



CORRA
FOUNDATION
voice • power • change

ANNUAL REPORT & FINANCIAL STATEMENTS

31 December 2021

Corra Foundation

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(The) Corra Foundation is a charity registered in Scotland (No SC009481) and is also a company limited by guarantee (No SC096068).

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Chair's Report

It gives me great pleasure to introduce Corra's annual review for 2021.

I'd like to start by acknowledging the immense work done by communities and third sector organisations in response to another challenging year. While life may have begun to open up again for many people, the pandemic has continued to have a major impact. After two difficult years, people and communities are having to find even more resilience as we face wider global turbulence, a cost of living crisis and the impacts of climate change.

At Corra, we've found that our strategy themes of voice, power and change more relevant than ever in guiding our efforts to make a positive difference. Listening to communities and third sector groups, and working alongside many partners, has been crucial and much of our focus has been on:

- Supporting connections and reconnections within and alongside communities.
- Working alongside people with lived expertise, including through participatory and community-led grant making.
- Striving to embed Diversity, Equity and Inclusion (DEI) across all areas of our work and continuing to take action to contribute to racial justice.
- Collaborating to try and help influence positive lasting change on issues such as human rights, climate change, poverty and drugs and alcohol.

The past year has further reinforced how crucial it is that communities shape the change that matters to them. The pandemic has continued to present challenges to place-based work, but as restrictions have eased our Community Co-ordinators have been able to begin to return to face-to-face relationships. It's a privilege to be alongside communities as they build confidence, voice, relationships and the power to take action and shape change. The focus now is on supporting community-led responses to the pandemic, along with ideas and actions to 'build forward better'.

Corra's grant making activity has grown in scale over the past year, as well as deepening in relation to areas where our team has significant expertise. We were pleased to be appointed to deliver a number of key Scottish Government funds, including in relation to drugs and alcohol, The Promise and children and young people. Just as important has been delivery of a range of small grants, including the Winter Support Fund and STV Children's Appeal Community Fund.

Corra's grant making has increasingly focused on participatory, or community-led approaches. This has included establishing 'lived experience panels' to inform, or make funding decisions, community-led approaches as part of Comic Relief's #ShiftThePower programme, and participatory grant making within the Equity Programme. The team has published a range of learning from this work and continues to be thoughtful in how to shift the power in grant making.

Another driver for relocating power, has been a range of action on Diversity, Equity and Inclusion (DEI). DEI is about power – whether over decisions, resources, design of public services or funding programmes – moving into the hands of people who don't currently have it. That principle is at the heart of Corra's strategy and is central to good grant making. There's a growing recognition of the need to understand the roots of philanthropic wealth, and how the sector has been shaped by a lack of diversity. In October 2021, Corra published its DEI Statement, which builds on, and adds to our earlier statement on anti-racism. The past year has seen actions, including the Equity Programme (participatory grant making with Black, Asian and Minority Ethnic communities) and Henry Duncan Black, Asian and Minority Ethnic project grants. The

Chair's Report (continued)

team will be reflecting on the learning from this work as we consider how Corra can best contribute to racial equity in Scotland.

Collaboration remains at the heart of Corra's work and it's a real pleasure to thank all of our partners on behalf of the team. Working hand in hand with people with both lived and learned expertise, communities, third sector groups, government, and fellow trusts and foundations is a source of energy, inspiration and learning for us and we've no doubt it amplifies the impact we would have individually.

I'd also like to thank Corra's highly committed team of staff and Trustees. We've been delighted to welcome new members of staff during 2021, each bringing new perspectives and helping build the breadth of expertise across the team. We're strongly committed to helping Scotland #KeepThePromise, and in March our CEO Fiona Duncan was seconded for a year to provide leadership for that crucial work. I'm grateful to all our staff and Trustees for their dedication and energy, guided by the thoughtful, skilled leadership of our Acting CEO Carolyn Sawers.

As we look ahead, we want to listen hard to people whose voices are often overlooked, and who are furthest from power. Funders have a crucial role to play in getting alongside communities to challenge the structures and systems that marginalise. At Corra we'll strive to play our part in building a just and fair society in which we can all create positive change and enjoy fulfilling lives.



LUKE MCCULLOUGH
Chair

10th June 2022

Trustees' Report including Strategic Report

The Trustees, who are also directors for the purposes of company law, are pleased to present their Annual Report together with the financial statements of Corra Foundation for the year ended 31 December 2021. These are prepared to meet the requirements for Companies Act purposes.

The financial statements comply with:

- The Charities and Trustee Investment (Scotland) Act 2005
- The Charities Accounts (Scotland) Regulations 2006 (as amended)
- The Companies Act 2006
- Corra Foundation's Articles of Association
- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities. (FRS 102) (Effective 1 January 2019)

The financial statements are in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Strategic Report

Corra's mission is to make a difference to people and communities by encouraging positive change, opportunities, fairness and growth of aspirations, which improve quality of life. In the second year of our ten-year strategy, Corra has continued to progress opportunities that shift power and work alongside people and communities. This included improvements to how we reach people, our grant-making processes and increased use of participatory approaches.

Main activities

Collaborating with partners

Corra's strategy is to work alongside people and organisations to have greater impact. In the last year Corra has collaborated with people, communities, public bodies, third sector organisations, funders and many others to help support opportunities for positive change.

We distributed funds on behalf of the Scottish Government, Comic Relief, Cattanach Trust, STV Children's Appeal and Stewart Investors. We also jointly funded programmes alongside Lankelly Chase and Tudor Trust. These partnerships enabled Corra to work at scale and depth across a range of policy areas and with varied communities. They enhanced our knowledge, learning and impact through shared commitments to bringing about positive change.

Delivering grant programmes

Corra managed 23 grant programmes in 2021 and distributed over £35.1m to third and public sector organisations.

£5.7m distributed for communities.

£20.5m distributed for children, young people and families.

£8.9m distributed for health and wellbeing.

The National Drug Mission is a £13m per annum programme that Corra delivers on behalf of the Scottish Government. In 2021 Corra launched four strands, the first three support small groups, mid-sized groups, large charities and public bodies who are helping people affected by drugs. The fourth strand is focused on larger charities and public bodies to support relational, whole family approaches to supporting children and families affected by alcohol and drugs.

Trustees' Report including Strategic Report (continued)

Working alongside communities

Corra continued to work closely alongside nine local communities. Pandemic restrictions continued to impact on the way people in communities connected during the year, however, as restrictions eased in-person community activity gradually increased.

Nearly 2/3rds of Co-ordinators time supporting local action to happen (e.g. co-delivering groups, helping people develop and deliver ideas.

387 people took part for the first time in community activities supported by Corra.

Over 150 hours of volunteering time committed by people during the summer.

Across all nine communities Ideas into Action funding has helped support and sustain local connections.

78% of ideas funded by Corra were initiated, designed and led by local people.

Average amount of funding for an Idea into Action was £1,500
Largest amount of funding for an Idea into Action was £5,000

In Buckhaven a local friendship group was supported to cover the cost of cards and postage during coronavirus restrictions. In Cumnock money has helped support the set-up of a local Men's Shed.

Responding to the pandemic

Corra continued to support communities and third sector organisations affected by the coronavirus pandemic. Corra distributed Scottish Government funds through five programmes relating to the pandemic.

Over 1,200 applications processed for ongoing support in relation to coronavirus.

Over £1.6m distributed to support activities in local communities.

132 grants made to support people who are marginalised (Armed Forces/Travelling Showpeople)

The Scottish Veterans Residences received a grant of £55,101 in July 2021. Scottish Veterans Residences is a charity that provides housing support to over 200 members of the armed services community who are experiencing or at risk of, homelessness. The grant provided support towards the charity's core operating costs including staff salaries and contribution to additional pandemic-related cleaning requirements.

Impact

1,281 grants made

30% improving health and wellbeing
45% reducing inequalities
25% reducing isolation

Over 46,000 people* supported by funded organisations

*46,000 people relate to information provided by organisations when applying to Corra.

Trustees' Report including Strategic Report (continued)

Ensuring supportive, accessible and equitable approaches

Throughout the year Corra has continued to improve its grant-making practices to be more accessible and respond to the needs of people and communities.

- Reaching new groups: 46% of organisations applying in 2021 were new to Corra
- Focusing on equity: 17% of applicant organisations were led by people with lived experiences.

Scottish Arab Women's Association works with women who are survivors of domestic abuse, experience family issues, have mental health problems or are isolated. They received a Henry Duncan Project Grant of £24,000 over three years. This funding will help deliver their Mind and Memories Project to continue supporting Arab women with counselling and activities.

- Good customer experiences: 94% of organisations responding to our survey felt Corra understood their priorities. Ongoing improvements have included:

Easy read and video guidance rolled out across several programmes.

