



SUFFOLK
Community
Foundation

Suffolk Community Foundation

Trustees' Report and Financial Statements

For the Year Ended

30 June 2017

Suffolk Community Foundation

Legal and Administrative Information

Trustees

James Buckle, DL
Peter Newnham
Jonathan Agar
Susan Gull (Appointed 19.06.17)
David Hughes (Appointed 19.06.17)
The Hon. Sellna Hopkins
Iain Jamie
Gulshanbir Kayembe
William Kendall, DL (Appointed 19.06.17)
Sir David Rowland (Retired 12.01.17)
Lady Howes (Retired 08.12.16)
Nigel Smith
Neil Walmsley
The Very Reverend Dr Frances Ward
Terry Ward

Chief Executive

Stephen Singleton

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
Suffolk
IP1 1TT

Suffolk Community Foundation

Legal and Administrative Information

Bankers

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

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

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

Solicitors

**Birketts LLP
24-26 Museum Street
Ipswich
Suffolk
IP1 1HZ**

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

Chairman's Statement

It gives me great pleasure in presenting the Trustees' Annual Report and Financial Statements for the year ended 30 June 2017.

Suffolk Community Foundation has continued to develop well over the past year. The vision to surpass the £10 million endowment level in the tenth anniversary was delayed by a year. I am pleased to report not only has this been passed, but has now risen to £11.6 million. This is real endorsement of the principle of laying down investment funds that can support our community grantmaking in perpetuity. It is particularly encouraging that, through our engagement with professional advisors, we are witnessing more people adopting this approach and creating legacies that will be entrusted to the Foundation in the future for distribution to local charities. Apart from being highly tax efficient, this approach can also future-proof a gift by utilising the Foundation's knowledge and experience when it comes to distributing grants against constantly changing social needs.

Suffolk is a very generous county, yet so often our local charities and community groups are overlooked when charitable gifts are made. We estimate that as much as 78% of all charitable donations made across our county goes to causes elsewhere. As our Hidden Needs Report 2016 highlights, this is happening at a time when our own social needs are increasing with home grown charitable organisations having to work extremely hard to tackle increasing demand against reducing income. The role for the Foundation to stimulate and develop local philanthropy has never been greater. It is therefore comforting to report that during the year, the Foundation awarded 646 grants, a record number, with a value of more than £2.1 million.

Behind these achievements, are a committed and passionate group of people, our donors, volunteers, staff, trustees and patrons who have helped the Foundation over the past year. Thank you all for your enormous contribution. Following their retirement from the Board of Trustees, acknowledgement must be made to Lady Howes and Sir David Rowland for their total dedication in helping establish the Foundation during these formative years. Their belief in developing a community foundation for Suffolk has been unwavering, for which, we are extremely grateful.



James Buckle
Chairman

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2017

The trustees present their report and financial statements for the year ended 30 June 2017.

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)

Reference and administrative details

Trustees

The trustees are the directors for the purpose of company law, and who served during the year were:

Sub-committee

James Buckle, DL
Peter Newnham

Jonathan Agar
Susan Gull (Appointed 19.06.17)
David Hughes (Appointed 19.06.17)
The Hon. Sellna Hopkins
Iain Jamie
Gulshanbir Kayembe

William Kendall DL (Appointed 19.06.17)
Sir David Rowland
Lady Howes
Nigel Smith
Neil Walmsley
The Very Reverend Dr Frances Ward
Terry Ward

Chair of Trustees
Vice Chair, Grants & Community Impact Committee, Income
Development Committee, Operations Committee
Income Development Committee
Operations Committee
Operations Committee
Income Development Committee
Income Development Committee (Chair)
Grants & Community Impact Committee (Chair)
Nominations Committee

(Retired 12.01.17)
Vice Chair (Retired 08.12.16)
Operations Committee
Operations Committee (Chair), Nominations Committee
Grants & Community Impact Committee
Grants & Community Impact Committee

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2017

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, companies, 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 for addressing local needs.

