

HEATHROW COMMUNITY TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

HEATHROW COMMUNITY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Prabhiot Basra (Deputy Chair, appointed Chair 9 December 2021)
Richard de Belder (reappointed 17 April 2020)
David Cottrell
Gennie Dearman
Alison Keeley
Michael Murphy
Jason Knight (appointed 11 February 2021)
Aled Patchett (appointed 13 May 2021)
Nigel Milton (appointed 25 October 2021)

CEO

Claire Knight (from 31 August 2021)
Rebecca Bowden (to 24 June 2021)

Charity number

1183004

Registered office

The Compass Centre
Nelson Road
Hounslow
London
TW6 2GW

Independent examiner

Alliotts LLP
Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DL

Bankers

Barclays Banks plc
1 Churchill Place
London
E14 5HP

Metrobank
One Southampton Row
London
WC1B 5HA

HEATHROW COMMUNITY TRUST

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HEATHROW COMMUNITY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "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).

Chair's statement:

It has been a very challenging year for both our Trust and the community groups we support. The ongoing impact of COVID-19 has been felt throughout the local communities, highlighting inequalities, and bringing new needs to the surface. While our funding income has still been significantly reduced compared with pre-pandemic levels, the ongoing support and generosity of our primary funders and our securing a one year partnership with the National Lottery Community Fund have enabled us to ensure that the Trust continues to remain financially robust throughout 2021 and well into 2022. Of the reduced funding available, the Board continued to focus remaining grants towards directly and immediately helping our local communities to maintain their operational stability, as well as refocusing on the emerging needs in their local areas. This adjustment to our funding focus was put in place within a few weeks of the UK lockdown being announced in 2020 and highlights the agility we have as a Trust. The partnership with the National Lottery Community Fund focused funding specifically on groups in Hillingdon, which also enabled the Trust to reach new groups. Notwithstanding reduced funding income, we have been able to support a significant range of community needs and continue to make a real difference during these challenging times.

I would like to thank all our Trustees for their continued support and hard work during these difficult times.

Merged reporting

Heathrow Community Trust CIO was formally approved by the Charity Commission on 16th April 2019. The CIO had been set up by Trustees of LHR Airport Communities Trust with a view to limiting Trustee liability for Trust activities. All activities and liabilities of LHR Airport Communities Trust were transferred to the new CIO in May 2019. LHR Airport Communities Trust had no activity in 2020 or 2021, and was formally dissolved in October 2021. Trustees of LHR Communities Trust became Trustees of Heathrow Community Trust at the time of transfer of business. ICAEW have advised that where the purpose of the incorporation is merely to protect the trustees (or similar) but there is no significant change to trustees, beneficiaries or the purpose of the charity then the charities are in effect merged and practically this means that one set of accounts is prepared under the new name.

HEATHROW COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives and activities

CHARITABLE OBJECTS as set out in Heathrow Community Trust constitution 2019:

The objects of the CIO are to advance such charitable purposes (according to the law of England and Wales) as the trustees see fit from time to time for the benefit of the general public and in particular but not exclusively for the public benefit predominately of people living and working in the local community around Heathrow Airport and the neighbouring boroughs (the 'Local Community') and other parts of the UK, through the making of grants, awards, donations and the provision of other financial and non-financial support to:

- a. protect and promote the physical and natural environment, including but not limited to the conservation and protection of wildlife, the promotion of biological diversity, the support of climate change mitigation initiatives and raising awareness of such issues in the Local Community;
- b. provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances or for the public at large with the object of improving their conditions of life;
- c. help young people up to 25 years of age in the Local Community through the funding of programmes designed to raise aspirations and improve life opportunities, including but not limited to the provision of skills and vocational training, apprenticeship schemes and other programmes;
- d. provide support to address financial hardship in the Local Community
- e. develop the capacity and skills of members of the Local Community so that they are better able to identify and help meet their own needs and to participate fully in society.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Our vision is of happy, healthy local communities where everyone has the opportunity to live a rewarding and fulfilled life, and the value of giving something back to your community is recognised.