81% of responses in customer experience survey felt application material was easy or very easy to understand.

76% of payments were processed within 10 days of grant requirements being met.

Delivering Corra's strategy

The power to create change rests with people themselves

This year Corra has taken more participatory approaches in both grantmaking and work alongside communities.

19 community led grant making programmes delivered.

Delivered four Scotland-wide programmes with lived experience decision making panels.

Co-created system change programme in Blacklands, Kilwinning with 12 local people.

We focused on amplifying the experiences and expertise of people, communities and charities.

Corra published 29 insights/learning that reflected and incorporated feedback and insights on what matters most to people:

- Shared key highlights from participatory grant making at the Association of Charitable Foundations conference
- People involved in the Equity Programme and Promise Partnership presented at a UK-wide funders event on the involvement of people with shared experiences in decision-making
- Published evaluation of The Listening Fund in Scotland and on the importance of embedding listening practices within organisations
- Supported groups to contribute on Scottish Government working/implementation groups (Tackling Food Inequalities, Staying Together and Connected: Getting It Right for Brothers and Sisters Guidance Implementation Group).

Trustees' Report including Strategic Report (continued)

Corra is committed to sharing and supporting community members to share insights that will have a direct impact on their local area and national policy. Corra has worked with Nourish Scotland in supporting communities in two areas to participate in the Our Rights to Affordable Food project.

People with ideas for radical change are supported, skilled, connected, and confident

Corra continued to aim to offer flexible funding, unrestricted and multi-year where possible. We offered opportunities to connect and develop ideas and build confidence by linking up with each other.

39 capacity building and funding events delivered by Corra to applicants and grantholders.

Community Co-ordinators delivered 67 inputs on brokering connections to people, funding and resources.

Took part in the 2027 and John Smith Centre Minority Ethnic Emerging Leaders Programmes to support bold and dynamic leadership of the future.

- People feel supported: 94% of people who attended capacity building delivered by Corra found it very useful (customer experience survey 2021).
- People are connected: online opportunities helped people maintain relationships and learn together, including 11,678 Facebook connections in the nine communities Corra works alongside.

In July 2021 Corra funded Sheila McKechnie Foundation (£34,485) to support people with bold ideas. This pilot programme focused on supporting campaigners and change-makers in Scotland to help strengthen their individual and collective efforts through sharing of experiences, evidence and ideas.

People are working together to respond to the big challenges facing Scotland:

Corra worked closely with over 40 partners during the year, bringing together combined knowledge and the space for conversations to focus on the things that mattered to people:

- Continued support through the pandemic. Corra worked in partnership with other funders, SCVO and business support partners to deliver the Scottish Government's Adapt & Thrive programme. Adapt & Thrive distributed over £30m to 900 organisations across Scotland to help implement recovery plans from the pandemic.
- Delivered the Promise Partnership. This £4.3m programme is designed to support organisations to make the necessary shifts to #KeepThePromise. The fund has been co-produced and delivered with an Advisory Group and Decision-Making Panel who all bring knowledge and expertise including lived experience of the 'care system'
- Supported a crisis response. On behalf of the Scottish Government Corra delivered the Winter Support Fund to small community groups who could provide cash to families in crisis before and after the festive holiday. Over £490k distributed to 120 groups within a four-week period.
- Facilitated conversations with funders and charities on issues that will have a longer-term impact for people and communities. This included human rights and children and young people's well-being and mental health.
- Invested in Diversity, Equity and Inclusion (DEI) across Corra and worked with others to establish a sub-group of the Scottish Funders Forum on DEI practices for funders.

Trustees' Report including Strategic Report (continued)

Committed £30,000 to support a pilot programme 'Voices, Relationships and Partnerships in International Development.' The pilot involved six participating organisations from overseas and five from Scotland. Corra has worked alongside the participants to support a collaboration focused on listening, reflecting and identifying actions that will contribute to a wider learning piece for funding practices.

Financial Review

Income

Total income for 2021 was £37.3m (2020: £59.6m). The £22.3m variance to income in the previous year is due mainly to the decrease in grants received. The decrease is attributable to a decrease in COVID Emergency funds of £29.5m from the Scottish Government.

Corra received income from the following principal sources during the year:

- Scottish Government COVID Emergency Funds, £4.5m (2020: £34.8m)
- Drugs Death Task Force Innovation Fund, £876k (2020: £3.57m)
- Housing First, £1.6m from the Scottish Government (2020: £2.12m)
- National Drugs Mission, £4.5m (2020: £Nil)
- The Promise Partnership, £5.5m (2020: £Nil)
- CYPFEIF & ALEC, £13.8m (2020: £13.8m)
- Comic Relief #ShiftthePower, £725k (2020: £1m)

A full breakdown of all programmes and funders is shown in Note 23.

Expenditure

In 2021, total restricted charitable grant expenditure amounted to £35.7m (2020: £56.1m). This included a total of £4.7m of COVID emergency funds received and disbursed by Corra on behalf of others. The COVID emergency funds were made up mainly of £1.1m for Enabling Neighbourhoods and Communities, £1.5m Travelling Show People Fund, £785k Armed Force Community Fund, and £1.1m Communities Recovery Fund on behalf of the Scottish Government. Corra also disbursed £245k of Comic Relief COVID Emergency Funds.

Charitable expenditure under the grant programmes included Henry Duncan Grants annual commitments of £1m (2020: £1m) with £559k (including prior year commitments) being disbursed in 2021, and the balance due in future years. £855k (2020: £1.3m) for the Partnership Drugs Initiative. A full breakdown of Corra's charitable expenditure is shown in Note 7.

Total support costs were £2.8m for the year (2020: £2.4m). At the end of the year 2021, Corra's total funds stood at £32.5m (2020: £30.2m) of which £27m was unrestricted (2020: £24.9m) and £5.5m restricted (2020: £5.3m).

Statement of Financial Position

At the year-end, Corra held Total Net Assets of £32.5m (2020: £30.2m), which includes investment funds of £26.4m (2020: £24.2m) with CCLA Investment Management Limited ('CCLA').

Going concern

The Trustees are satisfied that the organisation is able to operate for the foreseeable future on the basis of unrestricted reserves of investments and cash, as well as continuing success in managing

Trustees' Report including Strategic Report (continued)

various partner funded contracts. The going concern basis of accounting is therefore appropriate.

The Trustees regularly reviewed Corra's cash flow forecasts during the year and the cash flow forecasts have provided Trustees with the confidence to continue with grant-making activities. Further details are given in the Going Concern accounting policy 1(c).

Cash flow

The cash flow decreased by £476k (2020: increased by £3.0m) mainly due to a decrease in grants received compared to the previous year. Cash at bank as at 31 December 2021 was £9.8m (2020: £10.3m).

Investment policy and performance

Corra's Trustees have a duty to manage the investment portfolio in the best interests of Corra Foundation and in line with the legal duties conferred on charity trustees by the Charities and Trustee Investment (Scotland) Act 2005.

These duties include a requirement to take professional advice if required; to select investments which are suitable for Corra Foundation; and to consider the need for adequate diversification, meaning that there should be a wide spread of complementary investments because this is less risky than relying significantly on any one asset or one type of asset.

The Trustees also refer to guidance published by OSCR and other relevant bodies such as the Association of Charitable Foundations ('ACF') to ensure compliance with recommended good practice. Corra aims to deliver its mission in an ethically responsible way; ensuring that all our activities remain equitable, fair and accessible to charities and communities, and will not have a negative impact or prohibit opportunities for the people or communities Corra serves. This is the basis of Corra's ethical policy which is underpinned by an ethical operational decision matrix which serves as a reference point for staff.

Trustees will not knowingly appoint, partner, invest or seek income from companies whose activities are inconsistent with the organisation's ethical position and ability to deliver its mission. In line with these principles, Trustees have appointed CCLA as manager of the portfolio, under an investment management agreement which gives CCLA the discretion to select the investments it believes are best suited to meet Corra Foundation's stated requirements. CCLA is empathic and understanding of Corra's values and mission, has demonstrable skills in managing funds in keeping with Corra's ethical position. Trustees monitor the operation and effectiveness of Corra's ethical policy through annual reviews.

The portfolio is maintained in accordance with the principles established by the Trustees, including the ethical investment policy, with a focus on longer term growth. The portfolio is currently invested entirely in the COIF Charities Ethical Investment Fund ('Ethical Fund'). The Ethical Fund targets financial objectives which are aligned with Corra's requirements: income and capital growth for long term charity investors, from a diversified portfolio of selected assets.

The Trustees believe it is important that their investment policy is aligned with Corra's ethical policy. CCLA's responsible investment approach, and the Ethical Fund's ethical policies, are viewed by the Trustees as supportive of Corra's aims, values and mission.

