



Suffolk Community Foundation

Trustees' Report and Financial Statements

For the Year Ended

30 June 2020

Suffolk Community Foundation

Legal and Administrative Information

Trustees	James Buckle, DL (to 25 th November 2019) Peter Newnham Jonathan Agar Susan Gull Jordan Holder (from 17 th September 2020) The Hon. Selina Hopkins David Hughes Iain Jamie (to 25 th November 2019) Gulshan Kayembe, DL (from 25 th June 2020) William Kendall, DL Louisa Pepper George Vestey, DL 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

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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 real pleasure in presenting the Trustees' Annual Report and Financial Statements for the year ended 30 June 2020.

My first year as chair of Suffolk Community Foundation has been an eventful but rewarding one. The dedication and hard work invested by the staff and trustees over the past fifteen years has helped position the Foundation as a valuable and respected asset for Suffolk, particularly during this turbulent period that we are all currently living through.

You will see from our trustee report, that our emergency response to support local charities and community groups operating in the frontline of the COVID-19 pandemic has been truly inspiring. Under the most difficult circumstances, the Foundation's skill in raising the awareness of the challenges facing local charities, whilst shining a light on their amazing response to the pandemic, has been critical to help raise much needed income for our Coronavirus Emergency Fund. The magnificent response has been from every corner of Suffolk. I often reflect how fortunate we are to live in a county that has such a well-developed sense of community - a truly compassionate county giving of its time, its resource and its kindness to help others.

Despite the challenges, the Foundation continues to develop, and this year is no exception. Our grantmaking has reached a new annual high at £4.9m, which in turn has supported 885 grants to 351 organisations. Of course, this would not be possible without the generosity of our donors and funding partners whom I would like to acknowledge and thank on the behalf of the Foundation. Please continue to spread awareness of the Foundation's work, so that as a county, we can grow the Foundation family and increase the support so desperately needed during these difficult times.

I must make mention of the extraordinary effort of the whole team who have worked tirelessly in an unusual environment in isolation, to ensure that the frontline emergency needs were met as quickly and pragmatically as possible. The performance from each and every member has been absolutely outstanding, and I pay tribute to all of them. I would also like to acknowledge the contribution made by James Buckle following his retirement from the Board last November. James served the Foundation as a trustee for nine years, six as its chair. He oversaw a period of extensive growth and development for which we are all grateful. I am delighted that James continues to work closely with the Foundation, always striving to make the lives of those that are less fortunate, better. In recognition of his enormous contribution, the Board has made James an Honorary Life Patron of the Foundation.

Signed on 28th September 2020

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George Vestey DL
Chairman

Suffolk Community Foundation

Statement of Trustees' Responsibilities

For the Year ended 30 June 2020

The trustees present their report and financial statements for the year ended 30 June 2020. 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. 05369725) incorporated on 18 February 2005 and a registered charity (Charity No. 1109453) governed by its Memorandum and Articles of Association dated 18 January 2005, special resolutions dated 11th September 2009 and 28th November 2011. 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 operational 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 to support their activity. 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:

James Buckle DL	Chair of Trustees to 25 th November 2019
George Vestey DL	Chair of Trustees from 25 th November 2019, Income Development Committee Chair from 25 th November 2019
Peter Newnham	Vice Chair, Grants & Community Impact Committee, Income Development Committee, Operations Committee
Jonathan Agar	Income Development Committee
Susan Gull	Operations Committee
Jordan Holder	From 17 th September 2020
The Hon. Selina Hopkins	Income Development Committee
David Hughes	Operations Committee
Iain Jamie	Trustee and Income Development Committee (Chair) to 25 th November 2019
Gulshanbir Kayembe DL	Appointed to the Board 25 th June 2020. Grants & Community Impact Committee
William Kendall DL	
Louisa Pepper	Grants and Community Impact Committee
Neil Walmsley	Operations Committee (Chair)
Terry Ward	Grants & Community Impact Committee (Chair)

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Statement of Trustees' Responsibilities

For the Year ended 30 June 2020

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 identified skills and experience to support sound governance and strong progress towards the charity's mission and aims. Any newly appointed trustee serves for a three-year term and is 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 current Five-Year Business Plan 2018-2023 and reports to the Board on progress against the plan.

At the year end, the Foundation employed fifteen members of staff, (12.6 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 sit 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.

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 £693m and annual grantmaking of £98m, 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.

