

REGISTERED COMPANY NUMBER: 01960980 (England and Wales)
REGISTERED CHARITY NUMBER: 293835

**Report of the Trustees and
Financial Statements for the Year Ended 31st March 2020
for
THE ELIZABETH FOUNDATION**

TUESDAY



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COMPANIES HOUSE

Knox Cropper LLP
Chartered Accountants & Statutory Auditors
65 Leadenhall Street
London
EC3A 2AD

THE ELIZABETH FOUNDATION

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for the Year Ended 31st March 2020**

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THE ELIZABETH FOUNDATION

Report of the Trustees for the Year Ended 31st March 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2020. The trustees have adopted the provisions of 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).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Elizabeth Foundation was established under the terms of a Trust Deed (May 1982), and then subsequently in November 1985 incorporated as a charitable company limited by guarantee. Its governing documents are accordingly the Trust Deed and Memorandum and Articles of Association (revised 1997, 1998, 2007, 2011, 2014 and 2016), which provide for a governing Board of Trustees originally known as the Council of Management. The Foundation is registered with the Charity Commission under the Charities Act 1960.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01960980 (England and Wales)

Registered Charity number

293835

Registered office

The Elizabeth Foundation
Southwick Hill Road
Cosham
Portsmouth
Hampshire
PO6 3LL

Trustees

Dr P Ardern (Chair)
Dr W Al-Safi
A J Given (appointed 22.7.20)
T C R Holloway (appointed 24.7.19)
Mrs S J Hutchinson (Treasurer)
Ms I L Manuel
Miss E J Tyler (resigned 30.10.19)
M Waters (appointed 1.5.19)

Auditors

Knox Cropper LLP
Chartered Accountants & Statutory Auditors
65 Leadenhall Street
London
EC3A 2AD

THE ELIZABETH FOUNDATION

Report of the Trustees for the Year Ended 31st March 2020

AIMS AND OBJECTIVES

The Elizabeth Foundation's mission is to facilitate early diagnosis for babies and pre-school children with all degrees of deafness, and provide comprehensive educational and support services for them and their families. By doing so we enable these children to develop their listening and spoken language skills, build their self-esteem, and give parents the confidence and knowledge to make informed decisions on behalf of their child.

The Operational Plan for 2019-20 followed five strategic goals:

Goal 1: To continue to improve the education programme whilst maintaining our Outstanding Ofsted rating

Goal 2: To continue to support families from across the UK through outreach services

Goal 3: To diversify fundraising to deliver services and maintain our facilities

Goal 4: To engage a robust marketing plan both for services and for funding

Goal 5: To review corporate services to create resilience and build sustainable income

Achievements and Performance

At The Elizabeth Foundation, our core services comprise of 2 baby groups, 3 toddler groups and 9 pre-school groups – with 87 families from twelve different counties being supported at our family centre on a regular basis during 2019-20. We provide a high-quality education programme for children and families. This includes parent/family support, monitoring and assessment for speech, language, listening and communication, an Early Years Foundation Stage Curriculum in the nursery setting, and reporting for Education Health and Care Plans/ school transition. Parents and families remain an integral part of our service provision, with family involvement at all times throughout the programme. In addition to our core services, we support families through our 3 Listen Groups – for children with Down syndrome, children with one-sided and/or conductive hearing loss, and for children with severe and complex needs. For those families who cannot access our services due to transport or distance, we have launched an online home learning programme called Let's Listen and Talk, an interactive programme to support families with children with hearing loss. Families from across the UK can also access our services through the Summer Residential Programme, an intensive one-week programme for the whole family.

Goal 1: To continue to improve the education programme whilst maintaining our Outstanding Ofsted rating

Our 2019/20 plans:	Our 2019/20 achievements:
<ul style="list-style-type: none">- To continue to provide 'Outstanding' services to babies and pre-school children with hearing loss and their families- To sustain our support groups to meet the needs of families who attend- To source funding for training opportunities to remain at the cutting edge of education and technology developments- To work with partners to participate in research studies that impact on the work we do- To sustain the music therapy programme over time- To work in partnership with other organisations that support deaf children in order to build an international reputation as the 'experts' for pre-school deaf oral education	<ul style="list-style-type: none">- We continue to provide 'Outstanding' services to children with hearing loss and their families from all across the South of England; all children receive termly individual education plans and parents are updated regularly with achievements and 'next-steps'; we are prepared for our next Ofsted visit for accreditation- Support groups are well attended and have received positive report of impact; our group for children with severe/complex needs is not running at this time as there is not a demand for this service currently. However, it remains available to children/families if needed- Education staff attended training session on 15 different topics throughout the year, with no cost or minimal cost to the charity- TEF took part in two research studies during the year- Music continues to be an integral part of our activities and all of the children and families we work with have benefitted from our music programme- We continue to work closely with National Deaf Children's Society, Ewing Foundation, Advanced Bionics, Cochlear, and Auditory Verbal UK - likeminded charities and businesses that are all working towards similar goals of supporting families with deaf children

THE ELIZABETH FOUNDATION

Report of the Trustees for the Year Ended 31st March 2020

Goal 2: To continue to support families from across the UK through outreach services

Our 2019/20 plans:	Our 2019/20 achievements:
<ul style="list-style-type: none">- To increase enrolment on the Let's, Listen and Talk online programme- To increase enrolment of local authorities participating in the pilot programme for Let's Listen and Talk- To update and develop the Let's Listen and Talk Programme- To provide support to families from across the UK through the summer residential programme and adapt the programme in response to user feedback and need	<ul style="list-style-type: none">- Enrolment increased to 225 over the course of the year- Professionals from 35 different local authorities signed up to the programme during the course of the year.- We initiated work on the music strand of the online programme, with new music being developed and practise sessions and filming taking place at our family centre; we have sourced new information for the technology strand of the programme- The summer programme included families from England, N Ireland & Ireland & received very positive feedback