Our mission is to enable significant positive change in the lives of people in the communities neighbouring Heathrow Airport, and the wider community in the UK. We do this through funding voluntary and community organisations, working in partnership with others, and by supporting employees of Heathrow Airport Ltd to give back to their communities. In 2021 we did this through awarding grants in the following funding streams in support of our charitable objectives:

- Covid19 Resilience Grants
- Hillingdon Covid Response Fund – money from the National Lottery Community Fund supported Covid19 emergency funding, including this programme operated by Heathrow Community Trust

It should be noted that grants awarded do not tie directly through to the accounts due to accounting timing differences such as recognition of grants with multiple award payments.

Our aim is to be an organisation which promotes social change by using all our assets and those of our donor organisations – our financial donations, our knowledge, people and networks, our grant making, programmes and partnerships. We aim to make a difference by leveraging support and resources and enabling colleagues to support the communities neighbouring Heathrow Airport and those in which they live.

HEATHROW COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance

Highlights for 2021:

- £185,000 of new grants awarded.
- 29,290 Total beneficiaries
- 3,426 Children and young people with increased awareness about their future, or having developed a new skill
- 15,669 over 65s improved quality of life or wellbeing
- 46,718 volunteering Hours Carried Out [to deliver projects]
- 191,899m2 Land Maintained or Improved.
- 98 trees planted

In 2021, Heathrow Community Trust received a donation from Heathrow Airport Limited of £125,000 (£425,000 FY20). Income from noise fines for the year totalled £2,500 (£10,900 FY20), this donation supports our Environmental & Sustainability grants programme.

Due to the ongoing impact of the Covid19 Pandemic, Heathrow Airport Ltd (HAL), employees and employees of Team Heathrow companies were not able to continue their fundraising activities in 2021 for Heathrow Community Trust as they had pre-pandemic. The Trust had 6 runners in the Virtual London Marathon and in person London Marathon in 2021 raising a total of £9,422, and HAL employees held HCTea Parties to welcome colleagues back to the office, raising a further £470.

In December 2021, in order to support the Trust's planning for the future, we carried out our seventh annual survey of local community organisations and charities to determine what their key needs were in terms of types of funding and key issues, with 75 organisations participating. They told us that the three biggest challenges facing their organisations were:

- **Sustainable funding**
- **Generating income**
- **Raising income for programmes that are already successful**

The majority respondents had changed their services or developed new services to meet the needs of their communities. For many, demand for services increased while their overall income decreased.

A list of grants made during the year is published on the Trust's website. Each Grant Programme is served by a Grant Review Panel which consists of volunteers who are a mixture of Heathrow Airport employees and members of the local community. Grant Review Panel members support the fund with their local understanding of applicants and ability to assess the impact of a grant on the local community. They also help to bring improved engagement with local groups, encouraging more applications.

HEATHROW COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Impact of Covid19 Pandemic

In 2020, the Trust responded to the pandemic by pausing all previous grant rounds and opening the Covid19 Emergency Response Fund, awarding small unrestricted grants to help organisations to respond to the emergency. In 2021, the Trust adapted this programme into the Covid Resilience Fund, awarding small unrestricted grants to help organisations adapt to the 'new normal', supporting the changes community groups had to make to deliver services. £90,000 was awarded, supporting organisations working with a wide range of communities including refugees, victims of domestic abuse, isolated older people and young people with additional learning needs. Heathrow Community Trust secured a contract with the National Lottery Community Fund to deliver the Hillingdon Covid Response Fund. This funding provided further support for groups within the borough of Hillingdon, with £95,000 awarded to 18 organisations.

Heathrow Airport Ltd was badly affected by the pandemic, but despite this has continued to donate and has pledged continued support as air travel begins to pick up. In the Heathrow 2.0 sustainability strategy, published in February 2022, one of the targets within the document is 'At least £6.5m in funds generated for the Heathrow Community Trust by 2030'. This clearly indicates Heathrow Airport Ltd's ongoing commitment to the Trust.

In 2021, the Heathrow Airport Ltd donation was £125,000 and noise fine income was £2,500.

Factors affecting performance

Heathrow Community Trust awards grants to third parties to deliver projects, this funding is only ever part of the total funding required to deliver the project, and delivery of these projects is monitored by Interim and Final project reports. From time to time projects do not proceed as planned due to a variety of reasons the most common of which are:

- Problems in securing planning permission
- Problems in reaching intended target beneficiaries
- Problems with the grant recipients being unable to raise sufficient funding to complete a project.

