

Registered Charity No.: 1152864

**IMAGINE FOUNDATION
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

IMAGINE FOUNDATION
TRUSTEES ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

INTRODUCTION

The Board of Trustees present their Annual Report for the year ended 31 December 2019 under the Charities Act 2011, together with the financial statements for the year. The Board confirms that the latter comply with the requirements of the Charities Act 2011, the trust deed and the Charities SORP FRS 102 (2015) (update bulletin 1).

PURPOSES AND ACTIVITIES

Objects of the Charity

The objects are exclusively for the public benefit to promote the effectiveness or efficiency of charities and to advance any other charitable purpose within the meaning of English Law.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's purposes and aims, and when planning future activities. In particular how planned activities will contribute to the achievement of the objectives and aims.

Objectives and Activities for 2019

The aim of Imagine Foundation is to support the work of charities and voluntary bodies that are particularly working in areas of disadvantage caused by socio-economic factors such as unemployment and social exclusion. We recognize the value for the wider community if individuals gain a greater sense of belonging to it, raise their aspirations for themselves and others, and become empowered to participate in building stronger community. We therefore wish to support projects that are working to build these outcomes for their participants. We aim to develop on-going relationships with projects so that there is the possibility of further development within a community.

Since our launch in 2013 we have grown each year in terms of the number of partnerships and the amount given in grants. 2018 saw us reach financial capacity in terms of our grant-making ability, and we also found it harder to build and maintain relationships with our partners as we wished, due to the number of partners and the fact that we run Imagine Foundation as a voluntary entity. We therefore decided to close to new applications during 2019, in order to allow us more time to focus on the existing partnerships in the following ways:

- To host a Celebration event in September 2019 to provide opportunities for projects to share their learning directly with one another,
- To further develop the use of the online forum, by training the project leaders in the use of the platform and by stimulating debate and offering articles of interest to build a habit of usage,
- To visit more of the existing projects in 2019, particularly those that are newer partnerships, as these visits give us the best insights into the needs of the organisations and the potential for connecting them with other partners who may be able to offer help and advice,
- To advocate for the needs of small and medium sized charities by speaking at an Association of Charitable Foundations (ACF) seminar on core funding and continuing to build useful connections with other funders.

ACHIEVEMENTS AND PERFORMANCE

Review of Achievements and Performance for 2019

We have funded twenty-three existing and one new partnership.

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Review of Achievements and Performance for 2019 (continued)

- ❖ We continued our support for **Families Outside**, a registered charity based in Edinburgh (Scottish Charity No. SC025366) and in particular their work supporting children and young people affected by imprisonment. A core part of this work is the delivery of training sessions inside prison to teachers to raise their awareness of the experiences that children affected by imprisonment face. It also highlights children's particular needs and issues and the support services that are on offer and provides resources to help children to talk with those supporting them about the issues that they are worried about. Children and young people affected by imprisonment are at greater risk of dropping out of the education system and of becoming involved in criminal or anti-social behaviour, so it is clearly immensely valuable to provide strong support as early as possible
- ❖ We also continued our partnership with **Vox Liminis** (Scottish Charity No: SC044343) based in Glasgow. Vox Liminis uses music-making to assist the re-integration of offenders and to strengthen and renew relationships between prisoners and their families, which helps to reduce cycles of offending and reoffending. Their work powerfully gives voice to prisoners, their families and others involved in the Criminal Justice System.

As well as enabling prisoners and their families to communicate better as a result of the song-writing and music-making process, the songs can help to inform the wider community of the issues that they face. Vox Liminis host performances for professionals in the Criminal Justice system and for the wider public, to stimulate conversation about imprisonment, support for families and re-integration of ex-offender.

- ❖ The work of Vox Liminis resonates with that of **Music In Detention** (Registered Charity No: 1119049). They work with detainees in Immigration Removal Centres and use music-making and song writing to help detainees express their voice and tell their stories, collaborate with others from different cultures and to promote mental well-being. MID also works with disadvantaged groups in the wider community, often exchanging material between them and the detainees to create a conversation and to promote understanding. In this way their work has both a direct impact on the individuals involved and a wider impact as it breaks down barriers and stereotypes.
- ❖ The building of connections and relationships across different cultures is also a key aspect of the work of **B.friend**, based in Bristol, (supported by Bridges for Communities, Registered Charity No. 1137092). They support asylum seekers and refugees by linking them with a local volunteer who can act as a friend, mentor and guide to help them to settle more in the local community. Again this has a wider impact through the building of relationships, and the increased understanding of different cultures.

