

**Charity Registration No. 01109453**  
**Company Registration No. 05369725 (England and Wales)**



**SUFFOLK**  
Community  
Foundation

**Suffolk Community Foundation**

**Trustees' Report and Financial Statements**

**For the Year Ended**

**30 June 2018**

# **Suffolk Community Foundation**

## **Legal and Administrative Information**

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### **Trustees**

James Buckle, DL  
Peter Newnham  
Jonathan Agar  
Susan Gull  
The Hon. Selina Hopkins  
David Hughes  
Iain Jamie  
Gulshanbir Kayembe, DL  
William Kendall, DL  
Louisa Pepper (appointed 18 June 2018)  
Nigel Smith (retired 27 November 2017)  
Neil Walmsley  
The Very Reverend Dr Frances Ward (retired 29 September 2017)  
Terry Ward

**Chief Executive** Stephen Singleton

**Company Secretary** Mandy Abdel-Aziz

**Charity number** 01109453

**Company number** 05369725

**Registered office** The Old Barns  
Peninsula Business Centre  
Wherstead  
Ipswich  
IP9 2BB

**Auditors** Ensors Accountants LLP  
Cardinal House  
46 St Nicholas Street  
Ipswich  
IP1 1TT

# **Suffolk Community Foundation**

## **Legal and Administrative Information**

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### **Bankers**

**Barclays Bank plc  
21 Cornhill  
Bury St Edmunds  
IP33 1DY**

**Coutts & Co  
Ground Floor  
1 Boardman Business Park  
Peachman Way  
Norwich  
NR7 0WS**

**Lloyds Bank plc  
Cornhill North  
Ipswich  
IP1 1DG**

### **Solicitors**

**Birketts LLP  
Providence House  
141 – 145 Princes Street  
Ipswich  
IP1 1QJ**

### **Investment advisors**

**Charles Stanley & Co Ltd  
33 Lower Brook Street  
Ipswich  
IP4 1AQ**

**CCLA  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4ET**

**Rathbones  
North Wing, City House  
126-130 Hills Road  
Cambridge  
CB2 1RE**

# **Suffolk Community Foundation**

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# Suffolk Community Foundation

## Chairman's Statement

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### *Chairman's Statement*

It gives me great pleasure in presenting the Trustees' Annual Report and Financial Statements for the year ended 30 June 2018.

The Foundation has had a very successful and progressive year awarding 705 grants totalling £2.6 million. I am always amazed by the impact that these grants achieve. They support organisations across every corner of Suffolk and help people from every walk of life. I am also struck how every one of us may at some stage in our lives, need the support of a charity for a loved one or for ourselves. It is commonplace for the Foundation team to witness someone's life turned upside down through illness, isolation, bereavement or one of the many other challenges that we may all face during our lifetime.

It will equally come as no surprise, that the demand on local charitable services is growing considerably. A rapidly ageing population, increasingly pressurised lives and public service cuts are some of the factors that are contributing to create a perfect storm. The need for local giving to support our local charities and community groups has never been greater. They are all playing their part, improving lives and making our communities better places to live in - but they do need our help.

These achievements are the results of an extraordinary team effort by a dedicated group of people, all striving to make Suffolk a better place for us all. I would therefore like to thank our donors, funding partners, patrons, trustees, staff and volunteers for their commitment to helping others. May I also thank The Very Reverend Dr Frances Ward and Nigel Smith for their total dedication and service to the Foundation during their time as trustees.



James Buckle  
Chairman

# Suffolk Community Foundation

## Trustees' Report

For the Year ended 30 June 2018

The trustees present their report and financial statements for the year ended 30 June 2018. The Trustees' Report also incorporates the requirement under Company Law of a Directors' Report. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Articles of Association, The Companies Act 2006 and 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 (FRS102).

### Structure, governance and management

Suffolk Community Foundation is a company limited by guarantee (Company no. 05639725) incorporated on 18 February 2005 and a registered charity (Charity No. 1109453) governed by its Memorandum and Articles of Association dated 18 January 2005. The directors of the charitable company are its trustees for the purposes of charity law and throughout this report are referred to as the trustees.

On 13 April 2015, the Charity Commission for England and Wales authorised a Linking Direction between Suffolk Community Foundation and the Fonnereau Road Health Foundation Fund (FRHFF) such that the FRHFF Endowment became a linked charity to the Foundation. The trustees hold the capital of this fund in the form of a permanent endowment with the income generated by this fund used by the trustees at their discretion in furthering the objects of the charity as documented in the Trust Deed dated 9 March 2015.

Currently there are 12 trustees who meet formally at quarterly Board Meetings and strategic aims are agreed by the trustees at these meetings. The Board appoints three sub-committees, Income Development, Grants & Community Impact and Operations. These committees are responsible for more detailed oversight of strategy and activities within their area of responsibility.

Each committee has terms of reference and authority delegated to them, including the power to recruit additional non-trustee members who bring further expertise that the committees may feel beneficial or necessary. Committees are also able to form sub-groups for task-and-finish projects or events.

Members of the Board who served during the year including the committees on which they served are as follows:

	<u>Sub-committee</u>
James Buckle, DL	Chair of Trustees
Peter Newnham	Vice Chair, Grants & Community Impact Committee, Income Development Committee, Operations Committee
Jonathan Agar	Income Development Committee
Susan Gull	Operations Committee
The Hon. Selina Hopkins	Income Development Committee
David Hughes	Operations Committee
Iain Jamie	Income Development Committee (Chair)
Gulshanbir Kayembe DL	Grants & Community Impact Committee (Chair)
William Kendall DL	
Louisa Pepper (appointed 18 June 2018)	Grants and Community Impact Committee
Nigel Smith (retired 27 November 2017)	Operations Committee
Neil Walmsley	Operations Committee (Chair)
The Very Reverend Dr Frances Ward (retired 29 September 2017)	Grants & Community Impact Committee
Terry Ward	Grants & Community Impact Committee

# **Suffolk Community Foundation**

## **Trustees' Report**

**For the Year ended 30 June 2018**

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### **Trustee recruitment, induction and training**

As set out in the Memorandum and Articles of Association, new trustees are appointed by the Board of Trustees and formally elected at the following annual general meeting. New trustees are identified through nominations by other trustees, advertisements, recommendations from respected individuals and engagement with the Foundation through professional networks. Prior to appointment potential trustees are vetted by a nominations committee made up of existing trustees and shortlisted candidates are put to the Board for approval. Trustees are appointed with a range of skills and experience that are identified to ensure sound governance and strong progress towards the charity's mission and aims. Any new trustees appointed serve for a three-year term and are eligible for possible re-election for two further terms of three years, and annually thereafter if there are exceptional circumstances to retain the trustee in the short term.

New trustees receive an information pack including the Memorandum and Articles of Association, accounts, business plan, role description, Charity Commission guidelines and other literature, and are asked to complete a declaration of eligibility. Introductory briefings with the chief executive and key staff are provided, and all trustees are asked to serve on at least one sub-committee.

### **Management**

The day-to-day management of the Foundation is delegated to the chief executive, who is also responsible for the implementation of the business plan and reports to the Board on progress against the plan.

In addition to the chief executive, the Foundation employs fourteen members of staff, (10.7 full time equivalent) who undertake the core functions of the Foundation - grantmaking, development, finance, administration, marketing, communications and event management.

The Foundation is also assisted by volunteers who support office operations as well as sitting on grant panels, where their local knowledge strengthens the grantmaking decision process. A large number of volunteers are also active in managing and overseeing the Foundation's events that are held to help promote the Foundation and its work. The time and commitment of the volunteers has been essential in developing the profile and growth of the Foundation and the Board of Trustees would like to record its enormous appreciation for their help and dedication.

