



THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)

REGISTERED CHARITY NO. 1117345
COMPANY REGISTERED NO. 5999452

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2024

Table of Contents

TRUSTEES AND STAFF	3
PROFESSIONAL ADVISORS	4
TRUSTEES REPORT (including Directors' Report)	5
AUDITOR'S REPORT	15
STATEMENT OF FINANCIAL ACTIVITIES (FOR THE YEAR END 31 MARCH 2024)	19
STATEMENT OF FINANCIAL ACTIVITIES (FOR THE YEAR END 31 MARCH 2023)	20
BALANCE SHEET	21
STATEMENT OF CASH FLOW	22
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	23

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
TRUSTEES AND STAFF
YEAR ENDED 31 MARCH 2024

Registered Office: Stellantis
Pinley House, Sunbeam Way
Coventry CV3 1ND

Corporate Patron: Stellantis
Patron: Mrs Sally Carrick

Presidents: Tim Cox, the Lord Lieutenant of Warwickshire
Sir John Crabtree OBE, the Lord Lieutenant of the West Midlands

Trustees:	
Mr Christopher West	Chair
Ms Michelle Vincent	Treasurer
Mr Paul Belfield	
Mr Amrik Bhabra MBE	
Ms Lucie Byron	
Ms Jude Jennison	
Mr Daniel Worthing	
Mr Calum Nisbet	
Ms Jasmin Koasha	Resigned 5 th October 2023
Ms Alethea Fuller	
Ms Cleo Morris	
Mr Richard Port MBE	

Senior Staff:	
Tina Costello OBE	Chief Executive Officer
Helen Kendrick	Senior Manager Operations
Shamiela Ahmed	Senior Manager Programmes
Jayne Taylor-Farren	Senior Manager Finance
Ryan Boyce	Senior Manager Communications
Charleene Jefferson	Secretary

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
PROFESSIONAL ADVISORS
YEAR ENDED 31 MARCH 2024

Auditors:

Dafferns LLP
One Eastwood, Harry Weston Road
Binley Business Park
Coventry, West Midlands
CV3 2UB

Investment Managers:

James Hambro &
Partners LLP
45 Pall Mall
London
SW1Y 5JG

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Rathbones
Temple Point
1 Temple Row
Birmingham
B2 5LG

EFG Harris Allday
33 Great Charles
Street
Birmingham
B3 3JN

M and G Investments
PO Box 9039
Chelmsford
CM99 2XG

Bankers:

CAF Bank
25 Kings Hill Ave
Kings Hill
West Malling, Kent
ME19 4JQ

Santander Bank
Bootle
Merseyside
L30 4GB

Solicitors:

Wright Hassall LLP
Olympus Avenue
Leamington Spa
Warwickshire

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
TRUSTEES' REPORT (including Directors' Report)
YEAR ENDED 31 MARCH 2024

The Trustees have pleasure in presenting their Annual Report along with the financial statements of the charity for the year ending 31 March 2024.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's Memorandum and Articles of Association, the Charities Act 2011, and Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland as amended for accounting periods commencing on or after 1 January 2019 and the Companies Act 2006.

1. Structure, Governance and Management

1.1 Objects and Activities

The objects of the Community Foundation are defined in its Memorandum and Articles of Association. The Community Foundation manages a diverse portfolio of grant programmes working with a range of donors to provide charitable and philanthropic services across the geographical areas of Birmingham, Black Country, Coventry, Solihull, and Warwickshire. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the current aims and objectives and in planning future strategies and setting grant making policies.

Our activities are determined by our charitable objectives:

- The promotion of any charitable purposes for the benefit of communities within the County of West Midlands and Warwickshire, United Kingdom and the advancement of education, the protection of good health and the relief of poverty and sickness.
- Any other exclusively charitable purposes, which are, in the opinion of the Trustees, beneficial to the community in benefit.

The Foundation exists to support the local voluntary and community sector across the West Midlands and Warwickshire. We work with a range of donors to offer bespoke, tailored philanthropic services. We aim to inspire and encourage local giving; we are advocates for smaller organisations who are often under the radar of national funders but making a huge difference at the heart of their communities.

The Foundation primarily supports not for profit organisations with grants which make an impact at a local level. We endeavour to have a balanced portfolio of grant programmes which enables us to fund a wide cross section of organisations supporting those most in need.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
TRUSTEES' REPORT (including Directors' Report)
YEAR ENDED 31 MARCH 2024

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission in determining the activities undertaken by the Heart of England Community Foundation and in planning future activities. The benefits of our activities are described in this Annual Report and relate directly to our aims and objectives.

1.2 Board Appointments

At each AGM, one third of the Trustees must retire, those longest in office retiring first. The Board of Trustees meet on a quarterly basis.

Our AGM was held on 19th October 2023, in which Dan Worthing, Jude Jennison and Chris West retired from the board by rotation and were unanimously re-appointed as Trustees.

The names of the Trustees who have served throughout the financial year and to the date of this report are shown on page 3. All Trustees have a full induction, are regularly updated on the operational running of the Foundation and have opportunities to play key roles in shaping the development and future strategy of the Foundation.

As part of our 3–5-year strategy which will be launched in March 2025, we will undertake a full governance review, to include a skills gap analysis and how our current sub committees operate. We want a board that reflects the diversity of our region ensuring our board has a range of skills that support the development of the Foundation.

1.3 Board Subcommittees

The Foundation has three main sub-committees:

Finance and Investment Committee, responsible for:

- Budgets and overseeing investment performance
- Quarterly investment returns and endowment performance
- Comparison of Investment Managers
- Maximisation of interest rate returns
- Reviewing investment strategy
- Annual meetings with all Investment Managers
- Reviewing asset class investments
- Considering appropriate avenue for unrestricted core income
- Reviewing quarterly management accounts
- Analysing forecast against actual performance
- Monitoring and review finance resources

Management Committee, responsible for:

- Management of governance and operational risks
- Approval of new and revisions to policies and procedures
- Maintaining oversight of the risk register

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
TRUSTEES' REPORT (including Directors' Report)
YEAR ENDED 31 MARCH 2024

- Maintaining oversight of the charity's operations
- Oversight and monitoring of operational projects and programmes
- Maintaining oversight of operational decision making on HR changes include-disciplinaries, performance management and recruitment
- Approval of formal HR changes such as staffing re-structures
- Approval of pay awards as the charity's remuneration committee
- Approval of recommendations for new tenders/contracts and grant programmes in line with the delegation of authority policy

Grant Sub-Committees, responsible for:

- Decision making on our own Foundation funds and non-donor-directed funds across all our areas of benefit including
- Strategic overview of grant making to ensure equitable and fair distribution of funds
- Profiling annual grant budgets
- Review of impact of grants awarded

We have two independent decision-making committees, the Coventry, Solihull and Warwickshire Panel and the Birmingham and Black Country Panel. Both panels have representation from key stakeholders, community activists, and chaired by a Foundation Trustee.

The Trustees would like to thank our fantastic volunteers who give their valuable time, commitment and knowledge to support our decision making.

1.4 Business Planning

The Foundation is now at a pivotal point in terms of the Foundation's growth and trajectory. We have now delivered our 3-year strategy which focused on the following key priorities, a brief highlight summary is provided below:

- We will deliver accessible, inclusive and flexible funding

We developed several pilot activities, for example, trialling regional panels for decision making.