We continued to support two organisations that work to build community and social integration and are targeted at vulnerable women:

- ❖ **The Women and Family Resource Centre** (Registered Charity No: 1131817) are based in the West Midlands. They run a wide number of activities aimed at relieving hardship, poverty and ill-health in women and families, providing information and support, counselling, befriending and practical activities such as after-school clubs and cookery classes. Much of their work is directed at helping women from other countries to adjust to life in the UK, gain confidence in speaking English, and integrate into the wider community. They also help to address key areas of concern such as female genital mutilation and domestic violence.
- ❖ **Orts**, (supported by Hull Youth for Christ, Registered Charity No: 1050216), use craft-making as a way of building community, creating supportive relationships and helping participants to develop skills and self-confidence, as well as helping them to tackle specific challenges in their individual lives. They support women recovering from mental ill-health issues, addiction and other major life issues, as well as others who have very little English and are isolated from the wider community as a result.

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Review of Achievements and Performance for 2019 (continued)

- ❖ Another organization that focusses on vulnerable women is **Luminary Bakery**, based in London, (supported by Kahaila, Registered Charity No: 1138653). They work with women from disadvantaged backgrounds who have experienced homelessness, domestic violence, sexual exploitation or criminal activity. They provide a tailored support programme involving training, employment and community. The women are trained in baking skills and wider life skills, and are supported in gaining qualifications and securing employment, enterprise or further training.
- ❖ In a similar way, **Handcrafted** in Durham, (Registered Charity No: 1146188), works with individuals disadvantaged due to crime, alcohol or substance abuse, unemployment, or ill health. They run a woodworking workshop, where participants are able to learn new skills and become part of a creative community. This model has successfully helped a number of individuals find work or launch their own enterprises and they have expanded their model to incorporate catering and cycle maintenance. Handcrafted also help to provide homes for participants who are homeless, involving them in renovating the houses, thereby giving them a training opportunity and creating a sense of ownership as they do so.
- ❖ We also continued to support **Inside Out**, (Registered Charity No: 1175515) which works with people at risk of offending or reoffending. Based in Derby, they address practical needs by providing accommodation, employment training and work placements. They also provide individually tailored support through mentoring and activities aimed at building confidence and developing wider interests, in order to build social inclusion.
- ❖ Another project that develops employability skills, increased social inclusion and improved mental well-being is **School of Hard Knocks**, based in London, Scotland and Wales, (Registered Charity No: 1147009). They have developed courses for adults which use sport, life-skills coaching and mentoring to tackle issues surrounding unemployment, anti-social behaviour, crime, and health. The courses have a considerable impact on participants' motivation, ability to face challenges and self-confidence. SoHK also run a schools programme, which has proved very successful in helping young people at risk of disengagement from education to become less disruptive, more focused and to go on to achieve significant academic qualifications.

We also supported six organisations whose work is specifically aimed at young people – five existing partnerships (The Juno Project, North East Young Dads & Lads, The Canaan Project, Free to be Kids, Thrive) and developed a new partnership (Grow).

- ❖ **Grow**, (Registered Charity No:1177035) based in Sheffield, which promotes well-being, increases social engagement and develops employability skills in young people aged 16-24. This is a young organisation, having started with a pilot project in 2018, and so we are hopeful that they will be able to learn from others in the IF network.
- ❖ **The Juno Project**, (Registered Charity No:1176628) works in West Sussex with girls and young women of school age who have experienced significant challenges in their lives such as poverty, chaotic and dysfunctional home life, domestic violence, addictions, abuse, and bullying; and are at risk of school exclusion or disengagement from education. The project provides support, mentoring and activities which develop the girls' skills, capacities and capabilities and helps them to break negative mind-sets or behaviours that are holding them back.
- ❖ **North East Young Dads and Lads**, (Registered Charity No: 1172924), provides befriending, advocacy, educational and empowerment opportunities to young fathers and fathers-to-be (aged under 25), across the Tyne & Wear area to help them to overcome social, economic and educational disadvantage and play an active and positive role in their children's lives. Young fathers are much more likely to leave secondary education early, with no qualifications or career prospects, and face subsequent problems of financial hardship and homelessness, and many lose or are denied access to their children. The project creates a supportive learning environment for young fathers, enabling them to interact with their children, build a wider network of peer support, and model and share positive parenting skills. It also provides mentoring, coaching and advocacy.

