



Commonwealth
Foundation

Commonwealth Foundation

Annual report and financial statements for the year ended 30 June 2020

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Commonwealth Foundation

Legal and administrative information For the year ended 30 June 2020

International Organisation status

The Commonwealth Foundation (the Foundation) was established by Agreed Memorandum approved by the Commonwealth Heads of Government in London in 1966. It was originally registered as a charity under English law but was reconstituted as an International Organisation on 14 February 1983 under the Headquarters Agreement between the Foundation and the government of the United Kingdom of Great Britain and Northern Ireland (Cmnd.8675), as ratified by the Commonwealth Foundation Immunities and Privileges Order 1983 (SI 1983 No. 143).

The objective of the Foundation is to strengthen and mobilise civil society in support of Commonwealth principles and priorities.

Within this broad framework, the Foundation:

1. assists civil society organisations, including Commonwealth professional bodies and networks at the national, regional and Commonwealth level;
2. supports exchange between civil society organisations, including Commonwealth professional bodies and networks;
3. stimulates the flow of information between civil society organisations including Commonwealth professional bodies and networks and governments through Commonwealth processes; and
4. stimulates and supports any other activities which fall within the Foundation's four year strategic plan as approved by the Board of Governors.

The Foundation is governed in accordance with its Memorandum of Understanding.

Mission

To develop the capacity of Civil Society to act together and learn from each other to engage with the institutions that shape people's lives.

Address

Marlborough House
Pall Mall
London
SW1Y 5HY

Tel: +44 (0)20 7930 3783

Chair

Ambassador Shree Baboo Chekitan Servansing

Director-General

Dr Anne Gallagher AO (BA, LLB, M.Intl.L, PHD)
Start of Term in Office: 17 June 2019

Deputy Director-General

Ms Maria Garcia BA (Hons) MA
End of Term in Office: 31 December 2019

Mr Shem Ochola
Start of Term in Office: 2 January 2020

Commonwealth Foundation

Legal and administrative information (continued) For the year ended 30 June 2020

Membership and governance

All 54 Commonwealth governments are eligible to become Members of the Commonwealth Foundation. Total membership stands today at 46 countries.

Associated states or overseas territories may apply for associate member status. Gibraltar is currently an Associate Member.

The Commonwealth Foundation is governed by a Chair and a Board of Governors. Each Member Government is represented on the Board by a Governor. In addition, five Governors are selected to represent civil society. The Associate Member is represented on the Board by an observer.

Member Governments

Antigua & Barbuda	Malta
Australia	Mauritius
Bahamas	Mozambique
Bangladesh	Namibia
Barbados	New Zealand
Belize	Nigeria
Botswana	Pakistan
Brunei Darussalam	Papua New Guinea
Cameroon	Rwanda
Canada	Seychelles
Cyprus	Sierra Leone
Dominica	Solomon Islands
Ghana	South Africa
Grenada	Sri Lanka
Guyana	St Lucia
India	St Vincent & the Grenadines
Jamaica	Tonga
Kenya	Trinidad & Tobago
Kingdom of eSwatini (formerly Swaziland)	Uganda
Kiribati	United Kingdom
Lesotho	United Republic of Tanzania
Malawi	Vanuatu (joined January 2018)
Malaysia	Zambia

Associate Member

Gibraltar

Non-member Governments

Fiji Islands	The Gambia (withdrew Oct 2013)
Maldives (withdrew Commonwealth Oct 2016)	St Kitts & Nevis
Nauru	Tuvalu
Samoa (withdrew May 2011)	Singapore (withdrew Feb 2012)

Commonwealth Foundation

Legal and administrative information (continued) For the year ended 30 June 2020

Bankers

Lloyds Bank Plc
Pall Mall, St James's Branch
39 Piccadilly
London
W1J 0AA

Barclays Bank Plc
P O Box 9359
Leicester
OE87 2BB

Auditors

Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

**Introduction from the Director-General
For the year ended 30 June 2020**

I am pleased to provide this brief introduction to the 2019/20 Annual Financial Statements of the Commonwealth Foundation. My thanks to our Finance Team for its usual diligent work under unexpectedly difficult conditions. I also express thanks to our auditors, whose guidance has been especially valuable and deeply appreciated.