With the implementation of a new CRM system this year, we are looking to transform our grant making, making it fit for purpose for the future, for both the Foundation and the organisations we support.

We would like to explore re-introducing the single front door, reflecting on why it wasn't successful on the first implementation and how it could be improved to ensure a smooth customer journey.

We delivered on our funding strategy, developing new key relationships and our ambition to award £10 million over 3 years has been achieved.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
TRUSTEES' REPORT (including Directors' Report)
YEAR ENDED 31 MARCH 2024

- Maintain strong relationships with existing donors to ensure we retain their investment to improve lives in the region.

We're so proud to have retained over 99% of our donors over the past 3 years. We've implemented a donor care policy, regularly 'spotlight' our donors and the social value they contribute to our local communities. Our donors are our most valuable assets, so we continually celebrate our partnerships and work with them to deliver bespoke programmes that make a real difference at a local level.

- Continually seek to attract new donors to increase our social investment in the West Midlands region.

The Foundation has been successful in the transfer of several dormant charities and trusts held in local authorities, which has been instrumental in growing our long-term investments. The transfer of South Birmingham Friends' Institute assets has grown our endowment by over a million in the last year and the 5 residential properties have strengthened the Foundation's assets for the future.

The Foundation has also strengthened its relationships with local authorities, delivering funds on behalf of Birmingham City Council, Solihull MBC, Warwickshire County Council and the West Midlands Combined Authority.

- Strengthen our existing finance, governance and leadership to ensure donor trust and confidence in the charity's sustainability and longevity.

The Foundation successfully passed Quality Accreditation 5 and we're now preparing for Quality Accreditation 6 later in the autumn. We've successfully diversified our board in terms of age, ethnicity, gender, and diversity of thought resulting in a board that truly reflects the region we serve.

We've reviewed our staff handbook; increased staff benefits and achieved the Thrive at Work Bronze Award for employee support. We continually work to ensure the workplace is happy, productive and inclusive.

- To be an equitable, diverse and inclusive funder.

We commissioned an evaluation of our grant making through Forever Consulting in 2021, which highlighted performance against indices of deprivation, social return on investment and a cost benefit analysis. It also identified 'cold spots' in terms of geography and communities of interest. We have held workshops, webinars and particularly invested in areas of deprivation. We have now commissioned an evaluation of our grant making from 2021-2024 as the report is valuable for the Foundation, our current donors and future donors we want to attract to work with us.

We have held several workshops over the past 6 months with our Board of Trustees and wider staff team to reflect, learn and establish the successes within our 3-year strategy but also objectives that weren't fully achieved. We recognise that a global pandemic had a huge influence on our strategy, shifting goal posts to ensure that during this challenging

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
TRUSTEES' REPORT (including Directors' Report)
YEAR ENDED 31 MARCH 2024

time the Foundation was delivering on its mission, to support our communities across the West Midlands and Warwickshire.

The board agreed to pause, reflect and pilot several initiatives in this financial year, supporting the development of our 3–5-year strategy which will launch in March 2025.

We continue to steadily grow the Foundation's resources and we have successfully recruited to several new positions which support the Foundation's growth.

1.5 Risk Management

The principal identified risks to which the Foundation are exposed are integrated into the business plan to ensure they are regularly reviewed. The Foundation also maintains a risk register which is reviewed on a half-yearly basis by the Management Committee.

We continue to review and amend our risk register.

1.6 Pay Policy for Senior Staff

The Trustees consider the senior management team to comprise the key personnel of the Charity in charge of directing, running, and operating the Charity on a day-to-day basis. The pay of senior staff is reviewed annually by the Management Committee and is based on performance and average earnings across the sector.

1.7 Fundraising Regulator Statement of Compliance

Heart of England Community Foundation does not contract to a third party to undertake any fundraising on its behalf. The charity does employ a Head of Communications who initiates campaigns and supports fundraising activities. We have received no fundraising complaints during the year.

The charity only makes fundraising approaches to contacts who have given explicit consent to receive such campaign documentation under GDPR guidelines.

2. Achievements and Financial Performance for 2023 – 24

It has been, beyond doubt, an extraordinary year for the Foundation and its history. We have continued to build relationships with our existing donors, in particular, local authorities and the range of programmes they entrust in us to deliver on their behalf. They see the benefit and value of outsourcing grant making to the Foundation which has resulted in securing further programmes.

We retained all our donors which is testament to the positive relationships we have and the exceptional service we strive to offer to our donors.

The 2022 Birmingham Commonwealth Games was a huge success not only for Birmingham but the wider region. This resulted in a significant under spend of £70 million on budget which the Treasury agreed could remain in the region to support the legacy of the games.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
TRUSTEES' REPORT (including Directors' Report)
YEAR ENDED 31 MARCH 2024

The Foundation submitted a tender to the West Midlands Combined Authority to deliver a £9 million fund for community organisations across the region and we were awarded the tender. We worked in partnership with United by 2022, the official legacy charity from the games to jointly promote the Inclusive Communities Fund (ICF) across the West Midlands Region.

The ICF fund was hugely popular offering four different strands:

- Large Grants up to £300,000
- Medium Grants up to £75,000
- Small Grants up to £15,000
- Small Works Capital Programme up to £100,000

The Foundation received an unprecedented number of applications to the value of over £76 million.

We convened community panels to support our decision making, these panels reflected the diversity of our region. Ensuring representation in terms of geography, diverse communities, community knowledge and diversity of thought. The panels worked incredibly hard, often having difficult decisions with limited budgets. The Foundation would like to thank these volunteers for their exceptional commitment to making the ICF programme a resounding success.

The West Midlands Combined Authority secured a further £3 million for the programme which enabled us to support more brilliant community initiatives, funding 388 projects to the value of £11.8 million.

Again, working in partnership with the West Midlands Combined Authority, we were successful in tendering to support the delivery of the Community Environment Fund. This £1.2 million is a further programme from the successful delivery of Birmingham 2022 Commonwealth Games. The Foundation receives applications to undertake due diligence, but the WMCA lead on decision making, the Foundation is then responsible for monitoring and evaluation of each project. These fantastic projects are breathing life into communities through developing community gardens, green spaces and encouraging communities to access local green space.

We are grateful to all donors who choose to work with us and see the benefits of our positive partnerships. The Foundation has secured further programmes, delivering Fairer Futures Fund across both Birmingham and Solihull. These funds are focused on specific areas where inequalities exist in terms of health and opportunities.

The Foundation continues to strive to raise its profile, attending relevant events and conferences to continually build our relationships with the voluntary and community sector.

The Foundation hosted its own International Women's Day in March 2024, which was a huge success, a follow-on event took place in August 2024 where the Foundation

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
TRUSTEES' REPORT (including Directors' Report)
YEAR ENDED 31 MARCH 2024

launched its own Women and Girls Fund, responding to the rising issues facing women and girls across our region.

Our focus for 2024-25 is growing our long-term investments and securing more regional corporates who see the benefits of giving locally to grassroots organisations often operating right on their doorsteps.

This has been a successful year for the Foundation but without the support of all our donors we could not make the impact we strive to achieve in changing lives locally.

Key Performance Measures

The Foundation has several significant projects in 2024-25, including a new CRM system which we hope will support the transformation of our grant making both internally and for our communities who apply for funds.