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Review of Achievements and Performance for 2019 (continued)

- ❖ We also continued to support **The Canaan Project**, (Registered Charity No: 1110403), which is aimed at capacity building amongst disadvantaged girls and young women, and is based in Tower Hamlets. The project provides mentoring, experiences and opportunities that help the participants to build self-confidence, make positive choices, raise their aspirations and broaden their horizons. It provides a safe environment for young women to work to overcome particular issues such as mental ill-health, low self-esteem and the effects of bullying or domestic violence.
- ❖ **Free To Be Kids** (Registered Charity No: 1165678), supports vulnerable children and young people in London who are struggling with social or emotional difficulties. They use therapeutic adventures, respite residentials and after school clubs to help young people to rebuild their self-esteem, boost their resilience and explore ways of managing challenging emotions.
- ❖ **Thrive**, an initiative of Innovista, (Registered Charity No: 1108679), work by developing long term relationships within a local community on the edge of Oxford, providing mentoring, leadership training and opportunities for young people to work together to bring about positive change in the community.

Two other projects that we supported are working on long-term, deeply rooted interventions in their local communities, (Ls14 Trust & Monty's Community Hub).

- ❖ **LS14 Trust**, based in Leeds (Registered Charity No: 1169716) provide a Digital Lounge providing IT access and training and aimed at helping unemployed local residents to access employment opportunities and local support services. Alongside this they run a community cafe and a creative arts space from which they host a number of initiatives aimed at fostering social cohesion, creating strong community bonds, and engaging local people in bringing about positive change to their community.
- ❖ **Monty's Community Hub** (Registered Charity No: 1155649), based in Sholing, Southampton started as a hub for youth and children's work, but has quickly grown to be a catalyst for wider community building, skills development and social action. Among these wider activities, they run a social enterprise based around a bike workshop, and food waste café.
- ❖ We continued our partnership with **REFUSE** (CIC 09672997), which runs a "pay as you feel" café in Chester le Street, using food from supermarkets and local producers that would otherwise have been wasted. They also host community meals, market stalls, and pop-up events which are aimed at changing understanding and practice around food waste, making good quality food more accessible to those on low incomes and building community connections through sharing food together.

We also continued support for the following organisations.

- ❖ **Artizan International (previously Craft Aid International)**, (Registered Charity 1160494) are based in York, and work adults with physical disabilities and learning difficulties. They run creative workshops where participants can learn new craft skills, interact with others and become part of a supportive group. They use recycled materials to make high quality crafts and use the income from sales to support associated projects in the developing world.
- ❖ **Oxfordshire My Life My Choice Association** (Registered Charity 1073247), are a self-advocacy group for people with learning difficulties and they provide direct support and community building activities for their members. They also campaign to build understanding of the particular issues that they face and to effect policy change amongst agencies and care providers. A number of their members act as quality checkers for local learning-disabled services and contribute to NHS and National Institute for Health and care Excellence (NICE) committees.

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Review of Achievements and Performance for 2019 (continued)

- ❖ **Out of Character**, (Registered Charity 1161399) is another group that provides both direct support and works to build wider understanding of particular issues. They are a theatre company based in York, which aims to promote the social inclusion and recovery of adults who have mental health challenges. Taking part in theatre enables participants to build self-confidence, become less isolated and to join a supportive community. The group writes and performs work that challenges perceptions and promotes a greater understanding in the wider community of issues around mental health.
- ❖ **Touch Network**, (CIC No: 10241301), based in Southampton, works to build individuals' resilience, confidence and self-esteem and to build community. They create opportunities for people to share their stories of overcoming challenges and to learn from one another's experiences of working through difficult situations. They are partnering with local healthcare providers to explore the ways that the local community can provide non-clinical support for people to improve their sense of well-being.
- ❖ **Lippy People**, based in Leeds, (Registered Charity No: 1162902), use video storytelling in their work with people experiencing social exclusion, inequalities and defining life challenges. The practice of storytelling enables the storyteller to reflect upon their experiences and to recognise the learning that came from those experiences. The videos enable the wider community to hear from people whose voices are often unheard and to learn from them and develop new perspectives, so facilitating positive personal and social change.

