

ANNUAL GENERAL MEETING

**Held at Hatfield Place, Hatfield Peverel, Chelmsford
6.30 pm – 7.30 pm Wednesday 24 November 2022**

The Chair of Trustees, Nicholas Alston CBE DL, opened the 26th Annual General Meeting (AGM) of Essex Community Foundation (ECF).

Mr Alston advised that Claire Read, a trustee of ECF and its Company Secretary, and a solicitor with Birkett Long, would lead the AGM proceedings.

Ms Read advised that notification and details of resolutions and relevant information had been provided to Members in advance of the meeting in accordance with the Foundation's Articles of Association. No questions had been raised in advance of the meeting. Members who were present were asked to vote by raising the membership card given to them on arrival.

1 Apologies

Ms Read confirmed the meeting was quorate with 39 Members present. In addition, proxy votes had been received from 5 Members. Apologies from the remaining 42 Members were recorded.

2 Minutes of the Annual General Meeting held on 24 November 2021

Mr Alston proposed that the minutes of the meeting held on 24 November 2021 be accepted. John Aldridge seconded. Members voted in favour along with 5 members who voted in favour by proxy. There were no votes against.

3 Chief Executive's Review of the Year

Caroline Taylor presented the Foundation's activities during the year to 30 June 2022 and advised that this was the third of our five-year strategic plan.

The impact of the cost-of-living crisis on the voluntary and community sector was at the forefront of our grantmaking. Our first community listening project was also helping us to provide an immediate response and understand the pressures that local charities were facing.

During the year, we paid out nearly £4.5 million of grants to 420 voluntary organisations and 83 individuals. This was comparable to the previous year and brings our overall grantmaking since our inception in 1996 to £47 million.

We continue to manage flowthrough, or non-invested, funds that are given through us to support immediate needs. This year we started working with NHS partners in Mid and South Essex managing a funding programme of £185,000 to support historically underserved communities to access mental health services. In addition, we started to work with Douglas Allen Estate Agents, awarding £100,000 to support charities operating near to their branches in West Essex.

The cornerstone of our grantmaking is our focus on funding smaller, grassroots organisations. 48% of our grants this year were awarded to organisations with an annual income of less than £100,000. In addition, 20% of grants approved this year were to organisations applying to us for the first time.

Increasing our core cost and multiyear funding has continued, as charities tell us this is what they need. 39%, or £1.7 million, was given towards running costs during the year and just over £1 million was awarded in multiyear grants.

We continued to broaden our engagement with donors, and ten new charitable funds were established during the year, bringing the total number of funds under our management to 180. These included the Brian and Julie Cue Fund, Birkett Long Community Fund, Butler Educational Foundation, Ellisons Foundation, Manek Foundation and the Salix Family Fund. Saffron Building Society made a significant donation to their existing fund following the release of dormant accounts.

We re-introduced our Private Client Professional Advisers Networking events. These will be held every quarter at different venues around Essex and give us the opportunity to regularly engage with local advisers to build their knowledge and understanding of the Foundation and what we can offer to their clients.

Ms Taylor thanked Essex Police, and the Chief Constable, B-J Harrington, for continuing the Proceeds of Crime Act matched funding initiative. Since its introduction in 2014/15 we have received matched funding from Essex Police of £525,000 which has resulted in 12 new Community Safety focussed endowed funds totalling £1.2m.

In June, we moved into our new offices at 3 Hoffmanns Way, Chelmsford. This was made possible thanks to the generosity of a local family. As well as being a home for the Foundation, we have additional space that we can share with other charities.

Finally, Ms Taylor paid tribute to the team who she said were outstanding, including our long-serving volunteers, Andrew, Barbara, and Lorraine, and finally, Mike Blakey and Mike Richards, our pro-bono property advisers.

Ms Taylor thanked Trait Design for their graphic design services, Streets Whittles Chartered Accountants who provide a pro-bono payroll service and Birkett Long who provide support in all aspects of HR and employment law.

4 Presentation of Accounts

Mr Alston introduced Charles Bishop, Chair of the Finance and Investment Committee, who presented the Annual Report and Financial Statements for the year to 30 June 2022, which had received an unqualified audit report from Haysmacintyre.

Mr Bishop said he was pleased to report a stable financial year for the Foundation with total reported income of £5.4 million and total expenditure also of £5.4 million, including grants awarded of £4.5 million. Operating expenditure was under budget at 89% and funded by contributions to costs from both endowed and flow through funds. Unrestricted reserves were £480k and our reserves policy, which is agreed annually, aims to hold at least 6 months of operational expenditure, which would currently be £500k. We were therefore satisfied that current reserves were sufficient.

Mr Bishop advised that the new building, which would be our home for the next 25 years, required significant updating as it had been vacant for some time. Trustees agreed it prudent to complete a comprehensive refurbishment before occupation, as this would minimise disruption to our operations and ensure that any future work would be mostly cosmetic. Mr Bishop was pleased to report that the project was completed under budget and only very slightly later than planned. Further details are fully reported in the annual accounts.

Mr Bishop advised that the 12 months to June 2022 could be split into 2 halves. The first half consisted of economic growth picking up as governments relaxed Covid restrictions despite new variants of Covid appearing, most notably in December.

January 2022 saw a turn in the market as higher levels of growth led to fears of inflation and of interest rate rises to keep inflation under control. Russia's invasion of Ukraine in late February exacerbated these concerns with the price of oil rising sharply.