The Foundation also appreciates and values the continued support of its patrons and vice patrons who act as ambassadors to the wide range of opinion formers and influencers throughout the County.

Over the past year, the Foundation saw the retirement of Nigel Smith and The Right Reverend Dr Frances Ward from the Board. We also welcome Louisa Pepper as trustee.

The Foundation is a quality accredited member of UK Community Foundations, the membership organisation that supports and promotes the 46 community foundations operating across the UK. With collective endowment funds over £580m and annual grantmaking of £77m, the network is one of the UK's fastest growing foundation movements. Our chief executive, Stephen Singleton was appointed to the UK Community Foundations (UKCF) Board in December 2016. He also sits on the UKCF Membership Committee and chairs the annual Southern Area and Midlands residential conference.

# **Suffolk Community Foundation**

## **Trustees' Report**

**For the Year ended 30 June 2018**

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### **Objectives and activities**

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Foundation's aims and objectives, in planning future activities and setting the grantmaking policy for the year.

**Suffolk Community Foundation's charitable objects for the public benefit, as defined in our Memorandum and Articles of Association are:**

- a) The promotion of any charitable purpose for the benefit of the community in the County of Suffolk and its immediate neighbourhood including but not limited to the advancement of education, the protection of good health, both mental and physical, and the relief of poverty and sickness; and
- b) other exclusively charitable purposes in the United Kingdom and elsewhere which are in the opinion of the trustees beneficial to the community with a preference for those in the area of benefit.

The Foundation further endorses its charitable purposes for the public benefit through its vision and mission statements, together with its grantmaking policy.

**Our vision is to help make Suffolk a better place for all.** Through the distribution of grants, we financially support charities, voluntary and community organisations who are delivering essential services to our citizens and communities, often to those who are disadvantaged, in poverty and isolated.

Unlike traditional grantmaking trusts and foundations, Suffolk Community Foundation raises income by working in partnership with individuals and families, businesses, public sector organisations and existing trusts. By raising awareness of the social issues affecting Suffolk people and communities, and by extolling the virtues of our local charities and community organisations, we provide a platform that increases the overall funding available to address local needs.

**Our mission is to change local lives by connecting people who care with causes that matter. We do this by:**

1. Providing open and accessible grant funding to small and medium sized charities, voluntary and community groups and social enterprises who deliver essential services but who often struggle to compete against larger organisations in a competitive fundraising environment.
2. Helping individuals, companies, public bodies and existing trusts achieve their philanthropic or social responsibility objectives.
3. Building and managing community assets to provide revenue for sustainable grantmaking.
4. Raising awareness of local needs and the ways in which people can work together to improve and enhance the quality of local life.
5. Sharing knowledge, evidence and research to help address local issues.

**Our values are to be:**

- Compassionate and fair in our purpose
- Professional and independent in our relationships
- Open and clear in our communications



# Suffolk Community Foundation

## Trustees' Report

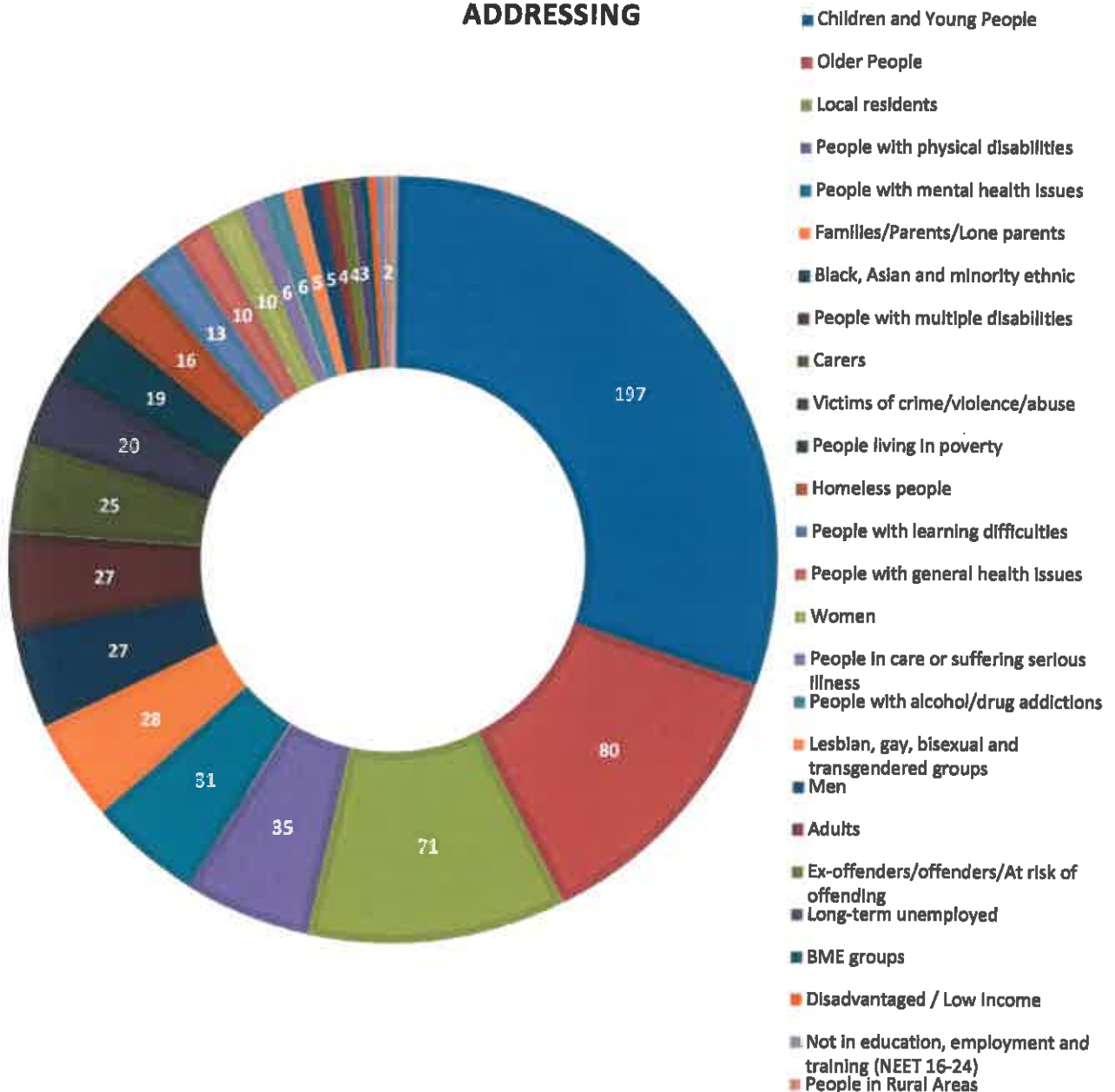
For the Year ended 30 June 2018

### Significant activities

The trustees report that during the past financial year, the Foundation awarded 705 grants, an increase of 8.7% over the previous year and the largest number awarded in any one year. The combined financial value of this activity came in at £2,614,570. Since 2005, the Foundation has awarded a total of 5,581 grants with a combined value just short of £18.7m.

The following diagram illustrates the broad range of social issues that are being supported by the Foundation's grantmaking.