Goal 3: To diversify fundraising to deliver services and maintain our facilities

Our 2019/20 plans:	Our 2019/20 achievements:
<ul style="list-style-type: none">- To develop and diversify The Elizabeth Foundation's portfolio of income- To raise awareness of The Elizabeth Foundation both locally and nationally, developing new sponsorship platforms and increasing our volunteer base.- To build strong relationships with past, current and new supporters and grant making trusts in order to maintain and widen interest and support for our work.- To develop professional networks and corporate engagement to promote giving and volunteering by businesses and individuals.- Develop community engagement and awareness in order to promote our work to a local audience, increase donations and volunteering.- Maintain & develop key relationships with grant funders to raise awareness of our services, contribute to positive marketing channels and secure income.	<ul style="list-style-type: none">- We developed our 5- year fundraising plan- We researched donor development stewardship programmes- We developed an automated introductory communication for online subscribers- We researched and reviewed methods of capturing Test Centre visitor data to grow our supporter database- We kept up to date with latest fundraising trends through Facebook fundraisers Page, Third Sector publications and the Institute of Fundraising- Relationship-building initiatives have included running donor appreciation days and termly parent meetings to re-engage them in fundraising- We planned activities and tasks for volunteers in 2020 to maximise their engagement & efficiency and identify new volunteer opportunities.- We participated in face to face community networks through the BNI and LinkedIn Local – generating awareness and new fundraising partnerships- We developed new events for our yearly calendar- We fostered relationships with a number of corporate partners & their teams, including Specsavers and Guy Salmon Land Rover & gave a presentation to HMRC & Passport Office teams in Portsmouth- We were successful again in attracting both new and renewed support from a range of reputable grant awarding trusts, including BBC Children in Need, Comic Relief, The Barbara Ward Children's Foundation. & The Henry Smith Charity

Goal 4: To engage a robust marketing plan both for services and for funding

Our 2019/20 plans:	Our 2019/20 achievements:
<ul style="list-style-type: none"> - Implement social media activities that effectively engage families, professionals, funders and the wider public to increase awareness and funding. - Review purpose and effectiveness of website - Ensure marketing and publicity materials are effective, fit for purpose and up to date - Create video and photographic materials to promote the charity's activities (separate to online Home Learning Programme) 	<ul style="list-style-type: none"> - We developed & implemented a digital marketing plan - We put one story from each nursery out each week on social media and invited feedback from families & professionals - We ensured all events/ fundraising are present on social media - We published articles/ good news stories to engage and fulfil multi-audience requirements across a broad range of social media sites - We assessed opportunities to diversify social media activity including professional content around research studies, & invested in new learning for our team - We reviewed analytics of social media and adjusted our posts accordingly - We published a Listen Magazine and an Impact Report during the financial year - E-news continued to be sent to stakeholders to keep our supporters informed of events and happenings, while our articles have appeared in Cochlear Implant Support Group magazine, and in BATOD magazine - We continue to promote our services and take soundings at networking meetings for Speech and Language Therapists, Teachers of the Deaf, Audiologists and Cochlear Implant Teams - We developed three new Speech and Language Therapy support videos for parents - We completed testimonial videos of Dame Evelyn Glennie and Ann Rachlin for our website as well as a new corporate video with Specsavers

Goal 5: To review corporate services to create resilience and build sustainable income

Our 2019/20 plans:	Our 2019/20 achievements:
<ul style="list-style-type: none"> - To build up the Foundation's resilience and sustainability by continuing to follow a long-term approach to financial planning. - To increase the diversity and reliability of our income streams by developing the potential of our existing assets. - To continue to keep pace with evolving best practice concerning people management, for both staff and volunteers. - To continue to improve the efficiency, reliability, security and safety of our corporate services functions. 	<ul style="list-style-type: none"> - We developed a long-term maintenance schedule and wish list - We identified ways to address the structural deficit and our investment options - We reviewed existing contracts with partners - We identified suitable marketing channels to reach potential long-term users - We reviewed the volunteer induction programme, completed compliance checks and sought feedback for the volunteer programme - We assessed the impact of volunteers - supporting entries in the annual accounts and Listen magazine - We reviewed and actioned any additional resources needed for the volunteer programme - We migrated our emails from local servers to the cloud - We improved the frequency and coverage of fire and health & safety checks

**Report of the Trustees
for the Year Ended 31st March 2020**

The Trustees are pleased with the progress that has been made, which they have monitored during the year using our operational and strategic plans. Information about Goals for 2020/21 is set out below.

Much of our work is only possible because of the tremendous efforts of regular volunteers. They contribute to every element of the charity, including support in the nursery sessions; help at lunchtimes; administrative assistance; support before, during and after events; fundraising support; maintenance and garden upkeep; ambassador roles; and minibuss driving. All the work we do is enhanced by the support that we receive from our volunteers and we are very grateful to them for giving their time so generously.

OUR PLANS FOR FUTURE PERIODS

1. Education programme:

We will continue to review our models of education for all services to ensure that we use best practice in our teaching strategies and techniques

We will continue to build skills and knowledge across our team so that we can consistently provide accurate, quantitative and qualitative data to evidence the impact of our work

We will involve and engage parents and past service-users

We will partner with professional organisations to ensure that families receive the highest level of support

We will strengthen our partnerships with key stakeholders who collate and publish evidence of the needs of children with hearing loss, its long-term impact and the difference that early intervention can achieve

We will safeguard our beneficiaries and staff through our embedded culture, processes, protocols and reporting mechanisms

2. Outreach programmes:

We will increase the reach and scope of services so that we can support families remotely through outreach programmes

We will continue to update and develop our outreach services to meet the varied needs of families

3. Fundraising:

We will continue to develop and diversify The Elizabeth Foundations portfolio of income in order to deliver core services and maintain our facilities.

Work with the marketing team to identify the most appropriate and timely channels to engage with our supporters, increasing awareness both locally and nationally, developing new sponsorship platforms and increasing our volunteer base.

We will develop professional networks which will increase corporate support and income, identifying potential leads from beneficiary contacts as well as through our own research.