Our mission is to make a measurable difference to Suffolk by connecting causes that matter with people who care. We do this by:

1. Providing open and accessible funding to smaller 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.

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2017

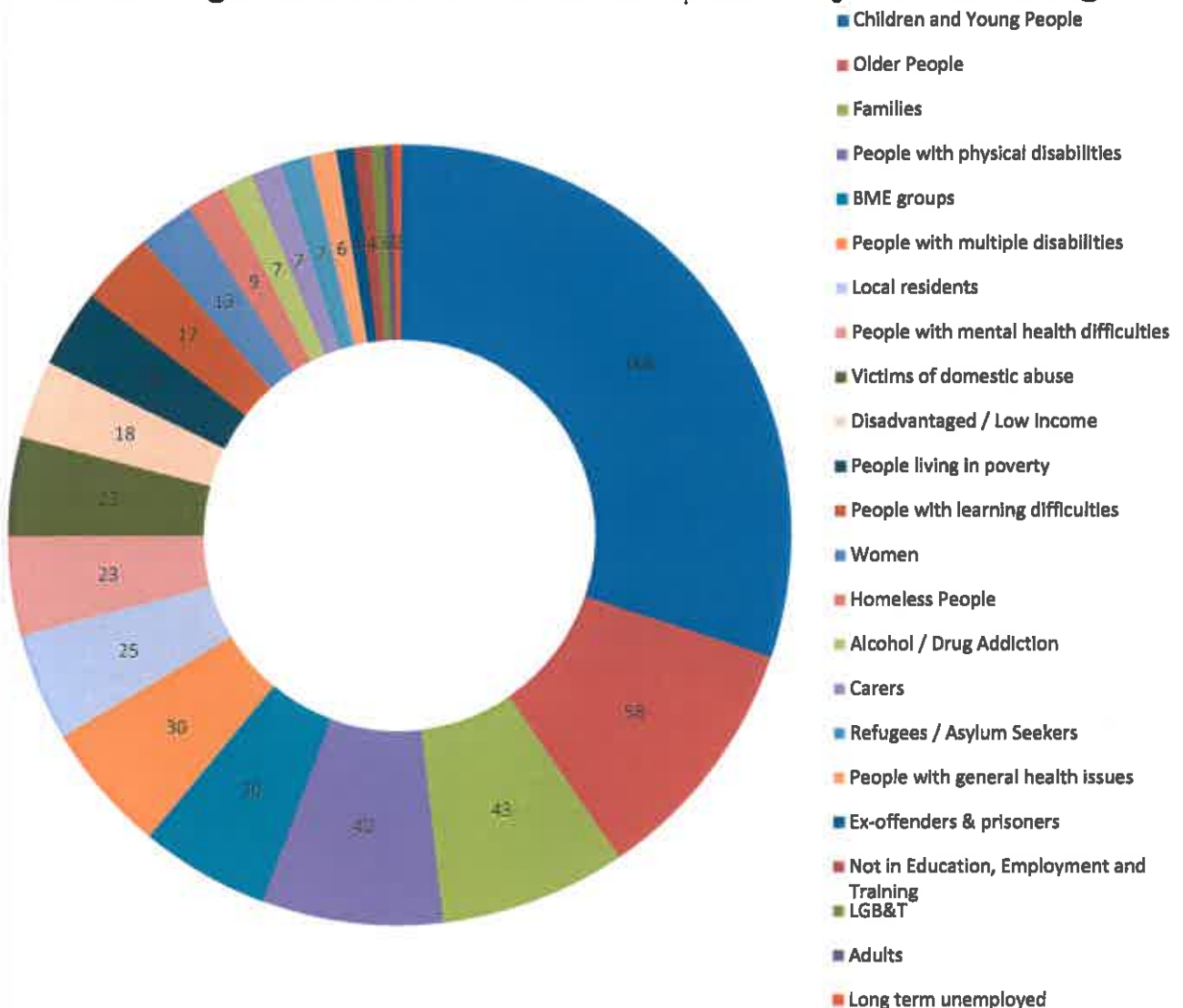
Significant activities

The trustees report that during the past financial year, the Foundation awarded 646 grants with a combined value of £2,152,315. Since 2005, the Foundation has awarded a total of 4,876 grants with a combined value in excess of £16m.