We have developed a fund development strategy alongside a 1-year operational plan in which we will pilot several new initiatives leading to the development and implementation of our 3–5-year strategy in 2025.

Human Resources

The recruitment market seems to have shifted this year and we've been fortunate to recruit several new positions to support the delivery of the Inclusive Communities Fund and a project manager to lead on the implementation of our new Salesforce system.

We recruited a new Senior Manager Strategy and Development who is leading on learning, impact, evaluation and development of our new strategy.

Incoming Resources

The Foundation's total incoming resources for 2023-24 were £15,620,667 and the overall funds of the foundation increased by £3,066,799 to £26,649,204.

Endowed Donations

We were fortunate to see some investment growth in 23-24 but our focus for 24-25 is to grow our long-term investments to ensure funds are in perpetuity for generations to come.

Investments

The Foundation's investment policy, updated and reviewed every three years, is for a balanced portfolio which produces reasonable income for grant making whilst growing the value of the assets to protect them against the effects of inflation or other defining factors in the longer term. This is considered a relatively low risk approach.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
TRUSTEES' REPORT (including Directors' Report)
YEAR ENDED 31 MARCH 2024

Our stock market investments are managed by James Hambro, CCLA and Rathbones. Performance is bench marked against the FTSE APCIMS (Association of Private Client Investment Managers) Index.

Investment performance over the 12-month period ending 31st March 2024 stabilised following a period of market volatility linked to the COVID-19 pandemic and other economic factors. The net gain on investments was £1,673,704 in 2023-24.

Grants

The total grant income for 2023-24 was £13,604,371 which was an increase of £10,895,406 from the previous fiscal year. Our total grant expenditure was £13,111,457, a full report on the foundation's discretionary grant making will be available on our website.

Restricted Core Income

Restricted core income in 2023-24 was £70,050 compared to £66,714 in the previous fiscal year.

Unrestricted Core Income

Our unrestricted core income this year is derived from several sources, our investments, general donations, rented properties and grant making contract fees. The delivery of programmes on behalf of donors such as Wesleyan Assurance, Coventry Building Society, West Midlands Combined Authority, Solihull MBC and Birmingham City Council support our operating costs.

The balance of our unrestricted income is, at present, used to meet core expenditure which is not covered by restricted income. Unrestricted income for 2023-24 was £1,198,912 compared with £495,789 in the previous fiscal year. This increase is largely due to the significant local authority contracts that were delivered during the financial year.

We are eternally grateful to all the donors who choose to work with us, A particular thank you goes to 29th May 1961 Charitable Trust for their annual unrestricted donation.

Expenditure

The Foundation made an operating gain on unrestricted general funds of £325,825 which compares with a budgeted gain for the year of £52,961 and an operating gain in the previous year of £139,237.

Designated Funds

Our designated funds as of 31st March 2024 totalled £1,185,894. These include the current value of £764,575 from the Youell Legacy plus funds of £421,319 for the delivery of grant programmes in 2024-25, which are not regarded as free reserves by the Trustees.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
TRUSTEES' REPORT (including Directors' Report)
YEAR ENDED 31 MARCH 2024

3. Reserves Policy

A considerable part of the Foundation's income is derived from unrestricted core donations of which there is no certainty and management fees for the delivery of flow through grant programmes which are usually time bound. The Trustees believe it to be necessary to retain sufficient free reserves to maintain the Foundation operationally between the times such schemes end, and new programmes come on board. New funding streams are often subject to competitive tendering and cannot be relied upon with certainty. Free reserves must also be retained to cover statutory obligations to our staff should that prove necessary.

It is therefore the policy of the Foundation to maintain, always, free reserves of no less than the equivalent of six months core (support and governance) costs. At the 31 March 2024, total reserves were £26,649,204 of which endowed funds were £21,411,109 and restricted funds were £2,975,979. Of the remaining unrestricted funds totalling £2,262,116, £1,185,894 has been designated by Trustees. The actual free reserves at the end of the fiscal year equate to £1,076,222. However, £350,303 of these free reserves represent non-liquid fixed assets. The balance of £725,919 is 7 months of budgeted core costs for 2023-24.

4. Trustees' Responsibilities Statement

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed;
- 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.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
TRUSTEES' REPORT (including Directors' Report)
YEAR ENDED 31 MARCH 2024

In so far as the trustees are aware:


- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

5. Auditors

A resolution to re-appoint Dafferns LLP as the Charity's auditor will be proposed at the forthcoming Annual General Meeting.

The report of the Trustees has been prepared taking advantage of the small companies' exemption in the Companies Act 2006. This report was approved by the Board of Trustees and authorised for issue on 18th September 2024 and signed on its behalf by:



Chris West
Chair

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
AUDITOR'S REPORT
YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of The Heart of England Community Foundation (the 'charitable company') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024, and 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
AUDITOR'S REPORT
YEAR ENDED 31 MARCH 2024

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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 13 - 14, 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.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
AUDITOR'S REPORT
YEAR ENDED 31 MARCH 2024

Auditor responsibilities for the audit of the financial statements

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

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

- enquiry of management around actual and potential litigation and claims;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias.

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 is available on the FRC's website at: https://www.frc.org.uk/library/_standards-codes-policy/audit-assurance-and-ethics/auditors-responsibilities-for-the-audit/. This description forms part of our auditor's report.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
AUDITOR'S REPORT
YEAR ENDED 31 MARCH 2024

Use of our report

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

Signed:



Geoffrey Cox BA FCA (Senior Statutory Auditor)

For and on behalf of Dafferns LLP

One Eastwood, Harry Weston Road,
Binley Business Park, Coventry
CV3 2UB

Date:

18 September 2024.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)
YEAR ENDED 31 MARCH 2024

	Unrestricted		Restricted Funds		2024
	General Funds	Designated Funds	Restricted Costs	Distributable Grants	
	£	£	£	£	£
Income and Endowments					
Donations and legacies	98,511	-	70,050	29,059	393,798
Income from grant contracts	649,007	-	-	13,604,371	-
Rental Income	124,739	-	-	-	-
Investment Income	151,110	13,167	-	311,310	-
Bank Interest	174,045	-	-	-	-
Other Income	1,500	-	-	-	-
Total Income and Endowments	1,198,912	13,167	70,050	13,944,740	393,798
Expenditure					
Raising Funds	60,445	-	-	-	-
Investment Management Costs	-	4,291	-	-	57,552
Charitable Activities - Grants	-	300	-	13,111,157	-
Charitable Activities - Grant management costs	232,156	-	-	-	-
Charitable Activities - Property Management costs	26,312	-	-	-	-
Charitable Activities - Support costs	617,056	-	70,050	79	-
Big Lottery Fund, European Social Fund, Building Better Opportunities Partners	-	-	36,174	-	-
Governance	12,000	-	-	-	-
Total Expenditure	947,969	4,591	106,224	13,111,236	57,552
Net Gain/(loss) on investment assets	-	64,315	-	-	1,609,389
Net Income/(expenditure)	250,943	72,891	(36,174)	833,504	1,945,635
Transfers between funds	74,882	(112,005)	12,623	24,500	-
Net Movement in Funds	325,825	(39,114)	(23,551)	858,004	1,945,635
Funds at 31 March 2023	750,397	1,225,008	23,551	2,117,975	19,465,474
Funds at 31 March 2024	1,076,222	1,185,894	-	2,975,979	21,411,109