**NUMBER OF GRANTS & THE SOCIAL ISSUES THEY ARE ADDRESSING**



# Suffolk Community Foundation

## Trustees' Report

For the Year ended 30 June 2018

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The Foundation's ability to increase its grantmaking capability is directly linked to its development activity of private and corporate philanthropy as well as its proficiency in providing grantmaking services for the public sector and other charitable trusts. Income associated with this activity is deposited into individual donor funds that are designed to tackle social issues and community needs. Donations can be given for total disbursement over a specific time-period (flow-through funds) or invested to provide income for sustainable grantmaking into the future (endowment funds).

As of the financial year-end, the Foundation managed on behalf of its donors, 36 flow-through funds and 65 endowment funds. The endowed funds have grown over the year by 9.5% to a combined capital value of £12,689,404. These funds have contributed £357,377 of investment income for sustainable grantmaking which equates to 15.1% of the Foundation's grantmaking total.

### Grantmaking policy

Suffolk Community Foundation has established its grantmaking policy to achieve its objects for the public benefit. The Foundation aims to provide a bridge between people who care about their community and the wide range of local charities, voluntary organisations and community groups that help relieve disadvantage and deprivation across Suffolk. The Foundation offers a flexible service designed to help donors achieve their philanthropic objectives, whatever their area of interest or level of giving. Donations can therefore be pooled in general funds addressing specific local needs or deposited into individual funds that are managed to meet the donor's charitable ambitions. The funds held with the Foundation can be used for immediate grantmaking (flow-through) or endowed, where investment return is utilised for sustainable grantmaking into the future.

All funds however:

- concentrate on funding for defined, measurable local objectives;
- give preference to small grants for organisations and social needs that may be overlooked; and
- use priorities that are determined by local needs analysis.

### Resources spent on charitable activities

During the year, the Foundation managed 101 individual donor funds of which 65 are endowed, the remainder being restricted flow-through funds designated for grantmaking. Diligent and professional grantmaking involves many operational processes from understanding and developing a donor's giving ambitions; designing the grant programme; promoting it; assessing applications; awarding grants and monitoring the impact post-award. The accumulated knowledge that the Foundation gathers through the grants programme, particularly regarding the strengths and weaknesses of the voluntary and charitable sector, including the financial conditions they are working with and the effective practices they employ to tackle local need, is of great value. As a result, the Foundation is increasingly spending more time promoting the sector, its attributes and qualities, to help strengthen its position in society. Equally, additional resource is being employed to support the voluntary and charitable sector by providing advice on how to access funding on a one-to-one basis or through workshops that are delivered countywide. The Foundation is also called upon when organisations face difficulties, typically when funding pressure occurs through increased service demand or funding shortfall. The Foundation is witnessing an ongoing challenge for the sector and continues to allocate resource to support and help organisations that are facing difficulties by offering advice services as well as grant aid.

# **Suffolk Community Foundation**

## **Trustees' Report**

**For the Year ended 30 June 2018**

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During the year, the average grant awarded by the Foundation was £3,709, with the number of grants awarded hitting a new annual high of 705 (2017: 646). However, the financial range of our grantmaking is wide with the grant awards ranging from £100 to £96,000 (over 3 years) in size.

The associated direct delivery overhead for the Foundation's grant activity is £201,174 (note 7). However, the Foundation's charitable activity is broader than grantmaking and includes sharing knowledge, evidence, research and awareness of local issues. This community development activity is intensive, complex in nature and involves multi-partnership working across private, public and voluntary sectors; particularly during these times of public sector austerity and increasing social need. The financial contribution to this charitable activity over the past year equates to £119,897 (note 7). Commitment to research and educational activity helps raise awareness of social need and has become a cornerstone of Foundation activity; over the past year £43,532 (note 7) of charitable giving was attributed to this area.

### **Achievements and performance 2017-18**

In last year's Trustee Report (2016-17), the Foundation identified the following four key strategic objectives that would support its continued growth ambitions;

1. Developing local philanthropy and income
2. Delivering impactful grant programmes that address local need
3. Providing community leadership through research, education and community development
4. Continuing to improve operational systems to deliver service excellence

Great strides have been made in looking at the ways in which the Foundation delivers these core activities, and through detailed planning and energetic implementation, we have seen improved performance across all the key performance areas.

#### **Developing local philanthropy and income**

Over the past year, the Foundation undertook a full appraisal of how it develops local philanthropy and other funding opportunities to support its charitable objectives. Working with the Income Development Committee, the executive team has reviewed its activities and restructured its resource to best support local donors and funders with significant effect. This has resulted in increased specialist support being offered to professional advisors (lawyers, accountants and independent financial advisers) who are so often the first port of call for potential philanthropists wishing to give locally. In addition, our work with public sector organisations has also continued to grow across health, local authorities and policing. An increase in awareness of how local charities can supplement the work of local public services, particularly when public sector organisations are operating against tight financial conditions, is helping develop this area of activity.

As the financial position shows, the continued development of our donor service offer, is reaching new audiences and supporters with income growth of 27.8% during the financial year.

# **Suffolk Community Foundation**

## **Trustees' Report**

**For the Year ended 30 June 2018**

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### **Delivering impactful grant programmes that address local need**

The Foundation views its grant programmes as an investment and, like any investment, it looks for a return on that investment by measuring the impact that the individual grants achieve. It will be of no surprise that a great deal of our work is carried out after the grant has been awarded, when data, case studies and impact is gathered and measured. It is through this rigorous process that our belief in, and admiration for, our local voluntary and charitable sector emanates. Local charities, voluntary and community groups achieve so much and are increasingly becoming the mainstream support system for our most pressing social needs and vulnerable citizens.

The Foundation continues to use this intelligence as a powerful argument to help donors and funders develop their giving ambitions for maximum impact as well as, demonstrating the value of a vibrant voluntary and charitable sector to society.

### **Providing community leadership through research, education and community development**

Through exposure to social need and observation of effective actions that tackle and address the symptoms and root causes of the need, coupled with a deep understanding of deprivation (Suffolk Community Foundation's Hidden Needs Reports - 2011 & 2016), the Foundation is regularly invited to share its knowledge of social issues with cross-county partners. In addition to our grantmaking activity, we regard the sharing of knowledge and our advocacy for the voluntary and community sector as a key strategic charitable activity that is helping establish new cross-sector partnerships that provide more efficient solutions to our more pressing social issues.

### **Continuing to improve operational systems to deliver service excellence**

The Foundation has a culture of continually reviewing and improving its governance and operational systems in line with its Quality Accreditation Standards.

In addition to its ongoing practice, the Foundation welcomed the General Data Protection Regulations and undertook a thorough review of its data handling processes and procedures to fully comply with the new legislation. Furthermore, the Foundation fully endorses the work of the Fundraising Regulator whose aim is to strengthen fundraising practice. In response, we have registered with the Regulator and are complying with the Fundraising Code of Practice.

The range of operational activity and responsibilities undertaken by the Foundation has grown over recent years. As a result, the trustees and executive have carried out a comprehensive review of the committee structures to ensure that they are accountable for all operational activity undertaken.

## **Financial review**

### **Financial position**

The Foundation's financial position is shown in the Statement of Financial Activities on page 16 and the Balance Sheet on page 18. Overall, the Foundation has delivered a strong financial performance over the year as follows;

- Income grew over the previous year by 27.8% to £4,449,045
- Endowment funds under management have also grown by 9.5% to £12,689,404
- Grantmaking increased by 21.5% to £2,614,570
- Unrestricted reserves increased by 25.9% to £436,704

# **Suffolk Community Foundation**

## **Trustees' Report**

**For the Year ended 30 June 2018**

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### **Principal Funding Sources**

Income derives from the following sources;

- Individuals, families and businesses
- Public sector organisations
- Other trusts and foundations

### **Fundraising Regulator**

The Foundation demonstrates its commitment to good fundraising practice and follows the Code of Fundraising Practice and the Fundraising Promise. The Foundation does not use professional fundraising agencies. No complaints have been registered against the Foundation during the year under review.