In addition to its grantmaking activity, the Foundation now manages on behalf of its donors, 65 endowed funds with a combined capital value of £11,589,196. Over the past year, these funds provided £362,375 investment income to support the Foundation's grantmaking activity.

The following illustration shows how the grants awarded are addressing a very broad range of social issues.

Number of grants awarded & the social issues they are addressing



Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2017

Grant making policy

Suffolk Community Foundation has established its grant making 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 needs that may be overlooked; and
- use priorities that are determined by local needs analysis.

Resources spent on charitable activities

At year end, the Foundation managed 93 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 practises 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 or demand increases, needs that are often related. The Foundation is witnessing increasing challenges for the sector and continues to allocate support to help organisations that are facing difficulties through advice as well as grant aid.

During the year, the average grant awarded by the Foundation was £3,332, with the number of grants awarded hitting a new annual high of 646 (2016: 608). The financial range of our grantmaking was from £125 to £97,400 over 3 years.

The associated direct delivery overhead for the Foundation's grant activity is £123,531 (note 7). However, the Foundation's mission is broader than its grantmaking activity 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. The charitable value of this activity over the past year equates to £96,861 (note 7).

The Foundation also revisited its Hidden Needs Report (2011) and working with the University of Suffolk following the publication of new government data, published Hidden Needs – Five Years On (2016). The report continues to play an important role in highlighting the social needs that exist across the County.

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2017

Achievements and performance 2016-17

In last year's Trustees' Report (2015-16) we recorded our key objectives for the coming year. The plans were set against a climate of increasing financial pressure on the local voluntary sector as public sector financial support continues to reduce whilst, demand for voluntary services increase. To develop the Foundation's ability to react to these conditions we committed to the following actions;

1. **Publish an updated Hidden Needs report**, to provide information regarding the levels of countywide deprivation across Suffolk. Working with the University of Suffolk, the report was published in September 2016 and has built on the first report published in 2011. Containing inter-active maps, the report has become an essential tool to;
 - a) strengthen our donor development work, by making a case for local philanthropy;
 - b) provide Independent information to help local voluntary organisations evidence their need when applying for support from other funders; and
 - c) continue to influence the direction of our own grant support.
2. **Produce a new style grantmaking impact report** to illustrate the effectiveness of our grant programmes in addressing social issues. Data has continued to be collected throughout the year via our online grant monitoring system to enable the Foundation to present a bigger picture of the collective impact of its grant making activity. This is now being analysed and will be presented to all partners during the coming year to increase awareness of the success and impact that local giving can achieve.
3. **Conduct an audit with existing donors** to measure their experience of working with the Foundation which was completed in March 2017. The report has been instrumental in helping the Foundation structure its resource and look in detail at the changing needs of its donors, essential work which is helping service delivery development. The overall response from the donors however, was very positive with 92% being very satisfied or satisfied with the service being provided by the Foundation.
4. **Continue to work with professional advisors** to increase the awareness of the Foundation's services has been further resourced this year and supported by a dedicated person leading on this initiative. The results are extremely encouraging, particularly regarding legacy planning for new and existing supporters, where the Foundation's approach and knowledge accommodates a bespoke and flexible but 'future-proofed' solution for clients.
5. **Develop and increase our donor base to enable endowment growth for sustainable grantmaking** has continued to be a cornerstone of our ongoing philosophy. During the year, the Foundation has continued to implement a strong communication plan to raise awareness of its services. By working closely with professional advisors and following recommendation from existing supporters, both the donor base and associated endowment continues to grow.
6. **Preparing for our Quality Standard reaccreditation** is of paramount importance for the Foundation in supporting strong governance, operational efficiency and strategic planning. The Foundation submitted its application during the year and has been independently assessed with confirmation as to our reaccreditation expected during late summer 2017.
7. **Continue to develop PR and communication material to help publicise the Foundation to a wider audience** has been a major development strategy over the past year and delivered with considerable

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2017

skill and success. The activity has been wide-ranging, from bringing the Royal Ballet to Suffolk for two performances through to a well-executed Surviving Winter Campaign to raise awareness of fuel poverty.

