

**HYDE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

**COMPANY REGISTRATION NO. 1803707
CHARITY REGISTRATION NO. 289888**

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BOARD AND ADVISORS**BOARD OF TRUSTEES**

Jonathan Prichard	(Chair)
Christopher Carlisle	(retired 29 April 2021)
Jen Wight	(retired 27 July 2021)
Patrick Law	
Brid O'Dwyer	
Geron Walker	
Katherine Rodgers	(appointed 8 December 2020)
Clare Ferguson	(appointed 1 June 2021)
Junior Moka	(appointed 1 June 2021)
Jessica Skilbeck	(appointed 1 June 2021)

SOLICITORS

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MANAGING DIRECTOR

Kerry Starling

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Chartered Accountants and Statutory Auditors
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INTERNAL AUDITORS

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SECRETARY

Zoe Ollerearnshaw

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TRUSTEES' REPORT

The trustees present their report and financial statements for the year ended 31 March 2021, which have been prepared in accordance with the Charities SORP (FRS 102) second edition – October 2019, the Companies Act 2006 and the Charities Act 2011, and applicable accounting standards in the United Kingdom.

Objectives

Hyde Charitable Trust (the Trust) was incorporated as a company limited by guarantee on 27 March 1984. It operates as a charity to relieve poverty and distress and to improve the condition and quality of life of needy persons.

Governing Document

Hyde Charitable Trust (the Trust, HCT, the “Company” or the “Charity”) is a charity registered with the Charity Commission on 25 July 1984 and a company limited by guarantee, incorporated on 27 March 1984. The Company was established under a Memorandum of Association which establishes the objects and powers of the charitable company and is governed under its Articles of Association. It operates as a charity to relieve poverty and distress and to improve the condition and quality of life of needy persons.

Business Model and Strategy

The Charity's business model and strategy is driven by its founding purpose - to promote charitable purposes in England and to relieve poverty and distress, improving the conditions and quality of life of needy people. Over time the Trustees have further agreed that the Charity focuses its resources on residents of the Hyde Group and, in the main, its grant-making activities support the aims and objectives of the Hyde Group dedicated Community Investment team, Hyde Foundation.

How our activities deliver public benefit

The majority of our charitable activities focus on meeting the needs of Hyde Group residents by promoting social and economic inclusion. National research shows that social housing tenants are one of the most disadvantaged groups in the UK; the greatest gulf in wealth inequality exists between homeowners and social tenants. More of Hyde's residents are feeling the strain on household finances with the continued roll out of Universal Credit and the impact of the coronavirus pandemic. The activities of the Trust, which promotes social and economic inclusion amongst social housing residents, therefore clearly demonstrate public benefit. The Trustees have prepared this report having regard to the Charity Commission guidance on public benefit in section 4 of the Charities Act 2011.

The Hyde Charitable Trust (HCT) receives administrative support from the Foundation. HCT's grants programme and the supply chain contributions support the work of both these programmes.

Aims and Objectives

The principal activities and objectives of the Charity are to provide services and deliver projects that improve the quality of life and life chances for people experiencing, or at risk of experiencing, social and economic exclusion. Achievement of these activities and objectives will further the Charity's public benefit by reducing the impact of poverty and distress experienced by beneficiaries. This is achieved by working in partnership with, and providing grants to, agencies as well as bursaries and awards directly to individuals to increase their skills, aspirations and employment prospects and opportunities. Specifically, the activities undertaken by the Trust aim to:

- prevent homelessness and help Hyde residents to maintain their tenancies, through individual grants.
- support Hyde residents to be job-ready and to find work, through individual grants.
- build community resilience through our Successful Places grants to community organisations. We fund projects and programmes under the following themes: employment and skills; youth work; reducing isolation; mental health and wellbeing; food poverty; fuel poverty; reducing the impact of violence; community cohesion.
- Influence, inform, invest and fundraise to maximise support for community place-based delivery in priority areas through the Hyde Foundation Successful Places team

Hyde's vision is a great home for everyone. Hyde Foundation plays a key part in this through preventing homelessness, tackling stigma and contributing to placemaking through our Successful Places and Successful Tenancies programmes. Our Successful Places programme works with our customers, community partners and local authorities in our communities to address local challenges, build resilience, and to create places where people want to live. Our Successful Tenancies programme provides 1:1 advice and advocacy in money and debt, welfare benefits, tenancy support and employment. We offer early intervention and crisis support to help our customers stay in their homes

Future Developments

The Charity will continue to provide support for high need and vulnerable individuals, and targeted partnership activity with other organisations to develop projects and services to address community based issues. Increasing fundraising potential through the Hyde Group's supply chain and staff, and joint working with other trusts, foundations and funders has been explored and a Social Value Statement directs this work with support from the Hyde Group. As mentioned earlier, the Charity will also focus on ensure the designated funds are used in the most effective way possible to be benefit of Hyde's residents and communities.

TRUSTEES' REPORT (CONTINUED)

The Foundation's 2021 highlights were:

- £3,512k secured towards rent payments through the work of the Hyde Foundation team
- £925k of non-housing related gains for customers
- 632 Grants were awarded worth £1,486k (which includes £484k to assist with rent relief)
- 1,552 customers received financial advice
- 2,083 direct interventions preventing eviction and homelessness
- 104 customers got a new job
- 86 customers received training

The Charity received additional funding of £5,000k from its parent, Hyde Housing Association Limited, to support communities through the pandemic and future requirements. Details of how these funds are being and will be spent are provided in later in this report and the financial statements.