Note: For Companies Act purposes the surplus for the year (excluding the net movement of Endowment Funds) was £1,121,164 (2023 deficit £492,451). There were no discontinued activities during the year. The Statement of Financial Activities includes all gains and losses recognised during the year. Prior year comparatives are shown on page 20, please continue overleaf.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)
YEAR ENDED 31 MARCH 2023

	General Funds	Unrestricted Designated Funds	Restricted Costs	Restricted Distributable Grants	Endowment Funds	2023
	£	£	£	£	£	£
Income and Endowments						
Donations and legacies	349,791	-	66,714	2,708,965	2,924,204	6,049,674
Rental Income	88,445	1,832	-	-	-	90,277
Investment Income	-	-	-	-	371,235	371,235
Bank Interest	55,803	8	-	-	-	55,811
Other Income	1,750	67,078	-	-	-	68,828
Total Income and Endowments	495,789	68,918	66,714	2,708,965	3,295,439	6,635,825
Expenditure						
Raising Funds	58,664	-	-	-	-	58,664
Investment Management Costs	-	4,614	-	-	43,096	47,710
Charitable Activities - Grants	-	8,000	-	2,858,131	-	2,866,131
Charitable Activities - Support costs Big Lottery Fund, European Social Fund, Building Better Opportunities Partners	431,083	30,098	66,714	139	-	528,034
Governance	12,912	-	9,650	-	-	9,650
Total Expenditure	502,659	42,712	76,364	2,858,270	43,096	3,523,101
Net Gain/(loss) on investment assets	68,744	(28,640)	-	-	(1,037,779)	(997,675)
Net Income/(expenditure)	61,874	(2,434)	(9,650)	(149,305)	2,214,564	2,115,049
Transfers between funds	77,363	(93,685)	-	(376,614)	392,936	-
Net Movement in Funds	139,237	(96,119)	(9,650)	(525,919)	2,607,500	2,115,049
Funds at 31 March 2022	611,160	1,321,127	33,201	2,643,894	16,857,974	21,467,356
Funds at 31 March 2023	750,397	1,225,008	23,551	2,117,975	19,465,474	23,582,405

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)

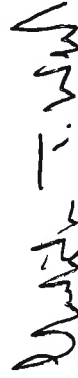
BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	31 March 2024	31 March 2023
		£	£
Fixed Assets			
Tangible fixed assets	11	1,194,779	1,186,545
Investments			
Investment properties	12	1,582,000	1,582,000
Listed investments	12	19,575,829	17,485,415
Cash at Investment Managers		110,357	162,763
		21,268,186	19,230,178
		22,462,965	20,416,723
Current Assets			
Cash at Bank and in hand		9,945,997	3,145,134
Debtors	13	1,718,497	532,368
		11,664,494	3,677,502
Creditors: amounts falling due within one year	14	7,478,255	511,820
Net Current Assets		4,186,239	3,165,682
Net Assets		26,649,204	23,582,405
Funds of the Charity			
Capital Funds			
Endowment Funds	16	21,411,109	19,465,474
Income Funds			
Restricted Funds	17	2,975,979	2,141,526
Unrestricted Funds (Designated)	18	1,185,894	1,225,008
Unrestricted Funds (General)		1,076,222	750,397
Total unrestricted Funds		2,262,116	1,975,405
Total Funds		26,649,204	23,582,405

These financial statements have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime. The financial statements were approved by the trustees and authorised for issue on 18th September 2024 and are signed on their behalf by

Chris West | Chairman



Michelle Vincent | Trustee



THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Cashflow from operating activities	20	6,005,627	(1,383,369)
Net cashflow from operating activities		6,005,627	(1,383,369)
Cash flow from investing activities			
Payment to acquire tangible fixed assets	11	(8,629)	(1,186,578)
Payments to acquire investments	12	(2,424,406)	(7,607,410)
Receipts from sales of investments	12	2,007,696	4,263,947
Interest received		174,045	55,811
Dividends received		475,587	371,235
Rents received		124,739	90,277
Net cash flow from investing activities		349,032	(4,012,718)
Cash flow from financing activities			
Receipt of permanent endowments		393,798	2,924,204
Net cash flows from financing activities		393,798	2,924,204
Net increase/(decrease) in cash and cash equivalents		6,748,457	(2,471,883)
Cash and cash equivalents at 1 April 2023		3,307,897	5,779,780
Cash and cash equivalents at 31 March 2024		10,056,354	3,307,897
Cash and cash equivalents consist of:			
Cash at bank and in hand		9,945,997	3,145,134
Short term deposits		110,357	162,763
Cash and cash equivalents at 31 March 2024		10,056,354	3,307,897

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting Policies

Basis of preparation

Heart of England Community Foundation is a company limited by guarantee in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities are to act as a conduit for philanthropy, linking private and public funders with small community projects across the county of West Midlands.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as amended for accounting periods commencing on or after 1 January 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and are rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Incoming Resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income and after performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Reports.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

For legacies entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Resources expended and irrecoverable VAT

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Foundation. The grants are accounted for where either the Trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the Foundation.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Allocation of overhead and support costs

Overhead and support costs have been allocated between charitable activity and governance costs. Overhead and support costs relating to charitable activities have been apportioned on a basis consistent with the use of resources.

Charitable activities

Costs of charitable activities include grants made and support costs as shown in note 6.

Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Support cost allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resource.

Fundraising Costs

Fund-raising costs are those which are incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of charitable activities. The analysis of these costs is included in note 4.

Endowment funds

These funds include expendable endowments which arose from grants and donations given specifically to be held as capital unless the Trustees resolve they may be spent. It is the intention of the Trustees that these funds be maintained for the foreseeable future. Grants are funded from the income generated from the capital investments. There can be an initial period of income accumulation in accordance with the donor's wishes.

Restricted funds

These funds are received for specific purposes set by the grant funders or donors. These include funds received to enable grants to be paid to beneficiaries and meet the cost of projects and, in addition, funds received towards the Foundation's operating costs in managing those grants and projects.

Designated funds

These funds are unrestricted funds set aside by the Trustees for specific purposes.

Investments

Investments in listed securities and properties are shown on the balance sheet at their open market value. Profits and losses on sales of investments and the movements in market value are taken to the Statement of Financial Activities. Property in course of construction is valued at cost.

Fixed assets and depreciation

No depreciation is provided against the cost of land. Operational assets costing less than £1,000 are written off in full through the Statement of Financial Activities in the year of purchase. Depreciation is provided by the Foundation to write off the cost less the estimated residual value of other operational fixed assets by equal instalments over their useful economic lives as follows:

Office and computer equipment - 4 years

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any loss arising from impairment are recognised in expenditure.

Pension schemes

The charity operates defined contribution pension schemes. Contributions payable in the year are charged in the Statement of Financial Activities.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The trustees have considered the level of funds and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Financial instruments

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price.

Other financial assets, including investments in equity instruments and which are not subsidiaries, associates or joint ventures, are initially measured at fair value which is normally transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit and loss.

