

Registered number: 04088589
Charity number: 1084361

Kent Community Foundation
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 March 2023

KENT COMMUNITY FOUNDATION
(A company limited by guarantee)

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Reference and administrative details of the charitable company, its Trustees and advisers
For the year ended 31 March 2023

Trustees

Robert Sackville West, DL (Chair)
Sarah Hohler
Hugo Fenwick
Melissa Murdoch, DL
Emilia Falcetti Boscawen
Gail Hall
Russell Race JP, DL
Munyaradzi Badze
Samantha Cooper-Gray
Kruti Shrotri

Company registered number

04088589

Charity registered number

1084361

Registered office

Evegate Park Barn
Evegate
Smeeth
Ashford
Kent
TN25 6SX

Company secretary

Sarah Osborne

Chief executive

Josephine McCartney

Independent auditor

Kreston Reeves LLP
Statutory Auditor
Chartered Accountants
Montague Place
Quayside
Chatham Maritime
Chatham
Kent
ME4 4QU

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**Reference and administrative details of the charitable company, its Trustees and advisers (continued)
For the year ended 31 March 2023**

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Metro Bank
One Southampton Row
London
WC1B 5HA

Solicitors

Bates Wells Braithwaite
10 Queen Street Place
London
EC4R 1BE

Patron

The Lady Colgrain, Lord-Lieutenant of Kent

Vice Presidents

Lady Nelson
Simon MacLachlan
Rt Rev Dr Jonathan Gibbs Bishop of Rochester (appointed 24th September 2022)

Investment Managers

Sarasin & Partners LLP
100 St. Paul's Churchyard
London
EC4M 8BU

CCLA Investment Management Limited
One Angel Lane
London
EC4R 3AB

Website

www.kentcf.org.uk

KENT COMMUNITY FOUNDATION

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Trustees' report **For the year ended 31 March 2023**

The trustees (who are also directors of the charity for the purposes of the Companies Act 2006) present their annual report together with the audited financial statements of Kent Community Foundation (the company) for the year ended 31 March 2023. The trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2019).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. Policies and objectives

The Foundation's objectives are the promotion of any charitable purpose for the benefit of the community in the County of Kent and Medway and in particular the advancement of education, the protection of good health, both mental and physical, and the relief of poverty and sickness. The Foundation's objectives also include other exclusively charitable purposes in the United Kingdom and elsewhere which are, in the opinion of the trustees, beneficial to the community including those in the area of benefit.

The trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The charitable purpose of Kent Community Foundation is stated in its 'Objectives and Activities' and the trustees ensure that this purpose is carried out for the public benefit by working to the Mission Statement.

Kent Community Foundation (KCF) meets its charitable objectives by encouraging and facilitating financial and other support to a wide range of charitable causes, with a particular focus on assisting and enabling local community action in Kent and Medway. This means that the majority of the Foundation's grants are made to local community organisations in Kent and Medway, often reliant on volunteers. The trustees have identified priority areas of need to inform local community grant making:

- **Children Young People and Families:** Enabling young people and families to overcome disadvantage and achieve their potential
- **Vulnerable Adults:** Promoting the safety, wellbeing and independence of vulnerable adults.
- **The Elderly and Isolated:** Addressing the challenges faced by elderly adults; most importantly, social isolation. Enabling the elderly to stay well, healthy and independent.
- **Employability, Skills and Enterprise:** Raising the aspirations and increasing the skills and opportunities of people who are far from the labour market due to a range of circumstances that can present barriers to employment and training.
- **Environment:** To facilitate dynamic change by supporting projects which enrich nature, connect people with green spaces and enable more sustainable and healthier ways of living in Kent and Medway.

April 2022 marked the beginning of a new three-year business plan. The last three-year business plan which ended in April 2021, saw the organisation exceed its overarching financial objectives and at the end of March, 2021 the value of the organisation was £32m and the endowment value was £26m.

The Board agreed that an interim business plan for the 2021/22 financial year should be put in place to give the foundation the opportunity to recover and reset following a year of operating within a global pandemic.

This new business plan period will be KCF's most ambitious yet, not just in terms of financial targets but also in terms of its commitment to becoming a more inclusive and diverse organisation, and being responsible for its impact on the environment; with the ambition that these commitments become part of KCF's organisational DNA.

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Trustees' report (continued)
For the year ended 31 March 2023

Overarching Objectives to March 2025

- Maintain a minimum annual grant giving level of £3.5m by securing new flow-through fund-holders
- Achieve long term financial stability by increasing the value of our endowment funds to £50m
- Be the 'go to' organisation if you want to know anything about the sector in Kent
- Be a voice of authority on the social needs of the county
- Increase the number of organisations funded with multi-year core grants from 27 to 100
- Provide an excellent customer service to our grant recipients and our Fund-holders
- Implement a new IT infrastructure model across the Foundation
- Embed an EDI and Environmental culture across the Foundation
- Sustainably fund 70% of eligible grant applications
- Maintain a minimum 6 month's reserves level

Objectives for 2022/23

- Donation target - £3.388m
- Distribute grants of £3m
- Complete review of processes and IT requirements
- Deliver Needs Analysis Conference
- Complete review of investment managers
- Secure new million pound endowment match partner
- Implement second stage of Environmental Strategy
- Recruit new Trustees and sub-committee external advisers
- Complete review of existing fund-holder relationships

b. Strategies for achieving objectives

Kent Community Foundation encourages and enables a culture of local charitable giving, primarily for the benefit of the communities of Kent and Medway. The Foundation aims to improve the lives of local people, particularly the most disadvantaged and vulnerable, through the raising and distribution of funds given by individuals and private families, companies and other charitable trusts with the means and commitment to support their local community.

Kent Community Foundation proactively raises and develops new funds for Kent and Medway, typically, but not exclusively, through donor advised funds. Establishing permanent resources to benefit the local community is at the heart of the Foundation so raising endowment funds is a particular focus of fund development strategies. Building long-term, trusting relationships with potential donors and Fund-holders is key to achieving KCF's strategic aims. At the heart of this strategy is building the pipeline of new potential individual family and private family trust fund-holders in order to achieve the business plan endowment target of £50m. This audience has always been KCF's core business and where the development team focus their energies in each strategic period. KCF's development team invest time building relationships with local Professional Advisors in order to spread awareness of KCF's services in the appropriate networks.

Relationships with key statutory partners in Kent and Medway continue to bring in new funds, but there is a recognition that this is not KCF's long-term strategy as this funding which peaked during the Covid-19 pandemic will be time limited. As part of the UK Community Foundations network, KCF also delivers regional portions of national programmes from time to time.

Funds can operate within the Foundation's priority areas of need, or bespoke grant making criteria can be developed for individual Funds. The Foundation's grants team has a wealth of knowledge and experience and can advise donors and grant making panels on where funding is most needed.

It is believed there are nearly 3,000 active voluntary organisations in Kent and Medway who could be eligible for funding through KCF, therefore as part of its grant making strategy the team continues to deliver its outreach programme to attract new local causes.