If problems are encountered in delivery, the Trust will work with grant recipients to agree a way forward. In the event that a project must be cancelled or prematurely closed, committed funding is written off, but this is a rare occurrence. Ongoing grants are reviewed quarterly in order to ensure that any funds no longer required can be written off and made available for other grants. All ongoing projects funded pre-pandemic were affected by Covid19, with 159 active at the start of 2021, and the team worked closely with all grant holders to change grant conditions to support new activities. In addition, many projects were delayed and time frames for ongoing projects now extend into late 2022 for completion.

Summary of Objectives for 2021

Our Values

1. Our beneficiaries come first
2. We are open and transparent
3. We work with integrity
4. We value and respect others
5. Everyone has the right to be safe
6. We continuously improve

HEATHROW COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Our key Priorities in 2021 were:

1. **Supporting the voluntary & community sector's ability to respond to and build back from the Covid19 pandemic.** We will enable our local voluntary and community organisations to provide support to those most adversely impacted by the pandemic and its after-effects by awarding unrestricted funding in a timely and effective way.
2. **Improving the voluntary and community sector's ability to support local communities and increasing the support available to the sector.** Recognising that the local voluntary and community sector faces significant challenges, we aim to support strengthening the voluntary sector by prioritising funding for local, smaller, organisations, helping successful organisations to develop and increase financial sustainability and long-term operation through provision of support to Apprenticeship training, and improve fundraising, through supporting Heathrow colleagues in skills-based Advocate volunteering, but also by seeking out ways to leverage our own grant making by working with other funders.

On Hold

The below priorities remained on hold for the majority of 2021 so that the Trust could focus its limited resources on Covid relief funding. Towards the end of 2021, trustees reviewed the priorities and worked to re-open three previously paused grant rounds. The Projects for Young People grant stream opened to new applications in November 2021, with Environment and Sustainability opening in January 2022 and Communities Together opening in February 2022. No grants were awarded for these streams in 2021.

3. **Environment and Sustainability** Improving the quality of life in our local communities by supporting sustainable development and sustainable use of resources in community buildings; increasing community awareness of sustainability; increasing the availability and accessibility of community green spaces, wooded areas, areas of natural beauty or biological areas of importance; increasing the amount of materials reused or recycled in the area.
4. **Communities Together** Improving the quality of life in our local communities by bringing communities together, reducing isolation and social exclusion, and increasing community cohesion and understanding between communities.
5. **Young People** helping our local communities by creating opportunities for young people up to age 25 to increase their resilience, raise their aspirations, improve their life opportunities, or break down barriers to employment through skills development.
6. **Heathrow Colleagues** providing support to the employees of Heathrow Airport Ltd in their charitable work and volunteering initiatives in the area neighbouring the airport, and across the United Kingdom. This priority was put on hold in March 2020 as a result of Covid19 and will re-open in 2022.

HEATHROW COMMUNITY TRUST

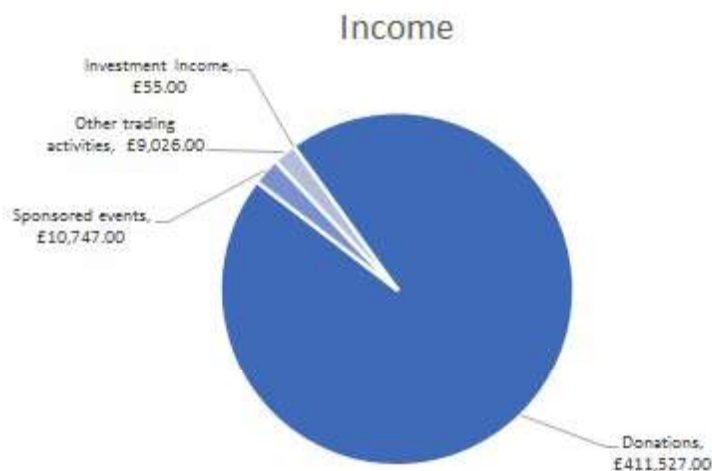
TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