Financial liabilities

Basic financial liabilities, including trade and other payables, and bank loans that are classified as debt are initially recognised at transaction price. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Donations and Legacies

Donors contributed to the following restricted funds during the period:

	Core Costs £	Distributable Grants £	Total 2024 £	Total 2023 £
29 th May 1961 Charitable Trust	-	-	-	28,000
BRC Fund	-	-	-	12,186
Community Energy Warwickshire	-	-	-	7,047
Cost of Living Fund	-	-	-	697
Coventry Building Society	-	-	-	81,892
Coventry City of Culture Fund	-	-	-	25,000
Coventry Warm Space Fund	-	-	-	100,000
DCMS Cost of Living Fund	-	-	-	60,588
Dulverton Trust	-	-	-	99,299
Graham Griffiths Fund	-	-	-	45,000
Helping Hearts	-	-	-	50,000
High Sherrif of Warwickshire	-	1,191	1,191	2,325
International Children's Games	-	13,376	13,376	-
JLR Solihull Employees Charity Fund	-	787	787	321
John Taylor	-	-	-	2,860
Know Your Neighbourhood	-	-	-	135,333
Leamington Fund	-	2,351	2,351	2,767
Mayflex UK Ltd	-	-	-	9,200
M and G Fund	-	-	-	13,011
NNS Birmingham City Council	-	-	-	388,310
Orbit Individual Grants	-	-	-	550
Orbit First Year Tenancy	-	-	-	21,000
Orit Hardship Fund	-	-	-	212,731
PSA Peugeot Citroen	70,050	-	70,050	66,714
Peddimore	-	-	-	27,000
Positive Futures	-	-	-	90,000
R Medwell	-	2,000	2,000	-
Solihull Resilience Fund	-	-	-	50,600
The Freemason's Charity	-	-	-	45,000
Tipton Education Fund	-	-	-	10,800
Vital EV Solutions	-	-	-	4,500
Warwickshire County Council	-	-	-	343,748
Wesleyan	-	-	-	839,200
Windsor Academy Trust	-	-	-	-
Community Foundation	-	9,354	9,354	-
	<u>70,050</u>	<u>29,059</u>	<u>99,109</u>	<u>2,775,679</u>

Donations in kind

During the financial year PSA Peugeot Citroen (Stellantis) again provided office accommodation and facilities free of charge to the Foundation. The estimated value of these benefits is £70,050 (2023: £66,714) has been reflected in the Statement of Financial Activities as gifts and as support costs within the restricted core cost fund.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

3. Income from Grant Contracts

	Core Costs	Distributable Grants	Total 2024
	£	£	£
29th May 1961 Charitable Trust	3,000	21,000	24,000
Building Better Opportunities Fund	(9,701)	-	(9,701)
Breathe Better Air Fund	8,333	70,833	79,166
Bretherton	-	3,000	3,000
Bristol and West	-	598	598
Community Energy Warwickshire	740	7,369	8,109
Community Environment Fund	36,584	429,579	466,163
Coventry Building Society	2,154	86,170	88,324
Coventry Community Fund	-	7,750	7,750
DCMS Cost of Living Fund	-	(16,754)	(16,754)
Deutsche Bank	3,000	27,000	30,000
Dulverton Trust	11,033	99,299	110,332
Greggs Foundation	1,800	18,000	19,800
Gowlings	1,000	10,000	11,000
IM Community Fund	10,000	189,500	199,500
Inclusive Communities Fund	322,688	7,089,864	7,412,552
Income Maximisation Fund	45,775	948,649	994,424
Kinghurst Fund	-	10,000	10,000
Know Your Neighbourhood	33,067	1,171,334	1,204,401
Love My Keresley Community	-	(18,200)	(18,200)
NHS - Small Grants	-	72,049	72,049
NNS - Birmingham City Council	43,125	390,960	434,085
Orbit - Individual Grants	-	(44)	(44)
Orbit Extension Hardship Fund	17,250	85,395	102,645
Orbit Furnish Homes	-	(11,576)	(11,576)
Orbit Hardship Trust	-	(38,683)	(38,683)
Peddimore Fund	750	27,000	27,750
PHP Fund	10,000	85,000	95,000
Positive Futures	2,500	90,000	92,500
Solihull Fairer Futures Fund	8,000	200,000	208,000
Solihull Hong Kong Fund	1,000	29,000	30,000
Solihull Warm Welcome Hub Fund	4,092	51,151	55,243
The David East Fund	-	18,000	18,000
Tipton Education Fund	1,800	11,700	13,500
Together in Solihull Afghan Fund	1,759	18,170	19,929
Together in Solihull Asylum Seekers Fund	1,759	18,170	19,929
Together in Solihull Ukraine Fund	4,395	45,410	49,805
Warwickshire County Council	67,120	1,260,000	1,327,120
Wesleyan	5,510	847,100	852,610
WMCA Green Grants	10,474	250,578	261,052
	649,007	13,604,371	14,253,378

Income from Grant Contracts has been reclassified and shown separately from Donations and Legacies in the 2024 accounts. Comparatives have not been adjusted.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

4. Fundraising Costs

	Unrestricted	Restricted	Total 2024
	£	£	£
Consultancy			
Staff Costs	47,321	-	47,321
Other costs	13,124	-	13,124
	60,445	-	60,445
	Unrestricted	Restricted	Total 2023
	£	£	£
Consultancy			
Staff Costs	40,752	-	40,752
Other costs	17,912	-	17,912
	58,664	-	58,664

5. Grants

	Total 2024	Total 2023
	£	£
Grants awarded – Restricted funds	13,111,157	2,858,131
Grants awarded – Designated funds	300	8,000
	13,111,457	2,866,131

For full details of grants awarded during the year please visit our website to download our 'Grants Making & social Investment Report 2023/24' at www.heartofenglandcf.co.uk

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

6. Support Costs

	Grants	Administration	2024	2023
	£	£	£	£
Staff Costs (see note 7)	251,410	251,556	502,966	345,133
Recruitment	18,480	9,576	28,056	13,100
PR and Advertising	4,081	4,084	8,165	9,077
Training and Conferences	836	837	1,673	3,678
Subscriptions	-	11,509	11,509	10,915
Travel and Subsistence	2,818	2,820	5,638	7,067
Staff Welfare	206	207	413	1,068
Meetings	959	960	1,919	608
Printing and Stationery	1,902	1,903	3,805	1,891
Postage and Telephone	3,283	3,285	6,568	5,586
Office Equipment	18,412	18,423	36,835	26,751
Legal and Professional fees	4,423	4,425	8,848	35,959
Rent and Rates	5,178	-	5,178	4,307
Fixed Asset Depreciation	180	180	360	1,339
Office Accommodation and Facilities (see note 2)	32,004	32,022	64,026	59,375
Sundry Expense	190	190	380	422
Insurance	423	423	846	1,758
	<u>344,785</u>	<u>342,400</u>	<u>687,185</u>	<u>528,034</u>

The Support costs are incurred from the following funds:

	£
Unrestricted General Fund	617,056
Restricted Core Fund	70,050
Restricted Grant Fund	<u>79</u>
	<u>687,185</u>

7. Staff numbers and costs

The average number of persons employed by the Foundation during the period was 14 (2023 – 11). The full-time equivalent number of employees was 12.1 (2023 – 9.7) and the aggregate payroll costs were as follows:

	Total	Total
	2024	2023
	£	£
Salaries	468,589	343,382
Agency staff costs	3,844	2,100
Social security costs	48,058	29,360
Other pension costs	<u>29,796</u>	<u>11,043</u>
	<u>550,287</u>	<u>385,885</u>
Support costs (see note 6)	502,966	345,133
Fundraising costs (see note 4)	<u>47,321</u>	<u>40,752</u>
	<u>550,287</u>	<u>385,885</u>

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

The number of employees earning over £60,000 per year (including benefits) in the period is as follows:

	2024	2023
	No.	No.
£70,000 - £80,000	1	1

8. Trustees' and key management personnel remuneration and expenses

The charity considers its key management personnel as Tina Costello.

