

**COMMUNITY FOUNDATIONS FOR
LANCASHIRE AND MERSEYSIDE**

**FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019**

Company Number : 03422207

Charity Number : 1068887



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COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

Registered office: Community Foundations for Lancashire and Merseyside
Third Floor
Stanley Building
43 Hanover Street
Liverpool
L1 3DN

Bankers: Santander
Bridle Road
Bootle
L30 4GB

Solicitors: Brabners LLP
Horton House
Exchange Flags
Liverpool
L2 3YL

Investment Managers: Investec Wealth & Investment Ltd
The Plaza
Old Hall Street
Liverpool
L3 9AB

CCLA Investment Management Ltd
80 Cheapside
London
EC2V 6DZ

Auditors: Beever and Struthers Chartered Accountants
Central Buildings
Richmond Terrace
Blackburn
BB1 7AP

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

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TRUSTEES' REPORT

The Trustees (who are also directors for the purposes of company law) present their Report and the Financial Statements for the year ended 31 March 2019 for the Community Foundations for Lancashire and Merseyside hereafter referred to as CFLM.

REFERENCE AND ADMINISTRATIVE DETAILS

The charity, CFLM, is constituted as a company limited by guarantee and not having any share capital. The company is registered in England and Wales, number 3422207, and its principal governing document is the company Memorandum and Articles of Association (as amended by special resolution on 4 December 2013 and formerly merged on 1 April 2014). The charity is also registered with the Charity Commission, number 1068887.

Trustees and Senior Staff

The persons who have acted as Trustees during the year were:

A Roberts, Chairman
A Myers, Vice Chair
C Wardale, Treasurer (appointed 21 May 2018)
D Mendoros (appointed 6 November 2018)
C Bliss
M Dunnett
A Meachin
B Murphy (resigned 6 November 2018)
D Wareing
C Hall (appointed 21 May 2018)

The senior staff during the year were:

R Brooke, Chief Executive Officer
K Morris, Development Director
S Bunting, Finance Director (maternity leave covered by S Walker from Nov 19 then
T Singleton from May 2019)

Summary of our Purpose & Aims

The Community Foundations for Lancashire & Merseyside operate as one independent registered charity and are part of a UK and international movement of community foundations that distribute community funding, including via grant-making, facilitating and administering community philanthropy, and contributing to achieving positive social change as local community leaders.

- Our Vision is to enrich the lives of people in and around Lancashire and Merseyside and through them create united, thriving and prosperous communities.
- Our Mission is to invest funding strategically under charity law that meets the needs of local communities, placing us as the charity of choice for philanthropists and funding partners, and the primary funder for the areas' social sector

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- Our Strategy is to understand the needs of local communities and those who care about those communities (Philanthropists, HNWLs, families, trusts, public / private / third sector organisations) to create partnerships to ensure that the needs of both are met, growing stronger communities together. We bring together individuals, families, foundations, and businesses to build better communities and make a difference.
- Our Theory of Change is: "We help individuals and organisations give to causes that matter to them, where there is most need and where it will have greatest impact. Enriching local people's lives and supporting the creation of united, prosperous and thriving communities."

Our Values are: Pride, Transparency, Working Together and Community Leadership.

Our 2018/19 Annual Review

Introduction

Community Foundation funding distribution has taken place in Merseyside since 1999 and in Lancashire since 2007, investing in total over £53 million in over 13,000 voluntary and community groups during that time across Lancashire and Merseyside to support communities to be prosperous and thriving.

Overview of 2018/19

2018/19 was an encouraging year in terms of fund growth and development. In administering over 70 funds and foundations we distributed over £2.6 million. This included 541 grants to community groups across Lancashire and Merseyside, as well as 50 grants to groups outside of our regions. Our joint endowment fund stood at £16.9 million by March 2019, having begun endowment building in 2007 with around £130,000. This includes the funds of the John Goore Charity which CFLM administrate and audit as a corporate trustee. This endowment investment is a significant contributor to our sustainability as well as ensuring community legacy in Lancashire and Merseyside for future generations.

Other Significant Events in 2018/19

Women's Funds - This year saw new funding programmes established for Lancashire and Merseyside. The Lancashire Women's Fund and the Merseyside Women's Fund were launched with funds made available from the Tampon Tax. Launched in the same year as the anniversary of the 100 year vote for women the fund looks to address 4 key themes which came out of primary research undertaken by CFLM in our local communities. The themes are (i) Confidence, Aspiration, Self-Belief and Resilience (ii) Domestic Violence and Abuse (iii) Mental Health and Wellbeing (iv) Social Isolation. Pro Bono and financial support for the launch was provided from DeWinter Marketing Agency, The Financial Planning Corporation and Merseyside Women of the Year.

Blue Sky Foundation - A significant endowment donation (£1.2m endowment plus £50k flow through) was made with the establishment of the Blue Sky Foundation, looking to support young people who have difficult, emotional, challenging or stressful situations. The geographical reach of this Foundation is for the North West of England and we will work with neighboring CFs to ensure the delivery of its aims.

Dulverton Trust - After a competitive bidding process we successfully secured a £300k flow through fund (over a 3 year period) to support projects helping the young and the old across Lancashire and Merseyside.

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Nationwide Foundation - Managing a flow through fund of £600k over two years for projects being delivered in Greater Manchester. Funds will support a range of projects that aim to transform the private rented housing sector for vulnerable tenants.

Nationwide Building Society – Taking a leadership role, on behalf of UKCF, to distribute flow through funds across the North West and North Midlands working in partnership with multiple CFs. Funds will support local solutions to national housing issues with grants up to £50k over 2 years.

Daneway Foundation – We now have a 5 year flow through fund agreement for £50k per year agreed and signed by the donors. Funds will improve the lives of young people age 11-25 living in disadvantaged areas of Merseyside.

John Goore – The sale of both pieces of land under the John Goore Fund have completed and funds received have been invested into endowment funds of £245k minus legal fees. Funds will support those residents in need within the Lydiate area.

Preston New Road Community Benefit Fund (CBF) – An additional £40k flow through has been added to the CBF for the benefit of the local community tackling issues of social isolation in a rural Lancashire community.

UKCF Trust Transfer initiative- Work commenced in December 2018 on the Charity Commission / UKCF Revitalising Trusts initiative (national programme) which aims to transfer inactive trusts into the management of CFs endowment. Due to the time consuming nature of the process we anticipate results from this in the next financial year.

Our Partnerships as a Catalyst for Change

We administered over 79 funds and foundations in 2018/19, working in collaboration with philanthropists, families, trusts and companies who are committed to improving local lives. This work included administering 24 funds in Lancashire, 44 funds in Merseyside, 9 across the region and 2 across the UK. As an enabler for positive change, we strive to support those who choose to work with us to be effective in their giving and to have the greatest impact. We thank all our partners who work with us collaboratively each year for and with communities.

Working with Philanthropists and their Families

We continue to work with many business leaders with connections in the North West, facilitating their local giving for communities, including Sir Michael Bibby and Sir Terry Leahy. We also work closely with a number of families such as the McQueen family for The Mark McQueen Foundation, the Barnett family for the Olivia Rae Foundation, and the Lancaster family for the Lancaster Foundation.

Working with Trusts & Foundations

Trusts and Foundations who work with us include the 23 Foundation, the Fort Foundation, John Goore Charity, Lancaster Foundation, WO Street Foundation and the Westminster Foundation.

Working with Companies

Liverpool ONE Foundation remains the biggest corporate foundation held with CFLM and in 2018/19 reached the £2.325m milestone.

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CFLM continued their annual work with North & Western Lancashire Chamber of Commerce on the Be Inspired Business Awards Foundation, linked to the Be Inspired Business Awards to recognise good corporate citizenship in the county and support local community work and enterprise.

We thank all the companies that choose to work in collaboration with us to support the communities in which they employ and do business, including Hill Dickinson, Investec, Liverpool ONE, Medicash, TilneyBestInvest and Shop Direct.

Unlocking Dormant and Inactive Trusts

As mentioned previously, our work in this area continues with the backing of the Charity Commission as a pre-approved administration option for trusts and foundations that are inactive, ineffective or dormant.

Working with New Donors and Fund Holders

The Charity Commission's endorsement of community foundations as an alternative to registering a charity provides a welcomed endorsement of our work locally and as a UK network of 46 community foundations.

The Charity Commission states that "this saves the time and effort of setting up and running a charity then closing it once the original need has been met. Depending on the charity, you can say where you want the money to go."

Our approach to income generation and fund development to bring on board new fund holders involves working with existing and new donors within Lancashire and Merseyside who are committed to our local communities. Via research, project visits, meetings, events and community funding distribution we have built valuable relationships.

We secure public sector funding programmes via tender or pitch processes, in line with their requirements and policies for the distribution of public funds. We secure contracts to be regional or local agents of funding programmes, such as Comic Relief, via our umbrella body, UK Community Foundations as Quality Accredited Community Foundations.

We thank all those people and organisations who have committed to donating and working with us, especially in building endowment funds with us, for current and future generations of communities.

Our Investment in Communities

In administering over 70 funds and foundations in 2018/19 we distributed in excess of £2.6 million to over 590 recipients. This included 541 grants to community groups to across Lancashire and Merseyside, as well as 50 grants to groups outside of our regions. We supported vulnerable individuals, households in need, community groups, resident's associations, charities and social enterprises to improve the lives of local people across 11 social themes. The 48% success rate for applications in 2018/19 demonstrates primarily a continued demand for community project and organisational funding.