We will maintain & develop key relationships with grant funders to raise awareness of our services, contribute to positive marketing channels and secure income.

4. Corporate Services:

We will build up The Elizabeth Foundation's resilience and sustainability by continuing to follow a long-term approach to financial planning.

We will increase the diversity and reliability of our income streams by developing the potential of our existing assets.

We will continue to keep pace with evolving legislation & best practice concerning people management, for both staff and volunteers.

We will continue to improve the efficiency, reliability, security and safety of our corporate services functions.

5. Marketing:

We will implement social media activities that effectively engage families, professionals, funders and the wider public to increase awareness and funding.

We will review the purpose and effectiveness of the website.

THE ELIZABETH FOUNDATION

Report of the Trustees for the Year Ended 31st March 2020

PUBLIC BENEFIT

The trustees have referred to the Charity Commission's published guidance on the public benefit requirement under the Charities Act 2011 when reviewing The Elizabeth Foundation's aims and objectives, and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives set.

FINANCIAL REVIEW

The deficit for the year amounted to £43,539 (2019: £75,489 surplus). The levels of individual fundraising activity, donations from community groups and high value one-off donations from individuals all increased during the year, pushing up the total for all donations to £166,278 (2019: £139,038). Legacy income has always been unpredictable and beyond our control, coming in at £85,062 (2019: £150,493). The value of successful applications to grant making trusts also fell, to £181,089 (2019: £257,508).

Total expenditure increased by £3,061 to £758,060 (2019: £754,999). Within this movement the impact of generally rising staff costs was offset by savings arising from maternity leave and intervals in which temporarily vacated posts remained unfilled.

Investments

The Elizabeth Foundation's investment powers are set out in its Memorandum & Articles of Association. Day to day cash flow management is delegated to the Chief Executive and senior staff, who act in accordance with policies agreed by the Trustees. In response to progress made toward the reserves policy goals set out in the section below, the Trustees have established an investment policy to maximise returns on long term reserves that need not be held in cash for any immediate practical or precautionary reason. The investment objective for such funds is to generate a return in excess of inflation over the long term, whilst also generating an income to support the charity's ongoing activities. To this end, any funds that the Trustees identify as being available for long term investment may be invested in reputable Unit Trusts open only to charities.

Reserves

The Elizabeth Foundation's reserves comprise those that are unrestricted, those that are unrestricted but which have been set aside by the Trustees for a particular purpose, and those that are the subject of restrictions in law or by donors (and which therefore cannot be used for anything else). The Elizabeth Foundation currently has no endowed or permanent funds. Note 20 to the Accounts gives more information about reserves, including policies and restrictions applying to individual funds. Total funds held as at 31 March 2020 were £2,947,703 (2019: £2,991,242)

At 31 March 2020, The Elizabeth Foundation had unrestricted (but not "free") reserves of £1,674,385 in its Income & Expenditure Account. These reserves are not "free" as defined by the Statement of Recommended Practice (SORP), to the extent that they could only be realised (turned into cash) by disposing of fixed assets held for charity use (selling the buildings in which we carry out our activities). At 31 March 2020, 72% of these reserves were held in the form of fixed assets excluding quoted investments, down from 74% in 2019.

The reserves policy of The Elizabeth Foundation is to maintain a level of free reserves that will allow service continuity and sufficient time to adjust in a planned and robust manner to any significant change in resources. Having reviewed the practical application of similar policies for other organisations within the charitable and voluntary sector, which range from indicative free reserve levels of 3 months' operating expenditure to 3 years' total costs requirement, the Trustees aim to build free reserves equivalent to between 6 and 12 months' operating expenditure. At 31 March 2020 net current assets and quoted investments held by The Elizabeth Foundation amounted to £474,639 (2019: £462,872) of which £nil was earmarked for expenditure on fixed assets (2019: £nil) and £474,639 represented free reserves in the General Fund (2019: £462,872). These free reserves amounted to 61% of total budgeted revenue costs and depreciation for the coming year, compared with a target of between 50% and 100%, (2019 62%).

On the basis of the annual and ongoing review of reserve levels and anticipated future cash flow, it is the opinion of the Trustees that the balance on each fund shown in the balance sheet as at 31 March 2020 (together with its anticipated income and expenditure) is adequate to fulfil that fund's obligations and the overall obligations of The Elizabeth Foundation for the next financial year, and for a period of at least 12 months from the date of this report.

THE ELIZABETH FOUNDATION

Report of the Trustees for the Year Ended 31st March 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

AUDITORS

The auditors, Knox Cropper LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 22 JULY 2020 and signed on its behalf by:



Dr P Arden - Trustee

Opinion

We have audited the financial statements of The Elizabeth Foundation (the 'charitable company') for the year ended 31st March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of The Elizabeth Foundation

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

Use of our report

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



Matthew Elkins FCA (Senior Statutory Auditor)
for and on behalf of Knox Cropper LLP
Chartered Accountants & Statutory Auditors
65 Leadenhall Street
London
EC3A 2AD

Date: 10/08/2020

THE ELIZABETH FOUNDATION

**Statement of Financial Activities
for the Year Ended 31st March 2020**

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	280,584	151,845	432,429	547,039
Charitable activities	5				
Nursery Programmes		21,927	19,645	41,572	45,717
Outreach and Other Services		170,159	-	170,159	151,385
Other trading activities	3	67,311	-	67,311	76,827
Investment income	4	9,886	-	9,886	8,831
Total		549,867	171,490	721,357	829,799
EXPENDITURE ON					
Raising funds	6	157,112	2,050	159,162	177,496
Charitable activities	7				
Nursery Programmes		147,058	196,264	343,322	332,559
Family Support		16,931	1,326	18,257	18,317
Outreach and Other Services		194,696	42,623	237,319	226,627
Total		515,797	242,263	758,060	754,999
Net gains/(losses) on investments		(6,836)	-	(6,836)	689
NET INCOME/(EXPENDITURE)		27,234	(70,773)	(43,539)	75,489
Transfers between funds	20	3,904	(3,904)	-	-
Net movement in funds		31,138	(74,677)	(43,539)	75,489
RECONCILIATION OF FUNDS					
Total funds brought forward		1,643,247	1,347,995	2,991,242	2,915,753
TOTAL FUNDS CARRIED FORWARD		1,674,385	1,273,318	2,947,703	2,991,242