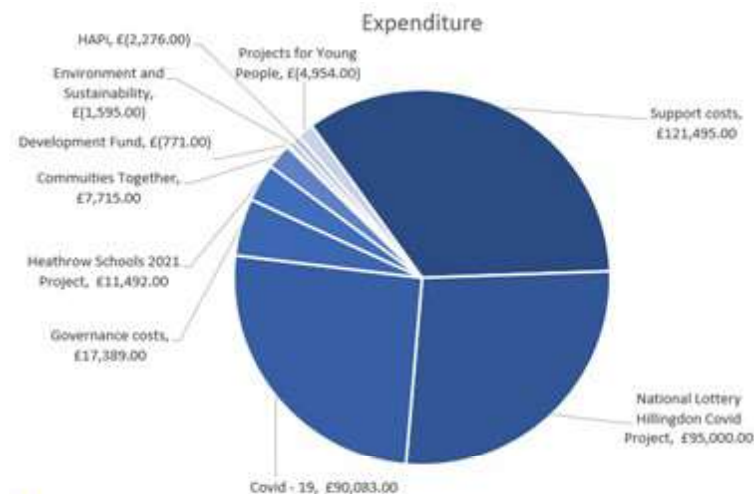
Financial review

2021 Financial performance

Income totalled £431,355 (2020: £543,375), which included a donation from Heathrow Airport Limited of £125,000 (2020: £425,000).



Total expenditure was £333,579 (2020: £593,209), comprising grant funding activities £195,768 (2020: £441,901), governance costs £17,389 (2020: £89,012) and support costs £120,422 (2020: £62,296).



Retained reserves at 31 December 2021 were £343,462 (2020: £245,686), of which £331,606 (2020: £245,533) were unrestricted.

Cash balances held at the year-end were £527,056 (2020: £713,697).

HEATHROW COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Investment policy

Cash is an investment and is held in flexible short-term interest-bearing accounts with the charity's bank. This policy is considered by the Trustees to be appropriately conservative with little financial risk. The Trust does not rely on investments in order to generate all its grant-making income and as such investment is aimed at maximising the amount of grant-funding available. Trustees review the investment policy annually.

Reserves policy

The Trust has accumulated general unrestricted funds (free reserves) of £331,606 (2020: £245,533). The Trust's assets are available and adequate to fulfil its obligations. The Trust reviews its reserves policy on an annual basis and in 2021 also reviewed the policy Quarterly in light of the impact of Covid19. The Trust's aims to hold unrestricted funds of £200,000 as a contingency to cover up to a maximum of two years running costs to administer existing commitments. The reserves policy will continue to be reviewed regularly to ensure the Trust is not holding unnecessary funds.

Going concern

The Trust's funding is only agreed on a yearly basis. If funding were to be discontinued or significantly reduced, the charity has to obtain alternative sources of funding or curtail its activities as was the case in 2020 and 2021. At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements. Unrestricted Reserves are calculated to allow the Trust to undertake an orderly cessation of activities should that be required. Restricted funds are sufficient to cover all funding commitments (grants awarded). Further details regarding the adoption of the going concern basis can be found within the Accounting Policies note on page 16 of the financial statements.

Public Good

The Trustees have complied with their duty under Section 17(5) of the 2011 Charities Act to have due regard to the Charity Commission's guidance on public benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Restricted Funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. During 2021 restricted funds were received from Noise Fines (Environmental & Sustainability) and National Lottery Community Fund (Hillingdon Covid Response Fund). All other funds are unrestricted and are expendable at the discretion of the Trustees in the furtherance of the objects of the Trust. The Trustees may allocate part of the charity's unrestricted funds to be used for particular purposes in the future. The Trustees have the power to re-designate such funds within unrestricted funds.

HEATHROW COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Covid-19 Pandemic

As a grant-making Trust, Heathrow Community Trust operations were not affected by the necessary virus control measures and continued to operate smoothly throughout the lockdown periods, including holding Board of Trustees and Grant Review Panel meetings over Teams and Zoom.

The Pandemic however had a catastrophic impact on the business of Heathrow Airport Ltd, resulting in a reduction in their planned annual donation in 2020 to approximately 60% of previous years, and less than 20% of the pre-pandemic donation in 2021. In addition to the reduction in this donation, all planned income from sporting events and other fundraising activities was cancelled as a result of the pandemic, with some activities restarting in late 2021. Accordingly, Heathrow Community Trust focused the 2021 budget on two Covid19 Resilience Grant rounds and secured an agreement with the National Lottery Community Fund to provide additional funding for the London Borough of Hillingdon. Trustees and Volunteer members of the Grant Review Panels continued to carry out their roles through virtual online meetings.