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A breakdown of our overall funding approved for distribution to communities is outlined below.

Total Funding Lancashire and Merseyside and Other: £2.6m

48% of applications were approved and of the successful awards:

- 193 grants were distributed in Lancashire
- 348 grants were distributed in Merseyside
- 50 grants were distributed across the rest of the UK

Average Award Size

- Average Award Size: £4,450
- Lancashire: £3,752
- Merseyside: £3,828
- Other: £11,476

Funding For Lancashire

Funding was distributed in Lancashire in 2018/19 via 193 awards distributed to community groups and social enterprises by the Community Foundation for Lancashire. Our average award size was £3,752, which is a decrease on 2017/18 average grant size of £4,693.

For detailed distribution details by area please refer to our Vital Signs publication available on our website: <http://www.lancsfoundation.org.uk/Knowledge>.

Funding For Merseyside

Funding for Merseyside in 2018/19 was distributed to communities via 348 awards distributed to community groups and social enterprises by the Community Foundation for Merseyside. Our average award size was £3,828 which was an increase on 2017/18's average grant size of £3,337.

Funding Across the Region

We distributed 50 awards in 2018/19 outside of our typical Lancashire and Merseyside area. This was especially due to our work with a number of fund holders who wished to support work across the country in addition to their grant-making in Lancashire and/or Merseyside.

Our Community Leadership

We are committed to our strategic view to understand the needs of local communities and donors and, by creating partnerships and involving donors, ensure that these needs are met via a social change agenda. Our community knowledge is increasing in its importance and further informs many aspects of our work. Our annual Vital Signs giving guides have moved from a pilot in 2013 – 2014 to an annual publication, highlighting community concerns and priorities to guide giving and our grant-making in Lancashire and Merseyside.

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Vital Signs remains Lancashire's and Merseyside's first giving guide for charitably-minded people and businesses as well as philanthropists and charitable trusts of all kinds who have a common passion for communities. Our Vital Signs guides are a combination of national and local data, social intelligence and the results of community consultations to provide a voice for local communities on their concerns and aspirations to guide giving.

Our 2019 Vital Signs guides will report on impact across Lancashire and Merseyside in relation to the top three key themes identified in previous reports.

Our Governance

The merger of Community Foundation for Lancashire and Community Foundation for Merseyside in April 2014 was a significant milestone. This merger continues to reap the benefits of efficiencies.

Our Board since the merger is clearly defined in the following ways:

- A third representing Lancashire;
- A third representing Merseyside;
- A third made up of specialists, such as legal, HR, finance and grant-making.

Via this approach written into our governing document we are able to maximise our reach, representation, expertise and influence across Lancashire and Merseyside.

Our Board adopts a business approach in a charitable context to ensure CFLM is on a sustainable pathway and is fit-for-purpose in an ever-changing economic and policy landscape.

Our Financial Management & Growth

CFLM operated for the seventh year with majority private funds, compared to majority public funds in 2011/12. The surplus for the year ended 31 March 2019 ensured we exceeded our three year target of breakeven year-end results at least every three years. From our current £16.9 million endowment funds held, our ambition is to reach £20 million by 2020 and £37 million by 2030 for full sustainability. We plan for the excess reserves to be invested primarily in our growth and for organisational improvements as finances allow.

During 2018/19 investment performance outstripped the FTSE ALL Share against which we benchmark performance.

Our Organisational Development

CFLM operates in an ever changing economic and political landscape. Due to this we work proactively to be fit for purpose and relevant to our communities in Lancashire and Merseyside. CFLM has made the successful transition from majority public funding to majority private funding to operate in a new environment and enhance our work.

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Our organisational structure consists of 15 staff (approx. 13 full-time equivalents), working across the functions of Programmes (7), Finance (3), Business Development and Leadership (5)

The commitment and passion of our staff team is hugely valued as we deliver our growth, community leadership and legacy agenda.

The Senior Management Team comprises of the Chief Executive, Development Director and Finance Director. Remuneration levels are set according to salary bands which have been benchmarked by reference to other community foundations within the UK Community Foundation network. Annual performance objectives are set by reference to key performance indicators agreed by the Board.

Key Partnerships

The Community Foundations have 'non-donor' relationships with many key players. Examples include local borough and district authorities, central Government and local business groups, including Knowsley Chamber of Commerce, North & Western Lancashire Chamber of Commerce and the Liverpool City Region Local Enterprise Partnership and Financial Planning Corporation (Southport). Also included are our professional advisors Brabners, CCLA, Investec, Parker Kelly and Beever & Struthers who have all been appointed due to their expertise, commitment to philanthropy or corporate social responsibility and being based in the region.

We also work locally with other infrastructure charities to work together to strengthen the social sector, especially at this time of public sector funding and policy changes, including Councils for Voluntary Services, Volunteer Centres and the VS6 Forum for Merseyside, chaired by Ellen Loudon of Liverpool Diocese.

Nationally we work with and are supported by our membership organisation, UK Community Foundations and exchange best practice with colleagues in the network.

Our Patron, President and Volunteers

The Board particularly wish to note their appreciation for the support of the Community Foundation for Merseyside's Patron, Cherie Blair and our Presidents, Lord Shuttleworth, the Lord Lieutenant of Lancashire and Mark Blundell, the Lord Lieutenant of Merseyside, for their continued commitment to the work of the charity.

We are grateful for the contribution made by volunteers who are champions and ambassadors for our work, including panel members who recommend our community funding distribution. All of our panel volunteers are inducted and trained, and generally contribute up to four or five days a year to the organisation to help us to distribute funding effectively to communities. Their contribution of knowledge and expertise is hugely valued in the success of our community investment and in terms of ensuring local knowledge and accountability.

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Our Donations In-Kind

The Community Foundation has been afforded use of an office by Liverpool ONE and the Westminster Fund at 3rd Floor Stanley Building, 43 Hanover Street, Liverpool on an in-kind basis as our main office for which we are grateful.

Planning for 2019/20 onwards

Our aims for 2019/20 include the following KPIs: achieve a return on investments on a 5% return basis, growing our endowment fund by at least £400,000 a year and ambitiously £2 million a year, improving our use of our digital and database tools and diversifying our community funding options to meet social needs.

Our Strategic Objectives in 2019/20 – 2020/21 will be:

1. We will be informed by our community knowledge;
2. We will enable social change in our communities as their local community foundation;
3. We will grow philanthropy and charitable giving for Lancashire and Merseyside communities;
4. We will continue to operate on a sustainable pathway;
5. We will continue to be a professional, credible and valued charitable entity;
6. We will work together with others for our communities and our network.

We will monitor our progress quarterly during 2019/20 against an annual plan and KPIs and our three year strategic aims in yet a new economic and political environment, being informed and driven by our community knowledge.

Overview of our Governance & Operations

The Objects of our Charity

The objects of our charity, as set out in the CFLM Memorandum and Articles of Association, are the promotion of any charitable purposes for the benefit of the community in the United Kingdom but primarily within the following areas:

- The five Metropolitan Boroughs presently constituting the area of the County of Merseyside namely the City of Liverpool and the Metropolitan Boroughs of Wirral, Sefton, Knowsley and St Helens together with the area of Halton Borough Council;
- The County of Lancashire and the Boroughs of Blackburn with Darwen and Blackpool.

Significant Activities

The main area of our charitable activity is the awarding of charitable funding within the local community. This is achieved by raising donations from private, public and charitable sources and redistributing them (or the income they generate in the case of invested or endowed funds) as constructive grants to the local community, according to the donors' wishes. The charity has relatively little unrestricted income that it can use for grant-making.

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The Board

The Board delegates responsibility for the day-to-day operational management of the organization to the Chief Executive.

CFLM is run by a Board of Trustees which is responsible for setting the strategic direction of the organisation, for establishing policy and for maintaining proper governance. It meets quarterly and comprises representatives of and/or experts in the private, public and voluntary sectors. Average trustee attendance is 85%-90% with absences typically due to holiday/sickness. All trustees have job descriptions and person specifications. Our Chair Arthur Roberts was appointed as joint Chair in October 2013 in preparation for the merger in April 2014.

The Board delegates responsibility to sub-committees, if required due to the Community Foundations' need.

Trustee Recruitment, Appointment and Development

The trustees are normally appointed by the members of the company and up to one-third of the trustees will normally retire each year and be eligible for re-election at the Annual General Meeting. Trustees can serve two terms of three years with re-election for each term and a third three year term if there is a case for the organisation's business plans. No places on the board are reserved for specific individuals or representatives of particular organisations; detailed procedures are in place for the nomination and appointment of trustees.

Annually the Board assesses the expertise and skills within the Board membership and proactively recruits new trustees with specific experience to ensure a full complement of expertise and skills in order to govern the charity and deliver our charitable objectives for public benefit. All new trustees are given an induction session by the Chairman and Chief Executive to explain the operation of the charity. Regular training and tailored up-dates for trustees take place to update them and to ensure they are fully engaged with the work of the Community Foundations.

Our Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. The charity's public benefit is assessed on an annual basis by the Board and staff to ensure we are continually improving our performance against our charitable objects, vision, mission and strategic social aims.

