078	15,078	

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

7. Investment income

	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rental income	884	884	9,000
Bank interest and dividends received	194,677	194,677	209,322
	195,561	195,561	218,322
Total 2020	218,322	218,322	

DERBYSHIRE COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2021

8. Expenditure by fund

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
<i>Expenditure on raising funds</i>					
Fundraising (note 9)	11,734	-	-	11,734	16,196
Investment management fees	-	-	29,971	29,971	32,121
	<u>11,734</u>	<u>-</u>	<u>29,971</u>	<u>41,705</u>	<u>48,317</u>
<i>Expenditure on charitable activities</i>					
Grants payable/ restricted fund expenditure (note 11)	-	1,636,553	-	1,636,553	377,864
Support costs (note 9)	149,046	-	24,273	173,319	138,261
Management and admin (note 9)	7,458	-	-	7,458	5,495
	<u>156,504</u>	<u>1,636,553</u>	<u>24,273</u>	<u>1,817,330</u>	<u>521,620</u>
Total 2021	<u><u>168,238</u></u>	<u><u>1,636,553</u></u>	<u><u>54,244</u></u>	<u><u>1,859,035</u></u>	<u><u>569,937</u></u>
Total 2020	<u>146,562</u>	<u>384,860</u>	<u>38,515</u>	<u>569,937</u>	

DERBYSHIRE COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Expenditure - fundraising, support costs and management and admin

	Support costs 2021 £	Management and admin 2021 £	Fundraising 2021 £	Total funds 2021 £	Total funds 2020 £
Wages and salaries	76,814	69	7,956	84,839	75,830
Other staff costs	158	29	13	200	1,195
Fundraising costs	-	-	611	611	7,125
Utilities and insurances	3,058	530	227	3,815	5,083
Office and meeting costs	5,283	918	392	6,593	5,001
Computer costs	7,686	1,331	571	9,588	18,522
Finance costs	2,339	406	174	2,919	3,681
Publicity and communications	364	63	27	454	6,251
Legal and professional	23,704	4,112	1,763	29,579	7,953
Investment property costs	24,273	-	-	24,273	6,394
Depreciation	1,295	-	-	1,295	404
Governance costs (note 10)	28,345	-	-	28,345	22,513
Total 2021	173,319	7,458	11,734	192,511	159,952
Total 2020	138,261	5,495	16,196	159,952	

10. Governance costs

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
Auditor's remuneration	9,480	-	-	9,480	6,600
Other costs	370	-	-	370	240
Salaries and national insurance	18,495	-	-	18,495	15,673
Total 2021	28,345	-	-	28,345	22,513
Total 2020	22,513	-	-	22,513	

DERBYSHIRE COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

11. Grants payable/ restricted fund expenditure

	2021	2021	2020	2020
	Number	£	Number	£
Grants to Community Groups & Voluntary Organisations	314	1,655,916	189	317,194
Grants to individuals	7	3,500	103	34,303
Withdrawn/ underspent grants	-	(37,907)	-	-
Other restricted expenditure	-	15,044	-	26,367
Total 2021	321	1,636,553	292	377,864

12. Auditor's remuneration

	2021	2020
	£	£
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	9,480	9,480

13. Staff costs

	2021	2020
	£	£
Wages and salaries	94,523	82,853
Social security costs	4,242	3,465
Pension and health scheme costs	4,569	5,185
	103,334	91,503

Included within pension and health scheme costs are pension contributions payable of £4,078 (2020: £4,427).

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

13. Staff costs (continued)

The average number of persons employed by the charitable company during the year was as follows:

	2021	2020
	No.	No.
Grant support	3	3
Management	1	1
	<hr/>	<hr/>
	4	4
	<hr/> <hr/>	<hr/> <hr/>

The average headcount expressed as full-time equivalents was:

	2021	2020
	No.	No.
Allocated to charitable activities	1.61	2.07
Allocated to management, administration and fundraising	0.40	0.40
	<hr/>	<hr/>
	2	2
	<hr/> <hr/>	<hr/> <hr/>

No employee received remuneration amounting to more than £60,000 in either year.

During either year, no trustee received any remuneration or benefits in kind.

The total amount of employee benefits (including employers NI and pension contributions) received by key management personnel were £80,085 (2020: £69,949). The charity considers its key management personnel to be the Chief Executive Officer and Assistant Director of Grants.