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Trustees' report (continued)
For the year ended 31 March 2023

Grant applications go through a thorough due diligence and assessment process, ensuring organisations not only meet the main eligibility criteria but can demonstrate the need and demand for their services and are a going concern. Applicants are required to report back on how the money was spent and on the successes and challenges of their project once the funding has come to an end. This information takes the form of qualitative and quantitative data and is used to demonstrate impact to all KCF's stakeholders; directly through personal communications to Fund-holders and to the general public through the website, e-mailings and social media platforms. All these processes are considered by KCF to be proportional to the capacity of the organisation applying and size of the grant, and there are different application and assessment processes to suit varying organisation and grant types. KCF's grant making policy is reviewed by the trustees at least every two years.

Kent Community Foundation also has a loan fund for charities and social enterprises, Kent Social Enterprise Loan Fund (KSELF), which was started in 2013 with £1m of initial funding from Kent County Council in March 2012 followed by a further two donations of £1m in 2013 and 2014 respectively. A further £500,000 was added to the fund in October 2017 from The Growth Fund. The Growth Fund, is a £50m partnership which uses a combination of grant funding, made possible thanks to National Lottery players, and loan finance from Big Society Capital and other co-investors, to address specific gaps in the social investment market. The programme is delivered by Access through a range of social investors. Funds from The National Lottery Community Fund, under the Growth Fund programme have been treated as restricted funds, in these accounts.

This loan fund is now well established and has become a valuable source of investment for local Kent based charities and social enterprises who want to grow and develop for community benefit. With the capacity to consider loans of between £10,000 and £100,000 on bespoke, flexible terms, KSELF supports all sizes of social venture. Primarily a loan fund, there is also scope for an element of grant funding as well as providing applicants with investment support and advice.

c. Fundraising Practices

Kent Community Foundation is a registered member of the Fundraising Regulator which is the independent regulator of charitable fundraising, established to strengthen the system of charity regulation and restore public trust in fundraising. The Foundation is therefore committed to following The Code of Fundraising Practice. Kent Community Foundation has a complaints procedure to deal with any issues raised by stakeholders and is pleased to report that no complaints regarding fundraising have been received during the year. The Foundation takes a responsible approach to its fundraising, ensuring its donors and potential donors are treated with respect and has a vulnerable adults policy that its trustees regularly review. The Foundation has not used any commercial fundraising partners or outsourced any of its fundraising activity and does not intend to do so in the future.

Achievements and performance

a. Key financial performance indicators

Over this year, new donations of £4,266,454 were secured against an original target of £3.388m and £4,613,315 was distributed in grants.

During the year £1,084,269 was donated to the endowment funds from new and existing donors.

At the 31st March, 2023 the Foundation held endowment funds of £26,395,455 (2022: £27,286,264).

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Trustees' report (continued)
For the year ended 31 March 2023

b. Review of activities

Grant Making

Key statistics:

- During the year the grants team processed 1,078 grant applications;
- 886 grants were awarded to 573 organisations and over 130 individuals and families;
- 232 groups applied for their first time
- 150 groups received their first grant from KCF, demonstrating that KCF is continuing to increase its reach.

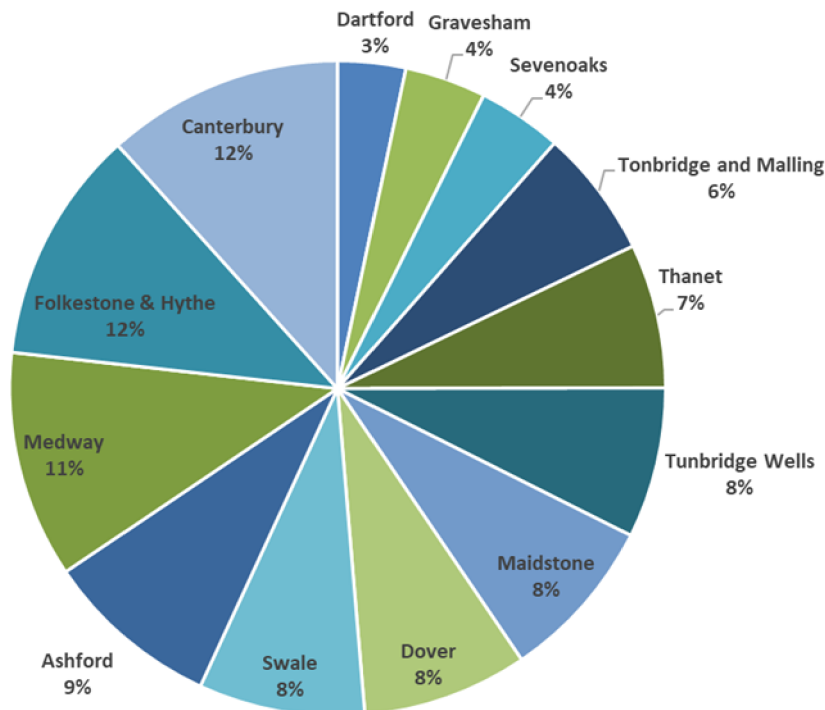
- Applications made to KCF saw a 67% success rate

The total value of grants paid out during the year was £4,613,315 which far exceed the target of £3m.

For more information about funded projects, see KCF's website: www.kentcf.org.uk/about

The chart below shows the distribution of funding across the various local authorities in Kent and Medway:

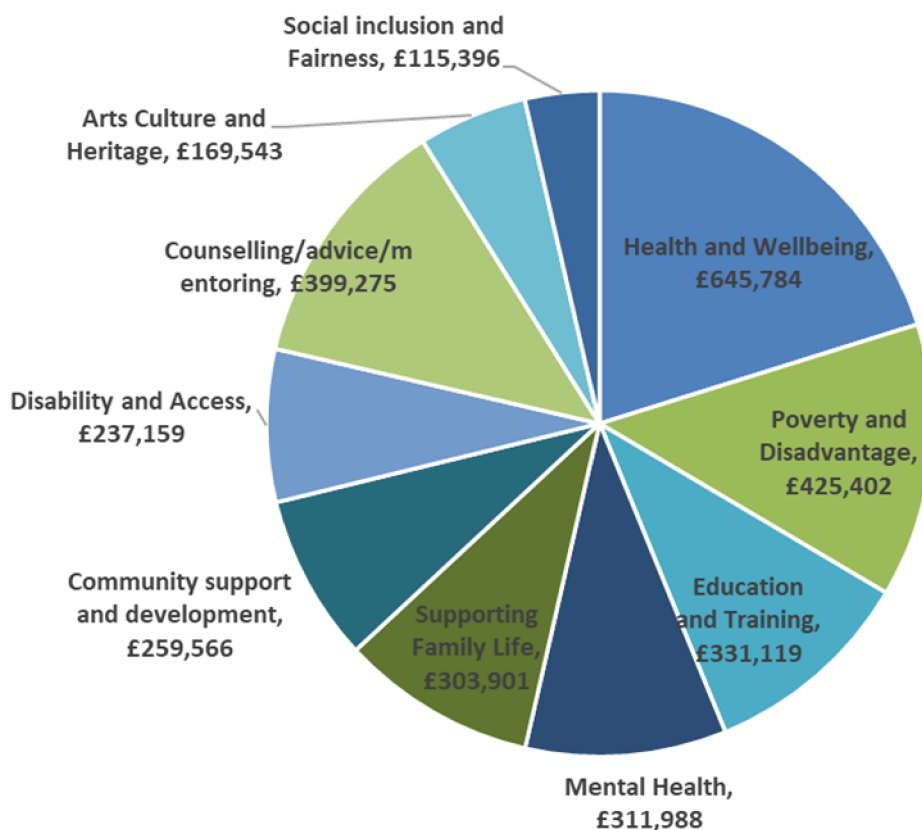
Funding Awarded by District 2022-2023



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For the year ended 31 March 2023

Top 10 Issues Funded 2022-23



Kent Community Foundation welcomes applications that fit with the priorities of the Foundation's various grants and loan making Funds. To find out which Funds are open for applications, see Kent Community Foundation's website where the latest funding rounds are advertised (www.kentcf.org.uk).