Over the past year, we saw the retirement of James Buckle and Iain Jamie from the Board of Trustees.

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For the Year ended 30 June 2020

James Buckle served the Foundation for 9 years, with 6 of those as its chair. He oversaw a period of tremendous growth and development and has always been on hand to support the staff with enthusiasm, advice and kindness. His contribution to the Foundation, to the local charitable sector, and to Suffolk is considerable and as such, it has been acknowledged by the Board of Trustees by making James an Honorary Life Patron of the Foundation in recognition of his service and ongoing support.

We would also like to thank Iain Jamie for his contribution to the Foundation over the six years he served as Trustee and as chair of the Income Development Committee. We are immensely grateful to him for his dedication and support, particularly around the Foundation's events, Suffolk Dog Day, Clay Day and the London Fishmongers' Dinner, as well as his contribution in establishing the Suffolk Sports Fund and the Food and Drink Fund.

We are pleased to report that Gulshan Kayembe has re-joined the Board this year and will initially serve a one-year term. Gulshan brings unique insight into a range of issues, including young people and education, health systems, law and order and Black, Asian, Minority and Ethnic inequality. It is because of this huge knowledge and the Foundation's leadership role in trying to improve its service delivery against some of these challenging areas that we welcome her back. We are grateful to her for taking up the challenge and we look forward to using her wisdom to help guide our journey. We are also grateful to Gulshan for delivering Equality and Diversity training to our staff and trustees.

We also welcome the recent appointment of Jordan Holder to the Board. Jordan brings knowledge and experience to the Board regarding the challenges facing young people, and will assist in our work with young people, local enterprise, and schools.

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.

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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

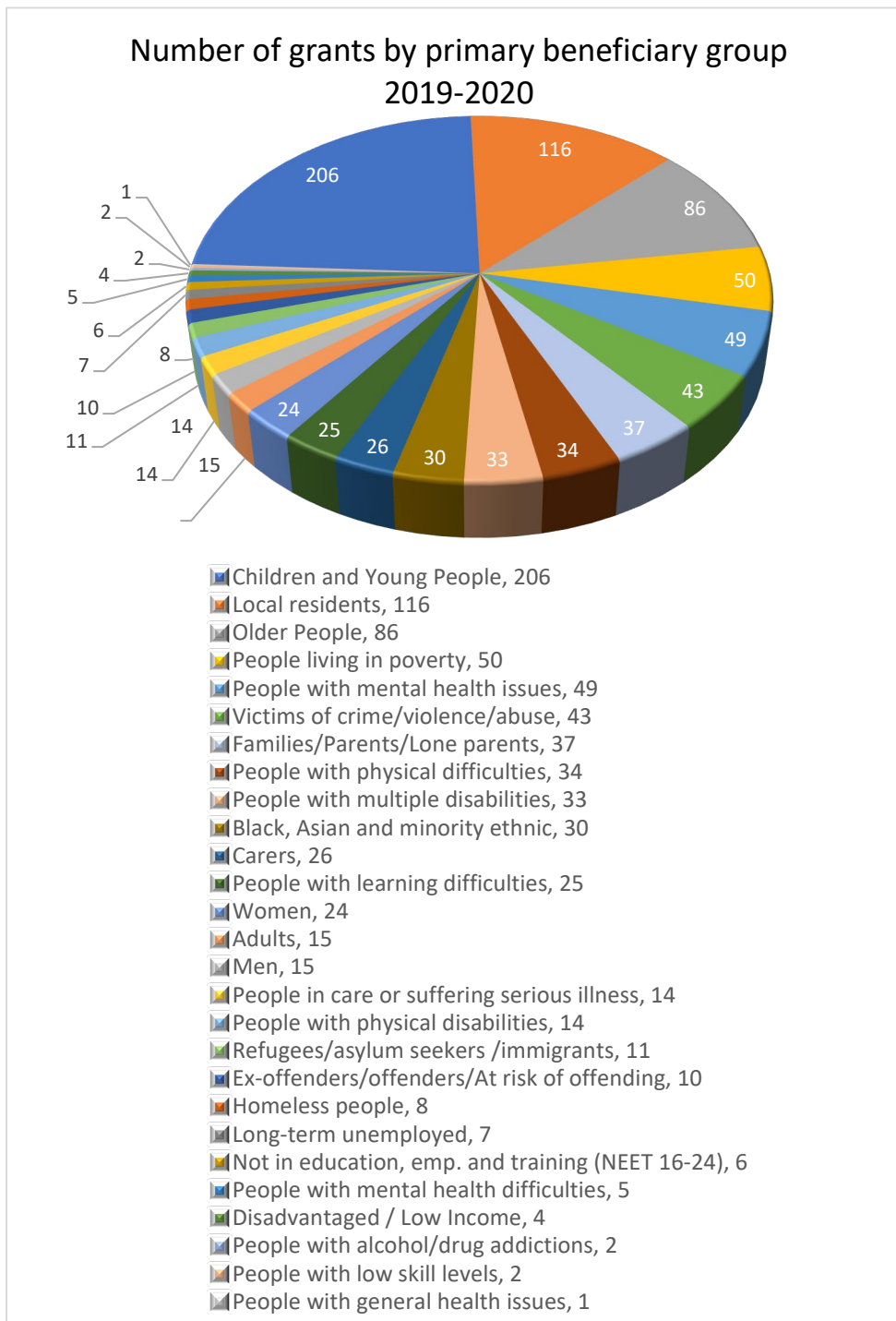
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Significant activities