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2021

14. Tangible fixed assets

	Freehold property £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 April 2020	169,009	1,502	4,275	174,786
Additions	-	-	840	840
At 31 March 2021	<u>169,009</u>	<u>1,502</u>	<u>5,115</u>	<u>175,626</u>
Depreciation				
At 1 April 2020	-	200	204	404
Charge for the year	-	300	995	1,295
At 31 March 2021	<u>-</u>	<u>500</u>	<u>1,199</u>	<u>1,699</u>
Net book value				
At 31 March 2021	<u><u>169,009</u></u>	<u><u>1,002</u></u>	<u><u>3,916</u></u>	<u><u>173,927</u></u>
At 31 March 2020	<u><u>169,009</u></u>	<u><u>1,302</u></u>	<u><u>4,071</u></u>	<u><u>174,382</u></u>

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2021

15. Heritage assets

Assets recognised at valuation

	Artwork 2021 £
Market value at 1 April 2020	62,316
Additions	17,210
<i>Market value at 31 March 2021</i>	<u>79,526</u>

Artwork relates to the holding of pieces of art donated by or purchased from artists. The Board reviewed holdings during the year and determined that the valuation of works continued to be appropriate for the current year.

An independent valuation of heritage assets was carried out by Hansons Auctioneers and Valuers Ltd on 10 August 2015.

Analysis of heritage asset transactions

	2021 £	2020 £	2019 £	2018 £	2017 £
<i>Donations</i>					
Artwork	17,210	-	-	-	19,600
<i>Total additions</i>	<u>17,210</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,600</u>
<i>Charge for impairment</i>					
Artwork	-	-	-	-	(19,314)
<i>Total charge for impairment</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,314)</u>

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2021

16. Fixed asset investments

	Listed investments £	Cash £	Total £
<i>Cost or valuation</i>			
At 1 April 2020	6,044,506	105,951	6,150,457
Additions	736,194	-	736,194
Disposals	(472,293)	-	(472,293)
Revaluations	1,282,846	-	1,282,846
Investment management costs deducted at source	(22,864)	-	(22,864)
Movement in cash	-	(94,651)	(94,651)
<i>At 31 March 2021</i>	<u>7,568,389</u>	<u>11,300</u>	<u>7,579,689</u>
<i>Net book value</i>			
<i>At 31 March 2021</i>	<u>7,568,389</u>	<u>11,300</u>	<u>7,579,689</u>
At 31 March 2020	<u>6,044,506</u>	<u>105,951</u>	<u>6,150,457</u>

Investments at market value comprise

	2021 £	2020 £
Cazenove Charity Multi Asset Fund	3,402,273	2,841,350
CCLA Investment Management Ltd	693,368	376,617
Rathbones Investments Management	3,454,758	2,932,490
M&G Investments	29,290	-
	<u>7,579,689</u>	<u>6,150,457</u>
Historical cost	<u>5,274,883</u>	<u>5,212,195</u>

The investments consist of monies held in externally managed portfolios in a mixture of UK and foreign investments, and are shown at market value as at 31 March 2021.

DERBYSHIRE COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2021

17. Investment property

	Investment property - Sutton-in- Ashfield £
Valuation	
At 1 April 2020	210,000
Surplus on revaluation	90,000
	<hr/>
At 31 March 2021	300,000
	<hr/> <hr/>

The process for the sale of the investment property commenced in 2021 during which the property was valued at £300,000. This material movement has been recognised as a revaluation in the current year.

18. Debtors

	2021 £	2020 £
Trade debtors	50	60
Other debtors	57,273	42,461
Prepayments and accrued income	2,933	2,059
	<hr/>	<hr/>
	60,256	44,580
	<hr/> <hr/>	<hr/> <hr/>

19. Creditors: Amounts falling due within one year

	2021 £	2020 £
Mortgage repayments due within one year	5,381	5,236
Other taxation and social security	4,283	1,544
Other creditors	14,953	2,317
Accruals and deferred income	16,908	9,658
Grants payable (i.e. awaiting contract return)	197,460	73,110
	<hr/>	<hr/>
	238,985	91,865
	<hr/> <hr/>	<hr/> <hr/>

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

20. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Mortgage repayments due after one year	78,231	83,570

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021	2020
	£	£
Payable or repayable by instalments	55,259	61,074
	55,259	61,074

The mortgage is secured by a legal charge over the charitable company's freehold property (Unit 2, Heritage Business Centre, Belper, Derbyshire, DE56 1SW).

DERBYSHIRE COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2021

21. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
General funds	92,219	106,527	(168,238)	138,895	-	169,403
Endowment funds (expendable)						
Discretionary Funds	271,598	13,125	(1,404)	(17,795)	50,591	316,115
J Vickers Fund	229,365	25,037	(862)	(10,936)	31,088	273,692
Donor Directed Funds	5,530,653	592,222	(51,978)	(338,329)	1,123,341	6,855,909
Community First Funds	376,531	-	-	-	77,826	454,357
Revaluation reserve - investment property	-	-	-	-	90,000	90,000
	6,408,147	630,384	(54,244)	(367,060)	1,372,846	7,990,073
Restricted funds						
Tom Carey	61,107	-	(80,792)	73,932	-	54,247
Assist Grassroots Grant Revenue	31,462	-	-	3,793	-	35,255
Derbyshire Building Society	25,029	-	-	2,495	-	27,524
SDLF	25,206	-	-	7,201	-	32,407
Rolls-Royce plc Fund	32,666	-	-	14,156	-	46,822
S.D.C.C.T.E	15,259	-	-	-	-	15,259
Freemasons GR	3,279	-	-	16,316	-	19,595
Made by Sport	-	64,994	-	-	-	64,994
Grassroots Derbyshire	18,698	-	-	8,402	-	27,100