Grants Strategy

A new grants strategy was introduced in July 2021. Part of this strategy was an endeavour to make applying for grants more proportional and straightforward for applicants and new application 'routes' were introduced along with more guidance on eligibility made available on the KCF website. The new Micro Grants route was created for organisations with turnover of less than £75,000. Up to 31st March, 128 grants were made through this route with nearly half of those grants going to first-time applicants. The Annual Application route for organisations which have previously received multiple KCF grants was created to relieve the burden of submitting more than one application a year, for organisations eligible for multiple funding streams. These applications remain active for 12 months to attract as much support as possible, up to £15,000. The Annual route made 146 grants up to 31 March 2023.

Other aspects of the strategy included using knowledge gained from KCF's Needs Analysis report to supplement the Team's anecdotal knowledge to inform and direct grant making towards areas of highest need. KCF continued to advocate for the importance of core funding for charities to ensure they not only just support for their discrete projects, but can meet their ever growing overheads in times of increasing cost of living.

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Environmental Strategy

KCF recognises that the growing climate emergency is a serious risk to the pursuit of our charitable aims. As one of the largest private grant-makers in Kent and KCF has an important part to play in combating these challenges. We believe that local community action can be at the heart of delivering solutions that not only minimise the impact on the environment, but also offer additional benefits that people and local communities can reap. As place-based grant-makers, Community Foundations are pioneers of the statement 'think global, act local' and in partnership with donors and the local voluntary and community sector we believe we can facilitate dynamic change in our own 'back yard'.

In 2022-23 we achieved:

- A full carbon audit encompassing scope 1,2 and 3 and have committed to an accompanying carbon reduction plan.
- Over £280,000 worth of grants made with an environmental theme
- A review of our investment policy and houses in line with the spirit of the Paris Climate Agreement and the objective of net zero carbon.
- The recruitment of two external advisers to our Environmental committee.
- KCF's Development Manager, Sophie Hosking completed Active Philanthropy's three month Climate and Philanthropy course along with a cohort of European Community Foundation colleagues.

As well as our own environmental strategy and action plan, KCF is a signature of the Funder Commitment on Climate Change and has committed to taking action on six pillars: Educate and Learn, commit resources, integrate, steward our investments for a post carbon future, decarbonise our operations, report on progress.

Kent Needs Analysis Conference

Following the publication of KCF's Needs Analysis report (which can be found here <https://www.paperturn-view.com/uk/graphickat/needs-analysis-2022-flip?pid=MjU250116&v=4.1>) the foundation hosted its first conference to celebrate the launch in June 2022. Over 200 delegates attended from a range of stakeholder groups including charities, grant makers, Fund-holders and statutory bodies. Keynote speakers addressed the attendees, with breakout sessions for smaller groups to discuss specific areas of interest based on the report's key findings. The trustees were delighted with success of the conference and the positive reception the report received.

Equity Diversity and Inclusion (EDI)

During the year, KCF published a statement about its EDI journey which can be found here: <https://kentcf.org.uk/edi-statement>

The Board of Trustees established an EDI Committee with its inaugural meeting taking place on the 14th April 2023. The Committee will oversee a rewrite of the strategy and action plan and monitor how it is implemented across the organisation.

The Kent Social Enterprise Loan Fund (KSELF)

In 2022-23, six loans (with grant elements) were agreed to a total value of £529,000. The fund released £354,000 in loans and £100,000 in grants during the year. There were 24 on-going loans at the end of the year.

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Quality Accreditation

UK Community Foundations runs a network wide Quality Accreditation programme which endorses and encourages best practice by community foundation members and has been held by Kent Community Foundation since 2007. In October 2021, Kent Community Foundation passed the fifth Quality Accreditation, which involved independent assessors reviewing KCF's internal processes across a set of standards relevant to Community Foundations which include five key performance areas:

- Strategy, governance, definitions and risk
- Financial and information management
- Philanthropy services and donor management
- Grant making and community participation
- Organisational and network development.

Achieving Quality Accreditation demonstrates that the Foundation is serious about quality and accountability and secures its position as part of a high performing network across the UK. Successful accreditation awarded in 2021 will last for three years.

c. Investment policy and performance

All investment decisions by the Foundation are considered by the Investment Committee and ratified by a quorum of trustees. The Foundation's Investment Policy is reviewed from time to time by the Board of Trustees. The Foundation aims to meet a balance between current needs and developing the endowment to meet the needs of future generations. Therefore, investment of endowed funds should achieve a balance between capital growth and income.

The Foundation seeks to produce the best financial return within an acceptable level of risk. The aim is to distribute 5% of fund value annually to cover both grant making in the community and the contribution to KCF's own costs, while maintaining the long-term value of the Foundation's endowment funds. The Foundation adopts a total return approach with the aim of optimising the return generated, regardless of whether this is obtained from dividends, interest or capital gain and the Investment Committee monitors this balance.

The Foundation regularly reviews the real value of its investment funds and may take action, including reducing the annual drawdown, if the long-term endowment of the Foundation is at risk. However, the Foundation takes a long-term view and recognises the context of its overall strategy to continually raise new funds to add to the overall endowment. In this regard, the Foundation treats its investment funds as expendable, rather than permanent, endowment.

The Investment Committee meet twice during each year to review performance of the investments as well as meeting face to face with the Relationship Managers from both investment houses the charity work with.

The total value of investments held by KCF at 31 March 2023 was £26,921,542; having started the year at 31 March 2022 at £27,856,676.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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b. Reserves policy

The aim of Kent Community Foundation is to benefit the local communities of Kent and Medway. An important way it does this is by encouraging individuals, businesses and funders to establish donor advised funds. Generally, these funds are restricted for specific community grant making with a portion given over as a contribution towards the core running costs of the Foundation itself. This gives Kent Community Foundation a level of security in terms of regular income, but there are still some uncertainties as flow through funds and the value of endowed funds fluctuate from year to year.

Kent Community Foundation's income tends to arise from a modest number of significant donations, rather than a large number of smaller donations. Given the amounts involved and the long-term nature of these funds, the trustees are mindful of the need to give stakeholders, particularly existing and potential donors, confidence that the charity has sufficient reserves to carry on its activities in the face of a shortfall of income or fluctuations in investment performance.

The trustees have considered the above and have agreed that the charity will retain a minimum of six months' anticipated running costs as reserves. In addition, where possible, the trustees plan to hold a margin above this level of reserves to ensure KCF is in a position to respond quickly to, and invest in, new opportunities as and when they arise.