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 strengthened during the year with unrestricted reserves increasing by 44.2% to £346,815. The Foundation's endowment funds also witnessed significant growth of 17.9% to £11,589,196 through improved market investment performance and new donor contributions.

Restricted income for immediate grantmaking was stable, showing a small increase over the previous year. However, when considering the pressure on public sector finances and economic uncertainty, the trustees are comforted to see the overall improvement to the Foundation's financial position.

Investment policy and performance

Investments are held in accordance with the powers of the trustees set out in the Articles of Association (4.15). The ongoing responsibility for the investment portfolio is overseen by the Operations Committee who report to the Board of Trustees.

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.

The trustees have appointed Charles Stanley and Rathbones as Investment Managers and have also invested in a suitable CCLA fund.

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 was conducted and as a result the current value is £1.683m.

For the year ending 30 June 2017 investment income of £362,375 and realised and unrealised gains of £1,277,831 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. Over the past year, the only on-going concern has been the financial effect on charitable and community groups as a result of public sector cuts. This is manifesting itself in both increased demand for their services and reduced income that could be relied upon historically.

The risk to the Foundation is that against these conditions, we are witnessing more organisations that are applying for grant funding to support their running costs. The time spent on assessing the financial stability of applicants is therefore increasing as is the additional support we provide to assist these organisations navigate harsher operational conditions.

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2017

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 contributions levied for grant delivery programmes, 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 one and two years of our projected overheads. To that end, the Foundation is currently building its reserve which at year end has grown to £346,815 (2016: £240,538).

Plans for future periods

For the coming year, the Foundation has identified the following key strategic objectives that it will be concentrating on;

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

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2017

Structure, governance and management

Constitution

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.

Recruitment of the trustees

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.

Induction and training of trustees

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.

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2017

Organisational structure

Currently there are 13 trustees who meet formally at quarterly Board Meetings and between these meetings, business is conducted through sub-committees. All strategic aims are agreed by the trustees at Trustee Board Meetings.

During the year the trustees and executive have undertaken a review of the committee structure that oversees key operational activities undertaken by the Foundation. From this review, a new structure has been adopted which more closely aligns these activities as follows:

1. Income Development Committee
2. Grants and Community Impact Committee
3. Operations Committee

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.

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 twelve members of staff, (10 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.

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 £566M and annual grantmaking of £77M, the network is one of the UK's fastest growing foundation movements. 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.

During this past year, the Foundation saw the retirement of Sir David Rowland and Lady Howes from the Board of Trustees. We also welcome three new trustees Sue Gull, Dave Hughes and William Kendall, DL.

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2017

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 Foundation (UKCF). Established in 1991, UKCF is the national network linking, promoting and supporting over 46 community foundations in England, Northern Ireland, Scotland and Wales.

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

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

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

25 September 2017

Suffolk Community Foundation

Statement of Trustees' Responsibilities

For the Year ended 30 June 2017

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 2017 is presented in the form required by the Charity Commission and the Company 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) 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

Opinion

We have audited the financial statements of Suffolk Community Foundation (the 'charitable company') for the year ended 30 June 2017 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).

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.

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 2017, 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

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.

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

Suffolk Community Foundation

Independent Auditors' Report

To the Members of Suffolk Community Foundation

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.



Helen Rumsey (Senior Statutory Auditor)
for and on behalf of Ensors Accountants LLP