DERBYSHIRE COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2021

21. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Coronavirus Response Fund	140,219	1,243,273	(1,392,208)	23,779	-	15,063
Flood Relief Fund	35,612	-	(2,631)	(20,500)	-	12,481
Ashby Fund	19,684	-	(38,984)	36,594	-	17,294
Golf day	16,074	-	-	-	-	16,074
Jefford- Weller Fund	11,550	250	(7,824)	9,276	-	13,252
Other named funds	191,869	75,659	(114,114)	52,721	-	206,135
	627,714	1,384,176	(1,636,553)	228,165	-	603,502
Total of funds	7,128,080	2,121,087	(1,859,035)	-	1,372,846	8,762,978

DERBYSHIRE COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2021

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
<i>Unrestricted funds</i>						
General funds	73,306	16,288	(146,562)	149,187	-	92,219
<i>Endowment funds (expendable)</i>						
Discretionary Funds	314,673	13,786	(1,539)	(19,196)	(36,126)	271,598
J Vickers Fund	256,219	8,126	(948)	(11,827)	(22,205)	229,365
Donor Directed Funds	6,376,827	216,053	(36,028)	(398,538)	(627,661)	5,530,653
Community First Funds	402,129	-	-	(13,752)	(11,846)	376,531
	7,349,848	237,965	(38,515)	(443,313)	(697,838)	6,408,147

DERBYSHIRE COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

21. Statement of funds (continued)

Restricted funds

Tom Carey	76,255	-	(95,099)	79,951	-	61,107
Assist Grassroots Grant Revenue	27,359	-	-	4,103	-	31,462
Derbyshire Building Society	22,331	-	-	2,698	-	25,029
SDLF	17,419	-	-	7,787	-	25,206
Rolls-Royce plc Fund	17,357	-	-	15,309	-	32,666
S.D.C.C.T.E	15,259	-	-	-	-	15,259
Freemasons GR	13,950	-	(18,568)	7,897	-	3,279
DCF General Restricted Fund	13,752	206	(27,513)	13,555	-	-
Golf day	12,769	5,245	(1,940)	-	-	16,074
Jefford-Weller Fund	12,473	250	(11,205)	10,032	-	11,550
Coronavirus Response Fund	-	156,019	(15,800)	-	-	140,219
Flood Relief Fund	-	71,142	(35,530)	-	-	35,612
Other named funds	200,765	55,897	(179,205)	152,794	-	230,251
	429,689	288,759	(384,860)	294,126	-	627,714
Total of funds	7,852,843	543,012	(569,937)	-	(697,838)	7,128,080

21. Statement of funds (continued)

Purpose of endowment funds

Discretionary Funds grants are allocated at the Trustees' discretion to meet current community needs.

J Vickers Fund was established with a donation from the estate of the late Jonathan Vickers and distributions are used to fund and administer the Jonathan Vickers Fine Art Award.

Donor Directed Funds are where the donor chooses which projects to support by establishing grantmaking criteria and may also be involved in the grantmaking decisions.

Community First Funds are the Donor Directed Community First Funds held on trust in perpetuity separately from the charitable company's own assets.

Purpose of restricted funds

Tom Carey fund is a named donor directed endowment fund that provides support to new and existing community activity in the Abbey ward of Derby City.

Assist Grassroots Grant Revenue is a named donor directed fund established to support groups providing opportunities for people to gain new skills, qualifications or work experience.

Derbyshire Building Society fund was established in 2004 as part of the Society's wider ongoing commitment to support and improve life within our county.

SDLF fund supports community and voluntary groups offering opportunities for people to gain new skills, which will ultimately allow people to enter or re-enter the world of employment.

Rolls-Royce plc Fund is one of the Foundation's founding funds and was established to provide long term support to local groups and activities in Derbyshire. Every year the Foundation works alongside Rolls-Royce to develop a grant theme, responding to local needs, topics and concerns.

SDCCTE is a named fund established to provide core cost funding for the Foundation.

Freemasons GR fund has been established by the Freemasons of Derbyshire Provincial Grand Charity to support community life and tackle disadvantage across Derbyshire by supporting community and voluntary groups and charities.