The charity benefits the public by securing income for charitable programmes and funds administered by us from public and private sector, and then distributing this in collaboration with those funders and donors as charitable funding to support charitable activities in communities as a charitable intermediary. Funding programmes and funds are established, developed, decided upon and monitored in line with the social needs and aspirations of the local communities we serve which are identified by local community leaders, subject experts or local donors as well as social intelligence, data, research and community consultations.

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Funding is used towards (but not restricted to) the following purposes, provided that in each case, the purpose is recognised as being charitable according to the law of England and Wales:

- The prevention or relief of poverty;
- The advancement of education;
- The advancement of health or the saving of lives;
- The advancement of citizenship or community development, which includes: rural or urban regeneration; and the promotion of civic responsibility, volunteering, the voluntary sector or the effectiveness or efficiency of charities;
- The advancement of the arts, culture, heritage or science;
- The advancement of amateur sport;
- The advancement of human rights, conflict resolution or reconciliation, or the promotion of religious or racial harmony, or equality and diversity;
- The advancement of environmental protection or improvement;
- The relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage;
- The promotion of the efficiency of: the armed forces of the Crown; police; fire and rescue services; or ambulance services.

Funding is not to be used to support the following:

- The advancement of religion;
- The advancement of political beliefs or party politics;
- Activities understood to be the exclusive responsibility of statutory authorities;
- Retrospective funding (i.e. paying for costs incurred before a decision on an application to CFLM for support can be made);
- The funding of any public or private sector compensation and / or mitigation.

The policy of the charity is to award funding to individuals and organisations that have made a formal application for a grant, that fulfil the requirements of the relevant programme or fund and which have the necessary systems in place to administer a grant. All funding applications are subject to a formal appraisal by our staff before being presented to the local grant panel, or the donor, for a recommendation. A scoring system and process is used to guide decisions. All panel or donor recommendations are ratified by the Community Foundations' senior staff or trustees prior to any offer being made. Funding distributed is reported quarterly to the Board by fund, locality and social theme.

Before any funding is distributed, we carefully and thoroughly assess the charitable and public benefits of the proposed activities. The impact of our community funding is then reported to funders, donors, stakeholders, staff and the Board as a measurement of the social impact achieved.

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Investment Powers

The Charity's Investment Powers are prescribed in its Memorandum and Articles of Association. The Board of Trustees has approved a document called 'Policies on Fund Management and Financial Control', relating to the management of all of its funds and which includes the strategies for the investment of its endowment. The purpose of investment in the endowment fund is to generate a sustainable income for (i) grant-making and (ii) meeting running costs.

The organisation has appointed professional investment managers to manage the endowment. During the year these were managed by: CCLA and Investec. As approved by Board and following a tender process, effective 1 October 2017 investments are to be managed by CCLA for public sector funds and charitable trust transfers, and Investec for corporate and individual endowment donations.

Investment performance targets are issued annually to investment managers; within a framework of maintaining a low to medium risk portfolio, investment performance is measured by the board and finance committee. Each manager is required to maintain a diversified portfolio, with focus on UK and overseas equities, debt instruments and cash; investment in derivatives or "hedge funds" is not permitted without the express consent of the trustees. Investment performance is monitored by the board on a quarterly basis, using benchmarks such as the FT All Stocks Government Index, the FT All Share Index, the FT World Index (excluding UK) and the IPD Index as well as a comparison of the current investment managers' performance with others in the field. Investment performance is reported to Board on a quarterly basis and reviewed annually.

For the Community First Endowment Challenge from 2012 – 2015 CCLA manages the funds based on an investment policy agreed by our UK umbrella organisation, UKCFs with approval from our Board. Although not classified as permanently endowed funds, CCLA manage funds under a total return policy, calculating the indexed value of the initial donation on an annual basis and enabling withdrawal of surplus over and above this figure to supplement income received during the year. This method of calculation has been applied since commencement of the programme so can be precisely calculated by CCLA.

Our Risk Reviews

Our Board of Trustees undertakes a regular review of the risks that the organisation faces; these are published in a formal Organisational Risk Register and are reported in a Charity Commission advised 'heat map' format quarterly to Board.

All risks identified were addressed and mitigated as far as possible during 2017/18 and looking ahead, no identified risks remain unaddressed. The Risk Assessment is subject to formal annual review and update by the trustees, with interim monitoring on a quarterly basis by the senior staff team. The organisation also uses a traffic light system to monitor and measure progress against a set of key organisational targets. Progress against target is assessed by the staff team on a monthly basis and reported to the Board on a quarterly basis, using a delivery forecast system.

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Our Reserves Policy

Our Board has continued to endeavour to build and maintain a level of reserves appropriate to its commitments over the coming years. However, it is keen to maximise its charitable objectives and public benefit. The Board continues to strive to ensure that reserves of six months running costs are held at any time as per our policy, in line with the Charity Commission's guidance. For 2018/19 the unrestricted reserves were £366,372 at the end of the financial year. CFLM has built joint reserves as per the policy and covered the budget deficit and core costs jointly as appropriate for sustainability, especially investment in our community impact. Any reserves held above the six month policy level are linked to a Reserves Spending Plan, regularly reviewed and approved by the Board to support CFLM's development and sustainability.

Our Auditors

CFLM reviewed its auditing services during 2017 through an audit tender process. Beever and Struthers have been appointed from 2017/18 to 2020/2021 as our auditors.

Small Company

This report has been prepared in accordance with provisions within Part 15 of the Companies Act 2006 as they relate to small companies.

By Order of the Board



Arthur Roberts,

Chair

Date: 29/11/19

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

FINANCIAL REVIEW

Funding

The Trustees are committed to seeking funding from a wide range of sources, ensuring that income streams are diversified and CFLM is not overly reliant on any single source of funding.

Financial Statements

The financial statements have been prepared in accordance with the Companies Act 2006, Charities Act 2011 and FRS102 and comply with the Charities Statement of Recommended Practice on Accounting. The movement in funds is shown on the Consolidated Statement of Financial Activities. CFLM generated a surplus in its unrestricted funds of £72,103 (2018 £22,955). CFLM's total funds (unrestricted funds, restricted immediate impact funds and restricted endowment funds) amounted to £18,004,206 at 31 March 2019 (2018: £17,649,142). The Trustees have passed a total return resolution for permanent endowments - more information is included in note 12.

Reserves Policy

The reserves of CFLM are composed of restricted and unrestricted funds. These funds are maintained at a sufficient level in order to allow the smooth operation of our activities.

Unrestricted Reserves: The Trustees are committed to building up general reserves to ensure that the core activities of CFLM will continue into the future. The target is to have a minimum of six months' core costs in unrestricted reserves – based on our 2019/20 budget this would amount to £325,587. The free general reserves of the Foundation (our unrestricted reserves less our fixed assets) at 31 March 2019 amount to £366,372 (2018: £294,269).

Restricted Reserves: The restricted funds at the year end were either held in the form of cash in bank accounts or investments. Details of investments held are shown in note 12. The current level of restricted funds, and the ongoing funding arrangements relating to those funds, is sufficient to maintain the specific projects they relate to.

Investments Policy

Investment policy is reviewed annually by the finance and risk committee and board, in conjunction with a review of investment performance. Investment managers retain authority to trade in market securities within the mandate of retaining a well-diversified portfolio of medium risk. Our policy on fund management and financial control is available on request.

Commitments

The Trustees had made no commitments to future capital purchases, nor given any guarantees, at the balance sheet date.



A Roberts

Chair

29 November 2019

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
YEAR ENDED 31 MARCH 2019
STATEMENT OF TRUSTEE RESPONSIBILITIES

The Trustees (who are also directors of CFLM for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 'The Financial Reporting Standard' applicable in the United Kingdom and Republic of Ireland'. 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;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

In so far as each of the Trustees is aware:

- there is no relevant audit information of which the charitable company's auditor are 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 auditors are aware of that information.

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

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
YEAR ENDED 31 MARCH 2019
INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF
COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

We have audited the financial statements of Community Foundations for Lancashire and Merseyside, the "parent company" and its subsidiaries ("the group") for the year ended 31 March 2019 which comprise the Consolidated and Company Statement of Financial Activities, the Consolidated and company Income and Expenditure account, the consolidated and company Balance Sheets, the Consolidated Cash Flow Statement and the related notes on pages 25 to 42. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland". The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2019 and of the group's incoming resources and application of resources, including its income and expenditure for the year 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 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

We have nothing to report to you in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

**COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
YEAR ENDED 31 MARCH 2019
INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF
COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE**

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

We have nothing to report in this regard.

Opinion on 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' Strategic report (which includes company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and requirements.

Matters on which we are required to report by exception

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

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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;

Responsibilities of directors

As explained more fully in the Trustees' Responsibilities Statement set out on page 16, 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.

**COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
YEAR ENDED 31 MARCH 2019
INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF
COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE**

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

Use of our report

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



**Mark Bradley BA FCA (Senior Statutory Auditor)
For and on behalf of Beever and Struthers**

**Central Buildings
Richmond Terrace
Blackburn
BB1 7AP**

29 November 2019

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2019 £	2018 £
Income						
Income and endowments from:						
Donations and legacies	4.1	89,452	18,000	1,014,948	1,122,400	2,073,575
Charitable Activities	4.2	363,064	1,902,057	-	2,265,120	2,885,310
Investments	4.3	41,156	2,581	434,779	478,516	447,624
Other Activities	4.4	841	64	-	906	1,565
Total		494,513	1,922,702	1,449,727	3,866,942	5,408,074
Expenditure on:						
Raising funds						
Costs of generating donations and legacies	5	(221,005)	-	-	(221,005)	(197,353)
Investment management costs	5	-	-	(40,139)	(40,139)	(29,254)
Charitable activities	5	(401,429)	(3,811,094)	-	(4,212,523)	(2,804,358)
Total		(622,434)	(3,811,094)	(40,139)	(4,473,667)	(3,030,965)
Realised gain on investment assets		-	-	13,719	13,719	49,137
Unrealised gain/(loss) on investment assets		18,755	-	929,315	948,070	(152,868)
Net income/(expenditure)		(109,166)	(1,888,392)	2,352,622	355,064	2,273,378
Transfers between funds	16-18	181,269	419,514	(600,783)	-	-
Net movement in funds		72,103	(1,468,878)	1,751,839	355,064	2,273,378
Reconciliation of funds						
Total funds brought forward	4.5	294,269	2,654,221	14,700,652	17,649,142	15,375,764
Total funds carried forward		366,372	1,185,343	16,452,491	18,004,206	17,649,142

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities of the charity.

The statement of financial activities for the year ended 31 March 2018 is provided in note 4.5

The notes on pages 24 to 45 form part of these financial statements.

**COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
CONSOLIDATED AND COMPANY SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR
THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
Gross income from all sources	3,866,942	5,408,074
Less endowment income	<u>(1,449,727)</u>	<u>(2,403,723)</u>
Total Income	2,417,215	3,004,351
Total expenditure	(4,473,667)	(3,030,965)
Less endowment expenditure	<u>40,139</u>	<u>29,254</u>
Transfers from endowment funds	<u>600,783</u>	<u>622,287</u>
Net (expenditure) / income for the year	<u>(1,415,530)</u>	<u>624,927</u>

The notes on pages 24 to 45 form part of these financial statements.

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2019

	Notes	2019	2018
		£	£
Fixed Assets			
Tangible assets	11	4,321	6,086
Investments	12	16,879,831	15,123,513
		16,884,152	15,129,999
Current Assets			
Debtors	13	70,211	23,144
Cash at bank and in hand		1,290,820	2,854,067
		1,361,031	2,877,211
CREDITORS: amounts			
falling due within one year	14	(240,977)	(357,668)
Net Current Assets		1,120,054	2,519,543
Total Net Assets		18,004,206	17,649,142
The Funds of the Charity			
Endowment Funds	18	16,452,491	14,700,652
Unrestricted Funds	17	366,372	294,269
Restricted Funds	16	1,185,343	2,654,221
Total Charity Funds		18,004,206	17,649,142

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

Approved by the Board of Trustees and authorised for issue on 29 November 2019



A Roberts – Trustee

Company Number 3422207

The notes on pages 24 to 45 form part of these financial statements.

**COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
COMPANY BALANCE SHEET
AS AT 31 MARCH 2019**

	Notes	2019	2018
		£	£
Fixed Assets			
Tangible assets	11	4,321	6,086
Investments	12	16,879,831	15,123,513
		16,884,152	15,129,599
Current Assets			
Debtors	13	70,211	23,144
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Total Charity Funds		18,004,206	17,649,142

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

Approved by the Board of Trustees and authorised for issue on 29 November 2019



A Roberts – Trustee

Company Number 3422207

The notes on pages 24 to 45 form part of these financial statements.

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
YEAR ENDED 31 MARCH 2019
STATEMENT OF CONSOLIDATED CASHFLOWS

	2019 £	2018 £
Cash used in operating activities		
Net expenditure for the year	(1,997,558)	(12,989)
Adjustments for:		
(Gain)/Loss on investments	(18,755)	15,629
Income from sale of land	234,940	-
Net dividend income received	(33,738)	-
(Increase)/Decrease in debtors	(1,916)	25,204
Decrease in creditors	(116,690)	(43,816)
Depreciation	4,344	4,002
Net cash (used in) operating activities	(1,929,373)	(11,970)
Cash flows from investing activities		
Purchase of investments	(1,014,948)	(1,768,156)
Purchase of fixed assets	(2,579)	(1,672)
Net cash used in investing activities	(1,017,527)	(1,769,828)
Cash flows from financing activities		
Cash withdrawn from investments	368,705	411,790
Receipt of expendable endowment	1,014,948	1,477,548
Cash provided by financing activities	1,383,653	1,889,338
(Decrease)/Increase in cash and cash equivalents in the year	(1,563,247)	107,540
Cash and cash equivalents at the beginning of the year	2,854,067	2,746,527
Total Cash and cash equivalents at the end of the year	1,290,820	2,854,067

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Charity is a registered charity in England and Wales and is a private Limited company by guarantee without share capital, registered in England and Wales under the Companies Act. The address of the principal office is Third Floor, Stanley Building, 43 Hanover Street, Liverpool, L1 3DN.

2. STATEMENT OF COMPLIANCE

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 the Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006.

3. ACCOUNTING POLICIES

3.1 Basis of preparation

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 the Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Statement of Financial Activities and Balance Sheet consolidate the financial statements of The Charity of John Goore (Charity Reg No 238355) which was acquired on May 2nd 2017.

The Community Foundations for Lancashire and Merseyside Ltd 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 note(s).

3.2 Going concern

The trustees are satisfied that the accounts should be prepared on a going concern basis and have considered this for the period of twelve months from the date of approval.

3.3 Incoming resources

Incoming resources are included in the Statement of Financial Activities (SOFA) when they become receivable, except donations and gifts in kind. Donations are included when they are received. Gifts in kind are valued at an estimate of market value where this can be readily ascertained.

Deferral of income takes place where grants are received substantially in advance of the expenditure to which it relates. Where grants include a contribution to costs for distribution of restricted funds, this is recognised on distribution of funds.

Investment returns are drawn in accordance with a total return policy and transferred to restricted funds for distribution, with an agreed proportion transferred to cover management and administration costs. Income to cover costs for management of the invested funds is recognised when received and income to cover costs for distribution of the resulting restricted funds is recognised on distribution of those funds.

Incoming resources from government funded entities are accounted for in the same way as other income.

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

3. ACCOUNTING POLICIES (continued)

3.3 b Donated Services and Facilities

Donated professional services and donated facilities are recognised as income when the Community Foundation has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from its use is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of volunteers is not recognised and users of these financial statements should refer to the Trustees' annual report for more information about their contribution.

On receipt donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

3.4 Resources Expended

Resources expended are included in the SOFA on the accruals basis as a liability is incurred, based on work done or services provided in the period. Expenditure includes irrecoverable VAT, and is reported as part of the expenditure to which it relates.

Grants payable are recognised as expenditure when the commitment is made and monitoring of previous commitments is complete.

Costs of Generating Funds includes the cost of brochures, advertising, fundraising and other promotional events designed to increase public awareness of the Foundation, together with other costs directly attributable to fundraising activities.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities and those costs of an indirect nature necessary for the activities of the charity. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis as set out in note 5.

3.5 Acquisition of Subsidiary

Subsidiaries are accounted for at Fair Value of transfer on date of acquisition, and subsequently adjusted to fair value as at the Balance Sheet date.

3.6 Basis of consolidation

The financial statements consolidate the accounts of Community Foundations for Lancashire & Merseyside and its subsidiary undertaking The Charity of John Goore.

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

3. ACCOUNTING POLICIES (continued)

3.7 Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of minor additions or those costing under £500 are not capitalised.

Depreciation is provided to write off the cost of each asset over its expected useful life using the following rates and methods: -

Fixtures and fittings	33% straight line
Office equipment	33% straight line

Impairment reviews are carried out as and when evidence comes to light that the recoverable amount of a functional fixed asset is below its net book value due to damage, obsolescence or other relevant factor.

3.8 Fixed Asset Investments

Investments are included at fair value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sale proceeds and their fair value at the start of the year, or their subsequent cost, net of transaction costs, and are charged or credited to the statement of financial activities in the year of disposal.

Unrealised gains and losses represent the movement in fair value during the year and are credited or charged to the statement of financial activities based on the fair value, as advised by the charity's investment managers, at the year end. All endowed funds received are managed on a total investment return basis.

3.9 Creditors and Provisions

Creditor balances are accounted for once an obligation for payments is confirmed. Grant payments are accrued when approved for settlement, payments for service contracts are accrued once the service has been delivered.

3.10 Pensions

The company contributes to Individual Personal Pension policies for its employees. Contributions are charged to the SOFA in the period to which they relate.

3.11 Fund Accounting

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and which can be used in accordance with the charitable objects at the discretion of the trustees.

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

Endowment funds are held for long term returns for the Foundation. A percentage withdrawal from the funds is distributed in accordance with the wishes of the original donor. Capital gains or losses arising on the investments form part of the fund. Charges for investment management and advice are charged to the fund as incurred. Income earned on endowment funds is transferred to restricted and unrestricted funds.