The trustees report that during the past financial year, the Foundation awarded 885 grants with a value of £4,926,324. This is a 78.25% increase over the previous year and our largest annual distribution to date. Since 2005, the Foundation has awarded 7,131 grants with a combined value of £26.4m.

The chart below shows the number of grants awarded by primary beneficiary group.

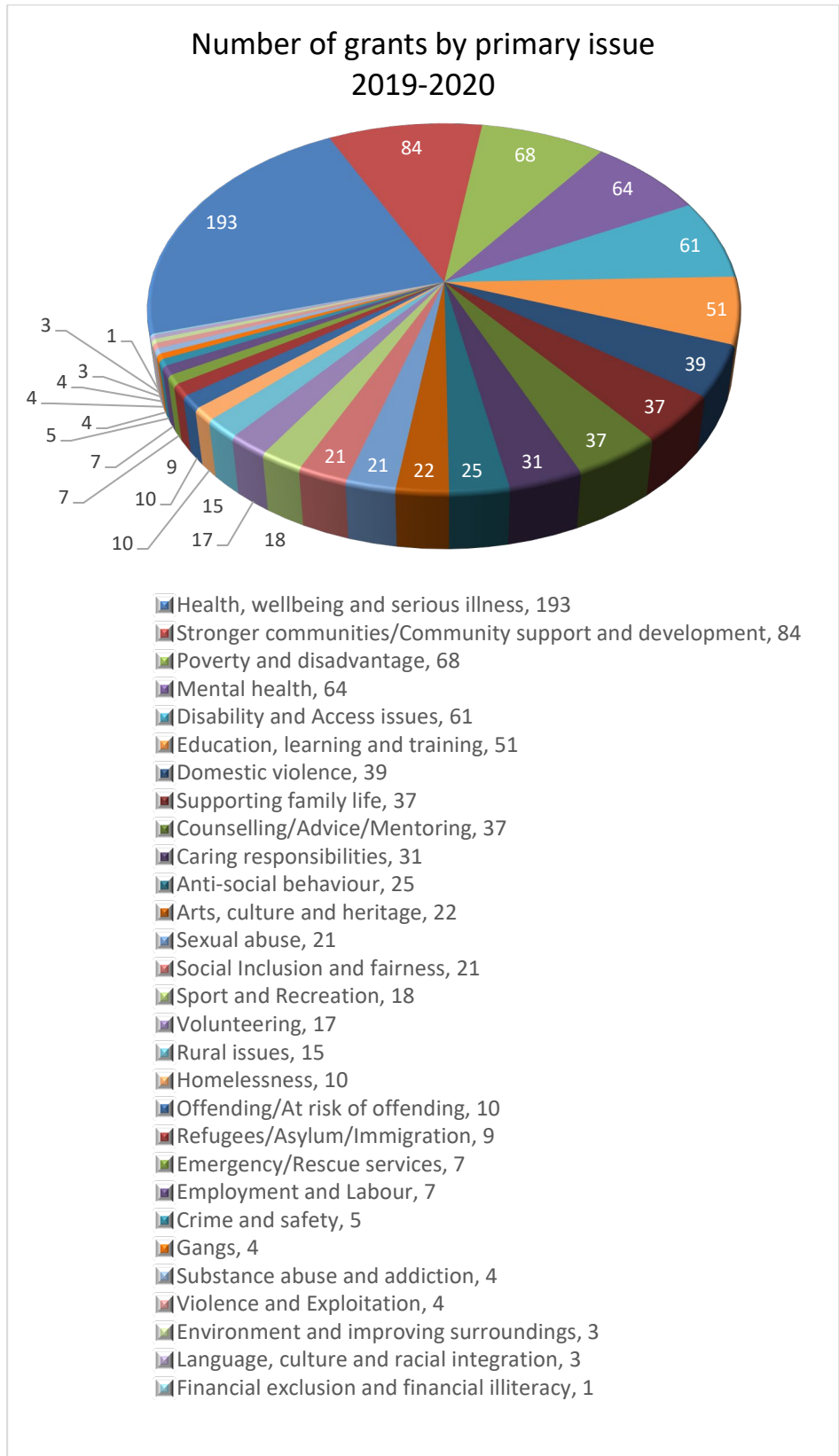


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The chart below shows the number of grants awarded by the primary issue they address.



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The Foundation's grantmaking capability is supported by 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 identified 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 111 individual funds of which 68 are endowed. The net endowment fund value at year end was £15,964,778, a drop of 0.5% on the previous year. Considering the investment market turbulence of the past year (Brexit and the COVID-19 pandemic), the trustees are comfortable with the performance and pleased to report that the endowed funds contributed £445,110 of investment income for grantmaking; this equates to 9% of the Foundation's total annual grantmaking.

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

Over the past year we have utilised more resource to support grant recipients to develop their strategic approach and importantly, to measure their impact. This has been widely appreciated by those organisations whom we have worked with. During the year, the Foundation managed grantmaking on behalf of the 111 funds that we hold. 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

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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. The COVID-19 pandemic has increased the pressure considerably, particularly for charities carrying larger overheads, as fundraising and income trading activity has been particularly hit during recent months.

During the year, the average grant awarded by the Foundation increased to £5,566 (2019; £4,156), with the grant awards ranging from £83 to £180,000 (multi-year grant) in size.

The associated direct delivery overhead for the Foundation's grant activity is £260,757 (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 £171,941 (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 £64,574 (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 (2018-19), the Foundation identified that it would continue to develop its strategic initiatives that tackle the root causes of social issues rather than addressing their symptoms. The report stated that the transition from reactive to strategic grantmaking would rely more heavily on the following developments.

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