### **Investment policy and performance**

Investments are held in accordance with the powers of the trustees set out in the Articles of Association (4.15) and the Investment Policy

Ongoing responsibility for the investment portfolio is overseen by the Operations Committee who report to the Board of Trustees. Over the past year the committee has undertaken a thorough review of its investment managers and as a result the trustees have re-appointed Rathbones and CCLA.

The investment objective is to achieve an overall return on the investments within the risk appetite set by the trustees and to provide financial returns to support stable and growing grant distribution across Suffolk. In addition, social, environmental and ethical parameters are considered and incorporated in the investment vehicles chosen.

The Foundation also holds property that has been gifted to it, the rental income of which, after maintenance costs, supports a grants programme. A revaluation of the property portfolio has been undertaken and as a result the current portfolio is valued at £1.96m.

For the year ending 30 June 2018 Investment Income of £396,927 and net gains on Investments of £501,167 were achieved.

### **Risk management**

In line with our risk management policy an audit of potential risks affecting the Foundation is conducted quarterly. All changes to the risk register are brought to the trustees' attention and dependent upon severity, action plans implemented to address the risk.

The funding conditions for the voluntary and charitable sector remain volatile. The Foundation continues to work closely with organisations who are being affected by financial challenges and by so doing, it is managing the risk associated with charity closure.

# Suffolk Community Foundation

## Trustees' Report

For the Year ended 30 June 2018

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### Reserves policy

The trustees and executive management have considered the level of unrestricted reserves necessary to ensure the continuation of Suffolk Community Foundation's activities for the foreseeable future. This assessment is ongoing and is part of the Board of Trustees' financial risk management.

The Foundation's unrestricted reserve derives from donations, sponsorship, events and gifts from both corporate and private sources.

The nature of the Foundation's activities requires considerable administrative resources, the commitment for which is generally for a period in excess of that for which our income is sourced or committed. Accordingly, to allow the Foundation to continue to deliver on its objectives and adjust to negative short term changes in funding, the trustees believe that the Foundation should endeavour to build up and then maintain reserves in the range of six to twelve months (£250,000 to £500,000) of our projected overheads. To that end, the Foundation is currently building its reserve which at year end has grown to £436,704 (2017: £346,815).

### Plans for future periods

During the next financial year, the Foundation will undertake the following actions;

1. Broadening our grantmaking reach through the addition of:
  - a. 'easy access micro grants' for grassroot community action
  - b. multi-fund support to identified strategic charities through a single application pathway
  - c. strategic leadership initiatives that tackle root causes rather than addressing their symptoms
  
2. Developing enhanced ways of demonstrating impact through:
  - a. improving current online assessment data collection
  - b. sharing case studies
  - c. using research to demonstrate the wider impact of Foundation investment

### Key management personnel remuneration

The Board consider the key management personnel of the Foundation in charge of directing and controlling the Foundation to comprise the trustees and chief executive; with his team managing the charity on a day-to-day basis.

The pay of all senior staff is reviewed annually by the chief executive initially who then makes recommendations to the Board of Trustees.

All trustees give their time freely and no trustee remuneration was paid in the year. There are no trustees' expenses to disclose.

### Related parties

The Foundation is a member of the UK Community Foundations (UKCF). Established in 1991, UKCF is the national organisation linking, promoting and supporting 46 community foundations in England, Northern Ireland, Scotland and Wales.

# Suffolk Community Foundation

## Trustees' Report

For the Year ended 30 June 2018

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Trustees, staff and non-trustees who sit on committees are required to disclose all relevant outside interests which are recorded in a document and updated quarterly. Where a conflict of interest exists, trustees withdraw from decisions.

### Disclosure of information to auditors

All of the current Trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Foundation's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditors are unaware.

### Auditors

A resolution proposing that Ensors Accountants LLP be reappointed as auditors of the company will be put to the members.

On behalf of the board of trustees



**James Buckle**  
Trustee

24 September 2018

## **Suffolk Community Foundation**

### **Statement of Trustees' Responsibilities**

**For the Year ended 30 June 2018**

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The trustees, who are also the directors of Suffolk Community Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the Incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The following information for the accounting year ended 30 June 2018 is presented in the form required by the Charity Commission and the Companies Act 2006 and as amended by the Charities Act 2011. The Foundation also produces an Annual Review, which includes information presented more visually about activities undertaken in the year, including detailed grant information.

The Financial Statements and Annual Review are also published on the Foundation's website ([www.suffolkcf.org.uk](http://www.suffolkcf.org.uk)) in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Foundation's website is the responsibility of the trustees. The trustees' responsibility also extends to the on-going integrity of the financial statements contained therein.



## **Suffolk Community Foundation**

### **Independent Auditors' Report to the Members of Suffolk Community Foundation**

**For the Year ended 30 June 2018**

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#### **Opinion**

We have audited the financial statements of Suffolk Community Foundation (the 'charitable company') for the year ended 30 June 2018 which comprise the Statement of Financial Activities, Summary Income and Expenditure Account, Balance Sheet, Cash Flow Statement and notes to the accounts, 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 30 June 2018, and of its net movement in funds, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

## **Suffolk Community Foundation**

### **Independent Auditors' Report to the Members of Suffolk Community Foundation**

**For the Year ended 30 June 2018**

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#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and Financial Statements, other than the financial statements and our auditors' 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 statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has 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 in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees 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.

## Suffolk Community Foundation

### Independent Auditors' Report to the Members of Suffolk Community Foundation

For the Year ended 30 June 2018

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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.

#### Auditors' 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 auditors' 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: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

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



**Helen Rumsey (Senior Statutory Auditor)**  
for and on behalf of Ensors Accountants LLP  
Statutory Auditor  
Cardinal House  
46 St Nicholas Street  
Ipswich  
Suffolk  
IP1 1TT

Dated: 2 October 2018 .....

# Suffolk Community Foundation

## Statement of Financial Activities

For the Year ended 30 June 2018

	Notes	Unrestricted funds	Restricted Funds	Endowment funds	Total 2018	Unrestricted funds	Restricted Funds	Endowment funds	Total 2017
		£	£	£	£	£	£	£	£
<b>Income and endowments from:</b>									
Donations and legacies									
<i>Donations and legacies</i>	2	192,167	2,686,110	798,381	3,676,658	242,722	1,544,195	523,399	2,310,316
<i>Grants</i>	2	-	238,984	-	238,984	-	494,010	-	494,010
Other trading activities	3	93,495	42,981	-	136,476	158,641	82,354	75,000	315,995
Investments	4	39,550	357,377	-	396,927	37,146	325,229	-	362,375
<b>Total Income</b>		<b>325,212</b>	<b>3,325,452</b>	<b>798,381</b>	<b>4,449,045</b>	<b>438,509</b>	<b>2,445,788</b>	<b>598,399</b>	<b>3,482,696</b>
<b>Expenditure on:</b>									
Raising funds	5	135,266	86,506	36,038	257,810	134,043	142,588	32,765	309,396
Charitable activities									
<i>Grants awarded</i>	5	51,498	2,563,072	-	2,614,570	59,471	2,092,844	-	2,152,315
<i>Other charitable activities</i>	5	375,155	3,406	-	378,561	424,188	1,517	-	425,705
<b>Total expenditure</b>	5	<b>561,919</b>	<b>2,652,984</b>	<b>36,038</b>	<b>3,250,941</b>	<b>617,702</b>	<b>2,236,949</b>	<b>32,765</b>	<b>2,887,416</b>
Net gains on Investments		-	11,115	-	11,115	603	61,550	-	62,153
Net Income / (expenditure)		(236,707)	683,583	762,343	1,209,219	(178,590)	270,389	565,634	657,433
Transfers between funds		326,596	(174,409)	(152,187)	-	284,867	(266,232)	(18,635)	-
Gains on revaluation of Investments		-	-	490,052	490,052	-	-	1,215,678	1,215,678
<b>Net movement in funds</b>		<b>89,889</b>	<b>509,174</b>	<b>1,100,208</b>	<b>1,699,271</b>	<b>106,277</b>	<b>4,157</b>	<b>1,762,677</b>	<b>1,873,111</b>
Fund balances at 1 July 2017		346,815	1,226,093	11,589,196	13,162,104	240,538	1,221,936	9,826,519	11,288,993
<b>Fund balances at 30 June 2018</b>		<b>436,704</b>	<b>1,735,267</b>	<b>12,689,404</b>	<b>14,861,375</b>	<b>346,815</b>	<b>1,226,093</b>	<b>11,589,196</b>	<b>13,162,104</b>