During the 2021-22 financial year, the trustees decided to designate £150,000 of free reserves to set aside funding for significant IT upgrades which need to take place over the next one to two years. The Foundation's database is at the end of its life and in need of replacement, so the opportunity will be used to also assess and improve on the associated technology used to process grants, finances and interact with applicants and supporters. The objective is that these improvements will increase the efficiency of the Foundation without needing to increase staff costs and create a better user experience for all stakeholders and staff; improving productivity, long term cost savings and an increase in voluntary income. At the end of the year £12,174 had been spent from this designated fund.

Taking this into account, the level of free reserves at 31st March 2023 was £507,734 which was the equivalent of 7 months operating costs. The trustees considered this level of reserve and agreed it was appropriate given the above policy.

c. Principal funding

The principal sources of funding are individuals, companies, charitable trusts and other organisations with an interest in the communities of Kent and Medway. Significant donations were received during the period from a number of charitable trusts, individuals, statutory bodies and corporations including: Notsew Orm Sands Foundation donating £1m; Kent County Council giving a total of £326,550; Arun Estates giving £230k; and other significant trust donations from The Brook Trust, Barretts of Canterbury, the Dulverton Trust and the Frank Brake Charitable Trust.

d. Material investments policy

The Foundation's assets can be invested widely and diversified by asset class. Asset classes can include cash, bonds, UK and overseas equities, property, hedge funds, structured products, private equity, commodities and any other asset class deemed suitable for the Foundation.

The Foundation's Trustees agree a suitable investment strategy which the appointed Investment Managers are required to follow, and this is monitored by the Investment Committee.

The Foundation's Investment Managers concentrate on what they regard as good quality securities that can be invested in for the medium to long term. In order to pass their quality threshold they take into account a number of factors and risks which may include environmental factors. They also meet, where possible, with the management of the companies they invest in, engage with them and vote on issues that they regard as material.

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Trustees' report (continued) **For the year ended 31 March 2023**

During the year the Board of Trustees reviewed the Foundation's Investment Policy with the primary intention of strengthening its approach to responsible and sustainable investment. Environmental, social and governance (ESG) factors were reviewed and more explicitly written into the policy and subsequently discussed with the incumbent investment managers as to their ability to deliver these new objectives. These policy changes were also the focal point of the investment manager review and ESG was a significant area of the Investment Committee's considerations.

Responsible Investment Criteria

KCF recognises its own role in contributing to positive environmental and social change in the community. It therefore follows that investing in companies that are responsible, as well as stable and profitable, is important to KCF's values and reputation, and can play an important part in meeting KCF's financial objectives. KCF requires investment managers who work on its behalf to apply measures to analyse key risks and engage with, and if necessary disinvest from, investee companies which exceed tolerable risk levels.

General Exclusions

KCF will actively avoid or minimise its exposure to areas considered by the trustees to be in conflict with KCF's objectives and values, specifically:

- Armaments: will not invest in companies involved in producing or providing core systems of controversial weapons (eg anti-personnel mines, cluster weapons, nuclear, chemical or biological weapon systems); will not invest in companies deriving more than 10% of revenues from military armaments
- Adult Entertainment: will not invest in companies deriving more than 10% of revenues from production of adult entertainment
- Alcoholic beverages: will not invest in companies deriving more than 10% of revenues from manufacturing alcoholic beverages
- Tobacco: will not invest in companies involved in the production of tobacco products
- Gambling: will not invest in companies deriving more than 10% of revenues from owning or operating gambling establishments or online gambling enterprises
- Predatory lending: will not invest in companies engaged in predatory lending

Environmental factors

KCF supports and wishes to contribute to the Paris Climate Agreement and the objective of net zero carbon. KCF wishes to align its investments with its environmental policy objectives, specifically:

- Net Zero Carbon: KCF will expect its Investment Managers to have policies and strategies in place to achieve net zero carbon across their asset holdings by 2050, and in particular to engage with companies to encourage positive policies in this respect and if necessary to disinvest where progress is unsatisfactory.
- Negative environmental impact: KCF wishes to avoid or limit investment exposure to companies whose processes or products involve high risk emissions or releases to land, water or air. KCF will work with Investment Managers who are applying appropriate monitoring and screening in this respect, and will expect IMs to engage with companies involved in high-risk activity and to disinvest if environmental behaviours are not improved

Social and governance

KCF recognises the importance of good corporate governance and social responsibility and seeks to invest in companies which demonstrate these values, specifically:

- KCF will expect its IMs to employ systems to assess the social and governance risks at play in investee companies (e.g. Sustainalytics) and to use these tools to avoid highest risk companies, and to identify companies with which to engage to promote improved corporate behaviours
- KCF wishes to avoid investment in companies which pose a high risk in terms of poor employment practices or failing to uphold standards of human rights among employees and other stakeholders both within its own operations and its supply chain
- KCF wishes to avoid investment in companies which pose high risks in terms of corporate governance, regulatory or legal shortcomings, or questionable business ethics such as corruption, anti-competitive, mis-selling etc.

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Trustees' report (continued)
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The Foundation regularly reviews all ethical restrictions as part of its investment policy and ensures investments do not conflict with the Foundation's charitable purposes. The trustees take a measured and objective approach to this process with advice from their investment managers and are maintaining transparent communication with donors and stakeholders about decisions made.

Investment Management Review

After the scheduled review of investment managers was postponed due to the pandemic, the process began in February 2022. Initial proposals from a range of investment managers were received and reviewed by the Investment Committee and then a shortlist made. The shortlisted candidates presented their investment proposals to the Committee, explaining their approach to investing, how they would meet the expectations of KCF's investment policy and their suggestions for how the portfolio would be invested.

The Committee recommended continuing investing with CCLA, (in the COIF Investment and COIF Ethical Funds) and recruiting Sarasin & Partners to replace Investec Wealth & Investment, to manage the rest of the portfolio, which the Board of Trustees approved. The funds were transferred gradually from Investec during the year and invested in units in Sarasin & Partners' Climate Active Endowments Fund.

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Trust deed on 20 October 2000. The Company is a registered Charity (number 1084361), registered on 5 January 2001. Operations commenced during April 2001.

b. Method of appointment or election of Trustees

Trustees are appointed by the Board of Trustees in their capacities as members. Following an equity, diversity and inclusion audit, the trustees decided to engage a process of open recruitment to appoint three trustees in 2021 to encourage more diversity, and this process was repeated in April 2023, resulting in three new appointments to the Board.

Trustees retain the ability to recommend individuals of interest to the Board, but now primarily operate with an open recruitment policy following regular skills analysis' of the board.

c. Policies adopted for the induction and training of Trustees

New trustees undergo an initial induction to brief on the role of a trustee, Kent Community Foundation's charitable purpose, strategy and priorities, finances, staffing and operations and any current issues. Thereafter, there is an annual trustee away day and other training is arranged as appropriate.

d. Pay policy for senior staff

A committee of trustees has been set up which considers and assesses pay levels for all staff taking into account market conditions as well as individual roles and responsibilities. All decisions of the Staffing and Remuneration Committee are ratified by the Board of Trustees.

The trustees consider the Board of Trustees, the Chief Executive and the Director of Grants and Impact as the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give their time freely and no trustee remuneration was paid in the year. Details of the trustee expenses and related party transactions are disclosed in note 8 of the accounts.