This transition will not replace our historical grantmaking activity which, is primarily aimed at supporting organisations who are addressing the symptoms of living with challenging social need but, supplement it.

Our first Hidden Needs Report (2010) benchmarked the level of deprivation across Suffolk. Subsequent research has shown a continued upward trend of deprivation, with all the associated increases of poor health, low academic achievement, low skilled economy, risk of increased crime and higher demand for charitable and public services. It was against this observation that the Foundation formulated the need for strategic grantmaking to help stem the increasing growth of deprivation. To achieve this, the Foundation would need to work in closer partnership with public and charitable sector partners, bringing philanthropic finance to the table. The challenges will need to be addressed over longer timescales, and therefore require buy-in from partnerships that have the capability to commit to long-term interventions. Programmes will evolve as the challenges change with impact monitored to help measure the success of any intervention.

Last year, in line with the ambitions outlined above, we reported our involvement in tackling county lines gang culture, social prescribing in Ipswich and supporting the development of an Integrated Care System. This year

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we will pick up on our continued involvement with the Integrated Care System but firstly, we must report on our response to the COVID-19 Pandemic.

Strategic grantmaking update - COVID-19 Pandemic Response

The global challenges that we have faced this year as the result of the COVID-19 pandemic has touched us all and the Foundation is no exception. Our response to the challenges has been significant and falls in line with our strategic grantmaking principles that have been developing over recent years.

Suffolk Community Foundation was on alert from early February and during the month, as the pandemic unfolded, the Foundation went into emergency planning mode. Community Foundations across the UK are often the frontline emergency delivery agency handling grant aid and major incident support, including aid for the survivors of the Grenfell Tower fire, as well as supporting most major floods incidents throughout the UK over the past decade.

During March, we prepared for remote working for our staff so that when lockdown was announced on the 23rd March, we were able to work from home, seamlessly and without any service interruption. Nationally, UK community foundations were represented on the National Emergency Trust who have co-ordinated the nationwide Coronavirus Appeal and its distribution. This activity was complemented by the launch of our own local Coronavirus Emergency Appeal using media partners, BBC Radio Suffolk and the East Anglian Daily Times to spearhead the campaign.

