



Suffolk Community Foundation

Trustees' Report and Financial Statements

For the Year Ended

30 June 2019

Suffolk Community Foundation

Legal and Administrative Information

Trustees

James Buckle, DL
Peter Newnham
Jonathan Agar
Susan Gull
The Hon. Selina Hopkins
David Hughes
Iain Jamie
Gulshanbir Kayembe, DL (retired 27th November 2018)
William Kendall, DL
Louisa Pepper
George Vestey, DL (appointed 24th September 2018)
Neil Walmsley
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

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

Barratt & Cooke
5 Opie Street
Norwich
NR1 3DW

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

Contents

	Page
Chairman's statement	1
Trustees' report	2 – 12
Statement of trustees' responsibilities	13
Independent auditors' report	14 – 16
Statement of financial activities	17
Summary income and expenditure account	18
Balance sheet	19
Cash flow statement	20
Notes to the accounts	21 - 38

Suffolk Community Foundation

Chairman's Statement

Chairman's Statement

It gives me real pleasure in presenting the Trustees' Annual Report and Financial Statements for the year ended 30 June 2019.

Year on year, the Foundation continues to gain momentum, playing a bigger role in strengthening our communities and helping those in need. This year has been one of real focus and drive as we continue to increase the level of grant distribution right across the county to a record annual high of £2.76 million. When this figure is added to previous grantmaking activity, we can report that the Foundation has now distributed £21.5 million over its short life. In total, 6,246 individual grants have been awarded to over 2,000 organisations, something we can all be proud of.

For me, this achievement is bittersweet. In November, I will step down as a trustee of the Foundation having served my nine years, six as its chair. I have had the privilege of working with an extraordinary group of people, dedicated trustees, wise patrons and a passionate and hardworking staff team, who always go that extra mile. I will miss the day-to-day involvement of working with the team but will continue to work closely with the Foundation in the years to come to support the county that I love. Like others before me, the Foundation is now in my blood and I will continue to champion this force for good – there is a deep satisfaction in helping others and joy in being involved in something so positive.

Looking forward, I am delighted to hand over the chair to George Vestey, whom I know will bring his skills and knowledge to the service of the Foundation. I wish him well and hope that he enjoys his time at the helm as much as I have. Following her retirement this year, may I also thank fellow trustee Gulshan Kayembe, for her support and guidance during her time with the Foundation. Her contribution has been critical in forming the values that we hold so dear.

Lastly, I would also like to thank on behalf of the Foundation, our donors, funding partners and volunteers for their generosity and commitment to helping others; without you, there would be no Foundation.

Signed 23rd September 2019

.....

James Buckle
Chairman

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2019

The trustees present their report and financial statements for the year ended 30 June 2019. 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; 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 retired 27 th November 2018)
William Kendall DL	
Louisa Pepper	Grants and Community Impact Committee
Neil Walmsley	Operations Committee (Chair)
Terry Ward	Grants & Community Impact Committee (Chair appointed 27 th November 2018)
George Vestey DL	

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2019

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 support 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, at the year end, the Foundation employed fourteen members of staff, (12.8 full time equivalent) who undertake the core functions of the Foundation - grantmaking, income 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 significant number of volunteers are also active in managing and overseeing the Foundation's events that are held to 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 Gulshan Kayembe from the Board. We also welcome George Vestey 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 £614m and annual grantmaking of £98.3m, 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 chairs the UKCF Membership Committee and the annual Southern Area and Midlands residential conference.