**Chartered Accountants
Statutory Auditor
Cardinal House
46 St Nicholas Street
Ipswich
Suffolk
IP1 1TT**

Dated: 28 September 2017

Suffolk Community Foundation

Statement of Financial Activities

For the Year ended 30 June 2017

	Notes	Unrestricted funds	Restricted Funds	Endowment funds	Total 2017	Unrestricted funds	Restricted Funds	Endowment funds	Total 2016
		£	£	£	£	£	£	£	£
Income and endowments from:									
Donations and legacies									
	2	242,722	1,544,195	523,399	2,310,316	165,578	1,920,349	1,398,295	3,484,222
	2	-	494,010	-	494,010	-	727,323	-	727,323
	3	158,641	82,354	75,000	315,995	39,190	33,450	-	72,640
	4	37,146	325,229	-	362,375	53,914	270,046	-	323,960
Total income		438,509	2,445,788	598,399	3,482,696	258,682	2,951,168	1,398,295	4,608,145
Expenditure on:									
	5	134,043	142,588	32,765	309,396	181,535	87,585	30,820	299,940
	5	483,659	2,094,361	-	2,578,020	325,831	2,374,005	-	2,699,836
Total expenditure	5	617,702	2,236,949	32,765	2,887,416	507,366	2,461,590	30,820	2,999,776
Net gains on investments		603	61,550	1,215,678	1,277,831	14,673	25,064	34,382	74,119
Net income / (expenditure)		(178,590)	270,389	1,781,312	1,873,111	(234,011)	514,642	1,401,857	1,682,488
Transfers between funds		284,867	(266,232)	(18,635)	-	257,612	(177,572)	(80,040)	-
Net movement in funds		106,277	4,157	1,762,677	1,873,111	23,601	337,070	1,321,817	1,682,488
Fund balances at 1 July 2016		240,538	1,221,936	9,826,519	11,288,993	216,937	884,866	8,504,702	9,606,505
Fund balances at 30 June 2017		346,815	1,226,093	11,589,196	13,162,104	240,538	1,221,936	9,826,519	11,288,993

Suffolk Community Foundation

Summary Income and Expenditure Account

For the Year ended 30 June 2017

	2017 £	2016 £
Income	2,540,557	2,965,930
Gains / (losses) on Investments	62,153	-
Interest and Investment income	362,375	323,960
Gross Income in the reporting period	2,965,085	3,289,890
Expenditure	2,847,496	2,960,405
Interest payable	-	-
Depreciation	7,155	8,551
Total expenditure in the reporting period	2,854,651	2,968,956
Net income before tax in the reporting period	110,434	320,934
Tax payable	-	-
Net income in the reporting period	110,434	320,934
<p>The above excludes income for endowment.</p>		
Statement of Recognised Gains and Losses		
Net income for the year	110,434	320,934
Unrealised gains on Investments held by Income funds	-	39,737
Net movement on endowment funds	1,762,677	1,321,817
	1,873,111	1,682,488

Suffolk Community Foundation

Balance Sheet

As at 30 June 2017

Company number 05369725

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	12		15,707		23,257
Investments	13		11,638,502		9,766,057
Total fixed assets			11,654,209		9,789,314
Current assets:					
Debtors	14	243,015		452,628	
Cash at bank and in hand		1,962,942		1,886,242	
Total current assets		2,205,957		2,338,870	
Liabilities:					
Creditors amounts falling due within one year	15	(610,987)		(613,567)	
Net current assets			1,594,970		1,725,303
Total assets less current liabilities			13,249,179		11,514,617
Creditors: amounts falling due after more than one year	16		(87,075)		(225,624)
Net assets			13,162,104		11,288,993
The funds of the charity:					
Capital funds					
Endowment funds	18		11,589,196		9,826,519
Income funds					
Restricted funds	19		1,226,093		1,221,936
Unrestricted funds			346,815		240,538
Total charity funds			13,162,104		11,288,993

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 25 September 2017

Mr J Buckle

Trustee

Mr N Smith

Trustee

The notes on pages 20 to 36 form part of these financial statements.

Suffolk Community Foundation

Cash Flow Statement

For the Year ended 30 June 2017

	Notes	2017		2016	
		£	£	£	£
<i>Cash flows from operating activities:</i>					
Net cash used in operating activities	21a		(281,344)		(770,165)
<i>Cash flows from investing activities:</i>					
Dividends, interest and rents from Investments			353,864		323,960
Proceeds from the sale of Investments			1,025,874		449,045
Purchase of fixed assets					(23,432)
Purchase of Investments			(1,620,093)		(1,814,325)
<i>Net cash used in investing activities</i>			(240,355)		(1,064,752)
<i>Cash flows from financing activities:</i>					
Receipt of endowments			598,399		1,398,295
<i>Changes in cash and cash equivalents in the year</i>	21b		76,700		(436,622)
Cash and cash equivalents at the beginning of the reporting period			1,886,242		2,322,864
<i>Cash and cash equivalents at the end of the reporting period</i>	21b		1,962,942		1,886,242

The notes on pages 20 to 36 form part of these financial statements.