Trustees' Report including Strategic Report (continued)

The Trustees are encouraged by CCLA's proactive approach to responsible stewardship: using the power of investment asset owners to bring about positive social, organisational and environmental change.

On behalf of its investors CCLA makes full use of the corporate voting rights that come with share ownership. For example they work to tackle inequality at investee companies, with a particular focus on voting against excessive and poorly aligned pay for company directors. They also support efforts to increase diversity of company boards and senior management, and dissenting votes are applied where a lack of progress in this area is identified.

The Ethical Fund screens out investment in 'fossil fuel' companies, and also avoids businesses with significant activity in tobacco, gambling, armaments, alcohol or high interest rate lending ('payday' lenders). Meanwhile, the Fund's managers actively seek opportunities to invest in assets with a positive social or environmental benefit, where these are consistent with the fund's financial objectives. Among the fund's holdings are investments in social housing, energy efficiency and solar and wind power.

Corra Foundation's investment in the CCLA Charities Ethical Investment Fund at 31 December 2021 was valued at £26.4m as £1.05m of cash (2020: £2.3m) was realised from the sale of units in the fund to cover ongoing operational costs and future grant payment commitments. A realised gain of £259k was made on the sale of these units, and there were also unrealised gains of £2.98m on the remainder of the units due to an increase in market value since the start of the year.

In total, Corra's investment portfolio including funds held in short term deposits yielded dividend returns and interest amounting to £736k (2020: £817k), of this amount dividends from CCLA amounted to £725k (2020: £763k).

Overall, Corra's investment portfolio as at 31 December 2021 was £26.4m which is an increase in value of £2.2m compared with the value at 31 December 2020 of £24.2m.

Risk policy

The Trustees have examined the major strategic and operational risks facing Corra and confirm that systems have been established to produce regular reports so that any necessary steps can be taken to mitigate or find an appropriate response to these risks. The Trustees consider both the likelihood and potential impact arising from risks to Corra and in 2021 gave special attention to key risks such as sustainability of funding into the future, governance, loss of leadership/key management personnel as well as reputational risk. All these risks are monitored, managed and regularly reviewed through the risk register.

In response to the global pandemic, Corra continued to update its risk register and maintained a separate business continuity plan as an appendix to the risk register.

There are policies, procedures and contingencies in place to minimise and address all the risks identified. Actions to mitigate key risks include wellbeing policies and practices, conservative annual budgeting and cashflow management, and clear governance arrangements. Staff members are made aware during induction and training, of the key risks already identified and are required to review these and other potential risks when undertaking new projects.

Trustees' Report including Strategic Report (continued)

In relation to the key financial risks identified above, the Trustees are confident that Corra's financial security is sound for the foreseeable future due to a combination of the investment portfolio and Corra's record of successful tendering for contracts and developing partnerships. Trustees continue to examine and appraise a range of options to ensure long term financial sustainability as part of Corra's ten-year strategy launched in March 2020.

Grant-making policy

Grant-making is a significant activity of Corra in pursuit of its mission. Corra reflects its vision, mission and its Articles of Association in designing, delivering and making decisions on grant-making programmes. Corra undertakes a wide range of grant-making through programmes which may have differing target beneficiaries, priorities, criteria and processes as appropriate. All grant-making involves: promoting grants available, receiving applications, undertaking due diligence, assessment with reference to published criteria, decision making, payments, and collection of monitoring information. Trustees make decisions on grants made with income from Corra's investments and may delegate these decisions to Corra employees, other organisations or groups. Grantees receive a statement of the terms and conditions of grants. Corra Foundation shares and adopts good grant-making practice through membership of bodies such as the Scottish Grantmakers, Scotland Funders' Forum and Association of Charitable Foundations.

Reserves policy

The Reserves Policy is reviewed each year and the Trustees are satisfied that adequate reserves are in place.

Total funds held at the year-end were £32.5m (2020: £30.2m). After taking into consideration the restricted funds of £5.5m (2020: £5.3m) and designated funds of £2.8m (2020: £2.2m); and funds tied up in tangible and intangible assets, Corra held total unrestricted free reserves of £24.2m (2020: £22.8m).

In 2021 designated funds had an opening balance of £2.17m (2020: £1.55m) and total in-year designation amounted to £2.2m, made up of £0.49m (2020: £0.4m) for Getting Alongside Communities (People in Place), £0.5m for Partnership Drugs Initiative (2020: £0.57m), £1.15m for the Henry Duncan Grants programme (2020: £1.15m), £55k for Appetite for Change (2020: £60k) and £Nil for the Social Action Inquiry (Civil Society Initiative 2020: £100k). Total designated expenditure was £1.62m and a total of £2.8m was carried forward at the year end to cover commitments in 2022 and future years.

The unrestricted reserves are part of Corra's long-term investment portfolio held with CCLA. This investment portfolio is held in support of the future strategic aims of the Corra Foundation and is the proceeds from Corra's sale of its Lloyds Banking Group shares, received when its relationship with the bank ended in 2018.

A full breakdown of funds is set out in Note 23 to the financial statements.

Pay policy for staff

Corra's Trustees and the Senior Management Team comprise the key management personnel responsible for day-to-day operational management of Corra. All Trustees give of their time freely and no Trustee received any remuneration in the year. Details of Trustees' expenses are disclosed in Note 10 to the Accounts.

Trustees' Report including Strategic Report (continued)

Corra is a Living Wage Foundation accredited employer with every member of staff, as well as all contractors to Corra's head office, earning at least the Living Wage, as defined by the Living Wage

Foundation. The Living Wage is an hourly rate set independently and updated annually, based on the cost of living in the UK. The Trustees believe that everyone deserves to be paid at least the Living Wage. Corra values the wellbeing of its staff and is a Bronze Award Healthy Working Lives employer. Staff are currently working towards attaining the Silver Award status as well as becoming a Cycle Friendly Employer. The pay of all staff, including the key management personnel, is reviewed annually by the Nominations and Remuneration Committee.

Plans For Future Periods

2021 was the second year of a ten-year strategy for Corra Foundation, which covers the period up to 2030. This long-term approach to strategic planning, coupled with flexibility in operational delivery, is expected to ensure Corra has the agility and sense of purpose to achieve its mission in the years ahead.

Corra's income is expected to continue to come from a mix of investments, grants and contracts. Variance in income sources, such as investments and public funds, will be closely monitored. The Trustees and senior staff continue to pursue a diverse range of partnerships and to develop new opportunities based on these, with a preference for longer term approaches.

In 2020 and 2021 Corra completed a range of cross-organisational projects to ensure it was fit for purpose and able to maximise the potential of the new strategy. This included reviews of Corra's skills base, organisational structure and financial modelling. Work to develop Corra's commitments to diversity, equity and inclusion, to transparency, and to tackling climate change were also integral to this.

Structure, Governance and Management

Directors and Trustees

The directors of the charitable company (Corra) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end were as follows:

Luke McCullough, Chair

Dr Judith A Turbyne, Deputy Chair

Joy Barlow MBE

Elizabeth Y Carmichael CBE

Michaela Collins MBE

Claire A Gibson

Andrew Herberts (*appointed 10 June 2022*)

David R Johnson

Richard Martin

Christine McLaughlin

Fiona M Sandford

Mildred Zimunya

Company Secretary, Natalia Best

Trustees' Report including Strategic Report (continued)

Corra key management personnel

Chief Executive, Fiona Duncan (*seconded as Chair of the Independent Care Review / The Promise for 50% of her time until 5 April 2021. From 6 April 2021 until 6 July 2022, Fiona has been released to The Promise Scotland, excepting agreed time reserved for Corra activities including liaison with the Acting Chief Executive and Corra Chair*)

Acting Chief Executive, Carolyn Sawers (*from 6 April 2021 to 6 July 2022, Deputy Chief Executive since 1 August 2017*)

Head of Core Operations, Karen Brown

Head of External Relations, Shelley Gray

Head of Grants, Tom Baughan (*from 1 September 2021*) (*Connie Williamson until 31 August 2021*)

Head of Learning and Development, Elaine Wilson

Head of Place, Allan Farmer

Reference and administration details

Company number: SC096068
Scottish Charity Number: SC009481
Registered Office and Principal Address: Riverside House
502 Gorgie Road
Edinburgh EH11 3AF

Our advisers:

Auditor:

French Duncan LLP
Chartered Accountants and Statutory Auditors
56 Palmerston Place
Edinburgh EH12 5AY

Investment Managers:

CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London EC4V 4ET

Banker:

Santander Corporate & Commercial Bank
5th Floor, Capital Building
2-13 St Andrews Square
Edinburgh EH5 2GS

Legal Adviser:

Turcan Connell
Princes Exchange
1 Earl Grey Street
Edinburgh EH3 9EE

Governing document

Corra was incorporated on 20th November 1985 as a Company Limited by Guarantee. Corra is a Charitable Company Limited by Guarantee and does not have share capital. The liability of the members is limited by the Articles of Association to £1 each. The members are the Trustees.