The pay of the Chief Executive and Director of Grants and Impact is reviewed annually by the Staffing and Remuneration Committee to ensure that the remuneration is fair and not out of line with that generally paid for similar roles.

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e. Organisational structure and decision making

The Board of Trustees governs the Charity. The Chief Executive, supported by a team of (on average during the year) 16 paid staff, conducts the day-to-day business of the Charity, reporting to the board.

As of March 2023 the board consisted of 10 trustees and directors including the Chair.

The Board of Trustees delegate responsibility to sub-committees in some areas such as:

- Finance and Audit
- Investments
- Staffing and Remuneration
- Grants
- Technology
- Environmental strategy
- Equity Diversity and Inclusion Committee – established in November 2022 with inaugural meeting in April 2023

All sub-committees have trustee membership and terms of reference which are regularly reviewed. Some committees have trusted advisers who specialise in certain areas to add to the trustees' skills and experience. All decisions are reported back to the board at its quarterly meetings through the sharing of minutes.

After the year end, in May 2023 Gail Hall was appointed by the Board as Vice Chair.

f. Risk management

The trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Significant risks identified by the trustees are as follows:

- Insufficient unrestricted funds/reserves to cover operations, mitigated by prudent management of reserves which do not fall below 6 months' running costs in accordance with the Charity's reserves policy and careful monitoring of financial position on a regular basis by trustees.
- Challenges recruiting new donors/Fund-holders affecting fund development especially endowment growth, mitigated by priority focus on fund development activities by staff and trustees.
- Reputational risk if the Foundation fails to meet expectations of funders, donors, grantees and other stakeholders, mitigated by proactive client care strategies and high level of engagement.
- Key person risk, mitigated by continuing development of structure/operations and capacity of the Foundation to avoid over reliance on one or two key individuals.
- Loss in value of endowments, mitigated by close supervision and scrutiny of external Investment Fund Managers by trustee Investment Committee.
- Loss of funds due to fraud (including improper use or misdirection of grant making funds) mitigated by a robust financial procedures policy, anti-bribery policy and grant making policy reviewed and ratified regularly by the Board of Trustees.
- Risk to data security (including personal data), by cyber-attack or accidental data leak. This is mitigated by our IT provider maintaining up to date security software, and data protection procedures implemented from KCF's data protection policy, recently reviewed by the board, to ensure compliance with GDPR. Cyber Essentials accreditation being applied for in 2022 to increase security.
- Failure to comply with Charity and Company law or regulatory requirements of Charity Commission and Companies House, mitigated by regular compliance activities scheduled and monitored by Company Secretary. Support is provided by auditors regarding reporting requirements. Regular board agenda items in place to adhere to trustees responsibilities.
- Loss of key personnel such as senior management staff, due to resignation, termination of employment, sickness or long term absence. This area of risk has been recently assessed and new mitigation strategies are being put in place to ensure that loss of a significant person has minimal impact on the delivery of the Foundations charitable purposes, financial wellbeing and the well being of the staff team.

KENT COMMUNITY FOUNDATION
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 March 2023

In all these areas the board is satisfied it has identified appropriate mitigating actions and is regularly reviewing its risk register at quarterly meetings of the board.

Future developments and Business Plan Objectives for 2023/24

Objectives agreed for 2023/24 Financial Year:

- Donation target - £6.2m – March 2024
- Distribute grants of £3.84m – March 2024
- Complete implementation of new IT infrastructure including database - Oct 2023
- Review and implement new financial strategy for KCF – Nov 2023
- Secure new million-pound endowment match partner – Oct 2023
- Deliver new sector infrastructure grants programme – March 2024
- Recruit two new Trustees and sub-committee external advisers – May 2023

The trustees agreed to invest in a review of KCF's current operating practices in order to ensure our processes and IT infrastructure are fit for purpose and future proofed for at least the next 10 years of growth and designated £150k in 2021/22 to fund the recommended improvements. The project to build and implement a new Salesforce CRM and Grant-Making system is underway, with the initial phase of this project due to finish before the end of the financial year 2023-24. KCF's financial systems and processes are also being reviewed, to increase efficiency and improve data management, analysis, and forecasting.

The Board plans to invest in contingency and sustainability planning, including financial forecasting and strengthening the development team.

In March 2023 the Board commenced another successful round of open recruitment for new trustees and appointed three new board members in July 2023.

Disclosure of information to auditor

Each of the persons who are trustees (who are also directors of the charity for the purposes of the Companies Act) at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that trustees have taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charitable company's auditor in connection with preparing its report and to establish that the charitable company's auditor is aware of that information.

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



Robert Sackville-West DL
(Chair of Trustees)
Date: 28th July 2023

KENT COMMUNITY FOUNDATION

(A company limited by guarantee)

Statement of trustees' responsibilities

For the year ended 31 March 2023

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

Company law requires the trustees to prepare financial statements for each financial . Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

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

KENT COMMUNITY FOUNDATION
(A company limited by guarantee)

Independent auditor's report to the Trustees of Kent Community Foundation

Opinion

We have audited the financial statements of Kent Community Foundation (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

KENT COMMUNITY FOUNDATION
(A company limited by guarantee)

Independent auditor's report to the Trustees of Kent Community Foundation (continued)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

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

Responsibilities of trustees

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

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

KENT COMMUNITY FOUNDATION
(A company limited by guarantee)

Independent auditor's report to the Trustees of Kent Community Foundation (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and industry, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and taxation legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety and fundraising practices) and fraud; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

KENT COMMUNITY FOUNDATION
(A company limited by guarantee)

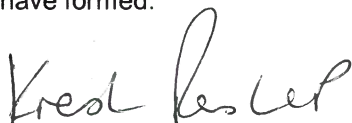
Independent auditor's report to the Trustees of Kent Community Foundation (continued)

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my Auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



Susan Robinson BA FCA FCIE DChA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Chatham Maritime

28 July 2023

KENT COMMUNITY FOUNDATION
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2023

	Note	Endowment funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:						
Donations and legacies:	3					
Donations and grants		1,084,269	3,098,694	83,491	4,266,454	4,361,929
Operational contribution (internal cross-charging)		-	-	761,561	761,561	701,238
Fees from external funds		-	-	11,422	11,422	33,320
Investments	4	-	1,012,592	37,199	1,049,791	997,580
Total income and endowments		1,084,269	4,111,286	893,673	6,089,228	6,094,067
Expenditure on:						
Raising funds	5	-	-	143,206	143,206	131,287
Charitable activities		27,276	5,359,922	695,087	6,082,285	5,384,014
Total expenditure		27,276	5,359,922	838,293	6,225,491	5,515,301
Net income/(expenditure) before net (losses)/gains on investments						
		1,056,993	(1,248,636)	55,380	(136,263)	578,766
Net (losses)/gains on investments		(1,600,632)	-	-	(1,600,632)	1,557,483
Net income/ (expenditure)		(543,639)	(1,248,636)	55,380	(1,736,895)	2,136,249
Transfers between funds	16	(347,170)	347,170	-	-	-
Net movement in funds		(890,809)	(901,466)	55,380	(1,736,895)	2,136,249
Reconciliation of funds:						
Total funds brought forward		27,286,264	5,298,149	590,180	33,174,593	31,038,344
Net movement in funds		(890,809)	(901,466)	55,380	(1,736,895)	2,136,249
Total funds carried forward		26,395,455	4,396,683	645,560	31,437,698	33,174,593

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 23 to 43 form part of these financial statements.