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2017

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 Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP (FRS 102) the restatement of comparative items was required. This is the first set of financial statements prepared in accordance with FRS 102. The most recent accounts prepared under previous Generally Accepted Accounting Practice were for the year to 30 June 2016. No restatement of comparatives was required. The transition date was 1 July 2015.

1.3 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:

1.4 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;

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2017

1 Accounting policies continued

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.

1.5 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.

1.6 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

1.7 Leasing

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

1.8 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.

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2017

1 Accounting policies continued

1.9 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.

1.10 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.

1.11 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.

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2017

1 Accounting policies continued

1.12 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 arising when specified by the donor or when funds are raised for restricted purposes. Contributions with the donors are charged, as grants are paid, to restricted funds 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, a contribution agreed 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.

1.13 Investment properties

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

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.

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2017

2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2017 £	Total 2016 £
Donations and gifts	242,722	1,539,552	448,042	2,230,316	3,084,222
Legacy income	-	4,643	75,357	80,000	400,000
	<u>242,722</u>	<u>1,544,195</u>	<u>523,399</u>	<u>2,310,316</u>	<u>3,484,222</u>
Donations and gifts					
Unrestricted funds:					
Corporate donations and gifts				21,330	9,029
Private donations and gifts				134,201	82,599
Membership				87,191	73,950
				<u>242,722</u>	<u>165,578</u>
Grant income					
Grants	-	494,010	-	494,010	727,323
	<u>-</u>	<u>494,010</u>	<u>-</u>	<u>494,010</u>	<u>727,323</u>
Included within income relating to grant making are the following grants					
The Henry Smith Charity				311,750	387,310
Comic and Sports Relief				82,260	103,531
Big Lottery Fund				100,000	100,000
Esmée Fairbairn Foundation				-	136,482
				<u>494,010</u>	<u>727,323</u>

3 Income from trading activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2017 £	Total 2016 £
Event Income	158,641	82,354	75,000	315,995	72,640
	<u>158,641</u>	<u>82,354</u>	<u>75,000</u>	<u>315,995</u>	<u>72,640</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2017

4 Investment Income

	Unrestricted funds £	Restricted Funds £	Endowment funds £	Total 2017 £	Total 2016 £
Rental Income	-	35,663	-	35,663	29,918
Income from listed Investments	34,799	116,039	-	150,838	139,204
Other Investment Income	2,347	173,527	-	175,874	154,838
	<u>37,146</u>	<u>325,229</u>	<u>-</u>	<u>362,375</u>	<u>323,960</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 2017

5 Expenditure

	Note	Staff costs £	Depreciation £	Other Costs £	Grant Funding	Total 2017 £	Total 2016 £
Raising funds							
Events and marketing		-	-	186,284	-	186,284	77,678
Support costs	7	60,369	1,284	13,161	-	74,814	186,622
Investment management costs		-	-	36,188	-	36,188	30,360
Other investment property costs		-	-	12,110	-	12,110	5,280
Total raising funds		60,369	1,284	247,743	-	309,396	299,940
Charitable activities							
Grants programme							
Grant funding of activities	6	-	-	-	2,152,315	2,152,315	2,436,300
Support costs	7	101,450	1,888	20,193	-	123,531	124,379
		101,450	1,888	20,193	2,152,315	2,275,846	2,560,679
Community development							
Support costs	7	79,867	1,510	15,484	-	96,861	104,569
Research and education							
Support costs	7	21,304	378	3,871	-	25,553	-
Management, operational and financial administration							
Support costs	7	139,324	2,492	37,944	-	179,760	34,588
Total charitable activities		341,945	6,268	77,492	2,152,315	2,578,020	2,699,836
Total expenditure		402,314	7,552	325,235	2,152,315	2,887,416	2,999,776

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2017

6 Grants payable

	2017 £	2016 £
Grants programme	2,152,315	2,436,300

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 grant making activity, in terms of both number and monetary value of grants, has been directed to this objective.