The Covid-19 emergency has created great challenges across every sector and every level. The Foundation has actively sought to adapt its own ways of thinking and working so that we can continue to deliver much-needed support to Commonwealth civil society during this difficult time. The team has been working remotely since mid-March 2020 and have demonstrated the capacity to adapt and change in a difficult environment.

Despite significant operational limitations since mid-March, much of the Foundation's planned work for 2019/20 has been completed as planned. This includes meeting our target of completing the external audit process within four months of the end of the financial year.

The Foundation's grants programme provides a useful example of the twin strategies of "business as usual" and "adaptation" that we sought to pursue in the second half of the financial year. The regular grants programme continued apace with applications received during the 2019-2020 call reviewed and final decisions taken as planned. However, a shift was made to the programme for the coming year: broadening the reach of the call and seeking proposals that relate to post-pandemic recovery and rebuilding. The Foundation was also able to use allocated funds to provide additional support to existing grantees who are facing difficulties keeping to implementation schedules as a result of the pandemic.

The true impact of the pandemic remains to be seen and the Foundation, like all others, must navigate a future marked by instability and uncertainty. We are conscious, for example, that some of our valued Member States may find it difficult to continue their regular, assessed contributions for some time. Other Member States that are in serious arrears to the Foundation are unlikely to be in a position to discharge their debts, at least for the foreseeable future. We have accordingly taken the step of disclosing outstanding arrears that meet certain criteria as bad debt provision in the 2019/20 Financial Statements.

Working closely with our Auditors, the Foundation will continue to carefully monitor developments, faithfully implementing our commitment to transparency by ensuring that our true financial position is communicated as clearly as possible, including through up-to-date and meaningful disclosures.