KENT COMMUNITY FOUNDATION
(A company limited by guarantee)
Registered number: 04088589

Balance sheet
As at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	-	-
Investments	12	26,921,542	27,856,676
		<u>26,921,542</u>	<u>27,856,676</u>
Current assets			
Debtors due after more than 1 year	13	413,324	336,064
Debtors due within 1 year	13	272,913	199,456
Investments	14	588,225	1,037,256
Cash at bank and in hand		4,013,706	4,533,851
		<u>5,288,168</u>	<u>6,106,627</u>
Creditors: amounts falling due within one year	15	(772,012)	(788,710)
		<u>4,516,156</u>	<u>5,317,917</u>
Net current assets		4,516,156	5,317,917
Total assets less current liabilities		<u>31,437,698</u>	<u>33,174,593</u>
Total net assets		<u>31,437,698</u>	<u>33,174,593</u>
Charity funds			
Endowment funds	16	26,395,455	27,286,264
Restricted funds	16	4,396,683	5,298,149
Unrestricted funds	16	645,560	590,180
Total funds		<u>31,437,698</u>	<u>33,174,593</u>

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

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

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



Robert Sackville West DL
 (Trustee)

Date: 28th July 2023

The notes on pages 23 to 43 form part of these financial statements.

KENT COMMUNITY FOUNDATION
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 March 2023

	2023	2022
	£	£
Cash flows from operating activities		
Net cash used in operating activities	(860,114)	(476,606)
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	1,049,791	997,580
Proceeds from sale of investments	9,855,598	437,610
Purchase of investments	(10,565,420)	(76,134)
	<hr/>	<hr/>
Net cash provided by investing activities	339,969	1,359,056
	<hr/>	<hr/>
Cash flows from financing activities		
Cash flows from financing activities	-	-
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(520,145)	882,450
Cash and cash equivalents at the beginning of the year	4,533,851	3,651,401
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	4,013,706	4,533,851
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 23 to 43 form part of these financial statements

KENT COMMUNITY FOUNDATION
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

1. General information

Kent Community Foundation is a charitable company, limited by guarantee, domiciled in England and Wales, registration number 04088589. The registered office is Evegate Park Barn, Evegate, Smeeth, Ashford, Kent, TN25 6SX.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The charity's functional and presentational currency is in Pounds Sterling.

The charity's financial statements are presented to the nearest pound.

2.2 Company status

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

2.3 Going concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

KENT COMMUNITY FOUNDATION
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

2. Accounting policies (continued)

2.4 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Endowment funds represent those assets held in the long term by the charity, principally investments. In accordance with the trust deed and donors' wishes the capital is expendable, that is the capital can be converted into income at the discretion of the trustees in the furtherance of the charitable objectives. Income arising on endowment fund can be used in accordance with the objectives of the charity and included in restricted income. Any capital gains and losses arising and the investment management charges and legal advice relating to the fund are charged against the fund.

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

2.5 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of the legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

For donations received subject to match funding arrangements the additional funding received is recognised at the time of the initial donation, unless any conditions are attached.

Donations other than in the form of cash are recorded at fair value as at the date of the donation.

KENT COMMUNITY FOUNDATION
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

2. Accounting policies (continued)

2.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Head office. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to governance of the company apportioned to charitable activities.

Expenditure on raising funds includes all expenditure incurred by the charitable company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.7 Tangible fixed assets and depreciation

All assets over £1,000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the costs of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	-	33.3% straight line
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KENT COMMUNITY FOUNDATION
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

2. Accounting policies (continued)

2.8 Investments

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

Current asset investments include cash or other short-term liquid investments with a short maturity of more than three months but less than one year, held for investment purposes.

2.9 Operating leases

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

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

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

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

KENT COMMUNITY FOUNDATION
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

2. Accounting policies (continued)

2.13 Financial instruments

The charity enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable in non-puttable ordinary shares.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.14 Pensions

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

2.15 Value Added Tax

Value Added Tax (VAT) is not recoverable by Kent Community Foundation, and as such is included in the relevant costs in the statement of financial activities.

KENT COMMUNITY FOUNDATION
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

2. Accounting policies (continued)

2.16 Social investments

The objective of the Kent Social Enterprise Loan Fund is to support existing and emerging enterprises through the making of grants and concessionary loans. These loans are made or received by the charity to further its purposes and any interest charged is below prevailing market rates.

Kent Community Foundation has opted to initially recognise and measure the loans at the amount received or paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment. Fees and interest are deemed to be restricted income, to be utilised in the making of future loans in accordance with the fund objectives.

If Kent Community Fund consider that there is an objective evidence of impairment, for example a default on repayments due or evidence of significant financial difficulty in the entity in which the investment has been made, then an immediate impairment loss is recognised in the statement of financial activities as a cost within expenditure on charitable activities. The impairment is measured on the same basis as other investments or financial assets.

Amounts due for repayment after more than 12 months from the balance sheet date are shown as long-term debtors within current assets.

2.17 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the trustees to make judgements, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

The material judgements, estimates or assumptions that have had significant impact on amounts recognised in the financial statements are:

Investment valuations

Investment valuations are obtained by trustees from the investment managers, who utilise the closing quoted market price information available at the balance sheet date.

Impairment of social investment debtors

The charity makes an estimate of the recoverable value of social investment debtors. When assessing the impairment of the social investment debtors, management considers factors including the current credit rating of the debtor, the ageing profile of the debtors and historical experience. See note 13 for the net carrying amount of social investment debtors.

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Notes to the financial statements
For the year ended 31 March 2023

3. Income from donations and legacies

	Endowment funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations					
Donations and grants	1,084,269	3,098,694	83,491	4,266,454	4,361,929
Operational contribution (internal cross-charging)	-	-	761,561	761,561	701,238
Fees from external funds	-	-	11,422	11,422	33,320
	<u>1,084,269</u>	<u>3,098,694</u>	<u>856,474</u>	<u>5,039,437</u>	<u>5,096,487</u>
<i>Total 2022</i>	<u>76,134</u>	<u>4,262,508</u>	<u>757,845</u>	<u>5,096,487</u>	

From time to time, Kent Community Foundation receives substantial one-off donations to set up donor advised funds. This can mean that income from donations and grants is subject to fluctuations from year to year.