During the year 646 grants (2016: 608) were distributed. A full analysis of grants paid in the year can be obtained from the registered office.

	2017 £	2016 £
Reconciliation of grants payable		
Commitments made in the year	2,152,315	2,436,300
Grants paid during the year	(2,134,405)	(2,385,840)
Commitments at 1 July 2016	623,033	572,573
Commitments at 30 June 2017	640,943	623,033
 Commitments at 30 June 2017 are payable as follows:		
Within one year	553,868	397,409
After more than one year	87,075	225,624
	640,943	623,033

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2017

7 Support costs

	Raising funds	Grants Programme	Community development	Management, operational and financial administration	Research and education	Total 2017	Total 2016
	£	£	£	£	£	£	£
Office and admin	6,957	11,070	8,185	13,066	2,046	41,324	39,891
Premises expenses	5,512	8,105	6,485	10,700	1,621	32,423	34,143
Staff costs	60,369	101,450	79,867	119,208	21,304	382,198	330,747
Depreciation	1,284	1,888	1,510	2,492	378	7,552	8,551
Information	692	1,018	814	1,343	204	4,071	2,238
Governance costs (Note 8)	-	-	-	32,951	-	32,951	34,588
	<u>74,814</u>	<u>123,531</u>	<u>96,861</u>	<u>179,760</u>	<u>25,553</u>	<u>500,519</u>	<u>450,158</u>

Premises expenses include £21,600 (2016: £21,160) payable in respect of operating leases for property. Office and administration expenses include £3,962 (2016: £2,296) in respect of operating leases for plant and machinery.

Management, operational and financial administration includes governance costs.

8 Governance costs

	2017 £	2016 £
Salaries	20,116	25,058
Legal and professional fees	11,400	7,446
Other costs	1,435	2,084
	<u>32,951</u>	<u>34,588</u>

Governance costs includes payments to the auditors of £7,000 (2016: £6,198) for audit fees.

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2017

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year (2016: £nil).

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2017 Number	2016 Number
Key management personnel	1	1
Operational	12	10
	<u>13</u>	<u>11</u>
	2017	2016
	£	£
Employment costs		
Wages and salaries	353,527	310,183
Social security costs	28,389	26,177
Other pension costs	20,398	19,445
	<u>402,314</u>	<u>355,805</u>

One employee received remuneration of between £70,000 and £79,999 in 2017 (2016: One between £70,000 and £79,999) including pension contributions.

The key management personnel comprise the Chief Executive and the trustees. The total employee benefits of the key management personnel were £71,423 (2016: £72,802).

11 Pension and other post-retirement benefit commitments

Defined contribution

	2017 £	2016 £
Contributions payable by the company for the year	<u>20,398</u>	<u>19,445</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2017

12 Tangible fixed assets

	Fixtures, fittings & equipment
	£
Cost	
At 1 July 2016	54,583
Additions	-
Disposals	(10,194)
At 30 June 2017	<u>44,389</u>
Depreciation	
At 1 July 2016	31,326
On disposals	(9,799)
Charge for the year	7,155
At 30 June 2017	<u>28,682</u>
Net book value	
At 30 June 2017	<u>15,707</u>
At 30 June 2016	<u>23,257</u>

13 Fixed asset investments

	Listed Investments	Investment properties	Unlisted Investments	Total
	£	£	£	£
Market value at 1 July 2016	8,428,307	1,337,750	-	9,766,057
Disposals at opening book value	(902,999)	-	-	(902,999)
Acquisitions at cost	1,441,093	179,000	-	1,620,093
Change in value in the year	989,101	166,250	-	1,155,351
Market value at 30 June 2017	<u>9,955,502</u>	<u>1,683,000</u>	<u>-</u>	<u>11,638,502</u>
Historical cost:				
At 30 June 2017	<u>8,358,118</u>	<u>1,476,750</u>	<u>1</u>	<u>9,834,869</u>
At 30 June 2016	<u>7,856,335</u>	<u>1,297,750</u>	<u>1</u>	<u>9,154,086</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2017

13 Fixed asset investments (continued)

During the year a property, valued on that date at £179,000, was gifted to the charity.