## Suffolk Community Foundation

### Summary Income and Expenditure Account

For the Year ended 30 June 2018

	2018 £	2017 £
Income	3,405,924	2,540,557
Gains / (losses) on Investments	11,115	62,153
Interest and Investment Income	396,927	362,375
<b>Gross income in the reporting period</b>	<b>3,813,966</b>	<b>2,965,085</b>
Expenditure	3,208,032	2,847,496
Interest payable	-	-
Depreciation	6,871	7,155
<b>Total expenditure in the reporting period</b>	<b>3,214,903</b>	<b>2,854,651</b>
<b>Net income before tax in the reporting period</b>	<b>599,063</b>	<b>110,434</b>
Tax payable	-	-
<b>Net income in the reporting period</b>	<b>599,063</b>	<b>110,434</b>
 The above excludes income for endowment.		
<b>Statement of Recognised Gains and Losses</b>		
<b>Net income for the year</b>	<b>599,063</b>	<b>110,434</b>
Unrealised gains on investments held by Income funds	-	-
Net movement on endowment funds	1,100,208	1,762,677
	<b>1,699,271</b>	<b>1,873,111</b>

# Suffolk Community Foundation

## Balance Sheet

As at 30 June 2018

Company number 05369725

	Notes	2018		2017	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		12,706		15,707
Investments	13		12,669,735		11,638,502
<b>Total fixed assets</b>			<b>12,682,441</b>		<b>11,654,209</b>
<b>Current assets:</b>					
Debtors	14	423,151		243,015	
Cash at bank and In hand		2,706,216		1,962,942	
<b>Total current assets</b>		<b>3,129,367</b>		<b>2,205,957</b>	
<b>Liabilities:</b>					
Creditors amounts falling due within one year	15	(897,483)		(610,987)	
<b>Net current assets</b>			<b>2,231,884</b>		<b>1,594,970</b>
<b>Total assets less current liabilities</b>			<b>14,914,325</b>		<b>13,249,179</b>
Creditors: amounts falling due after more than one year	16		(52,950)		(87,075)
<b>Net assets</b>			<b>14,861,375</b>		<b>13,162,104</b>
<b>The funds of the charity:</b>					
<b>Capital funds</b>					
Endowment funds	17		12,689,404		11,589,196
<b>Income funds</b>					
Restricted funds	18		1,735,267		1,226,093
Unrestricted funds			436,704		346,815
<b>Total charity funds</b>			<b>14,861,375</b>		<b>13,162,104</b>

These financial statements have been prepared in accordance with the provisions applicable to companies' subject to the Companies Act 2006 small companies' regime.

The financial statements were approved by the Board and authorised for issue on

.....24 September.....2018.....

  
Mr J Buckle  
Trustee

  
Mrs S Gull  
Trustee

The notes on pages 20 to 37 form part of these financial statements.

# Suffolk Community Foundation

## Cash Flow Statement

For the Year ended 30 June 2018

	Notes	2018		2017 (restated)	
		£	£	£	£
<b><i>Cash flows from operating activities:</i></b>					
Net cash provided by (used in) operating activities	20a		(194,331)		(460,344)
<b><i>Cash flows from investing activities:</i></b>					
Dividends, interest and rents from investments			398,160		353,864
Proceeds from the sale of investments			718,779		1,025,874
Purchase of fixed assets			(3,870)		-
Purchase of investments			(973,845)		(1,441,093)
<b><i>Net cash generated/ (or used) in investing activities</i></b>			<b>139,224</b>		<b>(61,355)</b>
<b><i>Cash flows from financing activities:</i></b>					
Receipt of endowments			798,381		598,399
<b><i>Changes in cash and cash equivalents in the year</i></b>	20b		<b>743,274</b>		<b>76,700</b>
Cash and cash equivalents at the beginning of the reporting period			1,962,942		1,886,242
<b><i>Cash and cash equivalents at the end of the reporting period</i></b>	20b		<b>2,706,216</b>		<b>1,962,942</b>

The notes on pages 20 to 37 form part of these financial statements.

# Suffolk Community Foundation

## Notes to the Accounts

For the Year ended 30 June 2018

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### 1 Accounting policies

Suffolk Community Foundation is a company limited by guarantee, domiciled and incorporated in England and Wales, registration number 05369725.

Suffolk Community Foundation is a registered charity, registration number 01109453.

The registered office for the charity is The Old Barns, Peninsula Business Centre, Wherstead, Ipswich, IP9 2BB.

#### 1.1 Basis of preparation

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (updated 2 February 2016) and the Companies Act 2006.

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

The financial statements have been prepared in sterling, which is the functional currency of the Foundation, and rounded to the nearest pound.

#### 1.2 Preparation of accounts on a going concern basis

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The review of the financial position, reserves levels and future plans gives trustees confidence the charity remains a going concern for the foreseeable future.

The following principal accounting policies have been applied:

#### 1.3 Income

All income is included in the Statement of Financial Activities when the income entitlement is probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

**Donations** comprise grants, donations and gifts given to the charity towards the core running costs and grantmaking. Income is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant;

**Other trading activities** comprises income generated from fundraising events, including sponsorship towards such events. Income is included in full in the Statement of Financial Activities when receivable;

**Investment income** is included when receivable. Realised and unrealised gains are included on the bottom of the Statement of Financial Activities;

**Legacies** are accounted for on an accruals basis as soon as they have been notified to the charity, and can be evaluated with reasonable certainty;

**Donated services and facilities** are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.



# Suffolk Community Foundation

## Notes to the Accounts (continued)

For the Year ended 30 June 2018

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### 1 Accounting policies continued

#### 1.4 Expenditure

Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates. The following specific policies are applied to particular categories of expenditure;

*Expenditure on raising funds* comprises those costs incurred in generating voluntary income, fundraising trading costs and investment management costs. These costs are regarded as necessary to generate funds needed to finance charitable activities;

*Expenditure on charitable activities* includes the value of grants awarded by the Foundation and the costs incurred by the charity in the delivery of its activities and services for its beneficiaries. Grants payable are recognised as expenditure and included in the SOFA when approved by the trustees and accepted by the beneficiaries. The value of such grants unpaid at the year-end is accrued. Grants where the beneficiary has to meet certain conditions before the grant is released are accrued as financial commitments. Where a grant is to be paid by instalments, the outstanding balance is disclosed as a liability.