Organisation

The Board of Trustees, which can have up to 12 members, administers Corra. The Trustees meet regularly during the year and there are sub-committees that have been set up to govern particular aspects of Corra's business as follows:

Audit Committee: has delegated responsibility on behalf of the Board of Trustees for ensuring that there is a framework for accountability; for examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management; for reviewing the

Trustees' Report including Strategic Report (continued)

performance of the auditors and discussing with them any areas identified in the external audit report; and for ensuring Corra is complying with all aspects of the law, relevant regulations and good practice.

Communications and Engagement Committee: is a non-constituted body that provides assurance to the Board on external relations strategy, reputational issues and helps to inform Corra's policy and influencing activity.

Finance and Investment Committee: has delegated responsibility on behalf of the Board of Trustees for setting the reserves and investment policy to be adopted for Corra; ensuring that the investment of Corra's funds is conducted appropriately and in accordance with Corra's Ethical Policy.

Nominations and Remuneration Committee: has delegated responsibility on behalf of the Board of Trustees for identifying and nominating for the approval of the Board candidates to fill Board / Chief Executive vacancies; considering re-appointments of members upon conclusion of his or her specified term of office; making recommendations in respect of membership and chairing of Board Committees; and for reviewing and approving annually the salaries and benefits packages of foundation staff.

In addition, some Trustees sit on a steering group which exists to advise the Partnership Drugs Initiative team. Two Trustees sit on the Corra Anti-racism Group. The Chief Executive is appointed by Trustees to manage the day-to-day operations of Corra. To facilitate effective operations, the Chief Executive has delegated authority with terms approved by the Trustees, for operational matters including grant administration, finance and employment.

Trustee appointments, induction and training

The recruitment of new Trustees is conducted through a process of open advertising except in exceptional circumstances where co-opting may be necessary. When a vacancy for a Trustee arises, a skills audit of the Board is undertaken to identify any gaps and to enable Corra to maximise the contribution that its Trustees can make. Trustees are appointed for an initial three-year term and can make themselves available to be considered for up to two further periods of three years.

Corra successfully recruited two new Trustees in 2022: Andrew Herberts who joins the Board in June 2022 and Nosheen Ahmed who is due to join the Board in September 2022.

On appointment, Trustees are provided with a Trustee Handbook and undertake an induction process. New Trustees are also able to attend Board meetings as observers before assuming their position. Ongoing training, support and relevant information is provided to Trustees as required.

Board effectiveness review

A board effectiveness review, conducted in 2021, concluded that the Board was effective and Corra's governance structures were fit-for purpose. The Board continually look for areas for improvement and the minor recommendations from the review will be implemented during 2021 and 2022.

Related parties and co-operation with other organisations

None of the Trustees receive remuneration or other benefit from their work with Corra. Any connection between a Trustee or senior manager of Corra with any charity that is funded must be disclosed to the full Board of Trustees in the same way as any contractual relationship with a related party.

Trustees' Report including Strategic Report (continued)

Section 172 statement – our reporting responsibilities as a large company

The directors of a charity must act in the way they consider, in good faith, would be most likely to promote the success of the charity and its charitable purpose. In doing so, they must have regard (amongst other matters) to the:

- Likely consequences of any decision in the long term.
- Interests of the charity's employees.
- Need to foster the charity's business relationships with all stakeholders.
- Impact of the charity's operations on the community and the environment.
- Desirability of the charity maintaining a reputation for high standards of business conduct.
- Need to act fairly between members of the charity.

Our mission is to make a difference with people and communities, by encouraging positive change, opportunities, fairness and growth of aspirations, which improve lives. Corra has established a refreshed set of *ways of working* which describe the principles of how Corra approaches all of its work and how it will engage with its stakeholders.

At the heart of Corra's ten-year strategy is the strong belief that when people find their voice they unlock the power to make change happen. Corra's *ways of working* set out that we will:

- Listen and respond to people, communities and organisations and amplify voices that are less well heard – their wisdom is at the heart of Corra's approach.
- Build relationships, always working alongside others on the basis of shared power, mutual trust and shared learning.
- Pursue diversity, equity and inclusion (DEI), trying to challenge structural discrimination and contribute to radical shifts in the funding sector.
- Be an open, trusting and flexible grant maker.
- Ensure we contribute to tackling climate change, through our investments, operations and grant making and encouraging others to take action alongside us.
- Be bold, taking considered risks and supporting others to do the same.

We will strive to put all of these principles into practice across our roles as an employer, independent funder, charity and partner, as well as in our influencing activity.

Our *ways of working* provide us with a framework for engagement and communication with our stakeholders who include the following groups:

- *Our people:* the strength and quality of our delivery is built first and foremost on the quality and efforts of our people, both staff and volunteers.
- *Charities and funding partners:* are a varied group of stakeholders, spanning the private, public and voluntary sectors, and include local, national and international charities, trusts and foundations, and the Scottish Government. These relationships are key to the success of Corra.
- *Communities:* we have a responsibility to the local communities we work alongside with, and also to wider communities throughout Scotland where we are working to make a difference.
- *Our suppliers:* we rely on our suppliers to provide the essential goods and services needed to support us in delivering against our strategy and wider activities.

Trustees' Report including Strategic Report (continued)

The Board seeks to understand the interests of all key stakeholder groups so that these are properly considered in the Board's decisions. This is achieved through various mechanisms, including: direct engagement by Board members; receiving reports and updates from the Executive team; and coverage in Committee and Board papers of relevant stakeholder interests, for information, discussion and when seeking agreement on proposed courses of action. As part of their induction, Trustees are briefed on their duties by the Company Secretary. The Committees of the Board, whose remits are described in earlier sections of this Trustees' report, support the consideration of specific issues within the respective areas of those Committees' responsibilities.

Environment, energy and carbon

Overview

Corra is committed to working collaboratively with communities, charities and partners to respond to the climate emergency. There is no doubt that climate change is already having a considerable impact on social, economic and equality issues. These have already been laid bare and intensified by the ongoing coronavirus pandemic.

With the help of a Corra staff working group, the 'Green Team', Corra has been strengthening its response to the climate emergency. This includes efforts to decarbonise operations and supporting the Young People's Forest, a unique project that will see young people co-design, create and curate a forest whilst also responding to the climate emergency. Corra has also joined over 50 UK funders pledging to take action by signing the Funder Commitment to Climate Change. By signing the pledge Corra is committing to playing its part in addressing the causes and impacts of climate change. This includes key pledges to:

1. Educate and learn

Corra will make opportunities for our Trustees, staff and the people we work alongside to learn more about the key causes and solutions of climate change.

Progress to date includes:

- A commitment to becoming a Carbon Literate Organisation
- Awareness raising initiatives and activities across the staff team
- Ethical Investment training for Trustees
- Shared learning sessions with other Scottish Funders

2. Commit resources

Corra will commit resources to accelerate work that addresses the causes and impacts of climate change.

Progress to date includes:

- Management of Scottish Government Climate Justice Innovation Fund
- Co-investment to support the development of Scotland's Young People's Forest

3. Integrate

Within Corra's programmes, priorities and processes, we will seek opportunities to contribute to a fair and lasting transition to a post carbon society and to support adaptation to climate change impacts.

Corra's grant programmes have included the Climate Justice Innovation Fund and International Development Small Grants Programme which it has managed on behalf of the Scottish Government. These programmes supported work in Malawi, Rwanda, Zambia and Pakistan, to trial and implement approaches

Trustees' Report including Strategic Report (continued)

which contribute to climate change responses and have a positive impact for and with local communities.

Progress includes:

- A strategic commitment to Net Zero
- Changes to our grantmaking processes to better understand and report on climate integration

4. Steward our investment for a post-carbon future

Corra recognises climate change as a high-level risk to our investments, and therefore to our mission. We will proactively address the risks and opportunities of a transition to a post carbon economy in our investment strategy and its implementation, recognising that our decisions can contribute to this transition being achieved.

Progress to date:

- Divestment from fossil fuels

5. Decarbonise our operations

Corra will take ambitious action to minimise the carbon footprint of its own operations.

Progress to date:

- Recycling and food waste systems established at Riverside House
- Active travel initiatives including a cycle to work scheme and bike storage in place
- Greener office supplies instituted, including paper and cleaning products.

6. Report on progress

Corra will report annually on progress against the five goals listed above. It will continue to develop its practice, to learn from others, and to share learning.