Shared Learning

2019 was a difficult year for all of the Imagine Foundation Trustees, due to personal and family situations and the pressures of work in other organisations that we are involved in. We run IF voluntarily, and were able to adapt our workload accordingly, and as a result did not carry out as many visits as we had intended. However, these external pressures made us very aware of the need to look after our own well-being, and to recognise the needs of the IF project leaders in coping with their own external and organisational stresses. We used our Celebration event and our online forum to host conversations around this issue, and we have had some very honest sharing of both the pressures and the resources that individuals and organisations are using to promote well-being.

The Celebration event also provided opportunities for external input on handling difficult conversations and for IF partners to share their insights, questions and challenges directly with one another. A number of IF partner organisations presented their learning on key topics such as building resilience and developing impact measurement.

Our online forum has gradually achieved some traction and there has been a greater number of posts initiated by IF partners directly. We have also partnered with Goodmakers Society (formerly Matryoshka Haus) to help to stimulate more conversation and learning on this forum.

We are keen to share learning across our projects, but also to take what we have learned from them into conversations with other funders. Many of the projects that we support struggle to find unrestricted core funding and this can cause them difficulties in delivering their best impact and in becoming sustainable. Following our participation in a seminar on core funding hosted by the Association of Charitable Foundations in 2018, we were invited to participate in a further session in 2019. We have followed up connections with other funders made at this seminar and have also developed links with organisations that support small charities in ways other than funding. We hope to curate a conversation amongst this network during 2020 to share learning across different aspects of the charity sector.

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Future Plans

We decided to remain closed to new applications during 2020, in order to focus on existing partnerships. We are also aware that, due to ongoing commitments, we will have limited capacity for grants to new organisations going forward. Rather than open a funding window which generates a lot of applications for a small amount of potential new partnerships, we want to explore other ways of reaching out to new and younger charities. This may be by developing a network of partner referees who could introduce us to new projects in their area. We will explore this idea further during the year.

We hope to carry out more visits to partner projects in 2020.

We will be taking part in another ACF seminar on Core Funding in June 2020. We also plan to develop conversations with funders and other organisations within the charitable sector to share learning.

We will continue to attend workshops and seminars run by ACF and other organisations that support the charity sector in order to gain knowledge and resources that will be useful for our partners.

Coronavirus Planning

This report was written as the Covid-19 crisis was developing in the UK. At the time of writing, it was impossible to know how the organisations that we are currently supporting will be affected in the long term. However, as we know these organisations well and believe that they are having a positive impact on their beneficiaries, we will endeavour to support them and help them to find a way through this crisis where possible. This means that we are unlikely to be able to take on new partnerships in 2020 or 2021.

The main risk to Imagine Foundation regardless of the pandemic would be a loss of funds due to our donors no longer being able to commit further funding. Our reserves policy was to build a reserve fund of £500,000 to allow for a further two years of grant funding so that no project was faced with an immediate drop in funding in these circumstances. Having reached this level of reserves, we feel confident that, provided that there is no long-term financial crash, the Covid-19 pandemic is likely to have a minimal impact on our capacity to offer support to our current grantees in the next two years, although there may be some adjustments to grant levels, depending on the impact of the crisis on those organisations.

It will not be possible to hold a celebration event in the usual way while social distancing measures are in place, so we are unable to plan our next event at this point.

FINANCIAL REVIEW

Financial Review

Our income is by gift from private donors. As we are a grant-making foundation we are able to fit our expenditure within the resources that we have available.

Our income for the year was £261,238 (2018: £226,017) and we spent £230,750 (2018: £247,427) on grants and a further £12,089 (2018: £11,049) on our celebration event, which was a day of sharing learning across the projects.

We have committed £65,500 for projects in 2020 subject to satisfactory delivery and annual reviews of the projects concerned.