The notes form part of these financial statements

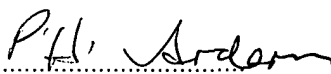
THE ELIZABETH FOUNDATION

Balance Sheet 31st March 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	14	2,460,252	2,528,370
Investments	15	<u>96,853</u>	<u>30,689</u>
		2,557,105	2,559,059
CURRENT ASSETS			
Stocks	16	3,526	5,014
Debtors	17	96,936	106,282
Cash at bank and in hand		<u>399,049</u>	<u>384,143</u>
		499,511	495,439
CREDITORS			
Amounts falling due within one year	18	<u>(108,913)</u>	<u>(63,256)</u>
NET CURRENT ASSETS		<u>390,598</u>	<u>432,183</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,947,703</u>	<u>2,991,242</u>
NET ASSETS		<u>2,947,703</u>	<u>2,991,242</u>
FUNDS	20		
Unrestricted funds		1,674,385	1,643,247
Restricted funds		<u>1,273,318</u>	<u>1,347,995</u>
TOTAL FUNDS		<u>2,947,703</u>	<u>2,991,242</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 21 JULY 2020 and were signed on its behalf by:


P Ardern - Trustee


S J Hutchinson - Trustee

The notes form part of these financial statements

THE ELIZABETH FOUNDATION

**Cash Flow Statement
for the Year Ended 31st March 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	24	<u>105,351</u>	<u>81,899</u>
Net cash provided by operating activities		<u>105,351</u>	<u>81,899</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(21,580)	(313,663)
Purchase of fixed asset investments		(73,000)	(30,000)
Interest received		3,108	1,251
Dividends received		<u>1,027</u>	<u>-</u>
Net cash used in investing activities		<u>(90,445)</u>	<u>(342,412)</u>
Change in cash and cash equivalents in the reporting period		14,906	(260,513)
Cash and cash equivalents at the beginning of the reporting period		<u>384,143</u>	<u>644,656</u>
Cash and cash equivalents at the end of the reporting period		<u><u>399,049</u></u>	<u><u>384,143</u></u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The Elizabeth 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(s).

The charitable company has taken advantage of Paragraph 3 (3) Sch 4 of the Companies Act 2006 and adapted Companies Act formats of accounts to reflect the charitable nature of the company's activities.

The Elizabeth Foundation is a company limited by guarantee, incorporated in England and Wales, and has no share capital. Every member of the company guarantees to contribute a maximum of £1 on winding up. Its registered office is situated at Southwick Hill Road, Cosham, Portsmouth, PO6 3LL.

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

Critical accounting judgements and key sources of estimation uncertainty

Depreciation - The depreciation of fixed assets is based on management's estimate of their useful lives which is kept under review.

Income

INCOME FROM VOLUNTARY SOURCES AND FUNDRAISING

Income includes voluntary sources of income such as charitable donation, grants, gifts (with related tax recovery where appropriate), legacies and payroll-giving programmes, as well as organised fundraising events (some of which are run directly by The Elizabeth Foundation - classed as Fundraising Events; and some which are run by volunteers and supporters with help as necessary by The Elizabeth Foundation - classed as Donations and Gifts), appeals and collections. The cost of running these programmes during the year was £159,162 (2019: £177,496 and this is included within the heading 'raising funds' shown under Expenditure, and in Note 6. The following specific policies are applied to particular categories of voluntary income and fundraising.

-Unrestricted voluntary donations and gifts are accounted for when they are received, as this is the point at which the necessary detail becomes available to allow them to be entered into the accounting records; it is also the point at which they become sufficiently certain to be recognised. Legacies are similarly accounted for when received unless there is sufficient reliable information for them to be accounted for earlier.

- Restricted income is accounted for within Restricted Funds when it is receivable (if this has been notified to The Elizabeth Foundation). 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. Expenditure related to Restricted Funds is matched to Income in accordance with the terms of the award or grant.

-Donated services, facilities, and other gifts and donations in kind are accounted for in the Statement of Financial Activities when they are received and at an appropriate value to the charity where this can be quantified and where material. Corresponding additions to Fixed Assets, Stock or operating costs are made according to the nature of the item. The value of services provided by volunteers has not been included in these accounts.

1. ACCOUNTING POLICIES - continued

Income

INCOME FROM CHARITABLE ACTIVITIES

Activities which further the charitable objectives of The Elizabeth Foundation include:

-Nursery Programmes: baby, toddler and pre-school education programmes for children who are deaf and their parents (who have chosen to develop their child's listening and spoken language skills in a natural, fun and child-centred way);

-Family Support: practical and emotional support and counselling for such parents and families delivered either at The Elizabeth Foundation Family Centre or through our Home Learning Programme;

-Outreach and other services: regular liaison with related health professionals and mainstream schools; making The Elizabeth Foundation's day to day operations open to visiting professionals and researchers to further their professional development and project work, and to disseminate our expertise as early intervention practitioners; providing leading-edge hearing testing and diagnosis facilities and equipment; and providing the counselling and support to families required to complement testing and diagnosis activities.

In some cases these activities give rise to sources of operating income from contracts, service level agreements and discretionary grants from public bodies. Most such sources are subject to annual renegotiation, local spending priorities, and availability of funds from central government, and are not directly related to the full cost to The Elizabeth Foundation of carrying out the activity. Similarly, some discretionary grants (often with restrictions as to the use of the funds) are awarded to The Elizabeth Foundation by charitable or philanthropic trusts and foundations; each grant maker will have its own stringent application and monitoring procedures, and awards are usually subject to annual renegotiation or finite periods. The costs of sourcing, negotiating, managing, and reporting upon such funding arrangements are accounted for as a cost of providing the related services. Fees are charged to beneficiaries for some services, and these are often set at nominal amounts to ensure that there is no financial constraint to prevent people who need our services from being able to access them. The following specific policies are applied to particular categories of income from our charitable activities.