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2019

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

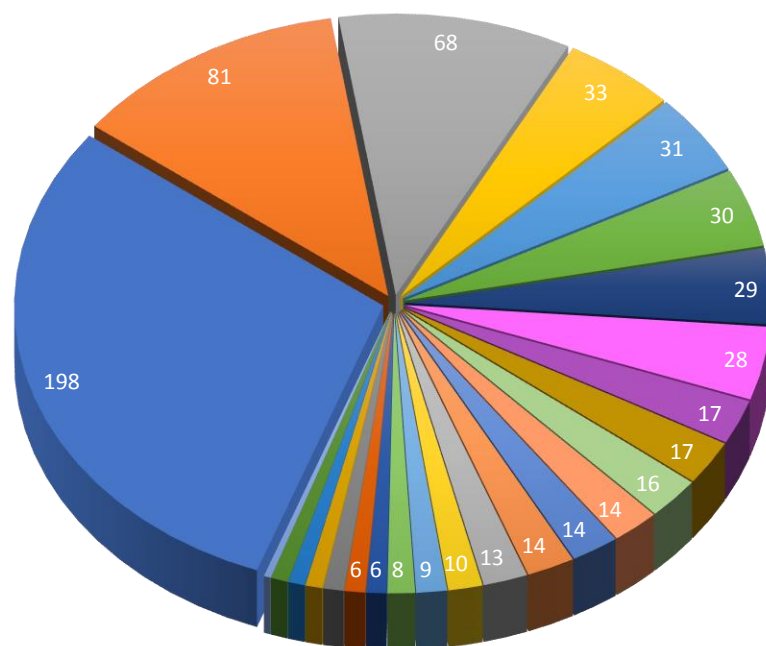
Trustees' Report

For the Year ended 30 June 2019

Significant activities

The trustees report that during the past financial year, the Foundation awarded 665 grants with a combined financial value of £2,763,633; a 5.7% increase over the previous year and our largest annual distribution to date. Since 2005, the Foundation has awarded a total of 6,246 grants with a total value just short of £21.5m.

Number of grants and the social issues addressed



- Children and Young People, 198
- Local residents, 81
- Older People, 68
- People living in poverty, 33
- People with mental health issues, 31
- People with multiple disabilities, 30
- Families/Parents/Lone parents, 29
- Adults, 27
- Women, 17
- BME groups, 17
- Carers, 16
- People with physical difficulties, 14
- Victims of crime/violence/abuse, 14
- Other, 14
- Homeless people, 13
- People with learning difficulties, 10
- Ex-offenders/offenders/at risk of offending, 9
- Refugees/asylum seekers /immigrants, 8
- People with general health issues, 6
- People with physical disabilities, 6
- People with alcohol/drug addictions, 6
- Long-term unemployed, 5
- Not in education, employment and training (NEET 16-24), 5
- People in care or suffering serious illness, 5
- People with low skill levels, 2

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2019

There is a direct correlation between the Foundation's grantmaking capability and its ability to develop 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, 42 flow-through funds and 66 endowment funds. The endowed funds have grown over the year by 26.4% to a combined capital value of £16,043,767. These funds have contributed £428,001 of investment income for sustainable grantmaking which equates to 15.5% 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 108 individual donor funds of which 66 are endowed, the remainder being restricted flow-through funds designated for grantmaking. Diligent and impactful 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 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.

During the year, the average grant awarded by the Foundation increased to £4,156 (2018; £3,709). The mode grant award is £2,000. However, the financial range of our grantmaking is wide, with the grant awards ranging from £50 to £225,000 in size.

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2019

The associated direct delivery overhead for the Foundation's grant activity is £222,831 (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 £151,014 (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 £59,001 (note 7) of charitable giving was attributed to this area.

Achievements and performance against last year's future plans

In last year's Trustee Report (2017-18), the Foundation identified the following strategic objectives that it would prioritise to help strengthen its position as a major grantmaker to local Suffolk charities and community groups;

1. Broadening our grantmaking reach through the addition of:
 - a. 'easy access micro grants' for grassroots 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

The Foundation has undertaken a thorough review of its grantmaking process during the past year including applicant consultation, reviewing and improving operational grantmaking systems and repositioning grantmaking opportunities so that they align to current social challenges. In detail, the following developments have been achieved during the year.

- 1) Broadening our grantmaking reach through the addition of;**
 - a. 'easy access micro grants' for grassroots community action**

The Foundation considers micro grants as sub £1,000 awards. In general, this size of award is suitable for organisations that are usually volunteer led, normally active in our communities at a grassroots level and often with a small income (typically under £10k annually). A significant percentage of circa 50% of Suffolk's charities and community groups fall into this category and yet, few of these organisations apply to the Foundation's grant programmes because they are deterred by the more rigorous process associated with higher valued grant programmes.

In response to this situation, a dedicated 'light touch' online application process was specifically developed and tested to support this group. The reaction from applicants has been positive and the learning for the Foundation valuable. Our concentration moving on is to develop further communication platforms to promote the programme at a grassroots level whilst also working in partnership with other organisations who can offer appropriate additional support services that will strengthen governance and operational requirements for these smaller organisations.