Support cost reductions put in place in 2020 were maintained in 2021 including retaining the CEO's contract as three days per week and working with a reduced admin team at Groundwork South. The Trust was also without a CEO for two months due to a change of staff, with the outgoing CEO supporting in a voluntary capacity to ensure a smooth transition, which enabled further cost savings. Trustees reviewed the Trusts Reserves policy in August 2020, and Quarterly thereafter. The pandemic has had a huge impact on the local community and support is needed more than ever. Heathrow Airport Ltd continues to be badly affected by the pandemic, but despite this has continued to donate in 2021 and has continued support into 2022 as air travel begins to pick up. In the Heathrow 2.0 sustainability strategy, published in February 2022, one of the targets within the document is 'At least £6.5m in funds generated for the Heathrow Community Trust by 2030'. This clearly indicates Heathrow Airport Ltd's ongoing commitment to the Trust.

Structure, governance and management

Heathrow Community Trust is a CIO approved by the Charity Commission in April 2019. The affairs of the charity are governed by the Board of Trustees.

The trustees who served during the year and up to the date of signature of the financial statements were:

Prabhiot Basra (Deputy Chair, appointed Chair 9 December 2021)

Richard de Belder (reappointed 17 April 2020)

David Cottrell

Gennie Dearman

Samina Hussain (retired 13 April 2022)

Alison Keeley

Michael Murphy

Jason Knight (appointed 11 February 2021)

Aled Patchett (appointed 13 May 2021)

Nigel Milton (appointed 25 October 2021)

Andy Kerswill (Chair) (retired 9 December 2021)

Chris Johnston (retired 13 May 2021)

Caroline Hui (retired 9 September 2021)

HEATHROW COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees are appointed, elected or re-elected for a fixed term of three years, with the option of extending for a further three years and, in addition, the Board can resolve by a 75% majority that it would be in the best interests of the charity for a particular trustee to be reappointed for a further consecutive term in office. New Trustees are recruited by advertisement and/or recommendation by existing Trustees, the CEO, or members of Heathrow's local community networks. Three of the nine trustees are employed by Heathrow Airport Holdings Ltd. Heathrow Airport Holdings Limited is the major donor to the Trust; the trust operates as a separate entity when setting its aims and objectives according to its constitution. The donation from Heathrow Airport Ltd is given in Unrestricted funding without constraint regarding its use other than for charitable purposes.

Prospective Trustees are offered the opportunity to attend a Board meeting and are interviewed by the Chair, an additional Trustee and the CEO. If successful, their appointment is confirmed at a Board meeting. An induction programme is agreed and implemented for each new Trustee, covering all aspects of the role and the organisation.

All new Trustees receive a structured induction programme, are offered the opportunity to participate in one or more of the Grant Review Panels or other Board sub-committees and may visit as many projects funded by the Trust as they wish. All Trustees are required to provide information on potential conflicts of interests and a Conflicts of Interest Policy is in place to ensure management of any conflicts. In addition, Trustees must declare any related parties (none identified for Trustees in 2021).

The board seeks to ensure that all its activities operate in compliance with all relevant legislation and regulation. Its work includes setting the strategic direction of Heathrow Community Trust, agreeing the financial plan, monitoring performance and having overall responsibility for all funding decisions. In addition, the board is responsible for appointing the CEO who is responsible for day to day running of the organisation. The current CEO, Claire Knight, was appointed by Trustees in May 2021 and commenced employment in August 2021, reporting to the Chair of the Board of Trustees. The previous CEO, Rebecca Bowden was appointed by Trustees in 2015. Originally employed directly by Heathrow Airport Limited until 30 September 2020, Rebecca left the Trust's employment in June 2021.

The Board of Trustees met five times in 2021 for Board meetings. The Trustees have considered the major risks to which the Trust is exposed and, as such, have reviewed and established systems and procedures to mitigate those risks. The Risk Review Sub-Committee, who report to the Board quarterly, review the Risk Register and associated policies and procedures, to ensure regular quarterly reporting of risks to the Board.