-Income from contracts and other forms of agreement (including some described as 'grants'), where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance

-Fees are accounted for when receivable

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. The Foundation is partially exempt for VAT purposes and expenditure includes irrecoverable VAT. Expenditure is allocated to the following cost centres using methods generally accepted in the sector (the ACEVO model for cost analysis, adapted to ensure compliance with SORP: Accounting and Reporting by Charities):

-Costs of Raising Funds; including both direct and indirect allocations of payroll cost and administrative overhead, and direct costs associated with attracting voluntary income and carrying out fundraising activities

-Support Costs including Governance Costs; include direct and indirect costs of complying with all necessary constitutional and statutory requirements of the charitable company and its strategic management and risk assessment/management procedures

-Charitable Activities costs; comprising those costs incurred by the charity in the delivery of its activities and services. It includes both directly attributed costs, and allocations of indirect costs and overheads that are necessary to support them and without which it would not be possible to continue them

1. ACCOUNTING POLICIES - continued

Expenditure

All costs are allocated between these cost centres (expenditure categories) on a fair and consistent basis intended to reflect the use of the resource. Many types of cost include items that can be directly attributed, as well as a pool of costs that are dealt with by apportionment using an appropriate basis such as staff time allocation, estimated floor area usage, or another reasonable judgement of consumption. The information set out in Notes 6 to 8 summarises the outcome of detailed cost allocations based on the ACEVO model as explained above (this model is used to assist the charity's understanding of its cost of delivering services, and to provide a basis for full cost recovery discussions with potential funders when appropriate).

Tangible fixed assets

Assets are capitalised where their individual value exceeds £500. Fixed Assets are stated at cost. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of valuation, less estimated residual value, of each asset evenly over its expected useful life on a straight line basis. The rates most used in each category are as follows:

Freehold property	-	50 years
Office equipment	-	4 to 5 years
Long leasehold buildings	-	5 to 50 years
Computer equipment	-	4 to 5 years
School equipment	-	5 years
Medical equipment	-	3 to 5 years
Motor vehicles	-	5 years

Where depreciation is charged against assets representing restricted and designated funds, this depreciation is charged against that fund as it arises. The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

Investments

Investments are stated at market value. Surpluses and deficits on revaluation are credited to or charged against the related fund as is income earned.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds are defined as grants, sponsorship and other income received or generated for the objectives of the charity without further specified purpose and which are available as general funds, but which may be required for committed projects or designated by the Trustees for specific purposes.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1. ACCOUNTING POLICIES - continued

Reserves

The Elizabeth Foundation recognises that accounting reserves are not always represented by available liquid assets. Note 20 sets out how The Elizabeth Foundation reserves ('funds') are represented at the balance sheet date. It also provides information about reserves policies, including that for the Income and Expenditure Account, and additional details is also given in the Directors' (Trustees') Report. There are two reserve targets: a longstanding target to hold between 50% and 100% of total budgeted costs for the ensuing year in accessible free reserves and a minimum cash reserve of 25% of the current year's budget.

Going Concern

No material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors. The directors plan to keep the charity as a going concern as referred to in the Aims and Objectives of the Trustee's Report.

Debtors

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

Cast at bank

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

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Donations	166,278	-	166,278	139,038
Legacies	85,062	-	85,062	150,493
Grants	<u>29,244</u>	<u>151,845</u>	<u>181,089</u>	<u>257,508</u>
	<u>280,584</u>	<u>151,845</u>	<u>432,429</u>	<u>547,039</u>

In addition to the legacies received in the year, the Foundation has been notified of its entitlement to further distributions from estates. The Foundation is unable to reliably estimate amounts receivable and accordingly has not recorded these as income.

Grants received, included in the above, are as follows:

	2020 £	2019 £
Other grants	<u>181,089</u>	<u>257,508</u>

THE ELIZABETH FOUNDATION

Notes to the Financial Statements - continued for the Year Ended 31st March 2020

2. DONATIONS AND LEGACIES - continued

BBC Children In Need	41,444	41,683
The Leathersellers' Company	15,000	30,000
The Sobell Foundation	15,000	-
DM Thomas Foundation for Young People	10,084	-
The Barbara Ward Children's Foundation	10,000	10,000
Morrison's Foundation	10,000	-
Awards for All	9,482	-
Ovingdean Hall Foundation	9,100	9,100
Advanced Bionics	7,500	-
The Henry Smith Charity	7,500	-
Didymus CIO	5,000	-
Santander Foundation	5,000	-
The Mikado Trust	5,000	5,000
The Weinstock Fund	5,000	-
Clearwater Marine Investments	2,500	-
Hyperion Foundation	2,500	-
League of Friends of St Mary's Hospital	2,353	-
John Horniman's Children's Trust	2,000	-
The Irving Memorial Trust	2,000	-
Wave 105	1,928	-
Lexis Nexis	1,607	-
Ecclesiastical Insurance	1,000	1,000
EF & MG Hall Charitable Trust	1,000	-
The Emilienne Charitable Trust	1,000	-
Lord Mayor of Portsmouth Community Chest	1,000	-
Persimmon Homes	1,000	-
Victorious Festival	1,000	2,800
Other grants	5,091	14,210
Downlands Educational Trust	-	45,878
Global Make Some Noise	-	25,000
Garfield Weston Foundation	-	25,000
Peter Harrison Foundation	-	10,000
The QBE Foundation	-	10,000
Rotary Club of Portsmouth North	-	6,540
The Casey Trust	-	5,000
The Grant Foundation	-	3,000
St James Place Foundation	-	2,500
The CPF Trust	-	2,000
The Goldsmiths Company Charity	-	2,000
The Graham High Charitable Trust	-	1,500
Grand Order of Water Rats Charitable Fund	-	1,297
Southern Cooperative	-	1,000
The Hasluck Charitable Trust	-	1,000
The Richardson Brothers' Foundation	-	1,000
The Webb Family Charitable Trust	-	1,000
	£181,089	£257,508