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2019

b. multi-fund support to identified strategic charities through a single application pathway

We regularly encounter organisations that apply to multiple grant funds held by the Foundation with the objective of accumulating a larger funding pot to meet the costs associated with an activity that they are undertaking. Although the Foundation is open to this approach and happy to place the application with appropriate funding programmes, it does create a labour-intensive process for the applicant through multi-application and monitoring procedures.

To reduce the burden for the applicant, we have developed and prototyped an online single grant application pathway to help reduce the time spent by them when applying. This new procedure has eliminated the need for a multi-application approach to meet a larger contribution to costs associated with their operational need. A full review of the system will be conducted following the final monitoring assessment.

c. strategic leadership initiatives that tackle root causes rather than addressing their symptoms

Over the past year we have helped develop three major initiatives with partners that look at addressing issues with deep rooted social symptoms, namely;

- **Tackling issues associated with County Lines, gang culture and knife crime**

The challenges of tackling County Lines and the devastation it can cause to young people's lives has occupied considerable public and charitable sector resources for some years. Over the past year, the Foundation, in partnership with a broad range of organisations, have come together to explore and develop new initiatives that prevent young people being drawn into gang culture.

The Foundation's contribution has focussed on two areas; firstly, providing financial support via private funding, to undertake research that identifies and understands the challenges from the perspective of young people (*Young people's perceptions of provision and opportunities in Suffolk: Katie Tyrrell, University of Suffolk, March 2019*) and secondly, the creation of a dedicated fund, the Youth Intervention Fund, which will support youth organisations who are working with young people who are at particular risk or who have been involved in gang culture. The fund was created in partnership with Suffolk's Police and Crime Commissioner through an offer of a £50,000 match fund, which the Foundation successfully added to with £100,000 of private investment. The Fund has been launched and will provide a key component of its youth support programmes in the years to come.

- **Social Prescribing roll out to Ipswich GP Surgeries**

Most people are aware that public sector health budgets have been stretched in recent years as a result of an ageing population and advancement in medical knowledge and related clinical interventions. However, fewer people are aware of the additional challenges relating to the demands on GPs. A significant resource is used in helping patients tackle social problems that when unresolved, begin to manifest as medical issues. Across the country, we understand that an estimated 20% of GP appointments are related to a patient's social challenges. In areas of high social need, this figure can jump alarmingly. Across Suffolk we have GP surgeries that experience considerable pressure on their practices as a result of increasing social need, with some practices in Ipswich estimating that up to 60% of their time is spent trying to address patients' underlying social issues.

By working in partnership with public sector partners and with £255,000 finance provided by Ipswich & East Suffolk Clinical Group, we have devised a programme that is targeted at patients who are presenting themselves

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2019

at Ipswich GP surgeries with complex social issues that are best supported by specialist intervention offered by charities. This more appropriate support if successful, will not only be more relevant for the patient but also free up precious resource for the individual practices. The scheme has already attracted new philanthropic support and is being carefully watched in other areas.

In this prototyping stage, we are rolling our charitable services across the 13 Ipswich GP practices. Phase one is creating a Citizen Advice presence in the surgeries who will handle referrals from the GPs directly. A significant proportion of the patient referrals are being handled by the Citizen Advice practitioners directly but further referrals to other charitable services are also being provided when appropriate. In time, it is envisaged that a whole charitable support system could be developed to meet the wider patient needs that are being presented. Funding for contributing charitable organisations is via the Foundation's dedicated Social Prescribing Fund.

A programme of such ground-breaking magnitude has its challenges but, we are already witnessing the potential impact of this initiative and importantly, of the improved outcomes for patients with complex social needs.

- **Supporting the development of the Suffolk and North East Essex Integrated Care System**

The Suffolk and North East Essex Integrated Care System (ICS) has been recognised for the pace of development in building strong, locally focused collaborations to enable integrated delivery of health and social care to local communities, underpinned by the ICS operational plan (2019/2020). The Foundation has an ICS Board seat and has contributed to the plan's development and acted as a voice for the charity sector and its role in an integrated care system.

To align integration and further develop the charitable sector's role in supporting health and wellbeing across the ICS delivery area (this excludes Waveney which resides in a different health area), the ICS has provided a £2m fund, which will help financially support charities and community groups who are tackling issues identified by the local partners as key determinates to poor health and wellbeing. The initiative will be known as the Realising Ambitions programme. This key work of developing the appropriate charitable and community group partners and funding their activity, will fall to both Suffolk and Essex Community Foundations with distribution from the funds being split (Suffolk £1.225m and Essex £767,000) and commencing in the autumn 2019. This fund is not reflected in this year's income (see note 15).