Grant making policy

Grants will be made to registered charities or other voluntary bodies. All projects that we fund will be asked to make clear who the beneficiaries will be. Where we are funding registered charities, we will evaluate the funding request in the light of their stated area of benefit. When funding a voluntary body, we will draw up a Grant Control Agreement which will ensure that funds will be returned if they are not used for public benefit, as set out in such an agreement.

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Grant making policy (continued)

We are looking for the following elements: a disadvantaged community and a clear indication of need; participatory activity that empowers individuals and builds community; key leadership that we can engage with and the potential for learning to be shared across the network of partners. While existing partner organisations may have become more established, we are focussing new partnerships on organisations that are less than four years old and with an annual income of less than £200,000.

As mentioned above, we have closed our funding windows for new applications throughout 2020.

Reserves Policy

Reserves are required to cover an unexpected loss of income and to allow ongoing commitments to be met in these circumstances. Since the majority of our income is by gift from private donors, a sudden loss of this income would likely result in a need to close the foundation. Since we aim to build long term relationships with our project partners we wish to have the capacity to continue to provide funding for a period of two years to help them to build other sources of income before the foundation closed. The Trustees have agreed that our investment fund should reach £500,000 which we have now achieved. Our reserves at 31 December stand at £704,623 (2018: £624,013). We will now be able to draw excess reserves into the general fund to support the projects.

Investment policy

Our investment policy for these funds is:

- In the first instance to re-invest portfolio income in order to build a pot which will then be reconfigured to focus on income generation.
- The threshold for this will be a portfolio valuation of £500,000.
- Further transfers into the portfolio will likewise be focused on income generation.

Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed. A risk register has been established and will be updated quarterly. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Imagine Foundation is registered with the Charity Commission of England and Wales, Registration Number 1152864. It is governed by a Trust Deed, dated 24th Jan 2013. The charity was registered from 15th July 2013.

Organisational Structure

The Trustees initially appointed under the Trust Deed are entitled to hold office for a period of 10 years initially. Further Trustees may be appointed by invitation and resolution of the current Trustees. They will be appointed for terms of office of 5 years.

The Trustees meet at least quarterly, to review existing projects and discuss new ones. Decisions on funding of projects are made following at least one introductory meeting between the project leaders and two or more Trustees. Reports of these visits are circulated to all Trustees prior to any funding decisions being made, and these decisions are made unanimously. Once an agreement to provide funding has been reached, a Partnership Agreement is drawn up between Imagine Foundation and the project leaders.

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Key management personnel remuneration

The Trustees consider the Board of Trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year.

Trustees are required to disclose all relevant interests to the board meetings and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises,

Reference and Administrative Information

Charity registration number: 1152864

Principal Office: Lower Farm
Oakley Road
Chinnor
Oxfordshire
OX39 4HR

Trustees

S K G Eyre
Mrs D P Eyre
Ms K A McLeish
P S Stratton
Ms K Eyre

Independent Examiners

Crowe U.K. LLP, Reading, Berkshire, RG1 1PL

Bankers

Lloyds Bank plc, 13-14 Cornmarket, Thame, Oxford, Oxfordshire, OX9 2BN

Approved by the Trustees on 16 September 2020 and signed on their behalf by:

**S Eyre
Chairman**

IMAGINE FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

IMAGINE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2019

		2019		2018	
		£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations			200,000		171,998
Gift Aid			50,000		42,999
Investment income	2		<u>11,238</u>		<u>11,020</u>
Total income			<u>261,238</u>		<u>226,017</u>
EXPENDITURE ON					
Raising funds - Investment Manager fees			4,138		4,652
Charitable activities	3		<u>249,470</u>		<u>263,945</u>
Total resources expended			<u>253,608</u>		<u>268,597</u>
Net gains/(losses) on investments	6		<u>72,980</u>		<u>(20,165)</u>
Net Income and Movement In Funds			80,610		(62,745)
FUND BALANCES BROUGHT FORWARD					
			<u>624,013</u>		<u>686,758</u>
FUND BALANCES CARRIED FORWARD					
			<u><u>704,623</u></u>		<u><u>624,013</u></u>

All funds were unrestricted in the current and preceding year.