Made by Sport - administered on behalf of Made by Sport to support clubs and community organisations that intentionally use sport or exercise to develop young people's lives.

Grassroots Derbyshire - supports groups and projects that work to enhance the quality of life for people living in Derbyshire communities

Coronavirus Response Fund was launched at the end of March 2020 to provide support to community groups and organisations working to tackle the impact of the Coronavirus in Derbyshire and Derby City.

Flood Relief Fund was launched by Foundation Derbyshire in November 2019 in response to the floods that affected parts of Derbyshire and Derby City. The Fund was used to help individuals, families and communities that were affected by the flood waters.

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NOTES TO THE FINANCIAL STATEMENTS
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Ashby Fund - aims to improve the quality of life for Derbyshire residents and to tackle inequalities and disadvantages faced in local communities, with a preference for groups operating in rural areas or projects focusing on heritage and arts & culture.

Golf Day relates to the fundraising proceeds from the Foundation's annual charity golf day.

The Jefford Weller Fund supports individuals and groups who are working with homelessness and housing issues in Derbyshire.

Other named funds are the grant revenue pots of the remaining discretionary and donor directed named endowment funds, which are held as part of the Foundation's endowment and flow through funds managed by the Foundation.

Transfers between funds

Transfers in to restricted funds, totalling £228,165 and unrestricted funds of £138,895 relate primarily to distributable income for grant making and administration that was transferred in accordance with the Foundation's Total Return Policy in relation to the management of the investment portfolio. These transfers were made from the Foundation's Endowment Fund into General Funds and the grant revenue pots of the 64 discretionary and donor directed named endowment funds, which have been established with the Foundation.

22. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	92,219	106,527	(168,238)	138,895	-	169,403
Endowment funds	6,408,147	630,384	(54,244)	(367,060)	1,372,846	7,990,073
Restricted funds	627,714	1,384,176	(1,636,553)	228,165	-	603,502
	7,128,080	2,121,087	(1,859,035)	-	1,372,846	8,762,978

Summary of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
General funds	73,306	16,288	(146,562)	149,187	-	92,219
Endowment funds	7,349,848	237,965	(38,515)	(443,313)	(697,838)	6,408,147
Restricted funds	429,689	288,759	(384,860)	294,126	-	627,714
	7,852,843	543,012	(569,937)	-	(697,838)	7,128,080

DERBYSHIRE COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	173,927	-	-	173,927
Fixed asset investments	-	-	7,579,689	7,579,689
Investment property	-	-	300,000	300,000
Heritage assets	-	-	79,526	79,526
Current assets	312,692	603,502	30,858	947,052
Creditors due within one year	(238,985)	-	-	(238,985)
Creditors due in more than one year	(78,231)	-	-	(78,231)
Total	169,403	603,502	7,990,073	8,762,978

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Tangible fixed assets	174,382	-	-	174,382
Fixed asset investments	-	-	6,150,457	6,150,457
Investment property	-	-	210,000	210,000
Heritage assets	-	-	62,316	62,316
Current assets	20,162	700,824	(14,626)	706,360
Creditors due within one year	(18,755)	(73,110)	-	(91,865)
Creditors due in more than one year	(83,570)	-	-	(83,570)
Total	92,219	627,714	6,408,147	7,128,080

DERBYSHIRE COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

24. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	1,634,898	(724,763)
Adjustments for:		
Depreciation charges	1,295	404
Net (losses)/gain on investments	(1,372,846)	697,838
Dividends, interests and rents from investments	(195,561)	(218,322)
(Increase)/decrease in debtors	(15,676)	709
Increase/(decrease) in creditors	146,975	(20,090)
Donation of heritage assets	(17,210)	-
Net cash provided by/(used in) operating activities	181,875	(264,224)

25. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	886,796	661,780
Cash held in the investment portfolio	11,300	105,951
Total cash and cash equivalents	898,096	767,731

26. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	661,780	225,016	886,796
Debt due within 1 year	(5,236)	(145)	(5,381)
Debt due after 1 year	(83,570)	5,339	(78,231)
	572,974	230,210	803,184

DERBYSHIRE COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

27. Pension commitments

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable by the charitable company to the fund and amounted to £4,078 (2020: £4,427). Contributions totalling £573 (2020: £594) were payable to the fund at the balance sheet date and are included in creditors.

28. Operating lease commitments

At 31 March 2021 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	650	270
Later than 1 year and not later than 5 years	2,113	-
	<u>2,763</u>	<u>270</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2021	2020
	£	£
Operating lease rentals	595	540

29. Related party transactions

During the year donations made by trustees to the charitable company totalled £17,726 (2020: £2,726) excluding gift aid. In addition, £1,882 (2020: £4,262) was paid to Arha Labs Limited for website and design services, a company part owned by Trustee Alison Williams.



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