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

4. INCOMING RESOURCES

4.1 Voluntary Income

	2019	2018
	£	£
Endowments Received	1,032,948	1,977,601
Sponsorship, Donations and Membership	16,652	16,785
Gifts in kind – Use of office	70,000	70,000
Gifts in kind – Rates	-	5,603
Gifts in kind – Use of parking spaces	2,800	2,800
Gifts in kind – Phones	-	786
	<u>1,122,400</u>	<u>2,073,575</u>

4.2 Incoming Resources from Charitable Activities

	2019	2018
	£	£
23 Foundation	21,661	24,993
ACC Foundation	8,850	11,879
Bernie Fleming Aintree Lung Cancer Fund	4,387	-
BHP Billiton Fund	410	-
Be Inspired Business Awards Foundation	21,820	21,290
Big Local Trust Northwood	156,920	143,379
Blue Sky Foundation Fund	236,096	-
Blurred Line Foundation Fund	4,156	-
BridgeBuilder Foundation	-	184
Building Stronger Britain Together	514,056	278,571
CFLM Discretionary Fund	5,534	-
Christal Foundation Fund	10,000	-
Clarke Family Foundation	52,500	1,187,500
Comic Relief	4,942	154,384
Community Benefit Fund (Preston New Road)	42,769	125,480
Crime Prevention Fund	146,939	150,000
Daneway Foundation	29,760	30,460
Fort Vale Foundation Fund	20,000	-
Gorse	116	-
GM Mayor's Homeless Fund	1,880	-
Joseph Harley Fund	603	-
High Sheriff & Merseyside Police Fund	13,581	-
High Sheriffs & Merseyside Police Trust Fund	21,938	19,424
Hill Dickinson	-	70,428
John Goore Trust	907	5,009
John Laing Charitable Trust Fund	-	22,400
Knowsley Foundation Fund	36	-
Lancaster Community Fund	12,700	12,700
Carried forward	<u>1,332,561</u>	<u>2,128,290</u>

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

4. INCOME (cont....)

4.2 Incoming Resources from Charitable Activities (Cont....)

Brought forward	1,332,561	2,128,290
Lancashire Community Investment Fund	-	12,163
Lancashire Flood Relief Fund	-	22,179
Leahy Foundation Fund	2,435	-
Liverpool ONE Foundation	292,679	299,229
Liverpool Tennis Foundation	2,500	3,000
Mark McQueen Foundation (Merseyside) Fund	1,606	1,733
Medicash Foundation Fund	519	-
Merseyside Community Investment Fund	4,254	3,000
Nationwide Building Society Fund	20,500	-
New Progress Housing Fund	3,854	-
Olivia Rae Foundation	126	796
Open Arms	-	40,000
Older People Lancs	12,960	-
Oder People Merseyside	6,840	-
Peel Ports 500 Fund	543	12,000
Pendle Music Bursary Fund	100	-
Peter Hearne Fund	-	6,250
Police Property Act Fund	41,148	47,905
Ray Messer Foundation	8,107	15,963
Rossiter Foundation	-	1,295
Royal London Foundation	69,100	21,200
RWE Innogy UK Ltd	9,989	9,964
Sefton MBC Education & Learning Fund	1,669	-
The Lancashire Womens Fund	80,859	-
The Manchester Womens Fund	137,054	-
The Merseyside Womens Fund	79,249	-
Tilney Investment Management Fund	6,155	-
United Utilities	42,000	36,000
# I will Merseyside (formerly Youth Social Action Merseyside)	30,000	29,500
# I will Lancashire(Formerley (Youth Social Action Lancashire)	40,000	40,000
# I will Manchester	27,000	22,500
Other deferred	11,313	2,552
	2,265,120	2,885,310

4.3 Investment Income

	2019	2018
	£	£
Bank and other interest receivable	10,359	5,157
Investment Income	468,157	442,467
	478,516	447,624

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
YEAR ENDED 31 MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS

4.4 Other Income

	2019	2018
	£	£
Fees Received	906	1,565
	906	1,565
Total Incoming Resources	3,866,942	5,408,074

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

INCOMING RESOURCES (cont....)

4.5 Comparative Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2018 £
Income and endowments from:				
Donations and legacies	95,974	-	1,977,601	2,073,575
Charitable Activities	251,158	2,634,152	-	2,885,310
Investments	21,502	-	426,122	447,624
Other Activities	1,565	-	-	1,565
Total	370,199	2,634,152	2,403,723	5,408,074
Expenditure on				
Raising funds				
Costs of generating donations and legacies	(197,353)	-	-	(197,353)
Investment management costs	-	-	(29,254)	(29,254)
Charitable activities	(328,308)	(2,476,050)	-	(2,804,358)
Total	(525,661)	(2,476,050)	(29,254)	(3,030,965)
Realised gain on investment assets	-	-	49,137	49,137
Unrealised loss on investment assets	(15,629)	-	(137,239)	(152,868)
Net income/(expenditure)	(171,091)	158,102	2,286,367	2,273,378
Transfers between funds	194,046	428,241	(622,287)	-
Net movement in funds	22,955	586,343	1,664,080	2,273,378
Reconciliation of funds				
Total funds brought forward	271,314	2,067,878	13,036,572	15,375,764
Total funds carried forward	294,269	2,654,221	14,700,652	17,649,142

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
YEAR ENDED 31 MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS

5. TOTAL RESOURCES EXPENDED

	Basis of Allocation	Donations and Legacies £	Charitable Activities £	Investment Management Costs £	Total 2019 £	Total 2018 £
Grants Paid (see note 6)	Direct	-	3,811,094	-	3,811,094	2,476,050
Staff costs (see below and note 8)	Direct	100,729	319,132	-	419,861	341,428
Healthcare costs	Direct	2,372	-	-	2,372	1,905
Publicity and advertising	Direct	14,753	-	-	14,753	6,657
Postage & stationery & telephone	Staff time	3,313	-	-	3,313	1,818
Staff training	Direct	1,608	-	-	1,608	882
Meeting costs	Direct	-	2,994	-	2,994	2,583
Rent/Rates in kind	Direct	9,818	60,859	-	70,677	78,403
Consultancy	Usage	5,900	-	-	5,900	11,385
Audit & accountancy fees	Usage	9,668	-	-	9,668	9,228
Travel	Direct	13,063	-	-	13,063	8,690
Computer running costs	Staff Time	8,091	-	-	8,091	8,324
Panel meetings	Direct	-	39	-	39	142
Subscriptions	Direct	16,449	-	-	16,449	26,170
Bank charges	Usage	(78)	-	-	(78)	600
Insurance	Staff Time	4,419	-	-	4,419	4,636
Recruitment	Direct	9,716	-	-	9,716	275
Volunteer expenses	Direct	1,169	-	-	1,169	1,134
Other	Direct	4,334	-	-	4,334	3,467
Depreciation	Direct	4,344	-	-	4,344	4,002
Legal & prof fees	Usage	528	-	10,080	10,608	1,496
Investment management costs	Direct	-	-	30,059	30,059	29,254
Events	Direct	-	18,405	-	18,405	2,097
Special Project cost	Direct	-	-	-	-	2,847
Human Resources	Direct	1,656	-	-	1,656	1,656
Conference	Staff Time	-	-	-	-	3,436
External Grant Assessors	Direct	9,153	-	-	9,153	2,400
		221,005	4,212,523	40,139	4,473,667	3,030,965

The overheads above include £80,147, of donated goods for which the Community Foundations pay no consideration. Once these donated goods are deducted from core expenditure the overheads (excluding grants awarded & investment management costs) amount to £551,576 versus £446,472 in 2018.

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

Allocation of governance and support costs

The Community Foundation initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken in the year. The table above details the basis for apportionment.

6. GRANTS AWARDED

All the charitable activities undertaken by the charity represent grant-making. Further details about the grants made in the year can be seen in Note 16.

7. NET INCOMING RESOURCES

Net incoming resources are stated after charging:

	2019	2018
	£	£
Depreciation	4,344	4,002
Auditor's remuneration	9,668	9,228
	<u>14,012</u>	<u>13,230</u>

8. STAFF COSTS

	2019	2018
	£	£
Wages and salaries	354,392	296,667
Social security costs	31,182	21,919
Other pension costs	34,287	22,842
	<u>419,861</u>	<u>341,428</u>

No employee received emoluments of more than £60,000 (2018: none).

The charity contributes to Individual Personal Pension policies for all its employees. The assets of the schemes are held separately from those of the Charity in independently administered funds. The pension charge of £34,287 (2018: £22,842) represents contributions paid by the Charity to the funds. There were no outstanding contributions at 31 March 2019 (31 March 2018: NIL).

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

9. STAFF NUMBERS

The average number of employees (excluding trustees) during the year was as follows:

	2019 No.	2018 No.
Management	3	3
Philanthropy Development	5	5
Finance	2	2
Philanthropy Services & Programmes	3	3
Total full time equivalents	<u>13</u>	<u>13</u>
Total staff employed	<u>15</u>	<u>14</u>

10. TAXATION

The charity is exempt from tax on income and gains falling within Section 505 of The Taxes Act 1988 or Section 252 of The Taxation of Charitable Gains Act 1992 to the extent that these are applied to its charitable objectives.

11. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Office Equipment £	Total £
Cost			
At 1 April 2018	14,038	68,965	83,003
Additions	-	2,579	2,579
At 31 March 2019	<u>14,038</u>	<u>71,544</u>	<u>85,582</u>
Depreciation			
At 1 April 2018	14,038	62,879	76,917
Charge for year	-	4,344	4,344
At 31 March 2019	<u>14,038</u>	<u>67,223</u>	<u>81,261</u>
Net book value			
At 31 March 2019	<u>-</u>	<u>4,321</u>	<u>4,321</u>
At 1 April 2018	-	6,086	6,086

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
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NOTES TO THE FINANCIAL STATEMENTS

12. INVESTMENTS - GROUP + COMPANY

INVESTMENTS	2019	2018
UK listed Investments	£	£
<u>Rathbone Brothers Plc</u>		
Market value at 1 April 2018	954	954
Additions	-	-
Disposals at market value	-	-
Asset Transfer to Investec	(954)	-
Revaluation gain/(loss)	-	-
Market value at 31 March 2019	-	954
Cash deposits in the UK	-	-
Sub total Rathbones	-	954
 Investec Wealth & Investment		
Market value at 1 April 2018	7,909,212	7,152,271
Additions	2,502,723	2,031,277
Disposals at market value	(1,142,922)	(1,128,124)
Revaluation gain/(loss)	537,126	(146,212)
Market value at 31 March 2019	9,806,139	7,909,212
Cash transfer from Rathbones	954	-
Cash deposits in the UK	69,046	664,536
Subtotal Investec Wealth & Investment	9,876,139	8,573,748
 CCLA Common Investment Fund		
Market value at 1 April 2018	5,824,440	5,152,455
Additions	282,529	722,628
Disposals at market value	(7,311)	(108,753)
Revaluation gain	407,746	58,110
Market value at 31 March 2019	6,507,404	5,824,440
Subtotal CCLA	6,507,404	5,824,440
 CCLA CFLM Discretionary Investment		
Market Value at 5 April 2018	484,371	-
Additions	-	500,000
Disposals at market value	-	-
Revaluation gain/loss	11,917	(15,629)
Closing Market Value	496,288	484,371
 Investment Land	-	240,000
 Total Investments - GROUP	16,879,831	15,123,513
 Historical cost	14,997,401	14,713,957

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
YEAR ENDED 31 MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS

12. INVESTMENTS (continued)

Listed Investments

UK investments	6,010,858	4,150,403
Overseas and other investments	10,249,810	9,619,436
Cash deposits	619,163	1,113,674
	16,879,831	14,883,513

A CCLA and Investec portfolio totalling £871,562 (2018: £493,106) represent the assets of the Charity of John Goore. In the company balance sheet these have been reflected as an investment in subsidiary in accordance with the SORP requirements.

The trustees consider individual investment holdings in excess of 5% of the portfolio value to be material. No individual shareholdings or investments are considered individually to be material with the market values and proportion of the portfolio shown as at 31 March 2019.

The investments are held to provide an investment return to the charity.

	Endowment	Unapplied total return released to income	Total Endowment
At April 2018			
Gift Component of Endowment:	11,878,008	-	11,878,008
Unapplied total return	-	2,521,134	2,521,134
Total	11,878,008	2,521,134	14,399,142
Movements in the reporting period:			
Gift of expendable endowment	1,014,948	-	1,014,948
Investment Management Fees	-	(40,139)	(40,139)
Dividends and Interest	-	434,779	434,779
Realised and Unrealised Gains	-	943,034	943,034
Total	1,014,948	1,337,674	2,352,622
Unapplied total return released to income	-	(600,783)	(600,783)
Net movements in reporting period	1,014,948	736,891	1,751,839
At 31 March 2019			
Gift Component of Endowment:	12,892,956	-	-
Unapplied total return	-	3,490,587	16,383,543
Total	12,892,956	3,490,587	16,383,543

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
YEAR ENDED 31 MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS

13. DEBTORS

	2019 £	2018 £
Other debtors	54,541	11,044
Prepayments & Accrued income	15,670	12,100
	<u>70,211</u>	<u>23,144</u>

14. CREDITORS: amounts falling due within one year

	2019 £	2018 £
Grant creditors	124,815	112,711
Other creditors	5,597	27,273
Accruals	10,166	11,255
Other tax & social security	6,287	-
Deferred income (note 15)	94,112	206,429
	<u>240,977</u>	<u>357,668</u>

15. DEFERRED INCOME

Deferred income comprises income received in respect of grant making not fully distributed by 31 March 2019.

	2019 £	2018 £
Balance as at 1 April 2018	206,429	175,046
Amount released to income earned from charitable activities	(206,429)	(109,376)
Amount deferred in year	94,112	140,759
Balance as at 31 March 2019	<u>94,112</u>	<u>206,429</u>

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

16. RESTRICTED FUNDS

	As at 1 April 2018	Movement in Resources			As at 31 March 2019
	£	Incoming £	Outgoing £	Transfers £	£
23 Foundation	10,438	18,050	(65,663)	39,632	2,457
ACC Liverpool Foundation	7,226	7,788	(9,994)	-	5,020
Aldridge Foundation	9,670	-	-	1,582	11,252
Alfred Shaw Trust	9,818	-	(8,650)	13,088	14,256
B&M	(586)	-	-	-	(586)
Bernie Fleming Aintree Lung Cancer Foundation	-	5,816	-	-	5,816
BHP Billiton	940	360	(9,360)	9,799	1,739
Be Inspired Business Awards Foundation	8,453	20,001	(23,095)	-	5,359
Big Local Trust Northwood	56,264	142,063	(190,304)	-	8,023
Blue Sky Foundation Fund	-	235,964	-	-	235,964
Blurred Line Foundation Fund	-	3,741	(5,850)	-	(2,109)
Bridgebuilder Foundation	1,608	-	-	-	1,608
BSBT	(2,844)	414,443	(408,211)	-	3,388
CFLM Discretionary Fund	1,198	4,963	-	3,529	9,690
Christal Foundation Revenue Fund	-	10,000	(25,093)	-	(15,093)
Clarke Family Foundation	1,187,500	2,581	(1,190,081)	-	-
Comic Relief	66,720	-	(65,719)	-	1,001
Community Benefit Fund-Preston New Road	111,863	39,424	(29,386)	-	121,901
Crime Prevention Fund	-	135,000	(135,000)	-	-
Daneway Foundation	24,640	23,760	(47,872)	-	528
Tilney Investment Management	5,959	-	(19,000)	15,638	2,597
Fort Vale Foundation Fund	-	18,000	(18,000)	-	-
GM Mayor's Homeless Fund	-	1,711	-	-	1,711
Grass Roots	(1,130)	-	-	-	(1,130)
Gorse Bank Trust	2,085	-	-	544	2,629
Halton Foundation Halton Chamber of Commerce	4,029	-	-	-	4,029
Halton Foundation Knights House	1,794	-	(4,840)	788	(2,258)
Halton Foundation Widnes Education Revenue Fund	211	-	-	-	211
High Sheriffs Trust & Merseyside Police	5,710	31,612	(47,704)	19,057	8,675
Huyton with Roby War Distress Fund	4,400	36	(1,960)	-	2,476
Hill Dickinson	50,757	-	(40,350)	10,181	20,588
Investec Wealth & Management	1,506	-	(3,019)	1,513	-
Japanese Tsunami Fund	1,101	-	-	-	1,101
Jim Hosker Memorial Fund	3,077	-	-	-	3,077
John Goore Book Tokens Fund	-	-	(600)	-	(600)
John Goore Trust	32,486	(1,310)	(41,999)	10,488	(335)
John Laing Charitable Trust	10,500	-	(10,484)	-	16
Joseph Harley Trust	9,931	-	(1,156)	2,080	10,855
Balance Carried forward	1,625,324	1,114,003	(2,403,390)	127,919	463,856

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

	As at 1 April 2018 £	Incoming £	Outgoing £	Transfers £	As at 31 March 2019 £
Balance Brought Forward	1,625,324	1,114,003	(2,403,390)	127,919	463,856
Knowsley Foundation Social Enterprise Sector Devt Fund	29,643	-	(13,650)	-	15,993
Lancashire Community Investment Fund	9,514	-	(1,000)	5,963	14,477
Lancashire Flood Recovery	42,207	-	11,750	-	53,957
Lancaster Community Fund	8,118	11,440	(20,496)	2,895	1,957
Lancaster Foundation	3,702	-	(27,560)	29,820	5,962
Leahy Foundation	28,575	7,528	(16,500)	32,850	52,453
Liverpool ONE Foundation	282,826	272,428	(309,457)	72,411	318,208
Liverpool Tennis Foundation	452	2,200	-	-	2,652
Mando Group Foundation	(1)	-	-	-	(1)
Mark McQueen Foundation Lancashire	5,952	-	(4,996)	5,847	6,803
Mark McQueen Foundation Merseyside	16,669	323	(18,476)	15,225	13,741
Medicash	3,614	-	-	1,888	5,502
Merseyside Community Investment Fund	17,273	2,880	(13,700)	9,882	16,335
MJB Fund	21,386	-	(19,000)	24,624	27,010
Nationwide Building Society Fund	-	15,500	(15,500)	-	-
New Progress Housing	20,541	-	-	9,119	29,660
Older Peoples Fund Lancashire	95,343	-	(95,263)	-	80
Older Peoples Fund Merseyside	44,625	-	(44,625)	-	-
Olivia Rae Foundation	8,936	112	(765)	-	8,283
Open Arms	202	-	(202)	-	-
Peel Ports 500	17,704	-	-	1,073	18,777
Pendle Music Bursary Fund	11,778	88	(10,910)	6,989	7,945
Police Property Act Fund	-	40,816	(40,816)	-	-
Ray Messer Foundation	46,773	4,080	(10,631)	-	40,222
Rossendale Community Fund	981	-	(10,740)	4,129	(5,630)
Rossiter Foundation	11,355	-	(10,970)	9,682	10,067
Royal London Foundation	-	65,000	(65,000)	-	-
Rumi and Rishi Fund	20,524	-	-	8,329	28,853
Runcat Community Action	504	-	-	-	504
RWE Innogy UK Ltd Hambleton Hill	11,993	9,000	(6,554)	-	14,439
Sefton MBC Education & Learning Fund	11,104	-	(2,250)	5,531	14,385
Sefton MBC Taylor Fund	9	-	(200)	210	19
Shooting Stars Foundation	536	-	-	-	536
Shop Direct	4,462	-	-	2,784	7,246
Surviving Winter Lancashire	1,267	-	-	-	1,267
Surviving Winter Merseyside	412	-	-	-	412
The Lancashire Women's Fund	-	70,342	(70,342)	-	-
The Manchester Women's Fund	-	131,783	(131,783)	-	-
The Merseyside Women's Fund	-	74,623	(74,640)	-	(17)
United Utilities	106,643	-	(106,643)	-	-
WO Street Lancashire	34,229	-	(69,154)	34,933	8
Balance Carried forward	2,545,175	1,822,146	(3,603,463)	412,103	1,175,961