THE ELIZABETH FOUNDATION

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2020**

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Fundraising events	<u>67,311</u>	<u>-</u>	<u>67,311</u>	<u>76,827</u>

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Solar panels	5,751	-	5,751	6,277
Fixed asset investments	1,027	-	1,027	-
Deposit account interest	<u>3,108</u>	<u>-</u>	<u>3,108</u>	<u>2,554</u>
	<u>9,886</u>	<u>-</u>	<u>9,886</u>	<u>8,831</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020 £	2019 £
Session charges	Nursery Programmes	41,572	45,717
Audiology	Outreach and Other Services	151,701	143,982
Home learning & consultancy	Outreach and Other Services	10,358	3,483
Other charitable activities	Outreach and Other Services	<u>8,100</u>	<u>3,920</u>
		<u>211,731</u>	<u>197,102</u>

6. RAISING FUNDS

Raising donations and legacies

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Staff costs	93,700	-	93,700	107,427
Insurance	2,294	-	2,294	2,601
Premises & utilities	2,871	-	2,871	2,708
Communications & IT	933	-	933	4,298
Service consumables	3,025	-	3,025	2,985
Printing & promotion	5,951	-	5,951	4,612
Other costs	1,444	-	1,444	1,480
Hire charges & event costs	22,281	-	22,281	24,557
Recruitment, ID checks, travel and subsistence	2,947	-	2,947	1,113
Depreciation	<u>1,072</u>	<u>2,050</u>	<u>3,122</u>	<u>3,134</u>
Carried forward	136,518	2,050	138,568	154,915

THE ELIZABETH FOUNDATION

Notes to the Financial Statements - continued for the Year Ended 31st March 2020

6. RAISING FUNDS - continued

Raising donations and legacies - continued

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Brought forward	136,518	2,050	138,568	154,915
Support costs	<u>20,594</u>	<u>-</u>	<u>20,594</u>	<u>22,581</u>
	<u>157,112</u>	<u>2,050</u>	<u>159,162</u>	<u>177,496</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Nursery Programmes	96,010	47,312	343,322
Family Support	15,893	2,364	18,257
Outreach and Other Services	211,924	25,395	237,319
	<u>523,827</u>	<u>75,071</u>	<u>598,898</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020 £	2019 £
Staff costs	326,429	311,740
Insurance	9,451	8,981
Premises & utilities	68,002	64,115
Communications & IT	3,876	3,783
Service consumables	15,084	12,787
Printing & promotion	5,552	7,684
Other costs	11,819	16,208
Recruitment, ID checks, travel and subsistence	2,221	5,032
Depreciation	<u>81,393</u>	<u>78,197</u>
	<u>523,827</u>	<u>508,527</u>

THE ELIZABETH FOUNDATION

Notes to the Financial Statements - continued for the Year Ended 31st March 2020

9. SUPPORT COSTS

	Other £
Raising donations and legacies	20,594
Nursery Programmes	47,312
Family Support	2,364
Outreach and Other Services	25,395
	<u>95,665</u>

Support costs, included in the above, are as follows:

	Raising donations and legacies £	Nursery Programmes £	Family Support £
Wages	12,620	26,965	1,425
Premises & utilities	203	2,035	42
Communications & IT	3,739	7,989	422
Other costs	3,258	6,961	368
Depreciation of tangible fixed assets	774	3,362	107
	20,594	47,312	2,364
		2020	2019
	Outreach and Other Services £	Total activities £	Total activities £
Wages	15,578	56,588	56,441
Premises & utilities	238	2,518	2,332
Communications & IT	4,616	16,766	14,853
Other costs	4,023	14,610	11,579
Depreciation of tangible fixed assets	940	5,183	6,352
	<u>25,395</u>	<u>95,665</u>	<u>91,557</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Depreciation - owned assets	89,698	87,683
Auditors' remuneration	<u>6,630</u>	<u>6,430</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2020

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2020 nor for the year ended 31st March 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2020 nor for the year ended 31st March 2019.

12. STAFF COSTS

	2020 £	2019 £
Staff costs :		
Wages and salaries	417,018	425,377
Social security costs	25,487	28,397
Pension contributions	<u>34,211</u>	<u>21,833</u>
	<u><u>476,716</u></u>	<u><u>475,607</u></u>

The average monthly number of employees during the year was as follows:

	2020	2019
Raising funds	3	3
Charitable activities	16	17
Support	<u>2</u>	<u>2</u>
	<u><u>21</u></u>	<u><u>22</u></u>

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

	2020	2019
£60,001 - £70,000	<u><u>1</u></u>	<u><u>1</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2020

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	334,431	212,608	547,039
Charitable activities			
Nursery Programmes	23,218	22,499	45,717
Outreach and Other Services	151,385	-	151,385
Other trading activities	76,827	-	76,827
Investment income	<u>8,831</u>	<u>-</u>	<u>8,831</u>
Total	594,692	235,107	829,799
EXPENDITURE ON			
Raising funds	175,377	2,119	177,496
Charitable activities			
Nursery Programmes	152,923	179,636	332,559
Family Support	16,977	1,340	18,317
Outreach and Other Services	<u>171,359</u>	<u>55,268</u>	<u>226,627</u>
Total	516,636	238,363	754,999
Net gains on investments	<u>689</u>	<u>-</u>	<u>689</u>
NET INCOME/(EXPENDITURE)	78,745	(3,256)	75,489
Transfers between funds	<u>11,500</u>	<u>(11,500)</u>	<u>-</u>
Net movement in funds	90,245	(14,756)	75,489
RECONCILIATION OF FUNDS			
Total funds brought forward	1,553,002	1,362,751	2,915,753
TOTAL FUNDS CARRIED FORWARD	<u><u>1,643,247</u></u>	<u><u>1,347,995</u></u>	<u><u>2,991,242</u></u>