Long term strategic priorities:

HCT Funding

Grassroot community organisations, youth services and the voluntary sector have never been more needed. However, the sector is significantly affected by the financial impact of the pandemic. With job losses, there is a very real risk that the sector will now be less sustainable and therefore less able to help those who need support due to the pandemic and the recession. Collaboration between the statutory and voluntary sector, businesses and funders is the only way to ensure we fund and retain the infrastructure and specialisms of these essential services. Through the HCT and our investment funds, we will continue to secure match-funding opportunities to invest in our communities.

The Domestic Abuse Fund

Since the Domestic Abuse Fund was launched in October 2020

- To date the spend since Domestic Abuse Fund is approximately £14,100.
- We have made 13 grants, averaging £1,084 per grant
- The grant was set up to be flexible and meet the needs of each victim/survivor and grants

HCT - Rent Relief Fund

- Through the Rent Relief Fund, we awarded £484K to 277 eligible residents in 20/21
- The rent relief fund will continue to be awarded during 2021/22 with a budget of £500k

General Business Environment

The general business environment for 2020-21 builds upon that of the current year with increasing demand for more service provision. The Charity is responding to this by further refining its activities to ensure that there is funding available. Strategic direction involves seeking out and working with partners to deliver funding which enables programmes which support residents on benefits, facing financial difficulty and/or ill health to sustain their tenancies.

The Hyde Foundation team have a continued focus on working with the most vulnerable of residents at risk of failing their tenancies and addressing neighbourhood issues in high need communities. Analysis of the general market conditions that the Charity is operating in finds that:

- The rollout of the full suite of Welfare Reforms are continuing to change circumstances radically for residents on benefits. Notably the introduction of Universal Credit, and the continuation of the Bedroom Tax, together with further cuts to local public services have increased pressures on large numbers of Hyde residents.
- As more people experience financial difficulties, many are struggling with mental health issues which impact their ability to sustain their tenancies.

These emerging factors, together with increasing everyday household costs, stalling or reducing incomes, lower paid and unstable jobs and a continued freeze on benefit income, see residents cutting back on heating, buying cheaper food or accessing foodbanks, using savings, selling possessions and relying on relatives to pay rent. We continue to see residents with increased rent arrears and more are falling into arrears.

TRUSTEES' REPORT (CONTINUED)

In some of Hyde's high-density urban areas, many young people are at risk of or are involved in youth violence and gang membership. Many of these disenfranchised young people living in such areas are unaware of how they can access positive pathways to a better life. This is now of national importance and all relevant organisations are exploring ways to address serious youth violence. There is political and social acceptance that the UK's population is ageing presenting challenges to public services including health and housing. It is widely accepted that this challenge must be addressed by a range of partners to ensure the health and well-being of a growing and increasing frail ageing population.

Grant-Making Model

During the financial year, Hyde Foundation has published its 2020-2025 Strategic Plan. The three key objectives of the plan are to:

- Enable positive change in local communities and ensure Hyde is seen as leading the way in developing places where people want to live:
 - Work in partnership with customers, local authorities and other key stakeholders to ensure we create great places where people want to live.
 - Work collaboratively with partners that support communities, regeneration and renewal by working with customers to address challenges and build resilience.
- Provide specialist one-to-one advice and advocacy services to Hyde customers who are most at risk of homelessness
 - Develop and initiate delivery of early intervention initiatives to prevent tenancy failure and homelessness.
 - Utilise Hyde's Information Governance Framework to develop an impact measuring methodology for 1:1 advice services, aimed to promote evidence-based practice and improve outcomes for residents.
- Deliver HCT grants and supply chain social value contributions to add value to the Successful Places and Successful Tenancies programmes
 - Increase Foundation and HCT income and resources, to invest in the physical, social and environmental infrastructure that people and communities need to thrive.

Budget allocations and funding priorities are reviewed and agreed on an annual basis. Grants for individuals and for institutions are expected to be spent within the year they are awarded, with the Business Development and Successful Places programmes having the potential to be significant, multi-year funded programmes.

In response to the Coronavirus (COVID-19) pandemic, during April 2020 Hyde Housing Association Limited donated £5,000k to the Trust for the purpose of providing financial support to Hyde Group customers in financial difficulty as a result of the Coronavirus pandemic. Further details regarding these funds are included in the financial review and reserves sections of this report.

Fundraising statement

Under the Charities (Protection and Social Investment) Act 2016, charities are required to make a statement regarding fundraising activities. The legislation defines fundraising as '*soliciting or otherwise procuring money or other property for charitable purposes*'. In relation to this statement, the Charity does not undertake fundraising from the general public and does not employ professional fundraisers to do so. All monies are generated from donations by Hyde staff, donations from other Hyde Group entities, and income generated from investments. The Charity does not consider it necessary to comply with any voluntary code of practice for fundraising, nor does the Charity have policies in relation to fundraising activities given the income generation activities.

Key Performance Indicators

The Charity funds activities that support Hyde Foundation programmes and these are allocated to Themes under which separate funds are established. Expenditure (grants) is made from these individual funds and are detailed in Note 2 of the financial statements. The Themes are outcome driven, and a selection of key outcomes and indicators are shown below with 2020-21 activity.

These outcomes and indicators are used to measure success in the reporting year.

Beneficiaries	Theme	Impact to Beneficiaries	Indicator	2021			Comments
				Actual Expenditure	Target Expenditure	Outcome	
Grants to Individuals	Successful Tenancies	Increase in successful tenancies amongst Hyde's high-risk residents	Amount of grant awarded	£16,000	£50,000	Not Achieved	Work continues as further high risk residents are identified
	Emergency Relief Fund	Reducing social isolation and meeting essential and emergency of needs of Hyde customers during COVID-19 pandemic	Amount of ERF grant awarded	£326,000	£333,000	Substantially Achieved	Although the amount awarded was £7k short of the target, this is considered to be substantially achieved given the number of grants provided.