Total Greenhouse Gas Emissions (GHG)

This is the first year of disclosure and complies with the requirements of the Streamlined Energy and Carbon Reporting (SECR). We have reported on all the emission sources required under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, including section 172 statement. These sources fall within our Statement of Accounts. We do not have responsibility for any emission sources that are not included in our Statement of Accounts. It should be noted that Corra staff continued to work from home as per Scottish Government guidance during 2021.

Our greenhouse gas emissions have been calculated in line with the methodology set out in the UK Government's Environmental Reporting Guidelines, 2019. Emissions have been calculated using the latest conversion factors provided by the UK Government. There are no material omissions from the mandatory reporting scope.

	2021
	<u>GHG emissions (tCO₂e)</u>
Energy consumption and GHG emissions	2,730
Other material sources of GHG emissions (scope 3)	25
Total emissions (tCO₂e)	<u>2,755</u>

Further analysis of GHGs arising from energy consumption and from other sources is provided below.

Trustees' Report including Strategic Report (continued)

Energy Consumption and Greenhouse Gas Emissions

	2021	
	Energy consumption (KWh, net calorific value for fuels)	Resultant GHG emissions (tCO ₂ e)
Natural gas	4,516	917
Electricity	8,539	1,813
Transport and machinery fuels	-	-
Energy total	13,055	2,730

Other Material Sources of Greenhouse Gas Emissions (scope 3)

	2021	
	Footprint (units are source specific)	Resultant GHG emissions (tCO ₂ e)
Travel		
Domestic flights ('000 passenger-km)	-	-
Short-haul flights ('000 passenger-km)	-	-
Long-haul flights ('000 passenger-km)	-	-
Rail ('000 passenger-km)	2	-
Employee car mileage claimed as expenses ('000 km)	8	2
Travel total ('000 passenger-km)	10	2
Waste ('000 tons)	1	21
Water ('000 m3 supplied)	5	2
Other sources total	16	25

Intensity Ratios

We report below two intensity ratios: emissions per £1m of turnover and emissions per staff member.

	2021		
	Metric value	Intensity ratio	
Group turnover (£'000)	37,285	74.45	tCO ₂ e per £1m
Average no of staff employed during the year	48	57.39	tCO ₂ e per person

Website

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the finances of the charitable company, of the incoming resources and the application of those resources including the income and expenditure of the charitable company in that period.

Trustees' Report including Strategic Report (continued)

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 (FRS 102) (Effective 1 January 2019).
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable UK 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Statement as to disclosure to the auditors

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The Trustees have taken all steps that they ought reasonably to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint French Duncan LLP as auditors will be put to the members at the Annual General Meeting.

The Trustees' Report, incorporating the Directors' Report and Strategic Report, was approved by the Board on 10th June 2022.

By order of the Board,



LUKE MCCULLOUGH

Chair

10th June 2022

Independent auditor's report to the Trustees and members of the Corra Foundation

Opinion

We have audited the financial statements of the Corra Foundation for the year ended 31 December 2021. This comprises the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021, and of its incoming resources and application of resources for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Corra Foundation, 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

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so,

Independent auditor's report to the Trustees and members of the Corra Foundation (continued)

consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained during the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper 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 directors' remuneration specified by law are not made; and
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Independent auditor's report to the Trustees and members of the Corra Foundation (continued)

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

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our charity sector knowledge;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, data protection, anti-bribery, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed high level analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Independent auditor's report to the Trustees and members of the Corra Foundation (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

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

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Antony J. Sinclair (Senior Statutory Auditor)

For and on behalf of French Duncan LLP Chartered Accountants and Statutory Auditors

56 Palmerston Place

Edinburgh EH12 5AY

10th June 2022

French Duncan LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities

(incorporating the income and expenditure account)

	Note	Unrestricted Funds 2021 £000s	Restricted Funds 2021 £000s	Total Funds	
				2021 £000s	2020 £000s
Income and Endowments from:					
Donations and legacies	3	-	35,921	35,921	58,255
Charitable activities	4	458	-	458	426
Investments	6	736	-	736	817
Other	5	168	-	168	98
Total income		<u>1,362</u>	<u>35,921</u>	<u>37,283</u>	<u>59,596</u>
Expenditure on:					
Charitable activities	7	<u>(2,516)</u>	<u>(35,722)</u>	<u>(38,238)</u>	<u>(58,528)</u>
Total expenditure		<u>(2,516)</u>	<u>(35,722)</u>	<u>(38,238)</u>	<u>(58,528)</u>
Net gains on investments	15	<u>3,243</u>	<u>-</u>	<u>3,243</u>	<u>1,527</u>
Net income		<u>2,089</u>	<u>199</u>	<u>2,288</u>	<u>2,595</u>
Net movement in funds		<u>2,089</u>	<u>199</u>	<u>2,288</u>	<u>2,595</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		24,921	5,323	30,244	27,649
Total funds carried forward		<u>27,010</u>	<u>5,522</u>	<u>32,532</u>	<u>30,244</u>

There are no recognised gains or losses other than those shown above. All activities relate to continuing operations.

The notes on pages 27 to 44 form part of these financial statements.

Statement of financial position as at 31 December 2021

	Note	2021 £000s	2020 £000s
Fixed assets			
Tangible assets	13	38	32
Intangible assets	14	24	36
Investments	15	26,388	24,195
Total fixed assets		26,450	24,263
Current assets			
Receivables	16	426	196
Cash	21	9,788	10,264
Total current assets		10,214	10,460
Current liabilities			
Grants made and payable	17	3,374	4,190
Payables due within one year	18	758	289
Total current liabilities		4,132	4,479
Net current assets		6,082	5,981
Net assets		32,532	30,244
The funds of the Foundation			
Restricted funds	23	5,522	5,323
Unrestricted funds:			
- General fund	23	24,260	22,751
- Designated fund	23	2,750	2,170
Total unrestricted funds		27,010	24,921
Total Foundation funds		32,532	30,244

The financial statements constitute the annual financial statements required by the Companies Act 2006 and are for circulation to the members.

The notes on pages 27 to 44 form part of these financial statements which were approved and authorised for issue by the Trustees on 10th June 2022 by:


LUKE MCCULLOUGH
Chair


JUDITH TURBYNE
Audit Committee Chair

Statement of Cashflows

	Note	2021 £000s	2020 £000s
Net cash used in operating activities	22	<u>(2,233)</u>	<u>(64)</u>
Cash flows from investing activities			
Investment income		736	817
Purchase of tangible assets		(29)	(15)
Proceeds of sale of investments		<u>1,050</u>	<u>2,300</u>
Net cash provided by investing activities		<u>1,757</u>	<u>3,102</u>
Net change in cash	21	(476)	3,038
Cash at start of period		<u>10,264</u>	<u>7,226</u>
Cash at end of period		<u><u>9,788</u></u>	<u><u>10,264</u></u>

The notes on pages 27 to 44 form part of these financial statements.

Notes to the Financial Statements

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) General Information

Corra is a Company Limited by Guarantee, incorporated in the UK and registered in Scotland, company registration number SC096068. It is also a registered charity with the Office of the Scottish Charity Regulator, SC009481. The address of Corra's registered office and principal place of business is:

Riverside House
502 Gorgie Road
Edinburgh EH11 3AF

Corra's principal activities and nature of its operations are outlined in the Trustees' report.

(b) Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies, and 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) (effective 1 January 2019) (the Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements are stated in Corra's functional currency of £ sterling.

Corra 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 notes.

(c) Going concern

Financial Reporting Standard 102 requires that, if appropriate, Corra's financial statements are prepared on the going concern basis, which means that the organisation is able to operate for the foreseeable future on the basis of known and reasonable projected resources. Cash flow projections over the 12-month period from the approval of the accounts have provided the Trustees with the confidence to continue with the foundation's charitable activities and be satisfied that the going concern basis of accounting is appropriate.

Going concern is considered by Trustees on an ongoing basis, by regularly reviewing cashflow projections, CCLA investment reports, future grant commitments and contingent liabilities including the impact of the ongoing Covid-19 pandemic. The charity has a strong Statement of Financial Position supported by its investment portfolio. The Trustees are satisfied that it is appropriate for Corra's financial statements to be prepared on a going concern basis.

(d) Fund accounting

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of Corra and which have not been designated for any other purpose. Designated funds comprise unrestricted funds that have been set aside by the Trustees for specific purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is also set out in the notes to the financial statements.

Notes to the financial statements (continued)

1. Accounting policies (continued.)

(e) Grant income

Grant income is recognised when Corra has entitlement to the funds, any conditions attached to the items of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

(f) Income from the rendering of services

Income from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when the income can be measured reliably, and it is probable that it will be received.

(g) Income from interest and dividends

Interest on funds held on deposit and dividends on funds held in the investment portfolio are included when receivable and the amount can be measured reliably by Corra; this is normally upon notification of the interest paid or payable by the bank or the dividend paid is notified by the investment managers.