THE ELIZABETH FOUNDATION

Notes to the Financial Statements - continued for the Year Ended 31st March 2020

14. TANGIBLE FIXED ASSETS

	Leasehold property Portsmouth Resource Centres £	School and medical equipment £	Fixtures, fittings & office equipment £	Motor vehicles £	Totals £
COST					
At 1st April 2019	3,396,826	211,549	167,008	19,248	3,794,631
Additions	1,153	18,817	1,610	-	21,580
Disposals	-	-	(11,476)	-	(11,476)
At 31st March 2020	<u>3,397,979</u>	<u>230,366</u>	<u>157,142</u>	<u>19,248</u>	<u>3,804,735</u>
DEPRECIATION					
At 1st April 2019	919,399	187,845	139,769	19,248	1,266,261
Charge for year	76,329	10,873	2,496	-	89,698
Eliminated on disposal	-	-	(11,476)	-	(11,476)
At 31st March 2020	<u>995,728</u>	<u>198,718</u>	<u>130,789</u>	<u>19,248</u>	<u>1,344,483</u>
NET BOOK VALUE					
At 31st March 2020	<u>2,402,251</u>	<u>31,648</u>	<u>26,353</u>	<u>-</u>	<u>2,460,252</u>
At 31st March 2019	<u>2,477,427</u>	<u>23,704</u>	<u>27,239</u>	<u>-</u>	<u>2,528,370</u>

The value of fully constructed long leasehold buildings (Portsmouth Resource Centres) at 31 March 2020 has been estimated for insurance purposes by the directors at £4,296,5000 (2019: £4,139,000). This figure, in the opinion of the directors, closely reflects the commercial value.

15. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1st April 2019	30,689
Additions	73,000
Revaluations	<u>(6,836)</u>
At 31st March 2020	<u>96,853</u>
NET BOOK VALUE	
At 31st March 2020	<u>96,853</u>
At 31st March 2019 ,	<u>30,689</u>

There were no investment assets outside the UK.

THE ELIZABETH FOUNDATION

Notes to the Financial Statements - continued for the Year Ended 31st March 2020

16. STOCKS

	2020	2019
	£	£
Goods for resale	1,457	1,898
Stationery and office consumables	<u>2,069</u>	<u>3,116</u>
	<u>3,526</u>	<u>5,014</u>

17. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Trade debtors	4,311	3,489
VAT	-	37
Prepayments and accrued income	<u>92,625</u>	<u>102,756</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	8,080	8,147
Social security and other taxes	10,718	9,314
Other creditors	850	2,210
Accruals	27,889	23,610
Deferred income	<u>61,376</u>	<u>19,975</u>
	<u>108,913</u>	<u>63,256</u>

The Foundation has deferred income where income has been received in advance for fundraising events and nursery session charges and where grants have been received but the Foundation has not yet met the recognition criteria.

Deferred income at 1 April 2019	19,975
Amounts released from deferred income	(19,975)
Amounts deferred this year	<u>61,376</u>
Deferred income at 31 March 2020	<u>61,376</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed assets	1,199,746	1,260,506	2,460,252	2,528,370
Investments	96,853	-	96,853	30,689
Current assets	486,699	12,812	499,511	495,439
Current liabilities	<u>(108,913)</u>	<u>-</u>	<u>(108,913)</u>	<u>(63,256)</u>
	<u>1,674,385</u>	<u>1,273,318</u>	<u>2,947,703</u>	<u>2,991,242</u>

THE ELIZABETH FOUNDATION

Notes to the Financial Statements - continued
for the Year Ended 31st March 2020

20. MOVEMENT IN FUNDS

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	1,643,247	27,234	3,904	1,674,385
Restricted funds				
National Lottery Charities Board Reserve	126,855	(4,611)	-	122,244
Grants & Fees Reserve	42,796	(26,080)	(3,904)	12,812
Ovingdean Fixed Assets Reserve	368,840	(14,307)	-	354,533
Portsmouth Resource Centres Reserve	809,504	(25,775)	-	783,729
	<u>1,347,995</u>	<u>(70,773)</u>	<u>(3,904)</u>	<u>1,273,318</u>
TOTAL FUNDS	<u>2,991,242</u>	<u>(43,539)</u>	<u>-</u>	<u>2,947,703</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	549,867	(515,797)	(6,836)	27,234
Restricted funds				
National Lottery Charities Board Reserve	-	(4,611)	-	(4,611)
Grants & Fees Reserve	171,490	(197,570)	-	(26,080)
Ovingdean Fixed Assets Reserve	-	(14,307)	-	(14,307)
Portsmouth Resource Centres Reserve	-	(25,775)	-	(25,775)
	<u>171,490</u>	<u>(242,263)</u>	<u>-</u>	<u>(70,773)</u>
TOTAL FUNDS	<u>721,357</u>	<u>(758,060)</u>	<u>(6,836)</u>	<u>(43,539)</u>

THE ELIZABETH FOUNDATION

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2020**

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.18 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted funds				
General fund	1,253,002	78,745	311,500	1,643,247
Fixed Asset Expenditure Reserve	<u>300,000</u>	<u>-</u>	<u>(300,000)</u>	<u>-</u>
	1,553,002	78,745	11,500	1,643,247
Restricted funds				
National Lottery Charities Board Reserve	131,466	(4,611)	-	126,855
Grants & Fees Reserve	12,000	42,296	(11,500)	42,796
Ovingdean Fixed Assets Reserve	383,147	(14,307)	-	368,840
Portsmouth Resource Centres Reserve	<u>836,138</u>	<u>(26,634)</u>	<u>-</u>	<u>809,504</u>
	<u>1,362,751</u>	<u>(3,256)</u>	<u>(11,500)</u>	<u>1,347,995</u>
TOTAL FUNDS	<u>2,915,753</u>	<u>75,489</u>	<u>-</u>	<u>2,991,242</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	594,692	(516,636)	689	78,745
Restricted funds				
National Lottery Charities Board Reserve	-	(4,611)	-	(4,611)
Grants & Fees Reserve	235,107	(192,811)	-	42,296
Ovingdean Fixed Assets Reserve	-	(14,307)	-	(14,307)
Portsmouth Resource Centres Reserve	<u>-</u>	<u>(26,634)</u>	<u>-</u>	<u>(26,634)</u>
	<u>235,107</u>	<u>(238,363)</u>	<u>-</u>	<u>(3,256)</u>
TOTAL FUNDS	<u>829,799</u>	<u>(754,999)</u>	<u>689</u>	<u>75,489</u>