Over the reporting period UK equities produced a return of 1.6%, overseas equities a return of -3.2% but UK government bonds fell by 13.6%. Our core portfolio produced a net return of -6.2% which was disappointing in absolute terms, but broadly in line with the benchmark comparator of ARC Steady Growth which produced a total return of -5.7%. However, we are reminded of our long-term approach, the good performance we have achieved since inception, and that the ten-year average performance figure is 7.36%.

Since the end of June, markets continued to be challenged. One of the metrics we follow is the value of our funds compared to the nominal value of funds endowed. In March of this year the nominal value

had climbed to 107% but it was 98.6% at the end of June. In light of this, trustees agreed to fractionally reduce our grant rate to 5.5%, recognising the competing voices for higher grants in difficult times balanced against investment prudence in difficult markets.

Reassuringly global equity markets had enjoyed a welcome rebound in the last couple of months, boosted by some stability in the US mid-term elections. In the UK, investors had also been encouraged by new political leadership and a greater focus on fiscal discipline.

Mr Bishop thanked the Finance and Investment Committee for their support, in particular Clare Ball who was retiring from the board, but would remain as a co-opted member, and our other co-opted advisors, Rae Brooks and Russell Edey, for their contributions during the year. Atul Manek had joined the committee during the year. All bring relevant and specialised knowledge of investment and accountancy.

Along with Russell Edey, who served as chair of the Audit & Risk Committee for a final year, Mr Bishop thanked the auditors for undertaking a thorough and professional audit. He thanked Catherine Burton and Tracy Hardy, the ECF finance team, for their diligence and accuracy in administering the Foundation's finances and preparing the accounts.

There being no questions, Ms Read thanked Mr Bishop for his report and asked members to receive and adopt the Annual Report and Financial Statements for the period to 30 June 2022. Jo Wells proposed John Spence seconded. Members voted in favour along with 5 members who voted in favour by proxy. There were no votes against.

5 Election of Trustees

Ms Read advised that under the terms of ECF's Articles of Association, directors or trustees are elected to hold office for four years, the first term. They can be re-elected for two consecutive terms of two years. She advised that two trustees were retiring from the Board. Clare Ball was retiring having completed a full term of eight years and Vivienne Depledge was retiring having completed one term of four years.

On behalf of the Board, Mr Alston gave sincere thanks to Clare Ball for her contribution to all areas of the Board and specifically as a member of the Finance and Investment Committee. He said that her knowledge and attention to detail had helped us to improve our working practices and systems to better serve the Foundation and our fundholders. She had also helped us develop our approach to Environment, Social and Governance. Clare had agreed to remain involved as a co-opted member of the Finance and Investment Committee and we would continue to have contact through her family charitable fund.

Mr Alston referred to Vivienne Depledge saying that her experience as a charity CEO and expertise had been of significant value to the work of the Board and helped us develop our understanding of the challenges and opportunities for the voluntary and community sector. She had given time, energy and skill to our Property Task Group working alongside, trustee, Charles Bishop, Caroline and Steve and our two volunteer advisers to bring this complex project in, on time and under budget.

In addition, six trustees were putting themselves forward for re-election. They were Claire Read, Nicholas Alston, Sandra Hollis, Jo Wells, Simon Hall and Charles Bishop.

Mr Alston asked that Claire Read be re-elected for a final term. Rhiannedd Pratley proposed. Robert Erith seconded. Members voted in favour along with 5 members who voted in favour by proxy. There were no votes against.

Ms Read asked that Nicholas Alston be re-elected for a second term. John Spence proposed. Ann Naylor seconded. Members voted in favour along with 5 members who voted in favour by proxy. There were no votes against.

Ms Read asked that Sandra Hollis be re-elected for a second term. Rosemary Turner proposed. David Boyle seconded. Members voted in favour along with 5 members who voted in favour by proxy. There were no votes against.

Ms Read asked that Jo Wells be re-elected for a second term. Charles Clark proposed. Adrian Biggs seconded. Members voted in favour along with 5 members who voted in favour by proxy. There were no votes against.

Ms Read asked that Simon Hall be re-elected for a second term. Celia Edey proposed. Robert Erith seconded. Members voted in favour along with 5 members who voted in favour by proxy. There were no votes against.

Ms Read asked that Charles Bishop be re-elected for a second term. Barbara Garside proposed. Russell Edey seconded. Members voted in favour along with 5 members who voted in favour by proxy. There were no votes against.

Ms Read advised that Emma Goode, Soumya Krishna Kumar and Atul Manek, were putting themselves forward for election for the first term of four years, having been co-opted to the Board since May 2022.

Ms Read asked that Emma Goode be elected for a first term of four years. Ben Lamers proposed. Ann Naylor seconded. Members voted in favour along with 5 members who voted in favour by proxy. There were no votes against.

Ms Read asked that Soumya Krishna Kumar be elected for a first term of four years. Simon Hall proposed. Sandra Hollis seconded. Members voted in favour along with 5 members who voted in favour by proxy. There were no votes against.

Ms Read asked that Atul Manek be elected for a first term of four years. Russell Edey proposed. Simon Hall seconded. Members voted in favour along with 5 members who voted in favour by proxy. There were no votes against.

6 Appointment of Auditors

Ms Read advised that Haysmacintyre were being put forward for re-appointment as ECF's auditors. She proposed that members appoint Haysmacintyre as the Foundation's auditors for 2022/23. Russell Edey seconded. Members voted in favour along with 5 members who also voted in favour by proxy. There were no votes against.

Ms Read confirmed the appointment of Haysmacintyre as ECF's auditors for the forthcoming year.

8 Any Other Business

Mr Alston thanked ECF's donors' and supporters, the staff and fellow Board members for their collective and individual commitment to ECF.

There being no other business, Mr Alston formally closed the Annual General Meeting.