The Foundation also laid down plans in last years' Trustees' Report to **develop enhanced ways of demonstrating impact** through;

- **improving current online assessment data collection** which we have achieved by undertaking a total review of our online grant application process, leading to a system redesign that prompts applicants to choose from an outcome menu that commits them to consider impact criteria for post grant analysis. In addition, we have subscribed to 360 Giving, an open online funders' platform that shares all our grantmaking activity and in so doing, providing data analysis against a wide range of metrics, including that of other funders. This data can also be accessed by third parties and thereby provides total transparency of our grantmaking activity, promotion of our activity and signposting of organisations to other funders.
- **sharing case studies** has always been a key Foundation operational activity, to demonstrate both the social need that exists across the county, but also, to best explain the impact that is made. Case studies are essential in that they can often highlight the complex nature of social need and explain how interventions by the charitable and community sector are often the most effective. During the year we

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2019

have recruited additional staff whose expertise in social media and journalism has supported an increasing communication footprint for the Foundation. In addition, the development of a new website and a strong appetite for case studies from the partners we are working with, is increasing demand for this activity beyond our own needs, but vital in the wider promotion of the sector.

- **using research to demonstrate the wider impact of Foundation investment** is becoming a key component to demonstrating the added-value of our work however, there is a time-lag following the distribution of a grant and through its time of spend, before data is available for evaluation. The development of this objective will therefore continue into the following years. Of particular interest, is our new work with Suffolk's integrated care system, social prescribing and youth intervention initiatives outlined earlier (pages 8-9) where the opportunity to demonstrate the wider impact of Foundation investment against a more complex matrix is exciting but challenging. Preparation over the past year has been instrumental to our current thinking and approach in preparation for the launch of these new programmes.

Financial review

Financial position

The Foundation's financial position is shown in the Statement of Financial Activities on page 17 and the Balance Sheet on page 19. Overall, the Foundation has delivered a strong financial performance over the year as follows;

- Income grew over the previous year by 32.1% to £5,877,367
- Endowment funds under management have also grown by 26.4% to £16,043,767
- Grantmaking increased by 5.7% to £2,763,633
- Unrestricted reserves decreased slightly by 4.7% to £416,293

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

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2019

managers and as a result the trustees have re-appointed Rathbones and CCLA. In addition, the transfer of a trust fund to the Foundation has been accepted with investments held with Barratt and Cooke. The performance of this investment manager will be assessed on the anniversary of the transfer in accordance with the transfer terms and conditions.

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 £2,158,000.

For the year ending 30 June 2019 investment income of £480,942 and net gains on investments of £755,932 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.

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 (£295,000 to £590,000) of our projected overheads. To that end, the Foundation is currently holding reserves at year end of £416,293.

Plans for future periods

In addition to delivering the Foundation's mission (page 4), the Foundation will continue to develop its strategic leadership initiatives that tackle root causes rather than addressing their symptoms. In particular, we will report on our;

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2019

- Leadership role
- Programme development
- Learning from the roll-out of the programmes
- Impact measurement

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.

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

23rd September 2019

James Buckle

Trustee

Suffolk Community Foundation

Statement of Trustees' Responsibilities

For the Year ended 30 June 2019

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 2019 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) 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 2019

Opinion

We have audited the financial statements of Suffolk Community Foundation (the 'charitable company') for the year ended 30 June 2019 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 2019, 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 2019

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 13, 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 2019

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

23rd September 2019

Dated:

Suffolk Community Foundation

Statement of Financial Activities

For the Year ended 30 June 2019

	Notes	Unrestricted funds £	Restricted Funds £	Endowment funds £	Total 2019 £	Unrestricted funds £	Restricted Funds £	Endowment funds £	Total 2018 £
Income and endowments from:									
Donations and legacies									
<i>Donations and legacies</i>	2	171,394	2,076,958	2,852,767	5,101,119	192,167	2,686,110	798,381	3,676,658
<i>Grants</i>	2	-	142,660	-	142,660	-	238,984	-	238,984
Other trading activities	3	74,274	78,372	-	152,646	93,495	42,981	-	136,476
Investments	4	54,811	426,131	-	480,942	39,550	357,377	-	396,927
Total income		300,479	2,724,121	2,852,767	5,877,367	325,212	3,325,452	798,381	4,449,045
Expenditure on:									
Raising funds	5	158,027	81,875	47,349	287,251	135,266	86,506	36,038	257,810
Charitable activities									
<i>Grants awarded</i>	5	65,545	2,698,088	-	2,763,633	51,498	2,563,072	-	2,614,570
<i>Other charitable activities</i>	5	442,829	13,693	-	456,522	375,155	3,406	-	378,561
Total expenditure	5	666,401	2,793,656	47,349	3,507,406	561,919	2,652,984	36,038	3,250,941
Net gains on investments		-	5,571	750,361	755,932	-	11,115	490,052	501,167
Net income / (expenditure)		(365,922)	(63,964)	3,555,779	3,125,893	(236,707)	683,583	1,252,395	1,699,271
Transfers between funds		345,511	(144,095)	(201,416)	-	326,596	(174,409)	(152,187)	-
Net movement in funds		(20,411)	(208,059)	3,354,363	3,125,893	89,889	509,174	1,100,208	1,699,271
Fund balances at 1 July 2018		436,704	1,735,267	12,689,404	14,861,375	346,815	1,226,093	11,589,196	13,162,104
Fund balances at 30 June 2019		416,293	1,527,208	16,043,767	17,987,268	436,704	1,735,267	12,689,404	14,861,375

Suffolk Community Foundation

Summary Income and Expenditure Account

For the Year ended 30 June 2019

	2019 £	2018 £
Income	2,745,074	3,405,924
Gains / (losses) on investments	5,571	11,115
Interest and investment income	480,942	396,927
	<hr/>	<hr/>
Gross income in the reporting period	3,231,587	3,813,966
Expenditure	3,454,282	3,208,032
Interest payable	-	-
Depreciation	5,775	6,871
	<hr/>	<hr/>
Total expenditure in the reporting period	3,460,057	3,214,903
	<hr/>	<hr/>
Net income before tax in the reporting period	(228,470)	599,063
Tax payable	-	-
	<hr/>	<hr/>
Net income in the reporting period	(228,470)	599,063
	<hr/>	<hr/>
The above excludes income for endowment.		
Statement of Recognised Gains and Losses		
Net income for the year	(228,470)	599,063
Unrealised gains on investments held by income funds	-	-
Net movement on endowment funds	3,354,363	1,100,208
	<hr/>	<hr/>
	3,125,893	1,699,271
	<hr/>	<hr/>

Suffolk Community Foundation

Balance Sheet

As at 30 June 2019

Company number 05369725

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	12		14,435		12,706
Investments	13		16,079,058		12,669,735
Total fixed assets			<u>16,093,493</u>		<u>12,682,441</u>
Current assets:					
Debtors	14	440,980		423,151	
Cash at bank and in hand		3,639,254		2,706,216	
Total current assets		<u>4,080,234</u>		<u>3,129,367</u>	
Liabilities:					
Creditors amounts falling due within one year	15	(2,127,959)		(897,483)	
Net current assets			<u>1,952,275</u>		<u>2,231,884</u>
Total assets less current liabilities			<u>18,045,768</u>		<u>14,914,325</u>
Creditors: amounts falling due after more than one year	16		(58,500)		(52,950)
Net assets			<u>17,987,268</u>		<u>14,861,375</u>
The funds of the charity:					
Capital funds					
Endowment funds	17		16,043,767		12,689,404
Income funds					
Restricted funds	18		1,527,208		1,735,267
Unrestricted funds			416,293		436,704
Total charity funds			<u>17,987,268</u>		<u>14,861,375</u>

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 23rd September 2019

.....

.....
Mr J Buckle

Trustee

.....
Mrs S Gull

Trustee

The notes on pages 21 to 38 form part of these financial statements.