The total amount of employee benefits (including employers NI) received by key management personnel is £94,636 (2023: £83,049).

The Trustees did not receive any remuneration during the year (2023: £nil). No expenses were claimed during the year (2023: Nil).

a. Third party related transactions

The charity paid £20,984 (2023: £16,356) to Adecs Limited, a company related to Amrik Bhabra, a Trustee, for IT services. The charity paid £8,820 (2023: £11,116) to Wright Hassall LLP, a company related to Lucie Byron. The Charity paid £nil (2023 - £1,200) to Leaders by Nature, an organisation related to Jude Jennison.

9. Governance Costs

	Unrestricted	Restricted	Endowment	Total 2024	Total 2023
	£	£	£	£	£
Statutory audit fees	12,000	-	-	12,000	12,912
	12,000	-	-	12,000	12,912

The auditor's remuneration amounted to an audit fee of £11,700 (2023: £12,612) and other services of £300 (2023: £300).

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

10. Transfer between funds

	General £	Designated £	Restricted costs £	Distributable Grants £	Endowment Funds £
Transfer of designated fund to unrestricted	64,382	(64,382)	-	-	-
Transfer of designated fund to grants	-	(35,000)	-	35,000	-
Transfer of grant fund to unrestricted	500	-	-	(500)	-
Transfer of BBO from Designated	-	(12,623)	12,623	-	-
Transfer of Heart of England Priorities to unrestricted	10,000	-	-	(10,000)	-
	<u>74,882</u>	<u>(112,005)</u>	<u>12,623</u>	<u>24,500</u>	<u>-</u>

11. Tangible Fixed Assets

	Freehold Property	Computer Equipment £	Total £
Cost			
1 April 2023	1,185,000	27,471	1,212,471
Additions	7,200	1,429	8,629
Disposals	-	-	-
31 March 2024	<u>1,192,200</u>	<u>28,900</u>	<u>1,221,100</u>
Depreciation			
1 April 2023	-	25,926	25,926
Charge for year	-	395	395
31 March 2024	<u>-</u>	<u>26,321</u>	<u>26,321</u>
Net Book value 31 March 2023	<u>1,185,000</u>	<u>1,545</u>	<u>1,186,545</u>
Net Book value 31 March 2024	<u>1,192,200</u>	<u>2,579</u>	<u>1,194,779</u>

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

12. Fixed Asset Investments

12.1 Listed Investments

	Managed by CCLA £	Managed by Rathbones £	Managed by James Hambro £	Managed by EFG Harris Allday £	Managed by M and G Investments £	Total 2024 £	Total 2023 £
Market value at 1 April 23	8,135,342	6,522,355	2,001,778	764,327	61,613	17,485,415	15,716,627
Additions at cost	1,242,373	678,056	503,977	-	-	2,424,406	7,267,410
Disposal proceeds	-	(719,790)	(461,966)	(764,327)	(61,613)	(2,007,696)	(4,263,947)
Gains/(losses)	828,544	627,020	218,140	-	-	1,673,704	(1,234,675)
Market value at 31 March 2024	10,206,259	7,107,641	2,261,929	-	-	19,575,829	17,485,415
Historical cost	6,399,027	5,767,770	2,078,396	-	-	14,245,193	13,693,112
Investments over 5% of portfolio value							
COIF Charities investment fund	7,019,481	-	-	-	-	7,019,481	5,143,976
Listed Investments at fair value comprise							
Equities	7,715,932	5,012,771	1,658,248	-	-	14,386,951	8,190,987
Securities	2,490,327	2,094,870	603,681	-	-	5,188,878	9,294,428
	10,206,259	7,107,641	2,261,929	-	-	19,575,829	17,485,415

The fair value of listed investments is determined by reference to the mid-market quoted price from F.T. Interactive Data at the balance sheet date.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

12.2 Investment Properties

	Small Barn	Large Barn	South Birmingham Properties	Total 2024	Total 2023
Valuations	£	£	£	£	£
1 April 2023	177,000	1,065,000	340,000	1,582,000	1,005,000
Additions	-	-	-	-	237,000
Gains/(losses)	-	-	-	-	340,000
31 March 2024	<u>177,000</u>	<u>1,065,000</u>	<u>340,000</u>	<u>1,582,000</u>	<u>1,582,000</u>
Historical Cost	<u>90,511</u>	<u>908,650</u>	<u>340,000</u>	<u>1,339,161</u>	<u>1,339,161</u>

Two barn buildings and the land they stand on were donated to the Foundation for development into office buildings for letting when complete. The original value of the underdeveloped land and properties donated was estimated by the Trustees at £85,000.

Both barns were revalued at 31 March 23 on 30 June 2023 by Roger Stanway FRICS of Holt Commercial, Chartered Surveyors on the basis of fair value.

The South Birmingham Investment Property was transferred to the Foundation at a valuation of £340,000 on 28th February 2023.

13 Debtors

	Total 2024 £	Total 2023 £
Trade Debtors	155,718	484,313
Accrued Income	<u>1,557,531</u>	<u>44,942</u>
	1,713,249	529,255
Prepayments	<u>5,248</u>	<u>3,113</u>
	<u>1,718,497</u>	<u>532,368</u>

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

14 Creditors

	Total 2024 £	Total 2023 £
Trade creditors	40,894	44,244
Unpaid grants	7,155,659	362,214
Deferred Income (See note 15)	150,507	20,733
Employees tax and social security	13,268	7,929
VAT	37,746	8,770
Staff pension scheme contribution	3,714	1,775
	<u>7,401,788</u>	<u>445,665</u>
Accruals	76,467	66,155
	<u><u>7,478,255</u></u>	<u><u>511,820</u></u>

15 Deferred Income

	Total 2024 £	Total 2023 £
1 st April 2023	20,733	21,162
Additions	280,972	87,700
Released to SOFA	(151,198)	(88,129)
	<u>150,507</u>	<u>20,733</u>

Deferred income has arisen as a result of rental and other income being received in advance.