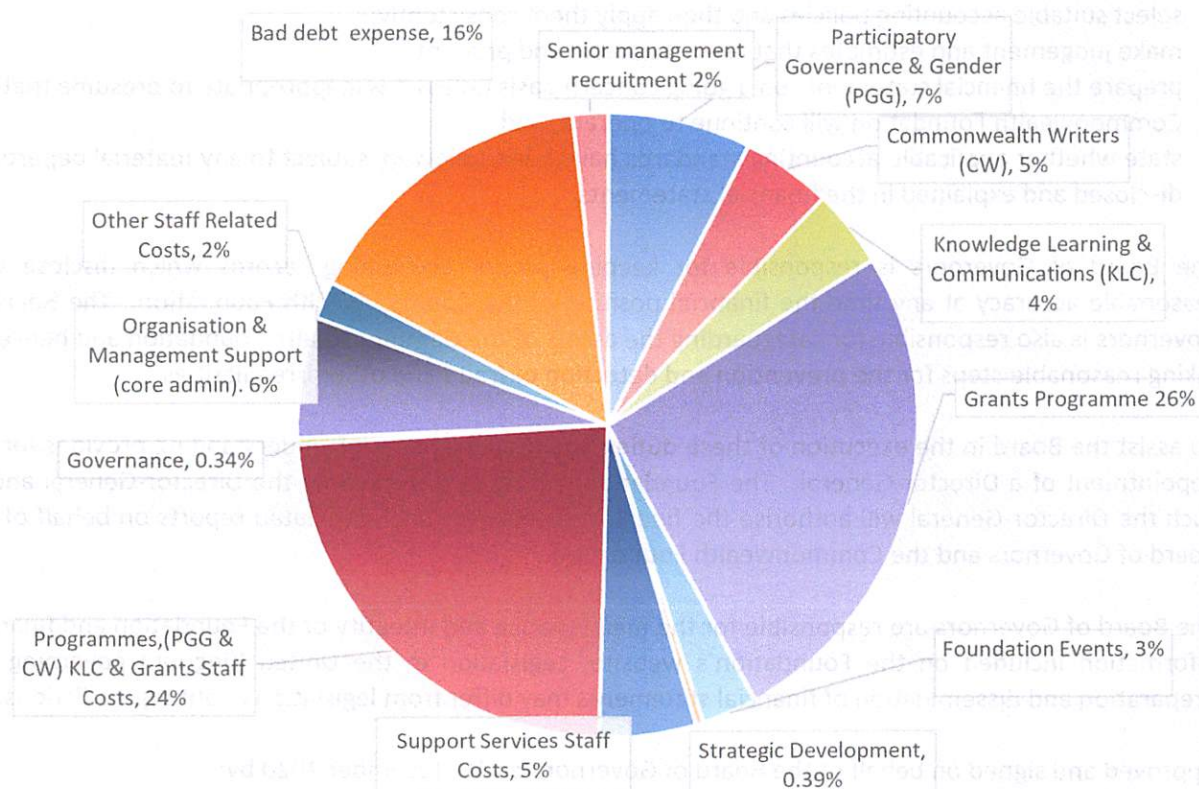
Financial review

For the year ended 30 June 2020

For the year ended 30 June 2020, the Foundation recognised income of £3,310,764 (2019: £3,216,722) and expenditure of £3,575,275 (2019: £3,220,222). Reserves decreased by £264,511 (2019: £3,500) resulting in reserves carried forward at 30 June 2020 of £1,337,467 (2019: £1,601,978).

A summary of the Foundation's expenditure for the year is provided below:

2019-20 Expenditure



Commonwealth Foundation

Statement of Board of Governors' responsibilities For the year ended 30 June 2020

The Board of Governors is entrusted by Member Governments with responsibility for and oversight of the Foundation's policies, programmes, priorities and approval of the annual budget and for ensuring that these are in accordance with the strategic plan of the Foundation.

The Memorandum of Understanding requires the Board of Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Commonwealth Foundation and of its result for that period.

In preparing those financial statements, the Board of Governors is required to:

- select suitable accounting policies and then apply them consistently;
- make judgement and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Commonwealth Foundation will continue to operate; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Board of Governors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Commonwealth Foundation. The Board of Governors is also responsible for safeguarding the assets of the Commonwealth Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To assist the Board in the execution of these duties, the Memorandum of Understanding provides for the appointment of a Director-General. The Foundation will be represented by the Director-General and as such the Director-General will authorise the financial statements and associated reports on behalf of the Board of Governors and the Commonwealth Foundation.

The Board of Governors are responsible for the maintenance and integrity of the Foundation and financial information included on the Foundation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved and signed on behalf of the Board of Governors on 18 November 2020 by:



Anne Gallagher
Director-General

**Independent auditors' report to the Board of Governors
For the year ended 30 June 2020**

Opinion

We have audited the financial statements of the Commonwealth Foundation for the year ended 30 June 2020 which comprise the Statement of Income and Expenditure, the Statement of Financial Position 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 affairs of the Commonwealth Foundation as at 30 June 2020 and its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

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

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

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

Other information

The Board of Governors is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial

Independent auditors' report to the Board of Governors
For the year ended 30 June 2020

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

We have nothing to report in this regard.

Responsibilities of the Board of Governors

As explained more fully in the Statement of Board of Governors' Responsibilities set out on pages 5 and 6, the Board of Governors is 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 Board of Governors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Governors is responsible for assessing the Foundation'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 Board of Governors either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

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 Board of Governors, as a body, in accordance with the Memorandum of Understanding adopted by Commonwealth Governments. Our audit work has been undertaken so that we might state to the Foundation's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation and the Foundation's members as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

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Saffery Champness LLP
Chartered Accountants