(h) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is all considered as expenditure on charitable activities which are subdivided into the costs of the strategic activities as laid out in the Trustees' Annual Report and include the costs of running Corra as well as grants. All costs are inclusive of any irrecoverable VAT.

(i) Grant Expenditure

Grants payable are charged in the year when the offer is conveyed, and a valid expectation created with the recipient that the grant will be paid. Where the grant offer is conditional, such grants will not be recognised as expenditure until the conditions attached are fulfilled when a constructive obligation arises. Grants offered subject to conditions, which have not been met at the year end, are noted as a contingent liability, but not accrued as expenditure.

(j) Allocation of support costs

Support costs consist of direct and indirect costs expended to facilitate Corra's charitable activities. Support costs include grant administration, trust administration, finance, personnel, payroll, governance and other costs, which all support Corra's grant and community-based programmes.

(k) Cost allocation

All expenditure for Corra is allocated according to the direct programme of work for which it was incurred, or the amount of staff time spent on these activities. Costs allocated to restricted funds are limited to the levels and nature of expenditure allowable under the terms of the specific grants.

(l) Operating leases

Operating lease rentals are charged to the statement of financial activities account on a straight-line basis over the period of the lease. Where a rental holiday is negotiated, the benefit is spread over the period of the lease.

(m) Post-retirement benefits

Corra operates a defined contribution pension scheme. The assets of the scheme are held separately from those of Corra in an independently administered fund. The amount included within expenditure represents the contributions payable to the scheme in respect of the accounting year.

Notes to the financial statements (continued)

1. Accounting policies (continued)

(n) **Tangible fixed assets & depreciation**

Fixed assets comprise office furniture and equipment, motor vehicles, and leasehold improvements and are depreciated on a straight-line basis. All additions costing more than £800 are capitalised at cost on acquisition. Amounts below the capitalisation limit are charged to the Statement of Financial Activities in the year. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Equipment:	33% straight line
Leasehold improvements:	25% straight line

(o) **Intangible fixed assets & amortisation**

Intangible fixed assets comprise computer software. Software costs are capitalised on the basis of the cost incurred to acquire and bring into use specific software developments provided that:

- the asset created is separately identifiable;
- it is probable that the asset will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Intangible assets are amortised in equal annual instalments over their estimated useful lives from the date the asset is available for use as follows:

Computer software: 20% straight line.

Computer software integral to the related hardware equipment is accounted for as equipment.

(p) **Investments**

Investments are stated at bid value. Gains and losses are recognised in the Statement of Financial Activities in the year in which they arise. Realised gains and losses during the year are calculated as the difference between sales proceeds and the average cost. Unrealised gains and losses are calculated as the difference between the market value at the year end and the average cost. Any gains and losses on revaluation or disposal are combined in the Statement of Financial Activities.

(q) **Financial Instruments**

Corra 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.

(r) **Financial Assets**

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash

Cash is defined as cash at bank and funds held by the Investment Manager as cash.

Notes to the financial statements (continued)

1. Accounting policies (continued)

(s) **Financial Liabilities**

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled. Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

(t) **Taxation**

Corra is registered by OSCR as a Charity for the purposes of the Charities and Trustee Investment (Scotland) Act 2005 and is entitled under section 13(2) of the Act to describe itself as a Scottish Charity and is exempt from Corporation Tax on income and gains to the extent that these are applied to its charitable objects.

(u) **Critical accounting estimates and areas of judgement**

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires the trustees to exercise judgement in applying the charity's accounting policies. The trustees have reviewed these and concluded there are no areas requiring a higher degree of judgement, or complexity, and no areas where assumptions are most significant to the financial statements.

2. Legal status of Corra

Corra is a company limited by guarantee and has no share capital. The liability of the members is limited by the Articles of Association to £1 each.

3. Income from donations and legacies

	2021 £000s	2020 £000s
Grants received:		
The Scottish Government	33,803	55,538
Other	2,118	2,638
Total grants received	<u>35,921</u>	<u>58,176</u>
Donation from subsidiary	-	79
Donated services	-	-
Total income from donations and legacies	<u><u>35,921</u></u>	<u><u>58,255</u></u>

Corra's income from donations was £35.9m (2020: £58.3m) all of which was restricted. In the previous year there was a gift aid payment of £79k from Fortify CIC, Corra's subsidiary. Fortify CIC ceased trading at the end of the 2019 financial year.

FRS 102 requires Corra to term most of its income as 'donations', although Corra receives the monies on the basis that it will principally be distributed to charities in the form of grants.

Notes to the financial statements (continued)

4. Income from charitable activities

Total income during the year from charitable activities is detailed below:

	2021	2020
	£000s	£000s
Income from contracted services	458	426
	458	426

5. Income from other trading activities

Total income from other trading activities are detailed below:

	2021	2020
	£000s	£000s
Consultancy Fees	141	84
Administration Fees	27	-
Miscellaneous income	-	14
	168	98

6. Income from investments

Total income during the year from investments is detailed below:

	2021	2020
	£000s	£000s
Dividend and interest income	736	817
	736	817

7. Charitable expenditure

Corra's charitable expenditure was a total of £38.2m (2020: £58.5m) of which £35.7m was restricted (2020: £56.1m) and £2.5m unrestricted (2020: £2.4m). The variance, compared to the 2020 restricted figures is due to the large COVID Emergency funds previously received and disbursed in 2020.

All expenditure incurred by Corra is considered a charitable activity. Charitable activities are those resources applied in the delivery of services to meet Corra's charitable objectives, and include grants approved, management and accommodation costs, staff employment and development, and information and marketing.

Governance costs are those associated with the general running of Corra including activities that provide Corra's governance infrastructure. We have described within the Trustees' report the three strategic objectives and related achievements.

Total resources expended include grants approved, direct costs, governance costs and support costs (see Note 8).

Split of charitable expenditure between funds:

	2021	2020
	£000s	£000s
Restricted	35,722	56,082
Unrestricted	2,516	2,446
	38,238	58,528

Notes to the financial statements (continued)

Projects/Funds	Grants £000s	Support costs £000s	2021 Total £000s	2020 Total £000s
Grant-programme delivered				
Henry Duncan Grants	559	156	715	620
Partnership Drugs Initiative	855	155	1,010	1,486
Everyone Has a Story	-	15	15	23
National Drugs Mission	2,059	361	2,420	-
International Partnership Pilot	30	-	30	-
International Grants	73	51	124	922
Maternal and Child Wellbeing	-	-	-	14
Whole Family Approach	53	10	63	55
Drugs Death Innovation Task Force	2,667	65	2,732	1,622
Challenge Fund	300	24	324	1,336
Family Recovery Initiative Fund	9	1	10	8
Comic Relief	622	62	684	961
Comic Relief COVID Emergency Funds	212	33	245	559
Adapt & Thrive Fund	-	86	86	-
Scottish Government COVID Emergency Funds	4,346	131	4,477	33,643
Stewart Investors Racial Equity Fund	65	1	66	47
STV Children's Appeal	120	9	129	-
Winter Support Fund	485	16	501	-
The Grassroots Fund	878	58	936	-
The Improvement Fund	943	-	943	-
The Listening Fund	-	13	13	197
CYPEIF & ALEC	13,809	317	14,126	14,113
Housing First Scotland	2,668	82	2,750	1,750
3 rd Sector Homelessness Fund	-	16	16	13
The Promise Partnership	4,322	140	4,462	82
Vanguard Cities	30	-	30	22
2021 Sub-totals	35,105	1,802	36,907	57,473
Working Alongside Communities				
People in Place (PIP)	21	456	477	555
Appetite for Change	-	53	53	71
2021 Sub-totals	21	509	530	626
Collaborations in partnerships				
Social Action Inquiry	224	38	262	44
The Promise Scotland	-	223	223	-
2021 Sub-totals	224	261	485	44
Development & Sustainability				
Corra Retained	50	216	266	355
Fortify Gift Aid	50	-	50	30
2021 Sub-totals	100	216	316	385
2021 Total	35,450	2,788	38,238	58,528

Notes to the financial statements (continued)

8. Analysis of support costs by strategic strand – Corra Projects / Funds

Project/Funds	Total Operating costs	Overhead Recharge Allocation	Total Support costs 2021	Total Support costs 2020
	£000s	£000s	£000s	£000s
*Corra (retained)	414	(198)	216	329
Henry Duncan Grants	128	28	156	208
Partnership Drugs Initiative	116	39	155	182
National Drugs Mission	361	-	361	-
International Grants	51	-	51	115
CYPFEIF & ALEC	229	88	317	292
Everyone Has a Story	15	-	15	23
Drug Death Task Force Innovation	65	-	65	62
FRIF	1	-	1	2
Whole Family Approach Fund	10	-	10	2
Housing First Scotland	82	-	82	179
The Challenge Fund	12	12	24	47
The Listening Fund	12	1	13	42
Maternal & Child Wellbeing Fund	-	-	-	14
Comic Relief	62	-	62	113
Comic Relief COVID Emergency	33	-	33	26
Vanguard Cities	-	-	-	2
3rd Sector Homelessness Fund	16	-	16	13
Adapt & Thrive Fund	86	-	86	-
Scottish Government COVID Emergency Fund	131	-	131	46
Stewart Investors Racial Equality Fund	1	-	1	-
STV Children's Appeal Community Fund	9	-	9	-
Winter Support Fund	16	-	16	-
The Promise Partnership	140	-	140	-
The Grassroots Fund	58	-	58	-
People in Place (PIP)	438	18	456	548
Appetite for Change	51	2	53	71
Social Action Inquiry	28	10	38	44
The Promise Scotland	223	-	223	82
Total	2,788	-	2,788	2,442

Total support costs for the year £2.8m (2020: £2.4m)

*Includes total operating costs for Head Office, Ext Relations, Learning and Development and Grants Central.