TRUSTEES' REPORT (CONTINUED)

Beneficiaries	Theme	Impact to Beneficiaries	Indicator	2021			Comments
				Actual Expenditure	Target Expenditure	Outcome	
	Rent Relief Fund	To provide some relief for customers who are experiencing financial hardship due to COVID-19	Amount of Rent Relief awarded	£484,000	£500,000	Substantially Achieved	Although the amount awarded was £16k short of the target, this is considered to be substantially achieved given the number of grants provided.
	Employment and Enterprise	Residents improve work related skills	Amount of Future Earnings Fund awarded	-	£3,000	Not Achieved	To be refocused on 2022 as the plans for spending designated funds are set out
Grants to Institutions ¹	Successful Places	Positive change and reduced estate-related problems in Hyde's higher need communities	Amount of Successful Places fund awarded	£50,000	£106,000	Not Achieved	
	Emergency Relief Fund	Reducing social isolation and meeting essential and emergency of needs of Hyde customers during COVID-19 pandemic	Amount of ERF grant awarded	£311,000	£317,000	Substantially Achieved	Although the amount awarded was £6k short of the target, this is considered to be substantially achieved given the level of funds provided to institutions.
	Innovation and Insight	To pilot and test new approaches to tackling community issues	Amount of Innovation and Insight Awarded	£264,000	£161,000	More than Achieved	Demand for grants were exceeded

¹ Grants to institutions include all grants not payable to individuals, including Charities and Community Interest Groups.

Success stories from the year**Chichester Social Prescribing**

Jointly funded by HCT, Chichester District Council and the NHS, Chichester Social Prescribing is a referral system for GPs and other healthcare professionals, enabling them to refer patients with social, emotional or practical needs to a range of non-clinical, local community services. Our Tenancy Support team works alongside the Social Prescribers, solving problems for those customers referred to the service and linking them with other Hyde Foundation projects. The focus is mainly on housing issues, money, debt and benefits, social isolation, employment and general wellbeing.

"The support we've received from Hyde means we've been able to grow the team and provide a better, more joined up service for our clients. We achieve better outcomes for clients who are Hyde customers and issues are resolved quicker and easier."

Elaine Thomas, Community Wellbeing Manager

The Sylvia Beaufoy Centre

The Sylvia Beaufoy Centre, in Petworth, West Sussex, carries out youth and community work and offers a safe meeting place to young people in Petworth and surrounding villages. Over the past two years, the project has grown from supporting eight young people a week to working with 120. HCT has provided funding for half the salary of a Senior Youth and Community Development (SYCD) Manager, a pivotal role for the centre. HCT also gives direct support to the SYCD Manager, meeting regularly to discuss progress and future programmes, advising on funding opportunities and acting as a referee.

"Without the HCT grant funding and its regular support, we wouldn't be able to run our weekly sessions for young people, half of whom live in a Hyde home."

Karen Chessman, Sylvia Beaufoy Centre Manager

Chenesai's story

The HCT's Rent Relief Fund, set up to support customers in financial difficulty due to the coronavirus pandemic, has helped one of our customers stay in her home. Chenesai, got into financial difficulties when she was diagnosed with Coronavirus in March 2020 and was off work for three months. She was also pregnant with her third child and began falling behind in her rent. This meant she defaulted on a previous agreement for rent arrears and was at risk of losing her home. Fortunately, Chenesai applied for the relief fund and all her arrears were cleared. She was also given food vouchers and advice on how to get back on her feet financially.

"There's light at the end of the tunnel, I'm much happier and optimistic about life. Becoming homeless was my biggest worry but I know I have a home now and that's the most important thing. The help I received from Hyde Foundation has totally turned my life around."

Chenesai, Hyde customer

TRUSTEES' REPORT (CONTINUED)**Financial Review**

The Statement of Financial Activities for the past three years are summarised below:

	2021 £'000	2020 £'000
Incoming/(outgoing) resources		
Incoming resources	5,330	392
Resources expended	(1,486)	(297)
Balance Sheet	2021 £'000	2020 £'000
Fixed assets	10,712	8,814
Debtors	78	107
Cash at bank and in hand	4,812	566
Creditors: amount falling due within one year	(539)	(165)
Total assets less current liabilities	15,063	9,322
Reserves	15,063	9,322
Total Funds	15,063	9,322

Grant-making during the year was £1,486k (2020: £297k). Donations of £5,035k were received during the year and the Charity had investment income of £295k (2020: £330k). The investments showed a net gain of £1,898k in the year (2020: net loss £584k). At the end of the year, the Charity held cash of £4,812k (2020: £566k).

Investment policy and returns

In order to diversify risk, the Charity invests in two investment funds, CCLA COIF Charities Investment Fund (COIF) and JM Finn portfolio in approximately equal shares. The two investment managers work towards a benchmark which is provided by a composite market comparator. During the year, the closing return on the stock market investment comparator was at 22.96% (2020: -13.8%) and the COIF fund outperformed this at 24.3% (2020: +0.60 %) and the JM Finn Portfolio outperformed this at 25.8% (2020: -6.5%).