71 Queen Victoria Street
London
EC4V 4BE

Date: *20 November 2020*

Commonwealth Foundation

Statement of income and expenditure
For the year ended 30 June 2020

		2020				2019
		General funds £	Designated funds £	Restricted Funds £	Total £	Total £
	Notes					
Income from						
Assessed contributions	5	3,279,127	-	-	3,279,127	3,183,000
Grants and voluntary donations	5	-	-	16,000	16,000	16,000
Other income	5	15,637	-	-	15,637	17,722
Total income		3,294,764	-	16,000	3,310,764	3,216,722
Expenditure on						
Programmes						
- Direct programme costs	6	518,091	53,381	8,000	579,472	763,811
- Grants programme	7	919,013	7,384	-	926,397	950,477
- Foundation events	8	-	102,187	-	102,187	29,076
- Staff and related costs	9	843,333	-	-	843,333	820,713
		2,280,437	162,952	8,000	2,451,389	2,564,077
Support services						
- Strategic development		10,556	3,288	-	13,844	26,288
- Governance		10,788	1,376	-	12,164	17,908
- Organisation and management support costs		223,804	-	-	223,804	177,460
- Senior management recruitment		66,263	-	-	66,263	62,174
- Staff and related costs	9	249,810	-	-	249,810	276,804
		561,221	4,664	-	565,885	560,634
Bad debt expense	5	558,001	-	-	558,001	95,511
Total expenditure	10	3,399,659	167,616	8,000	3,575,275	3,220,222
Net income/ (expenditure) for the financial year		(104,895)	(167,616)	8,000	(264,511)	(3,500)
Transfers between funds	10	(297,593)	297,593	-	-	-
Reserves brought forward		896,163	705,815	-	1,601,978	1,605,478
Reserves carried forward		493,675	835,792	8,000	1,337,467	1,601,978

Commonwealth Foundation

Statement of financial position
As at 30 June 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Tangible fixed assets	11		6,620		3,955
Current assets					
Debtors	12	415,062		926,742	
Cash at bank and in hand		2,435,044		2,234,093	
		<u>2,850,106</u>		<u>3,160,835</u>	
Current liabilities					
Creditors: Amounts falling due within one year	13	(1,519,259)		(1,562,812)	
Net current assets			<u>1,330,847</u>		<u>1,598,023</u>
Net assets			<u>1,337,467</u>		<u>1,601,978</u>
Reserves					
General fund			493,675		896,163
Designated fund			835,792		705,815
Restricted funds			<u>8,000</u>		<u>-</u>
Total reserves	10		<u>1,337,467</u>		<u>1,601,978</u>

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

The accounts were approved on 18 November 2020 and signed on behalf of the Board of Governors by:



Anne Gallagher
Director-General

Commonwealth Foundation

**Statement of cash flows
For the year ended 30 June 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities (<i>See below</i>)		169,200	83,588
Cash flows from investing activities			
Purchase of PPE		(7,949)	(703)
Interest income		15,637	(11,213)
Net cash provided by investing activities		7,688	(11,213)
Cash flows from financing activities			
Cash inflows from overdraft		24,063	-
Net cash provided by financing activities		24,063	-
Change in cash and cash equivalents in the year		200,951	71,672
Cash and cash equivalents at the beginning of the year		2,234,093	2,162,421
Cash and cash equivalents at the end of the year		2,435,044	2,234,093
Reconciliation of net income to cash flows from operating activities			
Net (expenditure) for the year		(264,511)	(3,500)
Depreciation charges		5,284	3,620
Decrease/(Increase) in debtors		511,680	15,159
Decrease/(increase) in creditors		(43,553)	57,096
(Increase) in overdraft		(24,063)	-
Interest in income		(15,637)	11,213
Net cash used in operating activities		169,200	83,588

1. Statutory information

The Commonwealth Foundation is an International Organisation. The registered office is Marlborough House, Pall Mall, London, SW1Y 5HY, United Kingdom.

2. Compliance with accounting standards

The accounts have been prepared in accordance with the provisions of Financial Reporting Standard 102 (FRS 102) for small entities. There were no material departures from that standard.

3. Accounting policies

The financial statements are presented in the currency of the United Kingdom. Monetary amounts in these financial statements have been rounded to the nearest whole £.

The Commonwealth Foundation constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared on a going concern basis.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the organisation's financial statements.

3.1 Income

All incoming resources are included in the statement of income and expenditure when the Foundation is entitled to the income and the amounts can be quantified with reasonable accuracy. Assessed contributions are recognised in the year to which the contribution relates. Interest is recognised when earned. Grants received by the Foundation are recognised over the periods to which they relate.

3.2 Expenditure

All expenditure is accounted for on an accruals basis. Expenditure is allocated to the different headings on the statement of income and expenditure on a basis that is consistent with the use of the resources.

3.3 Fixed assets

Fixed assets greater than £500 are capitalised at cost, which includes the purchase price and directly attributable costs to bring the asset into functional use.