The total support costs are the total operational costs for Corra including Audit and Accountancy fees shown in Note 12.

They also include Governance and Office Recharge costs which are shown separately in Note 9.

Notes to the financial statements (continued)

9. Analysis of expenditure on governance and office recharge costs

	Office recharge costs £000s	Governance costs £000s	2021 Totals £000s	2020 Totals £000s
Staff costs (split 60:40 office/ governance)	293	195	488	534
Accommodation costs	81	-	81	79
Investment & bank charges	-	2	2	2
Communication, PR, printing & stationery	26	-	26	25
Professional & consultancy fees	45	31	76	71
Total depreciation and amortisation	34	-	34	35
Travel & subsistence	2	-	2	1
Governance – Trustees & Advisory Groups	-	1	1	2
Miscellaneous/Other Expenses	43	-	43	32
	<u>524</u>	<u>229</u>	<u>753</u>	<u>781</u>

10. Analysis of staff costs, Trustee remuneration and expenses and the cost of key management personnel

	2021 £000s	2020 £000s
Wages and salaries	1,612	1,472
Social security costs	164	151
Other pension costs	187	170
Trustee remuneration	-	-
Other staff costs	133	65
Total Staff & Trustee Remuneration Costs	<u>2,096</u>	<u>1,858</u>
Key Management Personnel Costs	509	488

The key management personnel of Corra comprise the Trustees and Senior Management Team as set out in the Trustees' Report.

Salary band disclosure, excluding pension contributions are as follows:

	2021 No of Employees	2020 No of Employees
Salary Bands		
£90,001 - £100,000	1	1
£80,001 - £90,000	1	-
£70,001 - £80,000	-	1
£60,001 - £70,000	-	-
Defined contribution pension Employer contributions	£19.8k	£17.9k

The Trustees received no remuneration during the year (2020: £nil) and no Trustee received payment for professional or other services supplied to the charity during 2021 (2020: £nil). One Trustee received aggregate expenses totalling less than £1k (2020: Four trustees received expenses totalling less than £1k) during the year mainly for travel, in connection with their duties.

Notes to the financial statements (continued)

11. Staff numbers

The average number of full-time equivalent employees in the year was:

	2021	2020
	FTE	FTE
Grant-making: Henry Duncan	2.28	2.30
Grant-making: Partnership Drugs Initiative	1.50	2.03
Grant-making: National Drugs Mission	5.77	-
Grant-making: CYPFEIF & ALEC	3.30	2.78
Grant-making: Drugs Death Taskforce Innovation	0.30	0.20
Grant-making: Housing First Scotland	0.25	0.25
Grant-making: The Promise Partnership	1.90	-
Grant-making: COVID-19 Emergency Funds	1.60	7.78
Grant-making: Other	2.50	3.63
Getting Alongside Communities	10.45	7.72
Collaborations in Partnerships	0.75	0.25
Development & Sustainability	11.09	10.08
Total FTE staff numbers	41.69	37.02
	Headcount	Headcount
Average number of employees during the year	48	43

12. Auditor's remuneration

	2021	2020
	£000s	£000s
Audit services	13	13
Non-audit services	-	-
Total auditor's remuneration	13	13

Auditor's remuneration is also included within governance costs.

Notes to the financial statements (continued)

13. Tangible fixed assets

All fixed assets are held for charitable purposes.

	Equipment £000s	Leasehold Improvements £000s	Total £000s
Cost			
At beginning of year	229	10	239
Additions	29	-	29
Disposals	-	-	-
At end of year	258	10	268
Depreciation			
At beginning of year	202	5	207
Charge for year	20	3	23
On disposals	-	-	-
At end of year	222	8	230
Net Book Value			-
As at 31 December 2021	36	2	38
<i>As at 31 December 2020</i>	<i>27</i>	<i>5</i>	<i>32</i>

14. Intangible fixed assets

	Computer software £000s
Cost	
At beginning of year	60
Additions	-
Disposals	-
At end of year	60
Amortisation	
At beginning of year	24
Charge for year	12
On disposals	-
At end of year	36
Net Book Value	
As at 31 December 2021	24
<i>As at 31 December 2020</i>	<i>36</i>

Notes to the financial statements (continued)

15. Fixed asset investments

During the year, Corra's investment portfolio was managed by CCLA. The portfolio was valued at £26.39m at 31 December 2021 (2020: £24.20m).

	2021 £000s	2021 £000s
Movement in investment portfolio		
Market value at 1 January		24,195
Purchases		-
Sales		(1,050)
Gain on sale	259	
Gain on revaluation	2,984	
Net gain		3,243
Market value at 31 December		26,388

16. Receivables

	2021 £000s	2020 £000s
Accounts receivable	175	-
Prepayments and accrued income	251	196
Total receivables	426	196

17. Grants made and payable

	2021 £000s	2020 £000s
Payable in less than one year:		
Grants made in current year	3,188	4,099
Grants made in previous years	186	91
Total grants made and payable	3,374	4,190

A reconciliation of the grants made in the year is shown below:

	£000s	£000s
Balance at 1 January 2021		4,190
Grants approved in the year	35,438	
Grants returned in the year	(19)	
		35,419
Grants paid in the year		(36,235)
Balance at 31 December 2021		3,374

A full list of grants paid during the year is detailed on Corra's website at www.corra.scot.

Notes to the financial statements (continued)

18. Payables due within one year

	2021 £000s	2020 £000s
Trade creditors	34	23
Deferred income	-	19
Accruals	665	222
Other taxation and social security	59	25
Total Payables	758	289

19. Contingent liabilities

In addition to the grants made and payable in Note 17, the Trustees have authorised certain grants (conditional grants) which are subject to recipients fulfilling certain conditions. These conditional grants are:

	2021 £000s	2020 £000s
Payment possible, due within one year	3,971	2,101
Payment possible, due in more than one year	807	597
Total contingent liabilities	4,778	2,698

20. Commitments

Corra's total commitments under non-cancellable operating leases are as follows:

	2021 £000s	2020 £000s
Land and building leases which expire:		
Within 1 year	36	36
Between 2 - 5 years	-	-
Total lease commitments	36	36

The lease agreement for Riverside House automatically renewed on 11 December 2021 under tacit relocation and will continue until 11 December 2022 with 44 days notice to be given by the Tenant.

Notes to the financial statements (continued)

21. Cash flow statement

Analysis of net funds:

	At beginning of year 1 January 2021 £000s	Cash flow £000s	At end of year 31 December 2021 £000s
Cash at bank	10,264	(476)	9,788
Cash at Investment Manager	-	-	-
Total net funds	10,264	(476)	9,788

As the charity has no borrowings or obligations under finance leases, a reconciliation of net debt has not been disclosed.