The comparative performance of the FTSE, CCLA COIF Charities Investment Fund and JM Finn Portfolio is shown below:

	2021	2020
Market Comparator	22.9%	-6.5%
COIF	24.3%	0.6%
JM Finn Portfolio	25.8%	-6.5%

The Comparator is a composite measure as follows: 01.01.21: MSCI World Index 75%; MSCI UK Monthly Property Index 5%; Markit iBoxx £ Gilts Index, 15% and SONIA (Sterling Overnight Index Average), 5% to 31.03.20 MSCI UK IMI: 30%, MSCI World ex UK: 45%, MSCI UK Monthly property 5%, iBoxx £ Gilt 15% & 7 Day LIBID 5%. To 31.12.17 MSCI UK IMI 45%, MSCI Europe ex UK 10%, MSCI North America 10%, MSCI Pacific 10%, AREF/IPD All properties 5%, iBoxx £ Gilt 15% & 7 day LIBID 5%. To 31.12.15 MSCI UK All Cap 45%, MSCI Europe ex UK (50% Hedged) 10%, MSCI North America (50% Hedged) 10%, MSCI Pacific (50% Hedged) 10%, IPD All Properties 5%, BarCap Gilt 15% & 7 Day LIBID 5%. - Source CCLA COIF Charities Investment Fund.

Investment funds are susceptible to a number of risks, such as market risk, credit risk and currency risk. The risk profile of the CCLA Fund is classified as 3 out of 7, meaning that the Fund is classified as being medium-low risk. This classification is not guaranteed and may change over time and may not be a reliable indication of the future risk profile of the Fund. The risk profile of the JM Finn fund is deemed at 1.8% high, 95.4% medium risk and 2.8% low risk. To mitigate the market risk, fund investments are diversified through various asset classes and sectors. The Trust adopts a long term view for potential currency risks associated with a global investment portfolio.

Within the CCLA Fund risk is managed through the 'Holt' system, probability of default measure, which screens out any security that flags as high and is kept track of on an ongoing basis. The JM Finn Fund assesses risk by taking credit ratings into account where available, market capitalisation and the level of diversification.

The fair value measurement of both funds, the nature and management of their risks as well as disclosure of market price risk including sensitivity analysis is provided in Note 10 to the financial statements. As permitted by the Trust's memorandum and articles of association, the Trustees have given the investment managers discretion to manage the portfolio, but regularly review performance.

TRUSTEES' REPORT (CONTINUED)

Reserves

The reserves of the Charity are held to generate dividends from the investments which are used to fund the activities of the Charity. The Trustees have reviewed the reserves and investments of the Charity on a regular basis during the year due to the volatility of the financial markets. The value of investments held by the Charity has increased by £1,898k (2020: decreased by £584k). Designated funds of £4,525k (2020: £9k) and restricted funds £139k (2020: £161k) were held at the year end. During the year, the Charity's general reserve increased to £10,400k (2020: £9,152k). Dividends and investment income generated from the investments are the Trust's main source of recurring income.

Reserves Policy

The Trustees' policy is to maintain a reasonable level of reserves. There is not set level of "free reserves" however the Trustees do require that income generated from investments is made available for grant making. The guiding principle is to not build up cash reserves, nor to decrease its level of investments, to ensure the longevity of the Charity and that good levels of investment income are generated. In practice there may be low take up of funds, or the Trustees may designate use of funds over more than one financial year. Additionally, the Trust may receive 'one off' donations which sometimes have restricted use over more than one year. This will give rise to additional reserves being held from time to time. Exceptionally the Trustees may, where the activity is highly congruent with the objectives of the Trust decrease the level of its investments to fund these activities whilst ensuring that sufficient funds remain for the future ongoing operations of the charity.

The Trustees consider the level of funds to be sufficient, including the £4,526k of designated funds, and there are appropriate plans in place to ensure the designated funds are used appropriately. As the Trust normally funds donations and grants from investment income, these funds have been designated fund to ensure the monies are used effectively for those most in need. Any amounts unutilised will be returned to the General Fund. The trustees recognise that crisis funding will be needed to minimise and alleviate the immediate adverse effect of the pandemic over a sustained period of time, and that Hyde Group residents and communities are likely to be impacted for many years to come. The Trust will therefore develop a focused grant giving strategy for the next 3-5 years to address these longer-term challenges and the specific use of these monies. After the year end, the Trustees also ringfenced £1,000k for a new HCT Rent Relief Fund and £1,000k for the HCT Crisis Fund from the designated funds, demonstrating the commitment to supporting the Hyde Group's most vulnerable residents by providing grants and financial support to residents and community partners impacted by the pandemic.

Trustees

All appointments to the Board of Trustees are made by the Hyde Group Board. As permitted by the Articles of Association, the Trustees have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its Trustees. During the year the Board of Trustees carried out a skills audit which informed a strategy for retirements and the recruitment of new Trustees. Trustees also identified collective training and an induction programme for new members.

Risk Management

A risk management process to assess risks to the Charity is in place and risk management strategies have been implemented. This includes delegation of authority and segregation of duties as well as the identification and management of risks. The process involves identifying the types of risks that the Charity faces, prioritising them in terms of potential impact, likelihood of occurrence, and identifying the means of mitigating the risks. As part of this process, the Trustees have reviewed the adequacy of the Charity's current internal controls; compliance with guidelines issued by the Charity Commission. The management accounts are presented to the Board on a quarterly basis and coupled with a direct channel of communication with the Managing Director. This provides a route for reporting of Significant Incidents.