Depreciation is charged so as to write off the cost less the estimated residual value of assets by equal instalments over their estimated useful lives as follows:

Fixtures and fittings	20% per annum
Equipment	33% per annum

3.4 Debtors

Debtors are stated at net realisable value. A provision for loss is established based on a review of outstanding amounts at the reporting date.

Provision is normally only made in relation to assessed contributions from Member Governments where there are exceptional circumstances, as contributions are expected to be recoverable.

Notes to the financial statements (continued)
For the year ended 30 June 2020

3.5 Financial instruments

Financial instruments primarily include financial assets and liabilities such as cash and cash equivalents, receivables and payables. The Commonwealth Foundation has not entered into any derivative financial instrument transactions at the reporting date. Interest relating to financial instruments is reported in the statement of income and expenditure.

Financial assets and liabilities are recorded at fair value as at the reporting date.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled.

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

3.6 Cash and cash equivalents

The Commonwealth Foundation considers cash in hand, amounts due from banks and short-term deposits with banks to be cash and cash equivalents.

3.7 Provisions

Provisions are recognised when the Commonwealth Foundation has a legal or constructive obligation as a result of past transactions, when it is probable that an outflow of resources will be required to settle that obligation, and when an estimate of the amount of the obligation can be made.

3.8 Foreign currency transactions

All assessed contributions are payable in sterling. Voluntary contributions are accepted in currencies other than sterling. Foreign currency transactions are accounted for at the exchange rates prevailing on the date of the transactions. Both realised and unrealised gains and losses resulting from the settlement of such transactions and from the revaluation at reporting date of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income and expenditure.

3.9 Reserves

General funds are spent or applied at the discretion of the Commonwealth Foundation to further any of its purposes. It is one aim of the Commonwealth Foundation to hold the equivalent of six months' operating expenditure in cash in General Fund reserves to provide working capital. This figure is calculated as one half of the previous year's assessed contributions.

Designated funds represent amounts set aside by the Board of Governors to meet specific activities of the organisation. Details of activities funded by designated funds are disclosed in Note 10.

Restricted funds represent amounts received by the Commonwealth Foundation that are earmarked for specific usage by the funder.

3.10 Taxes

The Commonwealth Foundation is exempt from direct and indirect tax under its agreement with the UK Government. VAT incurred on the supply of goods and services is recoverable from the UK government.

3.11. Gratuity scheme

The Foundation contributes fifteen per cent of gross salary on a monthly basis for members of staff in lieu of pension contributions. The funds are invested and administered by the Commonwealth Secretariat Staff Gratuity Fund. The Fund's underlying assets are represented by cash and fixed term deposits. Payments of accumulated gratuity plus interest are made to staff at the end of their contract or on leaving the Foundation. Contributions to the fund are recognised as staff costs in the statement of income and expenditure.

4. Critical estimates and judgements

Judgements and estimations are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In making these estimates the Foundation makes assumptions concerning the future. The judgements and estimations that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Provision against contributions receivable

At the end of each financial year the Foundation assesses the recoverability of outstanding contributions due from Member Governments and makes a provision against certain outstanding contributions. This year the Foundation has provided against amounts due from Member Governments that are two or more years overdue (previously six years or more overdue) as well as any debts owed by former members of the Foundation.

Unquantifiable pension commitments

No provision is made for pension contributions payable by the Commonwealth Foundation to two former employees. An annual charge is made for the amounts payable each year; the pension commitment is not considered to be quantifiable due to the age of the pensioners.

Commonwealth Foundation

Notes to the financial statements (continued) For the year ended 30 June 2020

5. Income

5.1 Assessed contributions

	General funds £	Restricted funds £	2020 £	2019 £
Assessed contributions	3,279,127	-	3,279,127	3,183,000

The Foundation is financed by assessed contributions from 46 of the 54 member countries that make up the Commonwealth.

	General funds £	Restricted funds £	2020 £	2019 £
Movement in provision for contributions arrears	558,001	-	558,001	95,511

A provision has been made in against amounts due from member governments over two or more years (previously six years or over). Member government contributions for the year after provision were £2,721,126 (2018: £3,087,489).