Reconciliation of net cash flow to movement in net funds:

	2021 £000s	2020 £000s
Net funds at 1 January	10,264	7,226
Movement in the year	(476)	3,038
Net funds at 31 December	9,788	10,264

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £000s	2020 £000s
Cashflow from operating activity		
Surplus for the year	2,288	2,595
Adjustments for:		
Depreciation	23	22
Amortisation	12	12
Investment income	(736)	(817)
Unrealised gain on investments	(2,984)	(1,150)
Realised gain on investments	(259)	(377)
	<u>(1,656)</u>	<u>285</u>
(Increase)/Decrease in receivables	(230)	2,523
Decrease in grants payable	(816)	(2,844)
Increase/(Decrease) in payables	469	(28)
Net cash used in operations	(2,233)	(64)

Notes to the financial statements (continued)

23. Statement of Funds

(a) Restricted Funds

	Balance at 1 January 2021 £000s	Total income in-year £000s	Charitable activities expenditure £000s	Closing balance at 31 December 2021 £000s
Partnership Drugs Initiative / Everyone Has a Story	812	256	(518)	550
National Drugs Mission	-	4,500	(2,420)	2,080
Maternal & Child Wellbeing	407	-	-	407
Drug Deaths Task Force Innovation	1,950	876	(2,732)	94
Winter Support Small Grants Fund	-	750	(501)	249
The Promise Partnership	-	5,482	(4,462)	1,020
The Grassroots Fund	-	1,015	(936)	79
The Improvement Fund	-	1,043	(943)	100
People in Place	149	336	(208)	277
CYPFEIF & ALEC	-	13,809	(13,809)	-
Challenge Fund	-	332	(332)	-
Housing First Scotland Fund	1,015	1,647	(2,662)	-
Comic Relief	222	724	(684)	262
Other funds	653	687	(1,050)	290
Scottish Government COVID Emergency Funds				
Enabling Neighbourhoods and Communities	-	1,137	(1,137)	-
Traveling Show People Fund	-	1,487	(1,487)	-
Armed Forces Community Fund	-	785	(785)	-
Communities Recovery Fund	115	1,055	(1,056)	114
Total for 2021	5,323	35,921	(35,722)	5,522
Total for 2020	3,229	58,176	(56,082)	5,323

Please find below a description of all restricted funds held at Corra in 2021:

- **Partnership Drugs Initiative** is part-funded by the Scottish Government to support the voluntary sector to work with children and young people affected by drugs and alcohol, including recommendations from the **Everyone Has a Story** report published in 2016.
- **National Drugs Mission** is a group of Scottish Government funded programmes to improve frontline services to support people who use drugs, are in recovery and their families; support for drug service resources with a particular focus on residential rehabilitation and associated services; and support children and families affected by alcohol and drugs.
- **Maternal & Child Wellbeing** project is a Scottish Government funded programme of work with the aim of supporting mothers and their babies who are impacted by drug and alcohol issues.
- The Scottish Government **Drugs Death Task Force Innovation Fund (DDTF)** supports rapid and innovative changes to service delivery which will reduce death and harm from drugs in Scotland.
- **Winter Support Small Grants Fund** is a Scottish Government fund for charities and community groups across Scotland who can pass the funding on to families and individuals on low incomes.

Notes to the financial statements (continued)

23. Statement of Funds (continued.)

- **The Promise Partnership** is an investment from Scottish Government, Cattanach Trust and STV Children's Appeal intended to deliver change in line with Scotland's commitment to creating capacity in the 'care system' to #KeepThePromise and provide holistic family support.
- **The Grassroots Fund** is a Scottish Government funded programme for community-based organisations delivering support to people affected by substance use, their families and those in recovery.
- **Improvement Fund** is a programme funded by Scottish Government for drug service organisations, particularly those which deliver services that lead to fast and appropriate access to treatment and residential rehabilitation. This fund will support service development and improvements to increase access to support for people affected by substance use, their families and those in recovery.
- **People in Place** works alongside communities supporting local people to connect, collaborate on ideas and take action to create positive change. The programme is primarily funded by the Tudor Trust, Lankelly Chase Foundation and the Corra Foundation.
- The Scottish Government **CYPFEIF & ALEC** funds charities to deliver improvements for Scotland's children, young people and families.
- **Challenge Fund** is a Scottish Government funded programme aimed at improving services for people affected by drugs and alcohol.
- **Housing First Scotland Fund** is a joint project between Social Bite, Merchant's House Glasgow and the Scottish Government aimed at tackling homelessness.
- #ShiftthePower is a **Comic Relief** funded project for community led grassroots organisations.
- **Other funds** include:
 - Family Recovery Initiative Fund
 - Whole Family Approach Fund
 - The Listening Fund (TLF)
 - The Promise Scotland
 - Appetite for Change
 - Social Action Enquiry
 - Anti-Racism Fund
 - Comic Relief COVID Emergency Funds
 - Vanguard Cities
 - STV Children's Appeal Fund
 - Adapt & Thrive
 - The Equity Programme
 - Cycling Scotland

Further details of all of these funds are available on Corra Foundation's website.

- **Scottish Government COVID Emergency Funds** are funds which the Scottish Government set up in the wake of the COVID 19 Pandemic. Corra Foundation worked with the Scottish Government and partners to ensure the timely disbursement of funds donating staff time in-kind to the effort.

Notes to the financial statements (continued)

23. Statement of Funds (continued.)

(b) *The designated funds are as follows:*

	Balance at 1 January 2021 £000s	Transfer of funds £000s	Charitable activities expenditure £000s	Closing balance at 31 December 2021 £000s
Partnership Drugs Initiative	576	500	(507)	569
People in Place	136	490	(269)	357
Henry Duncan grants	1,308	1,153	(715)	1,746
Other funds	150	55	(127)	78
Total for 2021	2,170	2,198	(1,618)	2,750
Total for 2020	1,550	2,280	(1,660)	2,170

To support being the best grant maker Corra can be, the Trustees designated a total of £1.15m for the Henry Duncan Grants programme and £500k to fund the Partnership Drugs Initiative. In addition, £490k was designated to support People in Place, and £55k for the other Initiatives.

This is a total of £2.198m designated from Corra's general reserves in 2021.

Please find below a description of all designated funds held at Corra in 2021:

- **Partnership Drugs Initiative** is part-funded by the Scottish Government to support the voluntary sector to work with children and young people affected by drugs and alcohol, with Corra also providing funding as set out in the designated funds.
- **People in Place** works alongside communities supporting local people to connect, collaborate on ideas and take action to create positive change. The programme is primarily funded by the Tudor Trust, Lankelly Chase Foundation and the Corra Foundation.
- **Henry Duncan Grants** focuses on different themes each year, with community-based support for mental health and wellbeing the theme for 2021. This fund is fully funded by Corra Foundation.
- **Other funds** include Corra's contribution to
 - **Appetite for Change** which looks at how learning from the Place Team's 'getting alongside communities' work can be developed for larger-scale communities in Scotland
 - The **Listening Fund (TLF)** started as a partnership with Corra, Comic Relief, The Gannochy Trust, The National Lottery Community Fund and The William Grant Foundation. It aims to advance the ability of organisations working with children and young people to actively listen and respond to their core constituents.
 - **Social Action Enquiry** (previously called the Civil Society Initiative), a collaboration with Carnegie UK Trust, the Royal Society of Edinburgh, SCVO, The National Lottery Community Fund, Foundation Scotland and The Robertson Trust to invest in social action led by communities and support them to generate actionable insights into what conditions support, and hinder, social action.

Notes to the financial statements (continued)

23. Statement of Funds (continued.)

(c) *Unrestricted general funds*

	2021	2020
	£000s	£000s
Balance as at 1 January 2021	22,751	22,870
Income	1,362	1,420
Expenditure	(898)	(786)
Investment gains	3,243	1,527
Transfers	(2,198)	(2,280)
Balance as at 31 December 2021	24,260	22,751

24. Analysis of net assets between funds

	2021		
	Fixed assets	Net current assets	Totals
	£000s	£000s	£000s
Restricted Funds	-	5,522	5,522
Unrestricted Funds	26,450	(2,190)	24,260
Designated Funds	-	2,750	2,750
Totals	26,450	6,082	32,532

	2020		
	Fixed assets	Net current assets	Totals
	£000s	£000s	£000s
Restricted Funds	-	5,323	5,323
Unrestricted Funds	24,263	(1,512)	22,751
Designated Funds	-	2,170	2,170
Totals	24,263	5,981	30,244

25. Capital commitments

There were no capital commitments contracted in 2021 (2020: £Nil).

Notes to the financial statements (continued)

26. Volunteer time

Corra places great value on the contribution that volunteers make to the organisation.

Over the course of 2021, we benefitted greatly, not only from the considerable time, energy and expertise given by the committed Board of Trustees, but other volunteers as well as those listed below:

- Partnership Drugs Initiative Steering Group
- Partnership Drugs Initiative Young Peoples Group
- Challenge Fund Panel
- Promise Partnership Advisory Group
- People in Place Observers Group
- David Urch, co-opted member of the Finance and Investment Committee

27. Related Party Transactions

There were no related party transactions in 2021 (2020 £Nil).

Expenses paid to Trustees in the course of performing their duties are shown in Note 10.

28. Post Balance Sheet Events

Since the year end at 31 December 2021 and up to the signing of these financial statements, Corra's operations and investments have been delivered in a global economic climate impacted by the war in Ukraine and the continuation of the coronavirus pandemic. The Trustees have monitored this closely through reports from their investment managers, as part of their strategic risk register, and in line with the going concern policy in note 1 (c).