Suffolk Community Foundation

Cash Flow Statement

For the Year ended 30 June 2019

	Notes	2019		2018	
		£	£	£	£
<i>Cash flows from operating activities:</i>					
Net cash provided by (used in) operating activities	20a		60,224		(194,331)
			<hr/>		<hr/>
<i>Cash flows from investing activities:</i>					
Dividends, interest and rents from investments			480,942		398,160
Proceeds from the sale of investments			2,192,179		718,779
Purchase of fixed assets			(7,504)		(3,870)
Purchase of investments			(4,645,570)		(973,845)
			<hr/>		<hr/>
<i>Net cash generated/ (or used) in investing activities</i>			(1,979,953)		139,224
<i>Cash flows from financing activities:</i>					
Receipt of endowments			2,852,767		798,381
			<hr/>		<hr/>
<i>Changes in cash and cash equivalents in the year</i>	20b		933,038		743,274
Cash and cash equivalents at the beginning of the reporting period			2,706,216		1,962,942
			<hr/>		<hr/>
<i>Cash and cash equivalents at the end of the reporting period</i>	20b		3,639,254		2,706,216
			<hr/>		<hr/>

The notes on pages 21 to 38 form part of these financial statements.

Suffolk Community Foundation

Notes to the Accounts

For the Year ended 30 June 2019

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) 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 2019

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 2019

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.

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2019

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 and bank

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 2019

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 2019 £	Total 2018 £
Donations and gifts	171,394	2,076,958	667,609	2,915,961	3,676,658
Legacy income	-	-	2,185,158	2,185,158	-
	<u>171,394</u>	<u>2,076,958</u>	<u>2,852,767</u>	<u>5,101,119</u>	<u>3,676,658</u>

Donations and gifts

Unrestricted funds:

Corporate donations and gifts	13,518	16,033
Private donations and gifts	87,851	94,916
Membership	70,025	81,218
	<u>171,394</u>	<u>192,167</u>

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2019 £	Total 2018 £
Grant income					
Grants	-	142,660	-	142,660	238,984
	<u>-</u>	<u>142,660</u>	<u>-</u>	<u>142,660</u>	<u>238,984</u>

Included within income relating to grant making are the following grants

The Henry Smith Charity	142,660	213,989
Comic and Sports Relief	-	24,995
	<u>142,660</u>	<u>238,984</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2019

3 Income from trading activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2019 £	Total 2018 £
Event income	74,274	78,372	-	152,646	136,476
	<u>74,274</u>	<u>78,372</u>	<u>-</u>	<u>152,646</u>	<u>136,476</u>

4 Investment income

	Unrestricted funds £	Restricted Funds £	Endowment funds £	Total 2019 £	Total 2018 £
Rental income from property investments	-	52,941	-	52,941	40,848
Income from listed investments	47,708	370,209	-	417,917	352,339
Other investment income	7,103	2,981	-	10,084	3,740
	<u>54,811</u>	<u>426,131</u>	<u>-</u>	<u>480,942</u>	<u>396,927</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 2019

5 Expenditure

	Note	Staff costs £	Depreciation £	Other Costs £	Grant Funding £	Total 2019 £	Total 2018 £
Raising funds							
Events and marketing		-	-	72,647	-	72,647	78,646
Support costs	7	127,264	983	15,725	-	143,972	135,648
Investment management costs		-	-	55,055	-	55,055	39,549
Other investment property costs		-	-	15,577	-	15,577	3,967
Total raising funds		127,264	983	159,004	-	287,251	257,810
Charitable activities							
Grants programme							
Grant funding of activities	6	-	-	-	2,763,633	2,763,633	2,614,570
Support costs	7	173,864	2,310	46,657	-	222,831	201,174
		173,864	2,310	46,657	2,763,633	2,986,464	2,815,744
Community development							
Support costs	7	118,907	1,906	30,201	-	151,014	119,897
Research and education							
Support costs	7	49,286	576	9,139	-	59,001	43,532
Research (Knife Crime)		-	-	11,400	-	11,400	-
		49,286	576	20,539	-	70,401	43,532
Management, operational and financial administration							
Support costs	7	-	-	12,276	-	12,276	13,958
Total charitable activities		342,057	4,792	109,673	2,763,633	3,220,155	2,993,131
Total expenditure		469,321	5,775	268,677	2,763,633	3,507,406	3,250,941

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2019

6 Grants payable	2019 £	2018 £
Grants programme	2,763,633	2,614,570

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 665 grants (2018: 705) were distributed. A full analysis of grants paid in the year can be obtained from the registered office.