4. Investment income

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Investment income	1,006,900	37,199	1,044,099	989,690
KSELF Income	5,692	-	5,692	7,890
	<u>1,012,592</u>	<u>37,199</u>	<u>1,049,791</u>	<u>997,580</u>
<i>Total 2022</i>	<u>991,721</u>	<u>5,859</u>	<u>997,580</u>	

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Notes to the financial statements
For the year ended 31 March 2023

5. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Other staff costs	51	51	67
Rent & rates	8,306	8,306	8,243
Marketing & advertising	6,282	6,282	4,999
Sundries	1,180	1,180	1,100
Office costs	4,057	4,057	2,920
IT support	5,062	5,062	4,651
Insurance	294	294	226
Bank charges	156	156	172
Subscriptions	3,891	3,891	3,706
Book keeping	4,645	4,645	4,188
Legal & professional	5,151	5,151	3,594
Travel	1,289	1,289	546
Wages and salaries	87,590	87,590	83,093
Employer's NI	8,688	8,688	7,783
Pensions	5,916	5,916	5,610
Staff Training	648	648	389
	<u>143,206</u>	<u>143,206</u>	<u>131,287</u>
<i>Total 2022</i>	<u>131,287</u>	<u>131,287</u>	

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Notes to the financial statements
For the year ended 31 March 2023

6. Analysis of grants

	Grants to Institutions 2023 £	Grants to Individuals 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Community First Grant-making	344,432	-	344,432	211,892
Grants	4,177,694	91,189	4,268,883	3,859,434
	<u>4,522,126</u>	<u>91,189</u>	<u>4,613,315</u>	<u>4,071,326</u>
<i>Total 2022</i>	<u><u>3,784,209</u></u>	<u><u>287,117</u></u>	<u><u>4,071,326</u></u>	

From time to time, Kent Community Foundation makes large one-off donations from donor-advised funds which can mean Grants payable is subject to significant fluctuation from year to year.

A list of the recipients of significant grants made to institutions is available on request from the charity's registered office and is available on the charity's website: www.kentcf.org.uk

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Notes to the financial statements
For the year ended 31 March 2023

7. Costs of charitable activities

	Endowment funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Grants payable (See note 6)	-	4,613,315	-	4,613,315	4,071,326
Operational contribution	27,276	653,390	-	680,666	638,205
KSELF operational contribution	-	93,217	-	93,217	91,389
Operational staff costs and pensions - grants team	-	-	317,146	317,146	280,179
Other staff costs	-	-	205	205	268
Rent & Rates	-	-	33,225	33,225	32,970
Marketing & advertising	-	-	25,127	25,127	19,998
Sundries	-	-	4,720	4,720	4,400
Office costs	-	-	16,228	16,228	11,678
IT support	-	-	20,249	20,249	18,606
Insurance	-	-	1,178	1,178	906
Bank charges	-	-	625	625	689
Subscriptions	-	-	15,565	15,565	14,826
Book keeping	-	-	18,579	18,579	16,754
Travel	-	-	5,156	5,156	2,183
Events	-	-	20,539	20,539	14,931
Legal & professional	-	-	20,340	20,340	16,478
Salaries and pensions	-	-	170,640	170,640	135,873
Staff training	-	-	2,591	2,591	1,555
Designated IT strategy costs	-	-	12,174	12,174	-
Audit fees	-	-	10,800	10,800	10,800
	<u>27,276</u>	<u>5,359,922</u>	<u>695,087</u>	<u>6,082,285</u>	<u>5,384,014</u>
<i>Total 2022</i>	<u>9,767</u>	<u>4,791,153</u>	<u>583,094</u>	<u>5,384,014</u>	

8. Auditor's remuneration

	2023 £	<i>2022 £</i>
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	10,800	10,800

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Notes to the financial statements
For the year ended 31 March 2023

9. Staff costs

	2023	<i>2022</i>
	£	£
Wages and salaries	500,278	436,138
Social security costs	46,954	38,680
Pension costs	42,748	37,720
	589,980	<i>512,538</i>

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

	2023	<i>2022</i>
	No.	<i>No.</i>
Employees	16	<i>15</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	<i>2022</i>
	No.	<i>No.</i>
In the band £70,001 - £80,000	-	<i>1</i>
In the band £80,001 - £90,000	1	<i>-</i>

The total salaries received by key management personnel was £135,082 (2022: £127,347). Employer pension contributions were a total of £11,857 (2022: £11,174) and employer national insurance contributions were a total of £16,976 (2022: £15,131).

10. Trustees' remuneration and expenses

During the year, no trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no trustee expenses have been incurred (2022 - £NIL).

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Notes to the financial statements
For the year ended 31 March 2023

11. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 April 2022	11,363
At 31 March 2023	<u>11,363</u>
Depreciation	
At 1 April 2022	11,363
At 31 March 2023	<u>11,363</u>
Net book value	
At 31 March 2023	<u><u>-</u></u>
<i>At 31 March 2022</i>	<u><u>-</u></u>

12. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2022	27,856,676
Additions	10,565,420
Disposals	(9,855,598)
Revaluations	(1,644,956)
At 31 March 2023	<u>26,921,542</u>
Net book value	
At 31 March 2023	<u>26,921,542</u>
<i>At 31 March 2022</i>	<u><u>27,856,676</u></u>

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Notes to the financial statements
For the year ended 31 March 2023

12. Fixed asset investments (continued)

The total decrease of revaluations of £1,644,956 disclosed above includes £1,600,632 attributable to the charity and £44,324 attributable to client money held.

Investments at market value comprise of listed investments at £26,921,542 (2022: £27,856,676).

The market continues to demonstrate volatility post the year end.

13. Debtors

	2023	2022
	£	£
Due after more than one year		
Loans	413,324	336,064
	413,324	336,064
Due within one year		
Loans	270,713	172,256
Other debtors	2,200	27,200
	686,237	535,520

Loans consist of loans to borrowers issued through the Kent Social Enterprise Loan Fund.

14. Current asset investments

	2023	2022
	£	£
Unlisted investments	588,225	1,037,256

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Notes to the financial statements
For the year ended 31 March 2023

15. Creditors: Amounts falling due within one year

	2023	<i>2022</i>
	£	£
Trade creditors	18,979	<i>10,581</i>
Other taxation and social security	13,693	<i>11,426</i>
Client money held	664,309	<i>682,664</i>
Other creditors	70,031	<i>84,039</i>
Deferred income	5,000	<i>-</i>
	<hr/> 772,012 <hr/>	<hr/> <i>788,710</i> <hr/>

The Kent Community Fund Foundation holds funds of £664,309 (2022: £682,664) in respect of the Spires Academy.

Deferred income at the end of the year, constitutes a Kent Social Enterprise Loan repayment received, in relation to the year ended 31 March 2024.

KENT COMMUNITY FOUNDATION
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Notes to the financial statements
For the year ended 31 March 2023

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Designated funds						
IT Strategy	150,000	-	(12,174)	-	-	137,826
General funds						
General Funds - all funds	440,180	893,673	(826,119)	-	-	507,734
Total Unrestricted funds	590,180	893,673	(838,293)	-	-	645,560
Endowment funds						
Grassroots Funds Endowment Funds	5,571,967	-	(9,776)	-	(432,429)	5,129,762
Other Endowment Funds	12,901,165	1,076,250	(17,500)	(174,144)	(736,819)	13,048,952
Community First Endowment Funds for Kent	8,813,132	8,019	-	(173,026)	(431,384)	8,216,741
	27,286,264	1,084,269	(27,276)	(347,170)	(1,600,632)	26,395,455
Restricted funds						
Donor Advised Funds - Individuals and Trusts	1,552,144	2,116,873	(2,476,189)	115,409	-	1,308,237
Donor Advised Funds - Corporate	902,403	1,203,648	(1,362,872)	10,567	-	753,746
Miscellaneous Funds	1,080,637	741,643	(1,317,497)	221,194	-	725,977

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Notes to the financial statements
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16. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2023 £
Community Cash Fund	-	-	-	-	-	-
Kent Social Enterprise Loan Fund	1,063,151	11,621	(133,364)	-	-	941,408
Big Lottery Fund	699,814	37,501	(70,000)	-	-	667,315
	<u>5,298,149</u>	<u>4,111,286</u>	<u>(5,359,922)</u>	<u>347,170</u>	<u>-</u>	<u>4,396,683</u>
Total of funds	<u><u>33,174,593</u></u>	<u><u>6,089,228</u></u>	<u><u>(6,225,491)</u></u>	<u><u>-</u></u>	<u><u>(1,600,632)</u></u>	<u><u>31,437,698</u></u>

The trustees agreed to ring fence £150k from free reserves in order to carry out a full review of KCF's IT infrastructure which will include the replacement of the current database which is coming to the end of its serviceable life.