Charitable expenditure includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them and have been allocated on an activity costs basis consistent with the use of resources. Within these costs are governance costs which are the costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of resources.

#### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Capital costs greater than £500 are capitalised and carried in the balance sheet at historical cost. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	33% straight line
Fixtures, fittings & equipment	25% reducing balance

At each reporting date the charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined by which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

#### 1.6 Leasing

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

# Suffolk Community Foundation

## Notes to the Accounts (continued)

For the Year ended 30 June 2018

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**1 Accounting policies continued**

**1.7 Taxation**

As a registered charity, the Foundation benefits from Council tax relief and is generally exempt from Income Tax and Capital Gains Tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

**1.8 Financial Instruments**

Financial instruments are recognised in the Balance Sheet when the charity becomes party to the contractual provision of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legal enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets include trade and other receivables and cash and bank balances. These are initially measured at transaction price, including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the transaction constitutes a financial transaction, where the transaction is measured at the present value of the future receipts.

**Impairment of financial assets**

Financial assets are assessed for indicators of impairment each year. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. This impairment is recognised in the SOFA.

**De-recognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

**Classification of financial liabilities**

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

**Basic financial liabilities**

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as a current liability if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**De-recognition of financial liabilities**

Financial liabilities are derecognised when, and only when, the charity's obligations are discharged, cancelled, or they expire.

**1.9 Investments**

Quoted investments are shown at middle market value. Differences arising on closing market value are taken to the Statement of Financial Activities as an unrealised movement.

Income arising from investments is accounted for on an accruals basis. Investment income on endowment is taken to unrestricted or restricted income as appropriate through the transfer between funds.

# Suffolk Community Foundation

## Notes to the Accounts (continued)

For the Year ended 30 June 2018

---

**1 Accounting policies continued**

**1.10 Pensions**

The charity operates a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

**1.11 Fund accounting**

Funds held by the Foundation are:

**Unrestricted funds** – these are funds that can be used in furtherance of the charitable objects at the discretion of the trustees.

**Restricted funds** – these are funds that can only be used for restricted purposes within the objects of the Foundation. Restrictions arise when specified by the donor or when funds are raised for restricted purposes. Charitable contributions are levied from restricted funds as grants are awarded and transferred to unrestricted funds to help support the Foundation's core costs.

**Endowment funds** – are represented by assets held for the long term by the charity, principally investments. In accordance with the donors' wishes the capital can be permanent or expendable by nature. Income arising from the endowment assets is typically used for grant making or other charitable objects. Realised and unrealised gains or losses arise and the investment management charges are credited or charged to the funds. In addition, an agreed contribution to core costs is made by each fund within the endowments and is transferred to the unrestricted fund to support the work of the Foundation.

Income arising on endowment funds is credited to unrestricted funds or restricted funds, and is used for grant making or other charitable activity. For most endowment funds, if they are expendable in nature, and if the investment income does not meet the annual target designated for grant making (currently 5%), a transfer is made from capital to meet the shortfall.

**Transfers** – comprise transfers to unrestricted funds from restricted funds and endowment funds to support the work of the Foundation as described above, plus certain transfers of capital as described above, plus other relevant items that may arise periodically.

**1.12 Investment properties**

Investment properties are stated at valuation. Surpluses arising on revaluation are taken to the Statement of Financial Activities.

**1.13**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

# Suffolk Community Foundation

## Notes to the Accounts (continued)

For the Year ended 30 June 2018

### 1 Accounting policies continued

#### 1.14 Judgements and key sources of estimation uncertainty

In application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of revision and future periods where the revision affects both the current and future periods.

#### Critical Judgements

**Property Valuation** - The portfolio of freehold properties are held at market valuation, as valued by a professional valuer. This valuation includes professional opinion and judgement.

### 2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2018 £	Total 2017 £
Donations and gifts	192,167	2,686,110	798,381	3,676,658	2,230,316
Legacy Income	-	-	-	-	80,000
	<u>192,167</u>	<u>2,686,110</u>	<u>798,381</u>	<u>3,676,658</u>	<u>2,310,316</u>

#### Donations and gifts

##### Unrestricted funds:

Corporate donations and gifts				16,033	21,330
Private donations and gifts				94,916	134,201
Membership				81,218	87,191
				<u>192,167</u>	<u>242,722</u>

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2018 £	Total 2017 £
<b>Grant Income</b>					
Grants	-	238,984	-	238,984	494,010
	<u>-</u>	<u>238,984</u>	<u>-</u>	<u>238,984</u>	<u>494,010</u>

Included within income relating to grant making are the following grants

The Henry Smith Charity				213,989	311,750
Comic and Sports Relief				24,995	82,260
Big Lottery Fund				-	100,000
				<u>238,984</u>	<u>494,010</u>

# Suffolk Community Foundation

## Notes to the Accounts (continued)

For the Year ended 30 June 2018

<b>3 Income from trading activities</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Endowment funds</b>	<b>Total 2018</b>	<b>Total 2017</b>
	£	£	£	£	£
Event Income	93,495	42,981	-	136,476	315,995
	<u>93,495</u>	<u>42,981</u>	<u>-</u>	<u>136,476</u>	<u>315,995</u>
<b>4 Investment Income</b>	<b>Unrestricted funds</b>	<b>Restricted Funds</b>	<b>Endowment funds</b>	<b>Total 2018</b>	<b>Restated Total 2017</b>
	£	£	£	£	£
Rental Income from property Investments	-	40,848	-	40,848	35,663
Income from listed investments	38,791	313,548	-	352,339	321,384
Other investment income	759	2,981	-	3,740	5,328
	<u>39,550</u>	<u>357,377</u>	<u>-</u>	<u>396,927</u>	<u>362,375</u>

Realised and unrealised gains and losses on investments are not shown as investment income, but are included at the bottom of the Statement of Financial Activities.

# Suffolk Community Foundation

## Notes to the Accounts (continued)

For the Year ended 30 June 2018

### 5 Expenditure

	Note	Staff costs £	Depreciation £	Other Costs £	Grant Funding	Total 2018 £	Restated Total 2017 £
<b>Raising funds</b>							
Events and marketing		-	-	78,646	-	78,646	186,284
Support costs	7	120,227	1,168	14,253	-	135,648	74,814
Investment management costs		-	-	39,549	-	39,549	36,188
Other Investment property costs		-	-	3,967	-	3,967	12,110
<b>Total raising funds</b>		<b>120,227</b>	<b>1,168</b>	<b>136,415</b>	<b>-</b>	<b>257,810</b>	<b>309,396</b>
<b>Charitable activities</b>							
<b>Grants programme</b>							
Grant funding of activities	6	-	-	-	2,614,570	2,614,570	2,152,315
Support costs	7	162,187	2,748	36,239	-	201,174	202,982
		<b>162,187</b>	<b>2,748</b>	<b>36,239</b>	<b>2,614,570</b>	<b>2,815,744</b>	<b>2,355,297</b>
<b>Community development</b>							
Support costs	7	89,962	2,267	27,668	-	119,897	163,301
<b>Research and education</b>							
Support costs	7	34,460	688	8,384	-	43,532	46,587
<b>Management, operational and financial administration</b>							
Support costs	7	-	-	13,958	-	13,958	12,835
<b>Total charitable activities</b>		<b>286,609</b>	<b>5,703</b>	<b>86,249</b>	<b>2,614,570</b>	<b>2,993,131</b>	<b>2,578,020</b>
<b>Total expenditure</b>		<b>406,836</b>	<b>6,871</b>	<b>222,664</b>	<b>2,614,570</b>	<b>3,250,941</b>	<b>2,887,416</b>

# Suffolk Community Foundation

## Notes to the Accounts (continued)

For the Year ended 30 June 2018

**6 Grants payable**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Grants programme	2,614,570	2,152,315

Grants are distributed through panels throughout Suffolk to a wide range of organisations.