The Trustees consider the main risk to the Trust being Heathrow Airport Limited continuing to pay its donations or to reduce these substantially. This risk was activated during 2020 when the company had to reduce its planned donation as a result of catastrophic impact of the pandemic on the airport. The Trust only recognises this income where there is a reasonable assurance of receipt and were able to move swiftly to adjust planned grant funding rounds to take account of the reduction in income. The Trust recognises full funding commitments in the year in which funding is awarded in order to avoid carrying forward commitments for which funds may subsequently not be available. The Trust presents an update on its performance, activities and plans to the Heathrow Airport Holding Group Charities and Communities Committee on a Quarterly basis to help secure continued funding, in addition the CEO presents annually to the Heathrow Airport Holding Group Executive Committee.

The Trust directly engaged as its agent Groundwork South Trust Limited to manage its grants programmes, helping it to offer a source of expert advice to help applicants build strong grant bids and carry out due diligence checks on applications and ongoing grants.

The Treasurer chairs the formal quarterly Finance Committee, reporting to the Board of Trustees.

HEATHROW COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

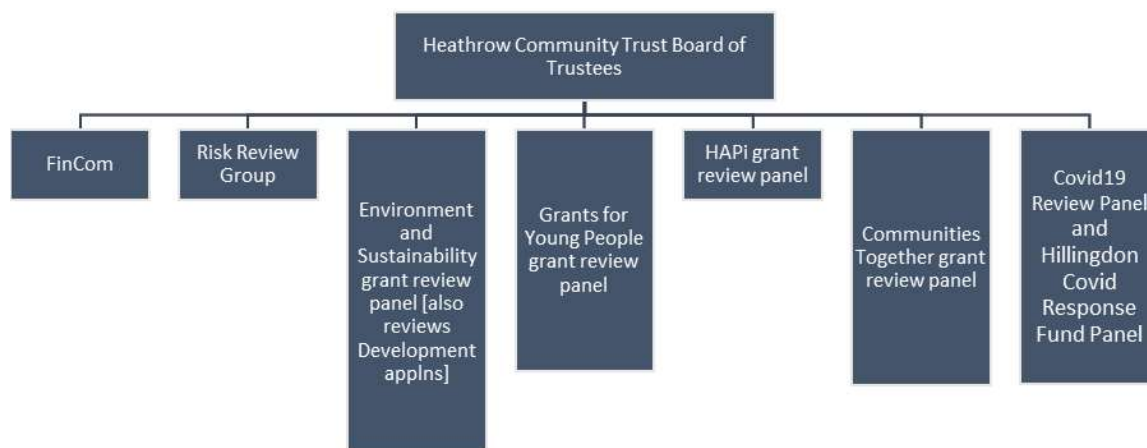
FOR THE YEAR ENDED 31 DECEMBER 2021

Grant Review Panels

Each Grant Programme administered by the Trust is overseen by a Grant Review Panel which has a minimum of one Trustee as member, and includes representatives from across the local community, individuals with expert knowledge of the subject matter and employees of Heathrow Airport Ltd and other airport companies. This helps the Trust to build on its knowledge of local community needs and as a result to become more effective in grant making.

Each Review Panel is granted delegated powers to approve funding allocations of up to £5,000. Applications for funding of more than £5,000 are submitted, with a recommendation from the local panel, to the Board of Trustees for consideration.

Funding criteria, application forms and deadline dates for each funding stream are published on the Trust's website.



HEATHROW COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Covid 19 Resilience Grants

During 2021 this Grant Review Panel consisted of the Chairs of each of the following grant review panels (or their deputies): Projects for Young People, Environment and Sustainability, HAPi and Communities Together. The panel oversaw a programme to award grants of up to £5k unrestricted core funding to support organisations that Heathrow Community Trust had funded in the last 5 years to enable them to respond to the Covid19 emergency.

Hillingdon Covid Response Fund Grant Programme

This programme awarded grants of up to £10,000 to organisations in Hillingdon to support them to deliver services to communities affected by Covid19. £95,000 was available in two funding rounds, to be utilised by the end of January 2022. The funding for this programme was provided by the National Lottery Community Fund and awarded by a grant review panel made of members of the Communities Together, Environment and Sustainability, and Projects for Young People panel, with the addition of a member of staff from Hillingdon Borough Council.

The below programmes were on hold for the majority of 2021. They were reviewed in autumn 2021 and reopened in late 2021 and early 2022 with the levels of funding available as below.