5.2 Project grants and voluntary income

	General funds £	Restricted funds £	2020 £	2019 £
KFW Stiftung	-	16,000	16,000	16,000
	-	16,000	16,000	16,000

5.3 Other income

	General funds £	Restricted funds £	2020 £	2019 £
Bank interest	15,637	-	15,637	11,213
Foundation events	-	-	-	5,500
Sundry	-	-	-	1,009
	15,637	-	15,637	17,722

Commonwealth Foundation

Notes to the financial statements (continued)
For the year ended 30 June 2020

6.	Direct programme costs	General funds £	Designated funds £	Restricted funds £	2020 £	2019 £
	Participatory Governance and Gender (PGG)	237,855	28,633	-	266,488	320,014
	Commonwealth Writers (CW)	145,666	14,609	8,000	168,275	280,685
	Knowledge Learning and Communications (KLC)	134,570	10,139	-	144,709	163,112
		<u>518,091</u>	<u>53,381</u>	<u>8,000</u>	<u>579,472</u>	<u>763,811</u>
7.	Grants programme	General funds £	Designated funds £	2020 £	2019 £	
	Grants payable and awards					
	Grants programme	-	-	-	-	
	Participatory governance grants	897,651		897,651	898,039	
	Grants Outreach Programme and Monitoring & Evaluation	21,362	7,384	28,746	52,438	
		<u>919,013</u>	<u>7,384</u>	<u>926,397</u>	<u>950,477</u>	
8.	Foundation events	General funds £	Designated funds £	2020 £	2019 £	
	Commonwealth Forum	-	102,187	102,187	19,972	
	Diplomats Induction Programme	-	-	-	9,104	
		<u>-</u>	<u>102,187</u>	<u>102,187</u>	<u>29,076</u>	

Notes to the financial statements (continued)
For the year ended 30 June 2020

9. Staff and related costs

	General funds £	Designated funds £	2020 £	2019 £
The main components of staff costs are:				
Salaries	827,155	-	827,155	794,715
Social security	97,301	-	97,301	97,187
Gratuity scheme costs	128,520	-	128,520	129,783
Other staff related costs	68,839	-	68,839	75,832
	<u>1,121,815</u>	<u>-</u>	<u>1,121,815</u>	<u>1,097,517</u>
Of which:				
Programmes	843,333	-	843,333	820,713
Support services (incl other staff related costs)	249,810	-	249,810	276,804
Senior management recruitment related	28,672	-	28,672	-
	<u>1,121,815</u>	<u>-</u>	<u>1,121,815</u>	<u>1,097,517</u>
Average staff numbers in the year			2020	2019
Senior management			2	2
Programmes and grants			13	14
Support services			5	4
			<u>20</u>	<u>20</u>

The Foundation considers its key management personnel to be the Director-General and the Deputy Director-General. The total employment benefits including contributions to the gratuity fund of key management personnel in the year ended 30 June 2020 were £261,071 (2019: £267,831).

Commonwealth Foundation

Notes to the financial statements (continued) For the year ended 30 June 2020

10. Reserves

	Balance 1 July 2019 £	Incoming resources £	Outgoing resources £	Transfers £	Balance 30 June 2020 £
General funds					
General Fund	896,163	3,294,764	(3,399,659)	(297,593)	493,675
Restricted funds					
KFW Stiftung	-	16,000	(8,000)	-	8,000
Designated funds					
Special Grants Funds (i)	100,000	-	-	-	100,000
Covid-19 Special Grants Call (ii-a)	60,000	-	-	274,169	334,169
and Grants Programme (ii-b)	4,856	-	(7,384)	60,346	57,818
Commonwealth People's Forum Fund (iii)	480,000	-	(102,187)	(127,813)	250,000
Strategic Development activities carried forward (iv)	3,212	-	(3,288)	40,000	39,924
Governance activities carried forward (v)	1,369	-	(1,376)	-	(7)
Programmes (OA1-OA4, PGG & CW project activities carried forward (vi)	43,244	-	(43,242)	53,886	53,888
Knowledge Learning & Communications (vii)	12,634	-	(10,139)	(2,495)	-
Support Services (viii)	500	-	-	(500)	-
	<u>705,815</u>	<u>-</u>	<u>(167,616)</u>	<u>297,593</u>	<u>835,792</u>
Total funds	<u>1,601,978</u>	<u>3,310,764</u>	<u>(3,575,275)</u>	<u>-</u>	<u>1,337,467</u>