	2019 £	2018 £
Reconciliation of grants payable		
Commitments made in the year	2,763,633	2,614,570
Grants paid during the year	(2,759,381)	(2,365,761)
Commitments at 1 July 2018	889,752	640,943
Commitments at 30 June 2019	<u>894,004</u>	<u>889,752</u>
Commitments at 30 June 2019 are payable as follows:		
Within one year	835,504	836,802
After more than one year	58,500	52,950
	<u>894,004</u>	<u>889,752</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2019

7 Support costs

	Raising funds	Grants programme	Management & admin	Community development	Research & education	Total 2019	Total 2018
	£	£	£	£	£	£	£
Office and admin	8,415	26,907	-	16,336	4,950	56,608	49,178
Premises expenses	5,832	13,723	-	11,322	3,431	34,308	34,334
Staff costs	127,884	177,871	-	119,784	49,540	475,079	406,835
Depreciation	983	2,310	-	1,906	576	5,775	6,871
Information technology costs	858	2,020	-	1,666	504	5,048	3,033
Governance costs (Note 8)	-	-	12,276	-	-	12,276	13,958
	<u>143,972</u>	<u>222,831</u>	<u>12,276</u>	<u>151,014</u>	<u>59,001</u>	<u>589,094</u>	<u>514,209</u>

Premises expenses include £21,600 (2018: £21,600) payable in respect of operating leases for property. Office and administration expenses include £2,239 (2018: £3,595) in respect of operating leases for plant and machinery.

8 Governance costs

	2019 £	2018 £
Legal and professional fees	10,872	12,470
Other costs	1,404	1,488
	<u>12,276</u>	<u>13,958</u>

Governance costs includes payments to the auditors of £8,000 (2018: £8,000) for audit fees.

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2019

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year (2018: £nil).

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2019	2018
	Number	Number
Key management personnel	2	2
Operational	13	12
	<u>15</u>	<u>14</u>

The average number of full-time employees during the year was 12.8 (2018: 11)

	2019	2018
	£	£
Employment costs		
Wages and salaries	408,252	354,803
Social security costs	35,701	29,941
Other pension costs	25,368	22,092
	<u>469,321</u>	<u>406,836</u>

One employee received remuneration of between £80,000 and £89,999 in 2019 (2018: 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 £137,865 (2018: £134,515).

11 Pension and other post-retirement benefit commitments

Defined contribution

	2019	2018
	£	£
Contributions payable by the company for the year	<u>25,368</u>	<u>22,092</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2019

12 Tangible fixed assets

	Fixtures, fittings & equipment
	£
Cost	
At 1 July 2018	45,205
Additions	7,504
Disposals	-
At 30 June 2019	<u>52,709</u>
Depreciation	
At 1 July 2018	32,499
On disposals	-
Charge for the year	5,775
At 30 June 2019	<u>38,274</u>
Net book value	
At 30 June 2019	<u>14,435</u>
At 30 June 2018	<u>12,706</u>

13 Fixed asset investments

	Listed investments	Investment properties	Unlisted investments	Total
	£	£	£	£
Market value at 1 July 2018	10,711,735	1,958,000	-	12,669,735
Disposals at opening book value	(2,186,609)	-	-	(2,186,609)
Acquisitions at cost	4,645,571	200,000	-	4,845,571
Change in value in the year	750,361	-	-	750,361
Market value at 30 June 2019	<u>13,921,058</u>	<u>2,158,000</u>	<u>-</u>	<u>16,079,058</u>
Historical cost:				
At 30 June 2019	<u>11,696,072</u>	<u>1,951,750</u>	<u>1</u>	<u>13,647,823</u>
At 30 June 2018	<u>8,934,919</u>	<u>1,751,750</u>	<u>1</u>	<u>10,686,670</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2019

13 Fixed asset investments (continued)

During the year a property, valued on that date at £200,000, 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 (382,771 income units)	6,243,680
	<hr/>

14 Debtors

	2019	2018
	£	£
Trade debtors	72,000	-
Accrued income	293,819	354,039
Prepayments	18,724	7,814
Other debtors	56,437	61,298
	<hr/>	<hr/>
	440,980	423,151
	<hr/>	<hr/>

Other debtors include loans of £56,437 (2018: £61,298) 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 2019

15 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	30,505	-
Other creditors	1,225,971	5,603
Grants payable – see note 6	835,504	836,802
Accruals	35,979	55,078
	<u>2,127,959</u>	<u>897,483</u>

Included in other creditors is £1.225m received from Suffolk and North East Essex Integrated Care System relating to the Realising Ambitions grants programme.

Included in accruals is an amount of £2,547 at 30 June 2019 (2018: £1,730) relating to pension or other post- retirement benefits.