Going Concern

After making enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for at least 12 months from the date of signing the financial statements. Donation and dividend income earned by the Trust is used to support grant making activities. The Charity has unrestricted funds of £14.9m which is made up of liquid assets including investments and cash, which is sufficient to meet the Charity's liabilities at the year end. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

Corporate governance

The Company falls under the wider corporate governance framework of The Hyde Group. The overall governance of the Group and its subsidiaries is found within the Group's annual report and financial statements, which can be found at www.hyde-housing.co.uk.

The Subsidiary Framework

The Trust's board of management at Hyde Charitable Trust comprises of eight trustees bringing together professional skills and support from the Group and the wider community. The Board is responsible for the overall strategy and policy of the Charity and meets formally four times a year to consider and monitor performance.

TRUSTEES' REPORT (CONTINUED)**Internal controls assurance**

The Group Board is ultimately responsible for ensuring the Group and Trust establishes and maintains a system of internal control appropriate to the various business environments in which it operates. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Group's internal controls framework is found within the Group's Annual report and financial statements at www.hyde-housing.co.uk.

Statement of trustees' responsibilities

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

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

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

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

In so far as the Trustees are aware:

- (a) there is no relevant audit information of which the charitable company's auditors are unaware; and
- (b) the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Small companies' exemption

The Trustees' Report, which is also the Directors' Report, has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies which gives exemption from preparing the full Directors' Report. The exemption has been taken to not prepare a Strategic Report as the Charity is a small company.

Approved by the Board of Trustees and signed on behalf of the Board

DocuSigned by:


6273084F4AD543A...
Jonathan Prichard

Chair
Date: 29 September 2021

Company registration no. 1803707
Charity registration no. 289888

INDEPENDENT AUDITOR'S REPORT TO TRUSTEES OF HYDE CHARITABLE TRUST LIMITED**Opinion on the financial statements**

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2021 and of its incoming resources and application of resources 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.

We have audited the financial statements of Hyde Charitable Trust Limited ("the Charitable Company") for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 1 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises the trustees' 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which are included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's report.

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

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

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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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 the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations, and we considered the extent to which non-compliance might have a material effect on the Financial Statements or their continued operation. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with tax legislation.

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 posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

The audit procedures to address the risks identified included:

- We understood how the charitable company is complying with the legal and regulatory frameworks most significant to the charitable company by making enquiries to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes;
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur by discussing with management where it is considered there was a susceptibility of fraud relating to management override of controls and improper income recognition. In addressing the risk of fraud, including the management override of controls and improper income recognition, we tested the appropriateness of certain manual journals and tested the application of cut-off and income recognition;
- Reviewed and challenged the application of significant accounting estimates and judgements made in relation to the valuation of investment funds at fair value;
- Discussed with management and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Read minutes of meetings of those charged with governance, reviewed internal audit reports and reviewed correspondence with HMRC and regulators.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

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

Use of our report

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

DocuSigned by:

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Philip Cliftlands (Senior Statutory Auditor)
Statutory Auditor
London

Date: 01 October 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

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

	Note	Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	Total 2021 £'000	Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	Total 2020 £'000
Income									
Donations and legacies	5	35	5,000	-	5,035	62	-	-	62
Income from Investments	6	294	1	-	295	330	-	-	330
Total income		329	5,001	-	5,330	392	-	-	392
Expenditure on:									
<i>Costs of generating funds:</i>									
Expenditure on Charitable activities	2	(980)	(484)	(22)	(1,486)	(258)	(16)	(23)	(297)
Total Expenditure		(980)	(484)	(22)	(1,486)	(258)	(16)	(23)	(297)
Gains/(losses) on revaluation of investments	10	1,897	-	-	1,897	(584)	-	-	(584)
Net Income/(expenditure)		1,246	4,517	(22)	5,741	(450)	(16)	(23)	(489)
Net movement in funds		1,246	4,517	(22)	5,741	(450)	(16)	(23)	(489)
Fund balances brought forward at 1 April	3	9,152	9	161	9,322	9,602	25	184	9,811
Fund balances carried forward at 31 March		10,398	4,526	139	15,063	9,152	9	161	9,322

All gains and losses recognised in the current and prior year are included in the Statement of Financial Activities.

All income and expenditure in the current and prior year is derived from continuing activities.

The above Statement of Financial Activities also forms the Profit and Loss Account for Companies Act 2006 purposes.

BALANCE SHEET AS AT 31 MARCH 2021

	Note	2021 £'000	2020 £'000
Fixed assets			
Investments	10	10,712	8,814
Total fixed assets		10,712	8,814
Current assets			
Debtors	11	78	107
Cash at bank and in hand	12	4,812	566
Total current assets		4,890	673
Current liabilities			
Creditors: amounts falling due within one year	13	(539)	(165)
Net current assets		4,351	508
Total assets less current liabilities		15,063	9,322
The funds of the charity			
<i>Unrestricted income funds</i>			
General fund reserves		10,398	9,152
Designated income funds		4,526	9
Total unrestricted income funds		14,924	9,161
Restricted income funds		139	161
Total charity funds	3	15,063	9,322

The financial statements on pages 14 to 24, which includes the notes to the financial statements, were approved by the Board of Trustees and signed on its behalf by

DocuSigned by:


6273084E4AD543A...
 Jonathan Prichard

Chair

Date: 29 September 2021

Company registration no. 1803707

Charity registration no. 289888

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £'000	2020 £'000
Cash flows from operating activities	A		
Net cash generated from/(used in) operating activities		6,143	(527)
Cash flows from investing activities	B		
Net cash (used in)/generated from investing activities		(1,897)	584
Increase/(decrease) in cash and cash equivalents in the year		4,246	57
Cash and cash equivalents at the beginning of the year	C	566	509
Total cash and cash equivalents at the end of the year		4,812	566

NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	2021 £'000	2020 £'000	
A. Reconciliation of movement in funds to net cash inflow/(outflow) from operating activities			
Net movement in funds	5,741	(489)	
Decrease/(Increase) in debtors	28	(44)	
Increase in creditors	374	6	
Net cash (used in)/generated from operating activities	6,143	(527)	
B. Analysis of investing activities			
(Gain)/Loss on revaluation of investments	(1,897)	584	
Total cash (used in)/generated from investing activities	(1,897)	584	
C. Analysis of cash and cash equivalents			
Cash at bank	2	3	
Money market deposits	4,810	563	
Total cash and cash equivalents	4,812	566	
	As at March 2020 £'000	Cash flows £'000s	As at March 2021 £'000
D. Analysis in change of Funds			
Restricted cash at bank	161	(22)	139
Designated cash at bank	9	4,517	4,526
Unrestricted cash at bank	396	(249)	147
Total cash and cash equivalents	566	4,246	4,812

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements of Hyde Charitable Trust (the Trust, HCT, the "Company" or the "Charity") comply with the Charities SORP, FRS 102, Charities Act 2011 and the Companies Act 2006.

The Trust is a public benefit entity under FRS 102. The following accounting policies have been applied consistently in the periods in dealing with items which are considered to be material in relation to the financial statements of the Hyde Charitable Trust.

The Trust is a wholly owned subsidiary of Hyde Housing Association and provides funding to the parent company to employ resources to project manage some of its activities. The financial statements are for the Trust and are presented in pounds sterling.

Going Concern

After making enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for at least 12 months from the date of signing the financial statements. Donation and dividend income earned by the Trust is used to support grant making activities. The Charity has unrestricted funds of £14.9m which is made up of liquid assets including investments and cash, which is sufficient to meet the Charity's liabilities at the year end. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

Income

All income is accounted for when the Charity has entitlement to the funds, probability of receipt and the amount is measurable. When income is received in advance of a performance of another specified service, it is deferred until the Charity is entitled to that income. Income is recognised when receivable by the Charity. All monetary donations are gifts and are included in full in the income and expenditure account when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met. Investment income is classified as operating income, including associated income tax recoverable and is recognised when receivable.

Grants payable

Grants are charged to the income and expenditure account when a legal or irrevocable commitment has been made to pay the grants.

Expenditure

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

Charitable expenditure

Charitable expenditure comprises those costs incurred by the Charity in the delivery of activities and services to its beneficiaries. It includes both costs that can be allocated directly to such activities, and those costs of an indirect nature necessary to support them. It is recognised on an accrual's basis. Support costs are governance costs, that are the statutory audit fees. These are disclosed in note 7. Other support costs, such as employee costs, cannot be separately identified. As governance costs are not material, these are not separately disclosed and allocated to the activities of the Charity.

Investment assets

Investments held by the Charity are recognised at market value with any gain or loss for the year recognised in the Statement of Financial Activities.

Income tax recoverable

The Hyde Charitable Trust is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

VAT

The Hyde Charitable Trust recovers only a small proportion of input VAT. Expenditure is therefore shown inclusive of VAT, to the extent that it is not recoverable, with non-attributable input tax recovered being credited against management expenses.

NOTES TO THE FINANCIAL STATEMENTS**1. ACCOUNTING POLICIES (CONTINUED)****Funds****Unrestricted funds**

Unrestricted funds are held to support the Charity in its future charitable objectives and are represented by the investment and other assets. The unrestricted funds are reviewed annually and include both the designated reserves and the fair value reserve.

Designated reserves

Designated reserves are those reserves that are designated for a specific purpose and form part of unrestricted funds. Transfers to and from designated reserves are made at the discretion of the Board. The designated reserves are reviewed annually. Further details on the designations and restrictions are provided in note 3.

Restricted reserves

The restricted reserve consists of grants from third parties which may only be expended in accordance with the terms of the grant.

Financial assets

The Charity recognises a financial asset when it gains a contractual right to the asset. The exception is where the financial asset is consideration from customers for services provided. In these cases, the Charity recognises the financial asset when the revenue recognition criteria are met. The Charity removes a financial asset from its balance sheet when it no longer has a contractual right to the asset, or when the asset is transferred to another party. The Trust's financial assets are classified as loans and receivables and on initial recognition are measured at transaction price. Subsequent to initial recognition the Trust's loans and receivables are measured at amortised cost. Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Impairment of financial assets

The Charity assesses, at each balance sheet date, whether there is objective evidence that its financial assets are impaired. Assets are impaired if the future cash flows associated with the asset have been reduced by events before the balance sheet date, and if the effect on future cash flows can be reliably estimated. Events that could trigger impairments include a breach of terms or default by a counterparty on a contract, significant financial hardship of a counterparty or an emerging pattern of lower than expected recovery on a class of assets. The Charity measures the amount of impairment loss as the difference between the asset's carrying amount and the revised recoverable amount. The amount of the loss is recognised in the Trust's Statement of Financial Activities in the period of impairment.

Financial liabilities

The Charity recognises a financial liability when it becomes a party to the contractual provisions of the financial instrument. The exception is any liability related to the purchase of goods or services in the normal course of the Trust's business. In these cases, the financial liability is recognised when, and to the extent that, the goods or services are provided. The Charity removes a financial liability from its balance sheet, when it is extinguished, i.e. when the obligation in the contract is paid, is cancelled or expires. On recognition the Charity recognises financial liabilities at transaction price and subsequently at amortised cost. Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Significant accounting judgements and estimation uncertainty

The preparation of financial statements requires management to make judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates are those which contain key assumptions concerning the future, and other key sources of estimation uncertainty at the year end, that have a risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year. There are no such estimates made by management.