The designated reserves are for the following purposes:

- (i) The Special Grants Fund was used to make one-off grants to Commonwealth countries in exceptional circumstances, for example, grants to alleviate difficulties arising from natural disasters.
- (ii-a) The Covid-19 Special Grants Call Fund represents money set aside to support Commonwealth civil society organisations in response to Covid-19 pandemic.
- (ii-b) The Grants Programme Fund reflects the unspent balance of the previous budget for grants carried forward to fund expenditure on grant making and outreach and monitoring & evaluation activities.
- (iii) The Commonwealth People's Forum (CPF) Fund represents money set aside to support the Foundation's biennial event. The CPF which was originally scheduled to take place in Rwanda in June 2020 has been postponed in light of the Covid19 pandemic to a date to be notified in 2021. The 2020/2021 will be delivered as a hybrid event which will lower the costs. The budget savings from previous year has been transferred back to the General Fund leaving a balance of £250,000 to be set aside to meet associated costs for the preparation and delivery of the hybrid CPF.
- (iv) This reflects the unspent balance of the 2019/20 Partnerships & Strategic Development budget, which had been carried forward to meet costs taking place in 2020/2021 that were included in the original budget for 2019/2020 especially for the external review and development of the new Strategic Plan 2021-2025.

Notes to the financial statements (continued)
For the year ended 30 June 2020

(vi) This reflects reserves set aside to meet the costs of specific projects taking place in 2020/2021 that were included in the original budget for 2019/2020 for Participatory Governance & Gender and Commonwealth Writers programmes. These projects were delayed due to the Covid-19 pandemic.

(vii) This reflects the unspent balance of the 2018/19 Knowledge Learning & Communications budget, which has been transferred back to the General Reserve Fund.

(viii) This reflects the unspent balance of the 2018/19 Support Services budget, which has been transferred back to the General Reserve Fund.

11. Fixed assets

	Fixtures and fittings	Equipment	Total
	£	£	£
Cost			
Balance at 1 July 2019	11,586	12,112	23,698
Additions in year	5,950	1,999	7,949
Balance at 30 June 2020	17,536	14,111	31,647
Depreciation			
Balance at 1 July 2019	11,147	8,596	19,743
Depreciation charge for the year	1,336	3,948	5,284
Balance at 30 June 2020	12,483	12,544	25,027
Net book value			
At 30 June 2020	5,053	1,567	6,620
At 30 June 2019	439	3,516	3,955

12. Debtors

	2020	2019
	£	£
Assessed contributions	1,431,790	1,349,378
Provision for contribution arrears (see below)	(1,098,091)	(540,090)
VAT and other recoverable taxes	54,355	49,657
Other debtors	956	2,577
Accrued income, prepayments and deposits	26,052	65,220
	415,062	926,742
Provision for contribution arrears	£	£
Provision for contribution arrears at 1 July	540,090	444,579
Provided against in the year	573,001	95,511
Cash received against provision made	(15,000)	-
Provision for contribution arrears at 30 June	1,098,091	540,090

Notes to the financial statements (continued)
For the year ended 30 June 2020

13. Creditors: amounts falling due within one year

	2020	2019
	£	£
Grants payable	1,122,948	1,117,760
Other accounts payable	109,793	224,657
Accrued charges	201,706	189,122
Deferred income	84,812	31,273
	<hr/>	<hr/>
	1,519,259	1,562,812
	<hr/>	<hr/>

Further to the amounts committed and included above, the Commonwealth Foundation has also approved grants subject to the recipient satisfying specified conditions. The total amount approved but not included as grants payable at 30 June 2020 was £1,603,336 (2019: 1,035,276).

14. Unquantifiable pension commitments

No provision has been made for the unquantifiable commitment for pension contributions payable by the Commonwealth Foundation to two former employees. These pension contributions are instead accounted for as an annual charge. The amount paid in 2020 was £3,093 (2019: £7,030).