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

16 Endowment Funds

	1 April 2023	Net incoming resources	Investment Gains/(losses)	Transfers	31 March 2024
	£	£	£	£	£
Alan Higgs fund	493,365	-	44,658	-	538,023
Annie Bettman fund	287,296	(1,755)	28,892	-	314,433
AXA	200,133	(1,579)	20,677	-	219,231
Birmingham Fund	364,530	(2,217)	31,950	-	394,263
Birmingham Mail Charity Fund	55,181	(337)	5,516	-	60,360
Coventry Community Fund	-	389,173	30,856	-	420,029
Coventry Nursing trust	353,055	-	31,958	-	385,013
DBOJ grassroots Fund	153,644	(938)	15,358	-	168,064
Friends Provident	11,755	(93)	1,215	-	12,877
Building Better Lives	4,168,616	(28,071)	408,050	-	4,548,595
George & Vera Bryan Grassroots fund	216,810	(1,324)	21,672	-	237,158
Harry Weston fund	63,312	3,200	5,796	-	72,308
Harry Payne Fund	3,501,497	-	296,207	-	3,797,704
Heart of England Fund	704,001	(4,301)	70,370	-	770,070
High Sheriff of Warwickshire	219,588	-	19,876	-	239,464
James Kenning	59,151	-	5,355	-	64,506
Jumping Through Hoops	1,227,853	(4,450)	113,156	-	1,336,559
Kingscliffe Fund	167,628	(1,024)	16,858	-	183,462
Mills & Reeve Grassroots Fund	71,822	(438)	7,179	-	78,563
Mike Holland fund	161,593	-	14,627	-	176,220
Orbit Heart of England Fund	154,626	(1,220)	15,976	-	169,382
Property for Kids Grassroots Fund	28,219	(172)	2,821	-	30,868
PSA Peugeot Citroen	355,609	(2,172)	35,762	-	389,199
Solihull Community Foundation	289,894	-	26,241	-	316,135
CF	13,309,178	342,282	1,271,026	-	14,922,486

THE HEART OF ENGLAND COMMUNITY FOUNDATION

(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

BF	13,309,178	342,282	1,271,026	-	14,922,486
Sandwell Community fund	384,705	-	34,823	-	419,528
Torrington House	249,485	(1,967)	25,782	-	273,300
Trustees' New Deal	180,281	-	16,318	-	196,599
Warwick Lying -in -trust	46,575	(284)	4,656	-	50,947
Willenhall Community Trust	74,572	-	6,750	-	81,322
Wolston Fund	-	-	9,507	100,000	109,507
Youell family fund 1	1,468,208	-	132,900	-	1,601,108
Youell family fund 2	901,476	-	-	-	901,476
South Birmingham Friends Endowments	2,739,458	-	107,627	(75,940)	2,771,145
Donor control accounts	111,536	(3,785)	-	(24,060)	83,691
	19,465,474	336,246	1,609,389	-	21,411,109

The investment income is allocated, on an annual basis, to unrestricted core funds £164,277 (2023: £122,121) and Grants for distribution £311,310 (2023: £239,560). Endowment funds include unrealised valuation gains of £1,673,704 (2023: losses of £997,675).

The previous table includes the following funds relating to the Community First Programme

	1 April 2023	Net Incoming Resources	Investment Gains/(losses)	Transfers	31 March 2024
	£	£	£	£	£
Coventry Nursing Trust	353,055	-	31,958	-	385,013
Harry Payne Fund	3,501,497	-	296,207	-	3,797,704
High Sheriff of Warwickshire	219,588	-	19,876	-	239,464
James Kenning	59,151	-	5,355	-	64,506
Solihull Community Foundation	289,894	-	26,241	-	316,135
Trustees' New Deal	180,281	-	16,318	-	196,599
Willenhall Community Trust	74,572	-	6,750	-	81,322
Youell Family Fund 1	1,468,208	-	132,900	-	1,601,108
	6,146,246	-	535,605	-	6,681,851

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

17 Restricted Funds

	1 April 2023	Income	Expenses	Transfers	31 March 2024
	£	£	£	£	£
Core					
Big Lottery Fund, European Social Fund, Building Better Opportunities	23,551	-	(36,174)	12,623	-
PSA Peugeot Citroen (in Kind)	-	70,050	(70,050)	-	-
	<u>23,551</u>	<u>70,050</u>	<u>(106,224)</u>	<u>12,623</u>	<u>-</u>

	1 st April 2023	Income	Expenses	Transfers	31 March 2024
	£	£	£	£	£
Distributable grants					
29th May 1961 Charitable Trust	17,479	21,000	(13,550)	-	24,929
Alan Edward Higgs Charity	9,840	9,412	(3,940)	-	15,312
Annie Bettman fund	6,774	-	(6,774)	-	-
AXA	2,166	1,783	(2,165)	-	1,784
Birmingham Funds	91,581	10,322	(92,375)	3,800	13,328
Birmingham Mail Charity Fund	1,569	2,722	(1,569)	-	2,722
Birmingham Sports	8,183	-	(8,183)	-	-
Breathe Better Air	-	70,833	(48,104)	-	22,729
Brethertons	-	3,000	(3,000)	-	-
Bristol and West	-	598	(598)	-	-
Building better lives	110,752	71,564	(40,053)	-	142,263
Community Energy Warwickshire	5,293	7,369	(5,200)	-	7,462
CF	<u>253,637</u>	<u>198,603</u>	<u>(225,511)</u>	<u>3,800</u>	<u>230,529</u>

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

BF	253,637	198,603	(225,511)	3,800	230,529
Community Environment Fund	-	429,579	(429,579)	-	-
Coventry Building Society	82,062	86,170	(73,315)	-	94,917
Coventry City of Culture Fund	37,269	-	-	-	37,269
Coventry Community Fund	-	10,701	-	-	10,701
Coventry Nursing Trust	4,472	4,970	(4,472)	-	4,970
Coventry Warm Space Fund	52,933	-	(41,100)	-	11,833
DCMS Cost of Living Fund	16,754	(16,754)	-	-	-
Deutsche Bank	21,285	33,812	(19,743)	-	35,354
Drayton Manor Park	14,343	10,697	(7,908)	-	17,132
Dulverton Trust	7,671	99,299	(106,274)	-	696
Esme Fairbairn Foundation	54,153	-	(54,153)	-	-
Graham Griffiths Fund	40,610	-	(40,610)	-	-
Greggs Foundation	-	18,000	(17,412)	-	588
Gowings	-	10,000	(10,000)	-	-
Harry Payne Fund	15,477	100,412	(110,914)	-	4,975
Harry Weston Fund	2,171	1,208	-	-	3,379
Heart of England Co-Operative Society	50,443	-	(34,957)	-	15,486
Heart of England Fund	93,780	8,838	(90,745)	1,282	13,155
High Sheriff's Fund	6,918	5,380	(2,500)	-	9,798
ICF	-	7,089,864	(7,089,864)	-	-
IM Community Fund	-	189,500	(118,076)	-	71,424
Income Maximisation Fund	-	948,649	(948,649)	-	-
International Children's Games	-	13,376	(12,305)	(500)	571
JLR Solihull Employees Charity Fund	30,968	787	(19,849)	-	11,906
John Taylor	2,860	-	(2,000)	(860)	-
Jumping Through Hoops	30,219	19,611	-	-	49,830
Kingscliffe Fund	-	10,000	-	-	10,000
CF	818,025	9,272,702	(9,459,936)	3,722	634,513