Judgements

Judgements are those management has made in applying the Association's accounting policies that have the most significant effect on the amounts recognised. The most significant judgements are as follows:

- **Valuation of Investment Funds at Fair Value levels 1, 2 and 3.** The CCLA has a proportion of its portfolio valued on this basis. The valuation of investment funds are kept under review by the Trustees on a regular basis as well as the basis of those valuations. The Charity considers that the proportion of investment fund valuations not at Level 1 are not significant enough to materially impact the valuations provided in the financial statements. The basis of valuation is provided by the fund managers on an annual basis and is regularly reviewed. The fair value levels of funds are based on the definitions included within Section 34 - Specialised Activities of FRS 102.

NOTES TO THE FINANCIAL STATEMENTS**2. EXPENDITURE ON CHARITABLE ACTIVITIES**

The Charity has committed £1,486k during the year to various charitable projects (2020: £297k). Grants are made to both individuals and Institutions. Support costs allocated are £Nil

	EXPENDITURE ON CHARITABLE ACTIVITIES 2021 £'000	EXPENDITURE ON CHARITABLE ACTIVITIES 2020 £'000
GRANTS		
<u>Grants to Individuals</u>		
Successful Tenancies Theme		
Successful Tenancies Fund	17	55
Hyde Home Marathon – Food Banks	4	-
Breaking Barriers Fund	-	20
Employment & Enterprise Theme		
Future Earnings Fund	(1)	7
Emergency Relief Theme		
Emergency Relief Fund - individuals	316	-
Domestic Abuse Fund	9	-
Rent Relief Theme		
Rent Relief (Designated) Fund	484	-
<u>Grants to Institutions</u>		
Successful Places Theme		
Successful Places Fund	50	84
Mayors Young London Fund	10	30
Project & Partnership Manager Fund	-	21
Battersea Power Station CHO (Restricted) Fund	22	23
Scholarship Fund (Designated) Fund	-	16
Other	-	(1)
Emergency Relief Theme		
Emergency Community Fund	311	-
Innovation and Insight Theme		
Business Development Fund	264	42
Total	1,486	297

NOTES TO THE FINANCIAL STATEMENTS**2. EXPENDITURE ON CHARITABLE ACTIVITIES (CONTINUED)**

The table below shows the total number and value of grants and expenditure made to individuals and institutions. No single individual or institution received more than £200k.

	TOTAL VALUE £'000 2021	NUMBER OF DONATIONS 2021	TOTAL VALUE £'000 2020	NUMBER OF DONATIONS 2020
Grants made to Individuals	345	593	82	130
Grants made to Institution	1,141	39	215	24
Total	1,486	632	297	154

3. FUND ACCOUNTING

Summary of Fund Movements: Analysis of assets and liabilities between general, designated and restricted funds

	Unrestricted Fund 2021 £'000	Designated Fund 2021 £'000	Restricted Fund 2021 £'000	Total 2021 £'000	Unrestricted Fund 2020 £'000	Designated Fund 2020 £'000	Restricted Fund 2020 £'000	Total 2020 £'000
Investments	10,712	-	-	10,712	8,814	-	-	8,814
Debtors	78	-	-	78	107	-	-	107
Cash at bank and in hand	148	4,525	139	4,812	396	9	161	566
Creditors falling due within one year	(539)	-	-	(539)	(165)	-	-	(165)
	10,399	4,525	139	15,063	9,152	9	161	9,322

Summary of Fund Movements:

	1 April 2020 £'000	Income £'000	Expenditure £'000	Gains £'000	31 March 2021 £'000
Restricted income funds					
Battersea CHO Fund	141	-	(22)	-	119
Hennessey Fund	13	-	-	-	13
Solutions for Aging Society Fund	7	-	-	-	7
Total Restricted income funds	161	-	(22)	-	139
Unrestricted income funds					
General Fund	9,152	329	(980)	1,897	10,398
Designated Fund	9	5,001	(484)	-	4,526
Total Funds	9,322	5,330	(1,486)	1,897	15,063

NOTES TO THE FINANCIAL STATEMENTS**3. FUND ACCOUNTING (CONTINUED)**

	1 April 2019 £'000	Income £'000	Expenditure £'000	Losses £'000	31 March 2020 £'000
Restricted income funds					
Battersea CHO Fund	164	-	(23)	-	141
Hennesey Fund	13	-	-	-	13
Solutions for Aging Society Fund	7	-	-	-	7
Total Restricted income funds	184	-	(23)	-	161
Unrestricted income funds					
General Fund	9,602	392	(258)	(584)	9,152
Designated Fund	25	-	(16)	-	9
Total Funds	9,811	392	(297)	(584)	9,322

After the March 2020 year end date the Trustees committed a further £1,000K from the General Fund to the Restricted Income funds for the HCT Crisis Fund and a possible additional £1,000K to a new Designated HCT Rent Relief Fund. See the reserves policy in the Trustees' report for further details. Within the general fund, £3,979k (2020: £2,082k) relates to cumulative fair value movements on investments.

4. NET INCOME

Net income is stated after charging depreciation of £Nil (2020: £Nil) and other expenses of £Nil (2020: £Nil).

5. DONATIONS AND LEGACIES

During the financial year, the Charity received total general donations of £5,035k of which £5,000k comes from the Hyde Group for Rent Relief, £20k came from the Charities Trust, £5k came from staff fund raising and £10k from the Mayor's Young Londoners Fund all of which are unrestricted (2020: £62k, all unrestricted).