The notes on pages 12 to 17 form part of these accounts

**IMAGINE FOUNDATION
BALANCE SHEET
31 DECEMBER 2019**

	Note	2019 £	2018 £
FIXED ASSETS			
Investments	6	542,712	512,745
CURRENT ASSETS			
Debtors	7	39,443	37,831
Bank balances		<u>125,828</u>	<u>76,629</u>
		165,271	114,460
LIABILITIES:			
Creditors: Amounts falling due within one year			
Accruals: Professional charges		<u>(3,360)</u>	<u>(3,192)</u>
NET CURRENT ASSETS		<u>161,911</u>	<u>111,268</u>
TOTAL NET ASSETS		<u>704,623</u>	<u>624,013</u>
TOTAL FUNDS: Unrestricted Funds		<u>704,623</u>	<u>624,013</u>

Approved by the Trustees
and signed on their behalf by:

S K G Eyre
Trustee

Date: 16 September 2020

The notes on pages 12 to 17 form part of these accounts

IMAGINE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES

a) Basis of Accounts Preparation

The accounts have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

In their assessment of going concern the trustees have considered the current and developing impact on the charity as a result of the COVID19 virus. This has not had a significant, immediate impact on the charity's operations as explained in the trustee's report, but the trustees are aware that if the current situation becomes prolonged then this may change.

Having regard to the above, the trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

b) Critical accounting judgements and key sources of estimation uncertainty.

In the application of the charity's accounting policies, which are described in note 1, trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimation and underlying 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects the current and future periods.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting the assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

c) Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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NOTES TO THE ACCOUNTS
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1. ACCOUNTING POLICIES (continued)

d) Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income, the amount can be quantified with reasonable accuracy and receipt is probable.

The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.

e) Expenditure

Expenditure is recognized on an accrual basis as each liability is incurred.

Costs of generating funds comprise the costs associated with fundraising activities.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for 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.

Charitable expenditure is reported under two sub headings:

- Grants in support of the charity's aims.
- Support costs - comprising the costs incurred in the supervision of the grantees, the administration of the activities of the charity, together with the support to our partners.

In previous years Governance costs (costs associated with meeting the constitutional and statutory requirements of the charity, the independent examiner fees and costs in respect of the strategic management of the charity) were shown separately in the Statement of Financial Activities. To comply with Charities SORP FRS 102 Governance costs have been included within support costs.

f) Grants and Donations payable

Grants are recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

g) Taxation

The Trust is exempt from income tax on its charitable activities.

**IMAGINE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. ACCOUNTING POLICIES (continued)

h) Listed Investments

Investments are a form of basic financial instrument and are initially recorded at their transaction value and subsequently valued at closing mid-market value at the Balance Sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

i) Debtors

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

j) Creditors and provisions

Creditors and provisions are recognised when 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2. INVESTMENT INCOME

	2019 £	2018 £
Equity and Fixed Index Linked Stocks	11,237	11,020
Deposit interest	<u>1</u>	<u>-</u>
	<u>11,238</u>	<u>11,020</u>

3. CHARITABLE ACTIVITIES

	2019 £	2018 £
Grants made (note 4)	230,750	247,427
Grant supervision costs	360	1,503
Celebration costs	12,089	11,049
Support and Administration costs (note 5)	<u>6,271</u>	<u>3,966</u>
	<u>249,470</u>	<u>263,945</u>