Grants for Projects for Young People and Environment & Sustainability Grant Programmes

Each of these programmes awards grants of up to £7,500 for 1 year. This is a single stage process, with applications reviewed by the panel who have delegated authority to award up to £5,000. Recommendations for awards over £5,000 are made to the Board of Trustees for review.

Communities Together Grant Programme

This programme awards grants of up to £2,500 for 1 year. All applications are all assessed by the panel in a single stage process. The panel formally reports to the Board of Trustees once per annum.

The three grant streams below were closed throughout 2021 and have not yet re-opened.

Communities Together Large Grants Programme

In response to gaps identified in our funding programmes, during 2018 a new funding programme was introduced: Communities Together Large Grants awards up to £25,000 for projects which focus on bringing communities together with specific beneficial outcomes for adults aged 25+. Grant applications are reviewed by the Communities Together Grant Review Panel in a two-stage process, with funding recommendations being made to the Board of Trustees.

Heathrow Active People Initiative (HAPi) Grant Review Panel

The HAPi grants review panel meets four times per annum and reviews applications for funding in the HAPi grants programme (up to £2,500) and Staff Matched Funding (up to £250). Applications to these programmes are only open to employees of Heathrow Airport Limited. The panel formally reports to the Board of Trustees once per annum.

Development Grants

In response to an identified funding gap, Heathrow Community Trust put in place a grant programme awarding funding of up to £10,000 for projects to identify community needs, carry out environmental audits or assessments, or projects which will remove blocks and enable future work to support the community. Such projects are reviewed by the Environmental & Sustainability Grant Review Panel with funding recommendations being made to the Board of trustees.

General Grant Making Policy

Grant Applications must demonstrate that they have met the key funding criteria of the relevant grant scheme all of which are available from our website. Our Grant Making Policy is published on the Trust's website. Grants are awarded to projects taking place in the boroughs of Ealing, Hillingdon, Hounslow, Slough, Spelthorne, South Buckinghamshire, Runnymede, Windsor & Maidenhead and Richmond, unless covered by the HAPi or Matched Funding streams which are not geographically restricted.

Employees

The Trust's CEO Rebecca Bowden left in June 2021, and the new CEO Claire Knight was appointed in May 2021, joining the Trust in August 2021. The CEO of the Trust is not a Trustee and does not have the responsibilities of a statutory director.

HEATHROW COMMUNITY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees' report was approved by the Board of Trustees.



PKBasra (Oct 15, 2022 09:40 GMT+1)

Prabhiot Basra (Chair)

Trustee

Date: 14/10/2022

.....



Aled Patchett (Oct 14, 2022 08:21 GMT+1)

Aled Patchett

Trustee

HEATHROW COMMUNITY TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HEATHROW COMMUNITY TRUST

I report to the trustees on my examination of the financial statements of Heathrow Community Trust (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Christopher Cairns

Christopher Cairns (Oct 17, 2022 11:04 GMT+1)

Christopher Cairns BSc FCA

Alliotts LLP
Friary Court
13-21 High Street
Guildford
Surrey 17/10/2022
Dated:

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

HEATHROW COMMUNITY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
Income from:							
Donations and legacies	3	308,527	103,000	411,527	471,395	49,274	520,669
Other trading activities	4	17,273	2,500	19,773	9,287	10,900	20,187
Investments	5	55	-	55	2,519	-	2,519
Total income		325,855	105,500	431,355	483,201	60,174	543,375
Expenditure on:							
Charitable activities	6	239,782	93,797	333,579	533,188	60,021	593,209
Net income/(expenditure) for the year/							
Net movement in funds		86,073	11,703	97,776	(49,987)	153	(49,834)
Fund balances at 1 January 2021		245,533	153	245,686	295,520	-	295,520
Fund balances at 31 December 2021		331,606	11,856	343,462	245,533	153	245,686

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

All income and expenditure derive from continuing activities.