6. INCOME FROM INVESTMENTS

	2021 £'000	2020 £'000
Dividends from CCLA COIF Charities Investment Fund and JM Finn Portfolio		
Unrestricted	294	327
Interest receivable	1	3
	295	330

Interest and investment income is included within total income as it forms part of the Charity's income. All investment income is paid through intermediaries who are not listed.

7. AUDITORS' REMUNERATION

The notional charge for the audit of the financial statements was £4k (2020: £5k) exclusive of VAT. This was paid by the Parent, Hyde Housing Association Limited. No other services relating to the Charity were performed by the auditors.

8. EMPLOYEE INFORMATION AND COSTS

The Charity has no employees (2020: none).

Staff costs, including those of the managing director, are incurred within Hyde Housing Association reflecting the work of Hyde Foundation. These costs are not specifically identifiable as a recharge to HCT.

NOTES TO THE FINANCIAL STATEMENTS**9. DIRECTORS' EMOLUMENTS**

The Trustees received no emoluments or reimbursed expenses during the current or preceding years in respect of their services to the Charity. The Managing Director is paid by Hyde Housing Association Limited, the Parent.

10. INVESTMENTS

	2021 £'000	2020 £'000
At 1 April	8,815	9,399
Gain/(loss) on revaluation	1,897	(584)
At 31 March	10,712	8,815

Investments are shown after JM Finn Portfolio fees and charges of £34k (2020: £34k) and of £Nil (2020: £Nil) for the CCLA COIF Charities Investment Fund. The COIF incurs internal costs which are charged to the Funds capital. The ongoing charges ratio is 0.75% of the Fund's value per annum.

Investment statement

	Units	Original cost £'000	Market value 2021 £'000	Market value 2020 £'000
CCLA COIF Charities Investment Fund	321,490	3,638	5,763	4,776
JM Finn Portfolio	1,728,095	3,814	4,949	4,038
Total			10,712	8,814

The proportion of assets held in each fund are analysed as follows:

	Asset Value 2021		Return 2021		Asset Value 2020		Return 2020	
	CCLA £'000	JM Finn £'000	CCLA %	JM Finn %	CCLA £'000	JM Finn £'000	CCLA %	JM Finn %
Fixed Interest	749	17	13.0	0.3	26	568	0.5	14.1
Equities & Funds	3,885	3,916	67.4	79.2	3,580	2,308	75.0	57.1
Alternatives	1,125	777	19.5	15.7	874	862	18.3	21.4
Cash	5	239	0.1	4.8	296	300	6.2	7.4
Total	5,764	4,949	100	100	4,776	4,038	100	100

The valuation of CCLA COIF Charities Investment Fund (COIF) is measured at Fair value. As at the CCLA accounting date (31 December 2020) 87% was assessed at Fair value level 1, 8% Fair value level 2 and 5% Fair value level 3. The JM Finn portfolio is assessed at Fair Value level 1, using the unadjusted stock market quoted price with a value of £4,949K as at 31 March 2021.

If the price of the COIF investment fund moves by 10% and there is no change in the number of units held, then the value they hold will also move up or down by 10% or £576.3k. As at 31 March 2021, if the price of the investments held in the JM Finn portfolio Fund increased or decreased by 10% and with all other variables remaining constant, then the net assets attributable to unit holders and profit or loss would increase or decrease respectively by 10% or £494.9K.

NOTES TO THE FINANCIAL STATEMENTS**11. DEBTORS**

	2021 £'000	2020 £'000
Amounts owed by group undertakings	-	19
Other debtors	78	88
	78	107

12. CASH AT BANK AND IN HAND

	2021 £'000	2020 £'000
Restricted cash at bank	139	161
Designated cash at bank	4,525	9
Unrestricted cash at bank	148	396
	4,812	566

Cash has been allocated to Restricted and Designated Reserves first with the remainder in Unrestricted. They are all usable, as additional cash requirements can be met by future dividend income or drawing down from the investment funds

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Trade creditors	98	8
Amounts owed to group undertakings	44	-
Accruals and deferred income	397	157
	539	165

Amounts owed to Group undertakings represent intercompany balances which are unsecured, interest free and are settled throughout the year.

14. PROVISIONS FOR LIABILITIES AND CHARGES

There were no provisions for liabilities and charges during the year (2020: £nil).

15. CAPITAL AND FINANCIAL COMMITMENTS

There were no capital and other financial commitments at the balance sheet data (2020: £nil).

16. OPERATING LEASES

There were no operating leases held during the year (2020: £nil).

NOTES TO THE FINANCIAL STATEMENTS**17. CONTINGENT LIABILITIES**

There were no contingent liabilities at the balance sheet data (2020: £nil).

18. CONTROL

The ultimate parent company and controlling party, Hyde Housing Association Limited, is a housing association incorporated under the Co-operative and Community Benefit Societies Act 2014 which is registered in England and Wales. Hyde Housing Association Limited is a public benefit entity and registered provider for social housing incorporated in the United Kingdom. The composition of the Trustees of the Charity is determined by Hyde. Hyde Housing Association Limited exercises control through the power to remove and appoint Trustees. A copy of Hyde's financial statements can be obtained from 30 Park Street, London, SE1 9EQ.

19. LIABILITY OF THE MEMBERS

The Charity is a company limited by guarantee without share capital. The liability of the members, including the directors of Hyde Charitable Trust, is limited to £1 each.

20. RELATED PARTY TRANSACTIONS

There were no related party transactions requiring disclosure during the year.