The Foundation manages a wide portfolio of funds on behalf of statutory bodies, individuals and organisations. Its core activity is to provide support to small, local, grass-root community and voluntary groups across Suffolk. The vast majority of its grantmaking activity, in terms of both number and monetary value of grants, has been directed to this objective.

During the year 705 grants (2017: 646) were distributed. A full analysis of grants paid in the year can be obtained from the registered office.

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Reconciliation of grants payable</b>		
Commitments made in the year	2,614,570	2,152,315
Grants paid during the year	(2,365,761)	(2,134,405)
Commitments at 1 July 2017	640,943	623,033
Commitments at 30 June 2018	<u>889,752</u>	<u>640,943</u>
Commitments at 30 June 2018 are payable as follows:		
Within one year	836,802	553,868
After more than one year	52,950	87,075
	<u>889,752</u>	<u>640,943</u>

# Suffolk Community Foundation

## Notes to the Accounts (continued)

For the Year ended 30 June 2018

### 7 Support costs

	Raising funds	Grants programme	Management & admin	Community development	Research & education	Total 2018	Restated Total 2017
	£	£	£	£	£	£	£
Office and admin	7,901	21,292	-	15,337	4,648	49,178	42,735
Premises expenses	5,837	13,734	-	11,330	3,433	34,334	31,013
Staff costs	120,227	162,187	-	89,962	34,459	406,835	402,314
Depreciation	1,168	2,748	-	2,267	688	6,871	7,552
Information technology costs	515	1,213	-	1,001	304	3,033	4,070
Governance costs (Note 8)	-	-	13,958	-	-	13,958	12,835
	<u>135,648</u>	<u>201,174</u>	<u>13,958</u>	<u>119,897</u>	<u>43,532</u>	<u>514,209</u>	<u>500,519</u>

Premises expenses include £21,600 (2017: £21,600) payable in respect of operating leases for property. Office and administration expenses include £3,595 (2017: £3,962) in respect of operating leases for plant and machinery.

During 2018 the trustees revised the activities of the charity to clarify the categorisation of the management and administrative expenses. The comparative figures for 2017 have been adjusted to reflect these changes in the reallocation of support costs.

### 8 Governance costs

	2018 £	2017 £
Legal and professional fees	12,470	11,400
Other costs	1,488	1,435
	<u>13,958</u>	<u>12,835</u>

Governance costs includes payments to the auditors of £8,000 (2017: £7,000) for audit fees.



# Suffolk Community Foundation

## Notes to the Accounts (continued)

For the Year ended 30 June 2018

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year (2017: £nil).

### 10 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2018 Number	2017 Number
Key management personnel	2	2
Operational	12	11
	<u>14</u>	<u>13</u>

The average number of full time employees during the year was 11 (2017: 10)

Employment costs	2018 £	2017 £
Wages and salaries	354,803	353,527
Social security costs	29,941	28,389
Other pension costs	22,092	20,398
	<u>406,836</u>	<u>402,314</u>

One employee received remuneration of between £70,000 and £79,999 in 2018 (2017: One between £70,000 and £79,999) including pension contributions.

The key management personnel comprise the Chief Executive, Head of Operations & Company Secretary and the trustees. The total employee benefits including pension and employer's national insurance contributions of the key management personnel were £134,515 (2017: £131,845).

### 11 Pension and other post-retirement benefit commitments

#### Defined contribution

	2018 £	2017 £
Contributions payable by the company for the year	<u>22,092</u>	<u>20,398</u>

# Suffolk Community Foundation

## Notes to the Accounts (continued)

For the Year ended 30 June 2018

### 12 Tangible fixed assets

	Fixtures, fittings & equipment
	£
<b>Cost</b>	
At 1 July 2017	44,389
Additions	3,870
Disposals	(3,054)
<b>At 30 June 2018</b>	<u>45,205</u>
<b>Depreciation</b>	
At 1 July 2017	28,682
On disposals	(3,054)
Charge for the year	6,871
<b>At 30 June 2018</b>	<u>32,499</u>
<b>Net book value</b>	
At 30 June 2018	<u>12,706</u>
At 30 June 2017	<u>15,707</u>

### 13 Fixed asset investments

	Listed investments	Investment properties	Unlisted investments	Total
	£	£	£	£
Market value at 1 July 2017	9,955,502	1,683,000	-	11,638,502
Disposals at opening book value	(707,663)	-	-	(707,663)
Acquisitions at cost	944,453	275,000	-	1,219,453
Change in value in the year	519,443	-	-	519,443
<b>Market value at 30 June 2018</b>	<u>10,711,735</u>	<u>1,958,000</u>	<u>-</u>	<u>12,669,735</u>
<b>Historical cost:</b>				
At 30 June 2018	<u>8,934,919</u>	<u>1,751,750</u>	<u>1</u>	<u>10,686,670</u>
At 30 June 2017	<u>8,593,944</u>	<u>1,476,750</u>	<u>1</u>	<u>10,070,695</u>

# Suffolk Community Foundation

## Notes to the Accounts (continued)

For the Year ended 30 June 2018

### 13 Fixed asset investments (continued)

During the year a property, valued on that date at £275,000, was gifted to the charity.

In the year to 30 June 2017 the charity obtained a valuation by Lacy Scott and Knight, Chartered Surveyors of each of the properties held and a revaluation adjustment was made accordingly to state the properties at the market valuation at 30 June 2017.

The trustees consider the values to have not changed significantly, therefore the 2017 valuations are considered appropriate.

#### Holdings of more than 5%

Holdings representing more than 5% of the value of total market investments:

	Market Value £
COIF Charities Investment Fund Income units	5,480,722

### 14 Debtors

	2018 £	2017 £
Trade debtors	-	11,598
Accrued Income	354,039	149,619
Prepayments	7,814	13,259
Other debtors	61,298	68,539
	<u>423,151</u>	<u>243,015</u>

Other debtors include loans of £61,245 repayable in less than 10 years. Normal market rates of interest have been charged on the loans.

## Suffolk Community Foundation

### Notes to the Accounts (continued)

For the Year ended 30 June 2018

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**15 Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other creditors	5,603	241
Grants payable – see note 6	836,802	553,868
Accruals	55,078	56,878
	<u>897,483</u>	<u>610,987</u>

Included in accruals is an amount of £1,730 at 30 June 2018 (2017: £1,564) relating to pension or other post- retirement benefits.

**16 Creditors: amounts falling due after more than one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Grants payable – see note 6	52,950	87,075
	<u>52,950</u>	<u>87,075</u>

# Suffolk Community Foundation

## Notes to the Accounts (continued)

For the Year ended 30 June 2018

### 17 Endowment funds summary

	Balance at 1 July 2017	Income	Investment fees	Other transfers	Unrealised Investments gains/losses	Balance at 30 June 2018
	£	£	£	£	£	£
Linked charity	515,931	300,000	-	144,841	22,558	983,330
Other endowment	7,911,241	468,332	(36,038)	(256,709)	292,863	8,379,689
Community First funds	3,162,024	30,049	-	(40,319)	174,631	3,326,385
	<u>11,589,196</u>	<u>798,381</u>	<u>(36,038)</u>	<u>(152,187)</u>	<u>490,052</u>	<u>12,689,404</u>
	Balance at 1 July 2016	Income	Investment fees	Other transfers	Unrealised Investments gains/losses	Balance at 30 June 2017
	£	£	£	£	£	£
Linked charity	462,074	-	-	(4,620)	58,477	515,931
Other endowment	6,404,482	540,466	(32,765)	(14,549)	1,013,607	7,911,241
Community First funds	2,959,963	57,933	-	534	143,594	3,162,024
	<u>9,826,519</u>	<u>598,399</u>	<u>(32,765)</u>	<u>(18,635)</u>	<u>1,215,678</u>	<u>11,589,196</u>

#### Linked charity

On 25 March 2015, the Charity Commission for England and Wales authorised a Linking Direction between Suffolk Community Foundation and Fonnereau Road Health Foundation Fund (FRHFF) such that the FRHFF Endowment became a linked charity of the Foundation. The trustees hold the capital of this fund in the form of permanent endowment with any income generated by this fund used by the trustees at their discretion in furthering the objects of the charity as documented in the Trust Deed.