16 Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Grants payable – see note 6	58,500	52,950
	<u>58,500</u>	<u>52,950</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2019

17 Endowment funds summary

	Balance at 1 July 2018	Income	Investment fees	Other transfers	Unrealised investments gains/losses	Balance at 30 June 2019
	£	£	£	£	£	£
Linked charity	983,330	-	-	(9,833)	49,219	1,022,716
Other endowment	8,379,689	3,022,520	(47,349)	(344,747)	416,144	11,426,257
Community First funds	3,326,385	27,544	-	(44,133)	284,998	3,594,794
	<u>12,689,404</u>	<u>3,050,064</u>	<u>(47,349)</u>	<u>(398,713)</u>	<u>750,361</u>	<u>16,043,767</u>
	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>

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 2019

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 2018	Incoming resources	Resources expended	Other transfers	Investments gains on disposal	Balance at 30 June 2019
	£	£	£	£	£	£
Grantmaking funds	1,735,267	2,471,861	(2,738,693)	53,202	5,571	1,527,208
Overhead funds	-	54,963	(54,963)	-	-	-
	<u>1,735,267</u>	<u>2,526,824</u>	<u>(2,793,656)</u>	<u>53,202</u>	<u>5,571</u>	<u>1,527,208</u>
	<u>1,735,267</u>	<u>2,526,824</u>	<u>(2,793,656)</u>	<u>53,202</u>	<u>5,571</u>	<u>1,527,208</u>
	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>1,226,093</u>	<u>3,325,452</u>	<u>(2,652,984)</u>	<u>(174,409)</u>	<u>11,115</u>	<u>1,735,267</u>

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 2019

19 Analysis of net assets between funds

	Unrestricted £	Restricted £	Endowment £	Total £
Fund balances at 30 June 2019 are represented by:				
Tangible fixed assets	14,435	-	-	14,435
Investments	-	-	16,079,058	16,079,058
Current assets	466,029	3,614,205	-	4,080,234
Creditors: amounts falling due within one year	(61,171)	(2,028,497)	(35,291)	(2,127,959)
Creditors: amounts falling due after more than one year	-	(58,500)	-	(58,500)
	<u>416,293</u>	<u>1,527,208</u>	<u>16,043,767</u>	<u>17,987,268</u>

	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>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2019

20 Notes to the cash flow statement

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

	2019	2018
	£	£
Net income / (expenditure) for the reported period (as per the statement of financial activities)	3,125,893	1,699,271
Adjustments for:		
Depreciation charges	5,775	6,871
(Gains) / losses on investments	(750,361)	(490,052)
New endowments	(2,852,767)	(798,381)
Dividends interest and rents from investments	(480,942)	(396,927)
Loss / (profit) on sale of investment and assets	(5,571)	(11,115)
(Increase) / decrease in debtors	(17,829)	(181,368)
Increase / (decrease) in creditors	1,236,026	252,370
Donated properties	(200,000)	(275,000)
Net cash provided by (used in) operating activities	<u>60,224</u>	<u>(194,331)</u>

(b) Analysis of cash and cash equivalents

	2018	Movement in cash flow	2019
	£	£	£
Cash at bank and in hand	2,706,216	933,038	3,639,254
	<u>2,706,216</u>	<u>933,038</u>	<u>3,639,254</u>

21 Commitments under operating leases

At 30 June 2019 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2019	2018	2019	2018
	£	£	£	£
Expiry date:				
Within one year	21,600	21,600	2,050	2,185
Between two and five years	37,800	59,400	2,713	4,582
Over five years	-	-	-	-
	<u>59,400</u>	<u>81,000</u>	<u>4,763</u>	<u>6,767</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2019

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 £25,600 (2018: £17,050).

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

£6,188 (2018: £542) Birketts LLP – a business in which Jonathan Agar has an interest – for professional services in relation to the gift of property and legacy advice.

£8,515 (2018: £2,980) Scrutton Bland LLP – a business in which Susan Gull has an interest – for professional services in relation to insurance and 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 Financial instruments

	2019	2018
	£	£
Financial assets measured at amortised cost	422,256	415,337
Financial assets measured at market value	16,079,058	12,669,735
	<u>16,501,314</u>	<u>13,085,072</u>
Financial liabilities assets measured at amortised cost	<u>2,186,459</u>	<u>950,433</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.