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

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	4,917,088

14 Debtors

	2017 £	2016 £
Trade debtors	11,598	42,917
Accrued income	149,619	325,695
Prepayments	13,259	13,157
Other debtors	68,539	70,859
	<u>243,015</u>	<u>452,628</u>

Other debtors include loans of £66,052 repayable in less than 10 years. Normal market rates of interest have been charged on the loans.

15 Creditors: amounts falling due within one year

	2017 £	2016 £
Other creditors	241	17,189
Grants payable – see note 6	553,868	397,409
Accruals	56,878	36,350
Deferred income	-	162,619
	<u>610,987</u>	<u>613,567</u>

Included in accruals is an amount of £1,564 at 30 June 2017 (2016: £1,137) relating to pension or other post-retirement benefits.

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2017

16 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Grants payable – see note 6	87,075	225,624
Deferred Income	-	-
	<u>87,075</u>	<u>225,624</u>

17 Reconciliation of deferred income

	2017	2016
	£	£
Deferred income received in year	-	122,669
Income recognised in the year	(162,619)	(714,065)
Deferred income at 1 July 2016	162,619	754,015
	<u>-</u>	<u>162,619</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2017

18 Endowment funds	Balance at 1 July 2016	Income	Investment fees	Gains on disposals	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)	60,327	(14,549)	953,280	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>60,327</u>	<u>(18,635)</u>	<u>1,155,351</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 19.

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 2017

19 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 2016	Incoming resources	Resources expended	Other transfers	Investments gains on disposal	Balance at 30 June 2017
	£	£	£	£	£	£
Grantmaking funds	1,221,936	2,352,384	(2,143,545)	(266,232)	61,550	1,226,093
Development funds	-	-	-	-	-	-
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.

Development funds

Funds held for the purpose of the growth of Suffolk Community Foundation, to enable them to identify and target relevant donors and beneficiaries as well as other development work.

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 2017

20 Analysis of net assets between funds

	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>

21 Notes to the cash flow statement

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

	2017 £	2016 £
Net income / (expenditure) for the reported period (as the statement of financial activities)	1,873,111	1,682,488
Adjustments for:		
Depreciation charges	7,155	8,551
(Gains) / losses on investments	(1,155,351)	(74,119)
New endowments	(598,399)	(1,398,295)
Dividends interest and rents from investments	(362,375)	(323,960)
Loss / (profit) on sale of investment and assets	(122,480)	-
(Increase) / decrease in debtors	218,124	(166,971)
Increase / (decrease) in creditors	(141,129)	(497,859)
Net cash provided by (used in) operating activities	<u>(281,344)</u>	<u>(770,165)</u>

(b) Analysis of cash and cash equivalents

	2016 £	Movement in cash flow £	2017 £
Cash at bank and in hand	760,548	1,202,394	1,962,942
Short term bank deposits	1,125,694	(1,125,694)	-
	<u>1,886,242</u>	<u>76,700</u>	<u>1,962,942</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2017

22 Commitments under operating leases

At 30 June 2017 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2017	2016	2017	2016
	£	£	£	£
Expiry date:				
Within one year	21,600	21,600	2,239	2,496
Between two and five years	81,000	86,400	6,710	4,368
Over five years	-	16,200	-	-
	<u>102,600</u>	<u>124,200</u>	<u>8,949</u>	<u>6,864</u>

23 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 £8,440 (2016: £39,936) and a sum of £960 was paid to Birketts LLP – a business in which Jonathan Agar has an interest – for professional services in relation to the gift of property.

24 Members' liability

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

25 Prior year adjustment

This year's accounts have reclassified our income categories on the statement of financial activity page 16. Previously our grantmaking income was included as income from charitable activities, but we feel that it is better classified as donations and legacies.

The previous year's figures have been adjusted accordingly for comparative purposes.