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
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NOTES TO THE FINANCIAL STATEMENTS

	As at 1 April 2018 £	Incoming £	Outgoing £	Transfers £	As at 31 March 2019 £
Balance brought forward	2,545,175	1,822,146	(3,603,463)	412,103	1,175,961
WO Street Merseyside	10,256	-	(13,755)	7,411	3,912
Youthbank	(1,917)	-	-	-	(1,917)
# I will Merseyside (Formerly Youth Social Action Merseyside)	29,274	34,000	(74,874)	-	(11,600)
#I Will Manchester	22,500	22,500	(45,000)	-	-
#I will Lancashire (Formerly Youth Social Action Lancashire)	25,000	44,000	(74,000)	-	(5,000)
Other Funds	23,933	56	(2)	-	23,987
	<u>2,654,221</u>	<u>1,922,702</u>	<u>(3,811,094)</u>	<u>419,514</u>	<u>1,185,343</u>

Fund balances represent grants receivable for the charity to distribute in accordance with the terms and conditions of the donor. Balances on the funds represent undistributed funds held in the bank accounts.

All funds available, together with the criteria, priorities, areas covered and application process are detailed on our websites at www.lancsfoundation.org.uk and www.cfmerseyside.org.uk

Note 24 details the comparative movement on restricted funds.

17. UNRESTRICTED FUNDS

	As at 1 April 2018 £	Movement in Resources			As at 31 March 2019 £
		Incoming £	Outgoing £	Transfers £	
Unrestricted funds	294,269	494,513	(622,434)	200,024	366,372

Note 24 details the comparative movement on unrestricted funds.

18. ENDOWMENT FUNDS

	As at 1 April 2018 £	Movement in Resources			As at 31 March 2019 £
		Incoming £	Outgoing £	Gains and Transfers £	
Permanent endowment	857,828	48,668	(10,253)	18,598	914,841
Expendable endowment	13,842,824	1,401,059	(29,886)	323,653	15,537,650
	<u>14,700,652</u>	<u>1,449,727</u>	<u>(40,139)</u>	<u>342,251</u>	<u>16,452,491</u>

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

18. Endowment Funds (Cont....)

Included in the above figures are the following significant (over £100,000) funds:

	As at 1 April 2018 £	Incoming £	Outgoing £	Gains and transfers £	As at 31 March 2019 £
Permanent endowment:					
Rossendale Community Fund	124,995	4,490	-	4,159	133,644
Sefton MBC Education & Learning Trust	135,951	5,898	(143)	5,264	146,970
4 other funds	103,776	18,972	-	4,175	126,923
The Charity of John Goore (refer Note 12)	493,106	19,308	(10,110)	5,000	507,304
Expendable endowment:					
23 Foundation	1,158,225	32,076	(4,150)	13,915	1,200,066
Alfred Shaw Trust	402,450	14,168	-	13,061	429,679
BHP Billiton	286,407	7,931	(1,026)	3,441	296,753
Blue Sky Foundation	-	1,000,000	-	-	1,000,000
Christal Foundation	978,158	20,512	(2,843)	17,685	1,013,512
Tilney Investment Management	480,657	16,916	-	15,588	513,161
Halton Foundation – Knights House	328,821	11,665	-	24,846	365,332
High Sheriffs and Merseyside Police Trust	562,287	16,385	(1,626)	8,971	586,017
Hill Dickinson Foundation	333,486	11,096	(305)	9,812	354,089
John Goore Trust	315,762	19,308	(1,098)	29,087	363,059
Lancashire General Endowment	168,724	4,658	(603)	1,723	174,502
Lancaster Foundation	873,136	30,727	-	26,298	930,161
Leahy Foundation	1,000,814	31,409	(1,589)	22,959	1,053,593
Liverpool ONE Foundation	2,169,904	69,271	(4,214)	49,161	2,284,122
Mark McQueen Foundation (L)	170,879	4,732	(612)	2,052	177,051
Mark McQueen Foundation (M)	444,985	12,322	(1,594)	5,345	461,058
Merseyside Community Investment	291,655	8,509	(838)	4,683	304,009
MJB Fund	726,417	21,141	(2,112)	11,524	756,970
New Progress Housing Tenants Fund	266,536	7,381	(954)	3,202	276,165
Pendle Music Bursary	236,520	8,351	-	8,687	253,558
Rumi and Rishi Fund	256,001	9,009	-	8,302	273,312
The Rossiter Family Fund	282,937	7,835	(1,014)	3,398	293,156
WO Street Lancashire	1,020,980	27,967	(3,658)	12,264	1,057,553
WO Street Merseyside	216,590	5,998	(776)	2,601	224,413
Other Funds	870,493	1,692	(874)	25,048	896,359
Total	14,700,652	1,449,727	(40,139)	342,251	16,452,491

Note 24 details the comparative movement on endowment funds.

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

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NOTES TO THE FINANCIAL STATEMENTS

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2019:	Fixed assets £	Investments £	Net Current Assets £	Total £
Endowment Funds	-	16,383,544	68,948	16,452,491
Restricted Funds	-	-	1,185,343	1,185,343
Unrestricted Funds	4,321	496,287	(134,237)	366,372
	4,321	16,879,831	1,120,054	18,004,206

20. TRUSTEES' EXPENSES

No trustees have received remuneration. Travel expenses were paid to the following Trustees:

Arthur Roberts	£1,035 (2018 - £720)
Andy Myers	£63 (2018 - £97)
Carmel Hall	£ 41 (2018 - £Nil)
Colin Wardale	£ 197 (2018 - £Nil)

21. RELATED PARTY TRANSACTIONS

Mr M Dunnett, a trustee, is Director of Portfolio Management for Grosvenor Europe which through Liverpool ONE, have provided in-kind office premises to the foundation since January 2011, included in these accounts at a £70,000 value during the year. Liverpool ONE also donated funds to contribute to rates payable to Liverpool City Council, included in these accounts of £5,603. Liverpool ONE also hold endowment and restricted funds with the foundation. The Liverpool ONE endowment fund was valued at £2,284,122 at 31 March 2019. The fund generated £69,271 during the year, of which £20,251 was donated towards the costs of the foundation, with the balance transferred for distribution through their restricted fund. The foundation received additional donations totalling £292,679 from Liverpool ONE and distributed £309,457 through their restricted fund.

22. CONTINGENT LIABILITIES

The restricted fund balances carried forward at 31 March 2019 represent funds available due to the timing of the receipt of grant funds and their distribution. The conditions attaching to the funding streams are such that the balances represent income for the year as defined in the Charities SORP.

23. MEMBERS' LIABILITY

The charity is a private company limited by guarantee and consequently does not have share capital. The members are liable to contribute a maximum of £1 each towards the assets of the charity in the event of the company being wound up.