Endowment funds relate to amounts received from philanthropists who want to provide a lasting legacy for their local community. The income received on endowment funds is treated as restricted income, to be expended in accordance with the criteria of each fund as agreed by the donors.

In addition the charity receives donations from donors which are treated as restricted funds to be expended in accordance with the wishes of the donor concerned. Details of the grant-making criteria for funds available for application from the community are publicised on the Kent Community Foundation website. Timing differences between receiving restricted donations and making grants can result in variances in net incoming resources from year to year.

The object of KSELF and the Big Lottery Fund is to support existing and emerging social enterprises with grants and loans.

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Notes to the financial statements
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16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2022 £</i>
Unrestricted funds						
Designated funds						
IT Strategy	-	-	-	150,000	-	150,000
General funds						
General Funds - all funds	540,857	763,704	(714,381)	(150,000)	-	440,180
Total Unrestricted funds	540,857	763,704	(714,381)	-	-	590,180
Endowment funds						
Grassroots Funds Endowment Funds	5,595,268	-	(9,767)	(105,000)	91,466	5,571,967
Other Endowment Funds	12,218,033	70,313	-	(145,386)	758,205	12,901,165
Community First Endowment Funds for Kent	8,276,956	5,821	-	(177,457)	707,812	8,813,132
	26,090,257	76,134	(9,767)	(427,843)	1,557,483	27,286,264
Restricted funds						
Donor Advised Funds - Individuals and Trusts	1,245,801	2,914,948	(2,280,379)	(328,226)	-	1,552,144
Donor Advised Funds - Corporate	593,968	561,339	(595,371)	342,467	-	902,403
Miscellaneous Funds	722,635	1,682,524	(1,738,801)	414,279	-	1,080,637

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16. Statement of funds (continued)

Statement of funds - prior year (continued)

	<i>Balance at 1 April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£	£
Community Cash Fund	677	-	-	(677)	-	-
Kent Social Enterprise Loan Fund	1,306,473	8,730	(94,402)	(157,650)	-	1,063,151
Big Lottery Fund	537,676	86,688	(82,200)	157,650	-	699,814
	<u>4,407,230</u>	<u>5,254,229</u>	<u>(4,791,153)</u>	<u>427,843</u>	<u>-</u>	<u>5,298,149</u>
Total of funds	<u><u>31,038,344</u></u>	<u><u>6,094,067</u></u>	<u><u>(5,515,301)</u></u>	<u><u>-</u></u>	<u><u>1,557,483</u></u>	<u><u>33,174,593</u></u>

17. Summary of funds

Summary of funds - current year

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2023</i>
	£	£	£	£	£	£
Designated funds	150,000	-	(12,174)	-	-	137,826
General funds	440,180	893,673	(826,119)	-	-	507,734
Endowment funds	27,286,264	1,084,269	(27,276)	(347,170)	(1,600,632)	26,395,455
Restricted funds	5,298,149	4,111,286	(5,359,922)	347,170	-	4,396,683
	<u><u>33,174,593</u></u>	<u><u>6,089,228</u></u>	<u><u>(6,225,491)</u></u>	<u><u>-</u></u>	<u><u>(1,600,632)</u></u>	<u><u>31,437,698</u></u>

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Notes to the financial statements
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17. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 March 2022</i>
	£	£	£	£	£	£
Designated funds	-	-	-	150,000	-	150,000
General funds	540,857	763,704	(714,381)	(150,000)	-	440,180
Endowment funds	26,090,257	76,134	(9,767)	(427,843)	1,557,483	27,286,264
Restricted funds	4,407,230	5,254,229	(4,791,153)	427,843	-	5,298,149
	<u>31,038,344</u>	<u>6,094,067</u>	<u>(5,515,301)</u>	<u>-</u>	<u>1,557,483</u>	<u>33,174,593</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2023	Restricted funds 2023	Unrestricted funds 2023	Total funds 2023
	£	£	£	£
Fixed asset investments	26,395,455	526,087	-	26,921,542
Debtors due after more than one year	-	413,324	-	413,324
Current assets	-	4,121,581	753,263	4,874,844
Creditors due within one year	-	(664,309)	(107,703)	(772,012)
Total	<u>26,395,455</u>	<u>4,396,683</u>	<u>645,560</u>	<u>31,437,698</u>

Analysis of net assets between funds - prior year

	<i>Endowment funds 2022</i>	<i>Restricted funds 2022</i>	<i>Unrestricted funds 2022</i>	<i>Total funds 2022</i>
	£	£	£	£
Fixed asset investments	27,286,264	570,412	-	27,856,676
Debtors due after more than one year	-	336,064	-	336,064
Current assets	-	5,074,303	696,260	5,770,563
Creditors due within one year	-	(682,630)	(106,080)	(788,710)
Total	<u>27,286,264</u>	<u>5,298,149</u>	<u>590,180</u>	<u>33,174,593</u>

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Notes to the financial statements
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19. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(1,736,895)	2,136,249
Adjustments for:		
(Gains)/losses on investments	2,093,987	(1,590,979)
Dividends, interests and rents from investments	(1,049,791)	(997,580)
(Increase)/decrease in debtors	(150,717)	(77,527)
Increase/(decrease) in creditors	(16,698)	53,231
Net cash used in operating activities	(860,114)	(476,606)

20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	4,013,706	4,533,851
Total cash and cash equivalents	4,013,706	4,533,851

21. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	4,533,851	(520,145)	4,013,706
Liquid investments	1,037,256	(449,031)	588,225
	5,571,107	(969,176)	4,601,931

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22. Operating lease commitments

At 31 March 2023 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	<i>2022</i>
	£	£
Not later than 1 year	45,773	<i>34,980</i>
Later than 1 year and not later than 5 years	94,692	<i>-</i>
	140,465	<i>34,980</i>

23. Related party transactions

During the year the Kent Community Foundation supported a number of other charities and social enterprises which have one or more trustees in common with the Foundation. All such donations, grants or loans have been made in accordance with the same eligibility criteria as all other similar applications for support received.

Conversely, from time to time, Kent Community Foundation receives donations from charities which have one or more trustees who are also trustees of the Foundation or who are related to a trustee of the Foundation.

During the year the trustees donated £31,250 (2022: £220,000) to the charity.

See note 9 of the financial statements for details of the key management personnel remuneration.

24. Controlling party

The charity is a company limited by guarantee and was controlled throughout the year by the trustees.