HEATHROW COMMUNITY TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Cash at bank and in hand		527,056		713,697	
Creditors: amounts falling due within one year	10	(183,594)		(468,011)	
Net current assets			343,462		245,686
Income funds					
Restricted funds	11		11,856		153
Unrestricted funds			331,606		245,533
			343,462		245,686

The financial statements were approved by the Trustees on 14/10/2022


PKBasra (Oct 15, 2022 09:40 GMT+1)

Prabhiot Basra (Chair)
Trustee


Aled Patchett (Oct 14, 2022 08:21 GMT+1)

Aled Patchett
Trustee

HEATHROW COMMUNITY TRUST

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

1 Accounting policies

Charity information

The principal accounting policies applied in the preparation of the financial statements for Heathrow Community Trust (a 'Charitable Trust') are set out below. Heathrow Community Trust is a CIO approved by the Charity Commission in April 2019.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations are recognised on an accruals basis where the entitlement, certainty and measurement criteria are being met.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

HEATHROW COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.7 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

HEATHROW COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	308,527	103,000	411,527	471,395	49,274	520,669

4 Other trading activities

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Fundraising events	10,747	-	10,747	6,955	-	6,955
Trading activity income: other	6,526	2,500	9,026	2,332	10,900	13,232
Other trading activities	17,273	2,500	19,773	9,287	10,900	20,187

5 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Investment income	55	2,519

HEATHROW COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Expenditure

	2021	2020
	£	£
Grants Payable		
Covid-19	90,083	242,518
Projects for young people *	(4,954)	116,468
Environment and Sustainability *	(1,595)	(572)
Communities Together	7,715	28,260
Development Fund *	(770)	(498)
Staff Matching Funding	-	5,422
HAPi *	(2,276)	26,182
School Laptops	-	24,121
National Lottery Hillingdon Covid Project	95,000	-
Heathrow Schools 2021 Project	11,492	-
	<u>194,695</u>	<u>441,901</u>
Support costs	121,495	62,296
Governance costs	17,389	89,012
	<u>333,579</u>	<u>593,209</u>

* Underspend relating to prior periods

HEATHROW COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

7 Support costs

	Support costs	Governance costs	2021 Support costs	Governance costs	2020
	£	£	£	£	£
Staff costs	46,884	-	46,884	16,289	71,395
Recruitment costs	15,690	-	15,690	-	-
Grant administration	51,159	-	51,159	41,871	41,871
PR & Communications	1,494	-	1,494	439	439
CRM	1,209	-	1,209	2,059	2,059
Accounting system	-	-	-	1,459	1,459
Fundraising costs	-	-	-	179	179
Computing costs	4,686	-	4,686	-	-
Postage	15	-	15	-	-
Bank charges	298	-	298	-	-
Training and networking	60	-	60	-	-
Audit fees	-	-	-	-	6,660
Independent Examiners fees	-	5,424	5,424	-	-
Incorporation costs	-	-	-	-	4,320
Memberships	-	1,015	1,015	-	1,455
Admin and event	-	-	-	-	5,182
Legal and professional costs	-	10,778	10,778	-	-
Meeting costs	-	172	172	-	-
	<u>121,495</u>	<u>17,389</u>	<u>138,884</u>	<u>62,296</u>	<u>89,012</u>
Analysed between Charitable activities	<u>121,495</u>	<u>17,389</u>	<u>138,884</u>	<u>62,296</u>	<u>89,012</u>

Governance costs includes payments to the Independent Examiners of £3,450 (2020: audit fee £6,660).

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
<u>1</u>	<u>1</u>

HEATHROW COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

9 Employees (Continued)

Employment costs	2021 £	2020 £
Wages and salaries	46,884	87,684

There were no employees whose annual remuneration was more than £60,000.

There were no donated services in 2021. The prior year includes an estimate of services supplied by the Trust's Director, Treasurer and Heathrow Airport Limited staff and other expenses incurred in the running of the Trust of £71,395. The Trust has one direct employee. (2020: one)

10 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	178,170	464,111
Accruals and deferred income	5,424	3,900
	183,594	468,011

11 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£	£
HAPi Fund	-	25,000	(25,000)	-	-	2,276	2,276
Noise fines	-	10,900	(10,900)	-	2,500	-	2,500
NLHC Fund	-	24,274	(24,121)	-	103,000	(96,073)	6,927
School Laptops	-	-	-	153	-	-	153
	-	60,174	(60,021)	153	105,500	(93,797)	11,856

HEATHROW COMMUNITY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Current assets/(liabilities)	331,606	11,856	343,462	245,533	153	245,686
	<u>331,606</u>	<u>11,856</u>	<u>343,462</u>	<u>245,533</u>	<u>153</u>	<u>245,686</u>

13 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).