IMAGINE FOUNDATION
NOTES TO THE ACCOUNTS
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4. GRANTS MADE

	2019 £	2018 £
<i>Capacity Building</i>		
b.friend	5,000	5,000
Bike Back	750	-
Clynfyw Care Farm CIC	-	10,000
Handcrafted	15,000	15,000
Inside Out	7,500	7,500
Luminary Bakery	12,000	7,500
Matryoshka Haus	5,000	-
Oxfordshire My Life My Choice Association	8,000	8,000
School of Hard Knocks	10,000	10,000
TI workshops	-	6,927
Voice Hub (Kaleidoscope)	-	5,500
Women & Family Resource Centre	10,000	10,000
<i>Community Development</i>		
LS14 Trust	21,500	21,500
Monty's Community Hub	7,500	7,500
Paradise Co-op	-	5,000
REFUSE	7,500	7,500
Roots Coffee and Community	-	7,000
Sedbergh Community Cafe	-	5,000
<i>Supporting Disadvantaged Young People</i>		
Canaan Project	10,000	10,000
Families Outside	10,000	10,000
Free to be Kids	12,000	12,000
Grow	7,500	-
Juno Project	7,500	7,500
North East Young Das and Lads	10,500	7,500
Thrive	18,000	16,000
<i>Using creativity to change the story</i>		
Lippy People	7,500	7,500
Music in Detention	8,000	8,000
Orts	4,000	4,000
Out of Character	5,000	5,000
Touch Network	5,000	5,000
Vox Liminis	8,000	8,000
Artizan International	8,000	8,000
	<u>230,750</u>	<u>247,427</u>

5. SUPPORT COSTS

	2019 £	2018 £
Travel Costs	26	77
Website	2,343	301
Subscriptions	494	396
Governance – Independent Examination	3,408	3,192
	<u>6,271</u>	<u>3,966</u>

IMAGINE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

6. FIXED ASSET INVESTMENTS

Listed investments:-	2019 £	2018 £
Market value at 1 January 2019	512,745	556,754
Less: Cash held by Rathbones Investment Managers at 1 January 2019	(20,448)	(32,515)
Additions	37,702	40,574
Disposals	(72,312)	(52,351)
Net Investment (Losses)/Gains	72,980	(20,165)
Cash held by Close Brothers Investment Managers at 31 December 2019	<u>12,045</u>	<u>20,448</u>
At 31 December 2019	<u>542,712</u>	<u>512,745</u>
Historic cost	<u>428,634</u>	<u>458,184</u>

All investments are basic financial instruments and are measured at fair value.

Analysis of Investments

Fixed Interest	105,470	96,477
UK Equities	181,207	155,400
Overseas Equities	177,213	140,775
Global Equity Long/Short	-	20,492
Infrastructure Funds	-	6,962
Alternative	44,406	-
Property	11,150	18,920
Actively Managed Strategies	-	53,271
Multi Asset	11,221	-
Cash	<u>12,045</u>	<u>20,448</u>
	<u>542,712</u>	<u>512,745</u>

7. DEBTORS

	2019 £	2018 £
Gift Aid	37,500	37,500
Prepayments	1,500	-
Other debtors	<u>443</u>	<u>331</u>
	<u>39,443</u>	<u>37,831</u>

**IMAGINE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8. COMMITMENTS

At the year end the charity had an intention to support the following projects:-

	2019	<i>2018</i>
	£	£
Grow	-	7,500
b.friend	-	5,000
Thrive	20,000	18,000
LS14	21,500	21,500
Music in Detention	-	8,000
Oxfordshire My Life My Choice Association	-	8,000
Free to be Kids	12,000	12,000
Touch Network	-	5,000
Luminary Bakery	12,000	
Handcrafted	-	15,000
Montys	-	7,500
Women & Family Resource Centre	-	10,000
Out of Character	-	5,000
Artizan International	<u>-</u>	<u>8,000</u>

In accordance with the accounting policy these grant commitments are not recognised as creditors as payment conditions have not yet been met.

9. TRUSTEE EXPENSES

No Trustee received any remuneration during the current or prior year.

There were no remunerated key management personnel in either year.

Four trustees (*2018: four*) received reimbursed travel expenses of £591 (*2018: £1,781*) in connection with grant supervision and visiting potential grantees.

Total donations received from trustees amounted to £200,000 (*2018 £171,998*).

10. RELATED PARTY TRANSACTIONS

During the year the charity purchased services amounting to £194 from a company in which the trustee P S Stratton is a director. There were no amounts owing at the year end.

INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF IMAGINE FOUNDATION FOR THE YEAR ENDED 31 DECEMBER 2019

I report to the trustees on my examination of the accounts of Imagine Foundation (the Trust) for the year ended 31 December 2019, which are set out on pages 10 to 17.

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

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

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

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

Aquis House
49-51 Blagrove Street
Reading
RG1 1PL

Janette Joyce
CROWE U.K. LLP
Chartered Accountants

Date: 16 October 2020