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

24. COMPARATIVE FUNDS NOTES

a. COMPARATIVE RESTRICTED FUNDS

	As at 1 April 2017	Movement in Resources			As at 31 March 2018
	£	Incoming £	Outgoing £	Transfers £	£
23 Foundation	1,345	21,417	(51,750)	39,426	10,438
ACC Liverpool Foundation	772	10,454	(4,000)	-	7,226
Aldridge Foundation	9,125	-	(1,250)	1,795	9,670
Alfred Shaw Trust	11,167	-	(16,196)	14,847	9,818
B&M	(586)	-	-	-	(586)
BHP Billiton	8,758	-	(17,565)	9,747	940
Be Inspired Business Awards Foundation	23,168	18,183	(32,898)	-	8,453
Big Local Trust Northwood	65,583	131,552	(140,871)	-	56,264
Bridgebuilder Foundation	1,608	-	-	-	1,608
BSBT	27,555	242,966	(273,365)	-	(2,844)
CFLM Discretionary Fund	(2,954)	-	250	3,902	1,198
Clarke Family Foundation	-	1,187,500	-	-	1,187,500
Comic Relief	-	144,142	(77,422)	-	66,720
Community Benefit Fund-Preston New Road	-	111,863	-	-	111,863
Crime Prevention Fund	-	135,000	(135,000)	-	-
Daneway Foundation	44,000	24,640	(44,000)	-	24,640
Tilney Investment Management	5,438	-	(17,213)	17,734	5,959
Grass Roots	(1,130)	-	-	-	(1,130)
Gorse Bank Trust	1,469	-	-	616	2,085
Halton Foundation Halton Chamber of Commerce	1,238	-	-	2,791	4,029
Halton Foundation Knights House	-	-	(2,320)	4,114	1,794
Halton Foundation Widnes Education Revenue Fund	-	-	-	211	211
High Sheriffs Trust & Merseyside Police	35,688	7,905	(57,330)	19,447	5,710
Huyton with Roby War Distress Fund	-	4,400	-	-	4,400
Hill Dickinson	34,644	64,308	(30,350)	(17,845)	50,757
Investec Wealth & Management	1	-	-	1,505	1,506
Japanese Tsunami Fund	1,101	-	-	-	1,101
Jim Hosker Memorial Fund	4,827	-	(1,750)	-	3,077
John Goore Trust	45,954	(2,628)	(27,788)	16,948	32,486
John Laing Charitable Trust	500	20,000	(10,000)	-	10,500
Joseph Harley Trust	9,212	-	(1,350)	2,069	9,931
Knowsley Foundation Social Enterprise Sector Devt Fund	59,749	-	(31,000)	894	29,643
Lancashire Community Investment Fund	30,285	10,703	(20,818)	(10,656)	9,514
Lancashire Flood Recovery	155,268	21,075	(139,136)	5,000	42,207
Lancaster Community Fund	1,506	11,176	(5,797)	1,233	8,118
Lancaster Foundation	-	-	(28,813)	32,515	3,702

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

Balance Carried Forward 575,291

a. COMPARATIVE RESTRICTED FUNDS (Cont...)

	As at 1 April 2017 £	Movement in Resources			As at 31 March 2018 £
		Incoming £	Outgoing £	Transfers £	
Balance Brought Forward	575,291				
Leahy Foundation	31,691	-	(38,259)	35,143	28,575
Liverpool ONE Foundation	203,473	270,000	(205,685)	15,038	282,826
Liverpool Tennis Foundation	(50)	2,640	(2,138)	-	452
Mando Group Foundation	2,440	-	(2,441)	-	(1)
Mark McQueen Foundation Lancashire	14,288	-	(14,114)	5,778	5,952
Mark McQueen Foundation Merseyside	17,345	1,525	(17,345)	15,144	16,669
Medicash	1,731	-	-	1,883	3,614
Merseyside Community Investment Fund	4,652	2,640	-	9,981	17,273
MJB Fund	21,131	-	(25,000)	25,255	21,386
New Progress Housing	22,947	-	(11,419)	9,013	20,541
Older Peoples Fund Lancashire	150,000	(18,000)	(36,657)	-	95,343
Older Peoples Fund Merseyside	150,000	(18,000)	(87,375)	-	44,625
Olivia Rae Foundation	730	703	3,400	4,103	8,936
Open Arms	-	36,000	(35,798)	-	202
Peel Ports 500	12,165	10,560	(6,088)	1,067	17,704
P Hearne Fund	-	6,000	(6,000)	-	-
Pendle Music Bursary Fund	8,394	-	(5,052)	8,436	11,778
Police Property Act Fund	1,361	39,195	(44,911)	4,355	-
Ray Messer Foundation	30,809	15,964	-	-	46,773
Rossendale Community Fund	1,633	-	(12,338)	11,686	981
Rossiter Foundation	11,126	-	(9,400)	9,629	11,355
Royal London Foundation	-	20,000	(20,000)	-	-
Rumi and Rishi Fund	27,529	-	(16,450)	9,445	20,524
Runcat Community Action	504	-	-	-	504
RWE Innogy UK Ltd Hambledon Hill	12,084	8,769	(8,860)	-	11,993
Sefton MBC Education & Learning Fund	6,557	-	(1,600)	6,147	11,104
Sefton MBC Taylor Fund	-	-	(200)	209	9
Shooting Stars Foundation	536	-	-	-	536
Shop Direct	1,305	-	-	3,157	4,462
Surviving Winter Lancashire	1,267	-	-	-	1,267
Surviving Winter Merseyside	412	-	-	-	412
United Utilities	630,216	-	(523,573)	-	106,643
WO Street Lancashire	(294)	-	-	34,523	34,229
WO Street Merseyside	2,885	-	-	7,371	10,256
Youthbank	(1,917)	-	-	-	(1,917)
# I will Merseyside (Formerly Youth Social Action Merseyside)	59,400	25,000	(95,126)	40,000	29,274
# I Will Manchester	-	22,500	-	-	22,500

GROWING STRONGER COMMUNITIES TOGETHER

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE

YEAR ENDED 31 MARCH 2019

NOTES TO THE FINANCIAL STATEMENTS

#1 will Lancashire (Formerly Youth Social Action Lancashire)	50,000	44,000	(89,000)	20,000	25,000
Other Funds	16,237	-	3,111	4,585	23,933
	<u>2,067,878</u>	<u>2,634,152</u>	<u>(2,476,050)</u>	<u>428,241</u>	<u>2,654,221</u>

b. COMPARATIVE ENDOWMENT FUNDS

	As at 1 April 2017 £	Incoming £	Movement in Resources Outgoing £	Gains and Transfers £	As at 31 March 2018 £
Permanent endowment	364,314	512,051	-	(18,537)	857,828
Expendable endowment	12,672,258	1,891,672	(29,254)	(691,852)	13,842,824
	<u>13,036,572</u>	<u>2,403,723</u>	<u>(29,254)</u>	<u>(710,389)</u>	<u>14,700,652</u>

Included in the above figures are the following significant (over £100,000) funds:

	1 April 2017 £	£	£	31 March 2018 £	£
Permanent endowment:					
Rossendale Community Fund	124,853	4,335	-	(4,193)	124,995
Sefton MBC Education & Learning Trust	135,786	4,623	-	(4,458)	135,951
1 other fund	103,675	3,040	-	(2,939)	103,776
The Charity of John Goore (refer Note 12)	-	500,053	-	(6,947)	493,106
Expendable endowment:					
23 Foundation	1,200,577	37,107	(4,269)	(75,190)	1,158,225
Alfred Shaw Trust	402,020	13,358	-	(12,928)	402,450
BHP Billiton	296,842	9,207	(1,055)	(18,587)	286,407
Tilney Investment Management	480,146	15,758	-	(15,247)	480,657
Halton Foundation – Knights House	1,992	344,228	-	(17,399)	328,821
High Sheriffs and Merseyside Police Trust	578,702	18,149	(1,672)	(32,893)	562,287
Hill Dickinson Foundation	336,086	11,329	(314)	(13,615)	333,486
John Goore Trust	317,691	15,431	(1,130)	(16,230)	315,762
Lancashire General Endowment	174,337	5,923	(620)	(10,916)	168,724
Lancaster Foundation	872,209	28,567	-	(27,640)	873,136
Leahy Foundation	1,002,555	32,183	(1,635)	(32,289)	1,000,814
Liverpool ONE Foundation	2,209,816	70,486	(4,149)	(106,249)	2,169,904
Mark McQueen Foundation (L)	177,105	5,493	(630)	(11,089)	170,879
Mark McQueen Foundation (M)	461,199	14,304	(1,640)	(28,878)	444,985
Merseyside Community Investment	300,115	9,391	(862)	(16,989)	291,655
MJB Fund	747,745	23,345	(2,171)	(42,502)	726,417
New Progress Housing Tenants Fund	276,247	8,568	(982)	(17,297)	266,536
Pendle Music Bursary	235,964	7,856	-	(7,300)	236,520
Rumi and Rishi Fund	255,730	8,375	-	(8,104)	256,001
The Rossiter Family Fund	293,247	9,095	(1,043)	(18,362)	282,937
WO Street Lancashire	1,058,180	32,820	(3,762)	(66,258)	1,020,980
WO Street Merseyside	224,482	6,961	(798)	(14,056)	216,590

21 other funds make up the balance of endowed funds:

COMMUNITY FOUNDATIONS FOR LANCASHIRE AND MERSEYSIDE
YEAR ENDED 31 MARCH 2019
NOTES TO THE FINANCIAL STATEMENTS

	769,271	159,895	(1,076)	(57,596)	870,494
Total	<u>13,036,572</u>	<u>2,403,723</u>	<u>(29,254)</u>	<u>(710,389)</u>	<u>14,700,652</u>

c. COMPARATIVE UNRESTRICTED FUNDS

	As at	Movement in Resources			As at
	1 April 2017	Incoming	Outgoing	Transfers	31 March 2018
	£	£	£	£	£
Unrestricted funds	266,314	370,199	(536,290)	194,046	294,269
Designated fund- Flood Appeal	5,000	-	(5,000)	-	-
Total	<u>271,314</u>	<u>370,199</u>	<u>(541,290)</u>	<u>194,046</u>	<u>294,269</u>