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

BF	818,025	9,272,702	(9,459,936)	3,722	634,513
Know Your Neighbourhood	333	1,171,334	(1,171,666)	-	1
Leamington	4,240	2,351	(3,566)	-	3,025
Longleigh	19,084	-	-	-	19,084
Love my Keresley Community	18,200	(18,200)	-	-	-
Mayflex UK Ltd	9,200	-	(6,000)	-	3,200
Medwell	-	2,000	(2,000)	-	-
Mike Holland Fund	3,067	3,083	(4,591)	-	1,559
NHS - Small Grants	-	72,049	-	-	72,049
NNS Birmingham City Council	139,466	390,960	(325,809)	-	204,617
NNS Track & Trace	46,600	-	-	-	46,600
Orbit Heart of England Fund	115,309	36,469	(144,370)	-	7,408
Positive Futures	53,295	90,000	(58,069)	-	85,226
Peddimore fund	44,185	27,000	(28,060)	-	43,125
PSA Peugeot Citroen	2,905	985	-	-	3,890
PHP	-	85,000	(75,000)	-	10,000
Recorn Fund	20,000	-	-	-	20,000
Sandwell Community fund	33,283	7,339	(300)	-	40,322
SBFI	-	-	(25,000)	25,000	-
SEGRO	422	-	-	(422)	-
Solihull Community Foundation	3,909	1,182	(3,909)	-	1,182
Solihull Celebrating Communities	3,262	-	(3,262)	-	-
Solihull Fairer Futures Fund	-	200,000	(165,580)	-	34,420
Solihull Hong Kong Fund	-	29,000	(29,000)	-	-
Solihull Warm Welcome Hub Fund	-	51,151	(51,151)	-	-
Solihull Winter Wellbeing	68	-	860	-	928
Stellantis Employee Fund	12,169	-	(5,079)	-	7,090
Tipton Education Fund	46,198	11,700	(16,997)	-	40,901
CF	1,393,220	11,436,105	(11,578,485)	28,300	1,279,140

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

BF	1,393,220	11,436,105	(11,578,485)	28,300	1,279,140
The David East Fund	9,575	18,000	(20,505)	-	7,070
Together in Solihull Afghan Fund	-	18,170	(18,170)	-	-
Together in Solihull Asylum Seekers Fund	-	18,170	(18,170)	-	-
Together in Solihull Ukraine Fund	-	45,410	(45,410)	-	-
Torrington House	17,328	2,264	(8,931)	-	10,661
Vital EV Solutions	4,500	-	(4,500)	-	-
WCC Social Fabric Fund	-	1,260,000	(712,677)	-	547,323
Westeyan fund	438,525	847,100	(413,878)	-	871,747
Windsor Academy Trust	-	9,354	-	-	9,354
WMCA Green Grants	-	250,577	(250,577)	-	-
Wolston	-	1,439	-	-	1,439
Youell family fund	29,932	38,151	(29,933)	-	38,150
Young at Heart	224,895	-	(10,000)	(3,800)	211,095
	2,117,975	13,944,740	(13,111,236)	24,500	2,975,979

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

18 Designated Funds

	1 April 2023	Income	Expenses	Gains/Loss on Investments	Transfers	31 March 2024
	£	£	£	£	£	£
BBO Provision	120,463	-	-	-	(12,622)	107,841
Birmingham City Council	2,650	-	-	-	(2,650)	-
Coventry Building Society	8,190	-	-	-	(8,190)	-
Community Energy Warwickshire	698	-	-	-	(698)	-
Heart of England Fund	296,791	-	(300)	-	(10,000)	286,491
IM Development	13,000	-	-	-	(13,000)	-
Mayflex Fund	800	-	-	-	(800)	-
Orbit	8,145	-	-	-	(8,145)	-
South Birmingham Friends Fund	38,820	13,167	-	-	(25,000)	26,987
Warwickshire County Council	500	-	-	-	(500)	-
Wesleyan	30,400	-	-	-	(30,400)	-
Youell Family Fund	704,551	-	(4,291)	64,315	-	764,575
	<u>1,225,008</u>	<u>13,167</u>	<u>(4,591)</u>	<u>64,315</u>	<u>(112,005)</u>	<u>1,185,894</u>

The Youell Family Fund is a Legacy from the late Alfred Youell MBE.

The BBO Provision fund represents an amount set aside to cover any clawback from the BBO programme in the future.

The Heart of England Fund is a fund set up by the Trustees that can be used for immediate need in the community that the Charity could support.

The SBFI Fund is an amount set aside for future grant making.

19 Analysis of fund balances between net assets

	General Funds	Designated Funds	Restricted Funds	Endowment Funds	Total Funds 2024
	£	£	£	£	£
Tangible Fixed Assets	9,779	-	-	1,185,000	1,194,779
Investments	340,523	764,575	-	20,052,731	21,157,829
Bank and Cash Balances	808,045	421,319	8,653,612	173,378	10,056,354
Debtors	235,471	-	1,483,026	-	1,718,497
Creditors	(317,596)	-	(7,160,659)	-	(7,478,255)
	<u>1,076,222</u>	<u>1,185,894</u>	<u>2,975,979</u>	<u>21,411,109</u>	<u>26,649,204</u>

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

20 Reconciliation of net income to net cash flow from operating activities

	2024	2023
	£	£
Net income for year	3,066,799	2,115,049
Dividend Received	(475,587)	(371,235)
Rents received from investment properties	(124,739)	(90,277)
Interest receivable	(174,045)	(55,811)
Depreciation and impairment of tangible fixed assets	395	1,505
(Gains)/losses on investments	(1,673,704)	997,675
Receipt of endowment	(393,798)	(2,924,204)
(Increase)/decrease in debtors	(1,186,129)	(309,102)
Increase /(decrease) in creditors	6,966,435	(746,969)
Net cash flow from operating activities	<u>6,005,627</u>	<u>(1,383,369)</u>

Analysis of Net Debt

	1st April 2023	Cashflow	31st March 2024
Cash and cash equivalents	£3,307,897	£6,748,457	£10,056,354

21 Control Relationships

The Board of Trustees is ultimately responsible for the control of the Charitable Foundation.

22 Taxation

The Foundation is a registered charity and its activities are such that no liability to Corporation tax arises on its results for the year.

23 Members' Guarantee

Every member has agreed that, if the charity is dissolved, while he or she remains a member or within twelve months afterwards, to contribute up to £10 towards the cost of dissolution and the liabilities of the charity.

24 Pensions and Post Retirement Benefits

Defined contribution pension plans –

The charity contributes to the money purchase pension plan for certain of its employees. The amount recognised as an expense in the period was £29,796 (2023: £11,043).

THE HEART OF ENGLAND COMMUNITY FOUNDATION
(A company limited by guarantee)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

25 Financial Instruments

The carrying value of the charity's Financial instruments

	2024	2023
	£	£
Financial Assets		
Measured at fair value through net income / expenditure:		
Fixed asset investments (note 12)	19,575,829	17,485,415
Measured at amortised cost:		
Barn rent receivable	25,493	25,043

The income, expenditure, net gains and net losses attributable to the charity's financial instruments are as follows:

	2024	2023
	£	£
Net gains and losses		
Financial assets measured at fair value through net income / expenditure	1,673,704	(997,675)

26 Operating Leases – Lessor

Total future minimum lease payments collectable under non-cancellable operating leases:

	2024	2023
	£	£
Within one year	16,050	63,200
1-5 years	72,900	8,661
More than 5 years	75,000	-
Total	<u>163,950</u>	<u>71,861</u>

The Foundation lets the large and small Youell Barns and the SBFI properties. The small barn lease was renewed during 2023-24 for a period of ten years. The large barn lease was under review at 31st March 2024 with terms yet to be agreed. The SBFI properties are subject to individual agreements which are reviewed annually.