20. MOVEMENT IN FUNDS - continued

NATIONAL LOTTERY CHARITIES BOARD RESERVE

Some years ago, the charitable company applied for and was awarded a project grant from the National Lottery Charities Board. The grant received is subject to restrictions, and accordingly is treated as a Restricted Fund. The related assets are subject to ongoing restrictions for a period of 80 years, and the Foundation may not dispose of these assets without the prior written permission of the National Lottery Charities Board (grantor). £230,300 of the grant was spent on depreciable fixed asset additions in the year ended 31 March 1998; depreciation charged on these assets is set against the fund each year. The remaining part of the grant was for revenue purposes to fund an additional teacher, together with project management costs and by 31 March 2001 this had been fully expended. (Note - The current operating name of the Lottery Charities Board is The Big Lottery).

GRANTS AND FEES RESERVE

The Elizabeth Foundation receives restricted grants and fees for specific charitable purposes from different grant making bodies and other agencies. These funds are spent on both depreciable fixed assets and revenue expenditure. In the year to 31 March 2020 the reserve was mainly utilised on speech and language therapy projects, teaching and nursery team employment costs, technology to directly assist children's learning, kitchen refurbishment, costs of running support groups for children with Down Syndrome and complex needs, the home learning programme, music therapy and other costs associated with early intervention and family support activities.

OVINGDEAN HALL FOUNDATION FIXED ASSET RESERVE

This reserve shows the amount of restricted grant from OHF that has been used for agreed purposes to purchase fixed assets for charity use. The fund balance represents grant-funded expenditure on solar panel installations, the construction of the Sunshine Memory Garden, purchase of a new minibus and carport and children's outdoor play equipment, and expenditure on the first phase of the Early Detection Centre extension project, which was completed in October 2014 and then named the Ovingdean Building. Depreciation charged on these assets is set against the fund each year once the related asset has been brought into use.

PORTSMOUTH RESOURCE CENTRES RESERVE

This reserve shows the receipt of past appeals and donations to raise money for the construction of The Elizabeth Foundation's educational facilities. This includes the 'Raise the Roof' appeal (including its final phase, the Baby Unit and the new storage basement beneath), and grants for playground equipment. The money has now been fully spent, and the building, its first-floor extension, Baby Unit annexe, and the playground area are included within fixed assets. Depreciation charged on these assets is set against the fund each year once the related asset has been brought into use.

This reserve also includes the receipts less administration costs of appeals to finance the construction and extension of the Early Detection Centre, now named the Ovingdean Building. The money has now been fully spent and the building is included in fixed assets. Depreciation charged on these assets is set against the fund each year.

20. MOVEMENT IN FUNDS - continued

FIXED ASSET EXPENDITURE RESERVE

The Fixed Asset Expenditure Reserve represents the value of unrestricted funds designated by the Board of Trustees for expenditure on fixed assets in the following year, whether or not a capital commitment existed at the balance sheet date. No such designation had been made at 31 March 2020 and 31 March 2019.

INCOME AND EXPENDITURE ACCOUNT

The Income and Expenditure Account represents the total of accumulated unrestricted and undesignated surpluses that The Elizabeth Foundation has generated during its history. As shown in Note 19, at 31 March 2020 most of these funds have been used over the years to build or buy the fixed assets (premises and equipment) that The Elizabeth Foundation uses to deliver its charitable services. At 31 March 2020 the Income and Expenditure account totalled £1,674,385 and was comprised of fixed assets of £1,199,746, investments £96,853, current assets of £486,699 and current liabilities of £108,913. Further information about the Trustees' aims in respect of free reserves is set out in the Directors' Report. In particular, the Trustees consider that the charity needs to build up its liquid assets.

21. OTHER FINANCIAL COMMITMENTS

Operating Lease Commitment - Property

The Elizabeth Foundation entered a lease dated 1 March 1987 for a period of 99 years, in respect of land at Cosham which comprises the site of the Family Centre and Test Centre buildings that form the headquarters of The Elizabeth Foundation. The ground rent payable was reviewed during the previous year and at 31 March 2020 the commitments under the lease are as follows:

	2020	2019
	£	£
In less than one year	8,000	7,000
In two to five years	40,500	38,000
In more than five years	<u>639,625</u>	<u>650,125</u>
	<u>688,125</u>	<u>695,125</u>

Operating Lease Commitments - Office equipment

At 31 March 2020 The Elizabeth Foundation had annual commitments under non-cancellable operating leases for office equipment as follows:

	2020	2019
	£	£
In less than one year	252	252
In two to five years	1,786	1,488
In more than five years	<u>-</u>	<u>298</u>
	<u>2,038</u>	<u>2,038</u>

THE ELIZABETH FOUNDATION

Notes to the Financial Statements - continued for the Year Ended 31st March 2020

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2020.

23. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.19 £	Cash flow £	At 31.3.20 £
Net cash			
Cash at bank and in hand	<u>384,143</u>	<u>14,906</u>	<u>399,049</u>
Total	<u>384,143</u>	<u>14,906</u>	<u>399,049</u>

24. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(43,539)	75,489
Adjustments for:		
Depreciation charges	89,698	87,683
Losses/(gain) on investments	6,836	(689)
Interest received	(3,108)	(1,251)
Dividends received	(1,027)	-
Decrease/(increase) in stocks	1,488	(850)
Decrease/(increase) in debtors	9,346	(67,284)
Increase/(decrease) in creditors	<u>45,657</u>	<u>(11,199)</u>
Net cash provided by operations	<u>105,351</u>	<u>81,899</u>