#### Other endowments

We build and manage both expendable and permanent endowments to provide sustainable revenue for grantmaking. Community First funds are an Office of Civil Society Initiative to support philanthropic activity by offering match funding to support the growth of endowment funds. Under the scheme for every £ donated 50 pence was provided as a match. The scheme finished in 2015 and all funds are managed by CCLA.

#### Grantmaking

Grants from endowment funds are made from restricted funds of the same name, see note 18.

#### Transfers

Transfers from endowment funds represent donor advised amounts for grantmaking purposes. Transfers to endowment funds are from the related restricted funds either to fund management fees or as a donor advised transfer to increase their endowment fund from general donations.

#### Investment income

In accordance with the SORP any income earned on endowment funds invested is received in the grantmaking fund to enable grants to be made from the income.

## Suffolk Community Foundation

### Notes to the Accounts (continued)

For the Year ended 30 June 2018

#### 18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 July 2017	Incoming resources	Resources expended	Other transfers	Investments gains on disposal	Balance at 30 June 2018
	£	£	£	£	£	£
Grantmaking funds	1,226,093	3,244,402	(2,571,934)	(174,409)	11,115	1,735,267
Overhead funds	-	81,050	(81,050)	-	-	-
	<u>1,226,093</u>	<u>3,325,452</u>	<u>(2,652,984)</u>	<u>(174,409)</u>	<u>11,115</u>	<u>1,735,267</u>
	<u>1,221,936</u>	<u>2,352,384</u>	<u>(2,143,545)</u>	<u>(266,232)</u>	<u>61,550</u>	<u>1,226,093</u>
Overhead funds	-	93,404	(93,404)	-	-	-
	<u>1,221,936</u>	<u>2,445,788</u>	<u>(2,236,949)</u>	<u>(266,232)</u>	<u>61,550</u>	<u>1,226,093</u>

#### Grantmaking funds

Funds held for the purpose of grantmaking to communities, groups and projects as defined by the purpose of each fund.

#### Overhead funds

Funds awarded towards specific running costs.

#### Transfers

Transfers in represent a release of capital from endowment funds. Transfers out generally represent donor wishes to convert part of their donation to an endowment fund, or a transfer of restricted funds of a similar nature.

# Suffolk Community Foundation

## Notes to the Accounts (continued)

For the Year ended 30 June 2018

### 19 Analysis of net assets between funds

	Unrestricted £	Restricted £	Endowment £	Total £
Fund balances at 30 June 2018 are represented by:				
Tangible fixed assets	12,706	-	-	12,706
Investments	-	-	12,669,735	12,669,735
Current assets	484,679	2,625,019	19,669	3,129,367
Creditors: amounts falling due within one year	(60,681)	(836,802)	-	(897,483)
Creditors: amounts falling due after more than one year	-	(52,950)	-	(52,950)
	<u>436,704</u>	<u>1,735,267</u>	<u>12,689,404</u>	<u>14,861,375</u>

	Unrestricted £	Restricted £	Endowment £	Total £
Fund balances at 30 June 2017 are represented by:				
Tangible fixed assets	15,707	-	-	15,707
Investments	49,306	-	11,589,196	11,638,502
Current assets	338,921	1,867,036	-	2,205,957
Creditors: amounts falling due within one year	(57,119)	(553,868)	-	(610,987)
Creditors: amounts falling due after more than one year	-	(87,075)	-	(87,075)
	<u>346,815</u>	<u>1,226,093</u>	<u>11,589,196</u>	<u>13,162,104</u>

## Suffolk Community Foundation

### Notes to the Accounts (continued)

For the Year ended 30 June 2018

#### 20 Notes to the cash flow statement

##### (a) Reconciliation of net incoming resources to net cash flow from operating activities

	2018	2017 (restated)
	£	£
Net income / (expenditure) for the reported period (as per the statement of financial activities)	1,699,271	1,873,111
Adjustments for:		
Depreciation charges	6,871	7,155
(Gains) / losses on investments	(490,052)	(1,155,351)
New endowments	(798,381)	(598,399)
Dividends interest and rents from investments	(396,927)	(362,375)
Loss / (profit) on sale of investment and assets	(11,115)	(122,480)
(Increase) / decrease in debtors	(181,368)	218,124
Increase / (decrease) in creditors	252,370	(141,129)
Donated properties	(275,000)	(179,000)
<b>Net cash provided by (used in) operating activities</b>	<b>(194,331)</b>	<b>(460,344)</b>

2017 figures have been restated to correctly separate donated property from investment additions.

##### (b) Analysis of cash and cash equivalents

	2017	Movement in cash flow	2018
	£	£	£
Cash at bank and in hand	1,962,942	743,274	2,706,216
	<u>1,962,942</u>	<u>743,274</u>	<u>2,706,216</u>

#### 21 Commitments under operating leases

At 30 June 2018 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2018	2017	2018	2017
	£	£	£	£
Expiry date:				
Within one year	21,600	21,600	2,185	2,239
Between two and five years	59,400	81,000	4,582	6,710
Over five years	-	-	-	-
	<u>81,000</u>	<u>102,600</u>	<u>6,767</u>	<u>8,949</u>



# Suffolk Community Foundation

## Notes to the Accounts (continued)

For the Year ended 30 June 2018

### 22 Related party transactions

Due to the nature of the charitable company's operations and the composition of the Board of Trustees, various trustees are fund holders and also trustees of other charities receiving grants from Suffolk Community Foundation.

During the year, donations from trustees totalled £17,050 (2017: £8,440).

During the year the following amounts were included as professional fees:

£542 (2017: £960) Birketts LLP – a business in which Jonathan Agar has an interest – for professional services in relation to the gift of property.

£2,980 (2017: £Nil) Scrutton Bland LLP – a business in which Susan Gull has an interest – for professional services in relation to the preparation of accounts.

### 23 Members' liability

The liability of the members, in the event of the Foundation being wound up, is limited to the sum not exceeding £1.

### 24 Contingent Assets

As at 30 June 2018, the charity had been notified of a significant proposed transfer of assets in the region of £1.5m to its endowment fund, which was contingent on Charity Commission approval which had not been received at the year end. The subsequent transfer of this gift to the Foundation's endowment fund is not included as an asset of the Foundation in these Accounts

### 25 Financial Instruments

	2018	2017
	£	£
Financial assets measured at amortised cost	415,337	229,756
Financial assets measured at market value	12,669,735	11,638,502
	<u>13,085,072</u>	<u>11,868,258</u>
Financial liabilities assets measured at amortised cost	<u>897,483</u>	<u>610,987</u>

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, and other debtors. Financial assets that are debt instruments measured at market value comprise investments.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