Local community resilience planning has been co-ordinated by the public sector led Collaborative Communities Board (of which we are Board members). This Board has overseen the development of the community response to the pandemic. The Foundation also has a seat on the Integrated Care System Board, the main driver forging the closer partnership working of health and social services - organisations that are operating in the frontline of the emergency.

As the emergency developed and as lockdown kicked in, we witnessed first-hand the complex pressure build-up that the charitable and community sector was experiencing. Some charities found themselves in the frontline with rapidly increasing demand whilst others found that social distancing practise limited the delivery of their services. Generally, there was a quick adaption for many, with services being developed for remote delivery via telephone or video conference.

The financial stability of large sections of the charitable sector has become stressed primarily because social distancing measures have severely restricted fundraising and income generating trading services. Charities and community groups have also seen volunteer forces deplete as many self-isolate; this has been particularly prevalent for older volunteers. On a positive note, the Foundation has witnessed a huge community response at a neighbourhood level, as neighbours have rallied around to help the most vulnerable members of their communities.

Against this backdrop, the Foundation was one of the first funders to launch its emergency grant aid programme on the 18th March. Initially the largest response was for emergency food provision for vulnerable people via funding to foodbanks. By year end and 15 weeks after launching, the emergency fund had awarded grants of £218K to support the increase in service demand experienced by foodbanks. The Foundation was also actively

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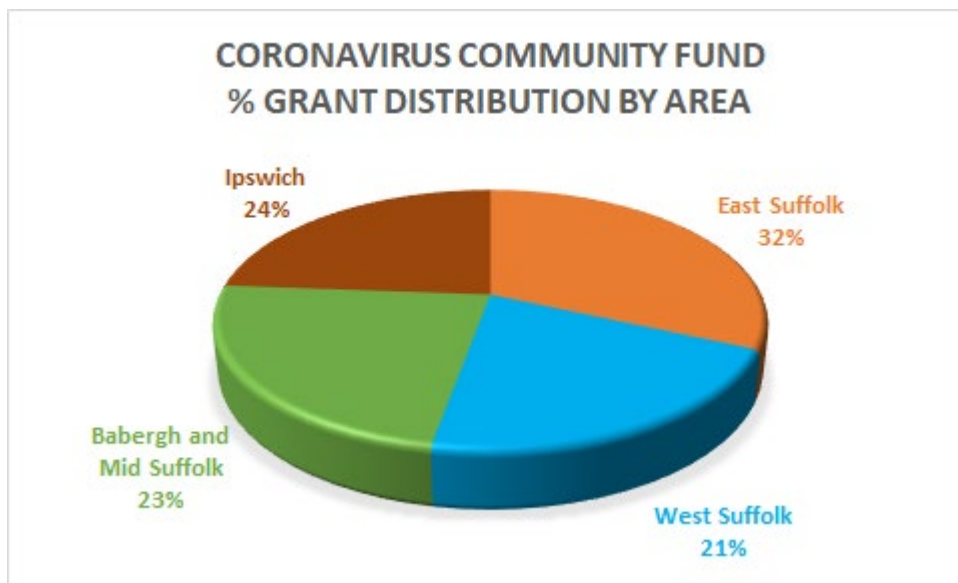
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involved in the development of a food distribution hub to support a food supply chain to the 51 foodbanks operating across the county. In addition, we were able to secure £131K of donated food supplies from a corporate donor for the emergency supply chain.

As the emergency continued other charitable service demands began to peak, the largest demand being associated with the following services:

- mental wellbeing support
- advice and advocacy services particularly around unemployment and financial crisis
- general health and wellbeing services for the lonely and isolated
- specialist interventions to support Black, Asian and Minority Ethnic communities
- development of good neighbour schemes and other grassroots initiatives

During the 15 weeks of the emergency leading up to our year end, the Foundation's emergency fund together with Suffolk's allocation from the National Emergency Trust had raised over £1.534m. From this fund, 228 grants had been awarded to 169 organisations with a combined value of £987K. In addition, the Foundation also repurposed existing funding to help organisations that either adapted their services to support the emergency response or, where their financial position was causing organisational stress because of the pandemic. The emergency relief continues to respond into the next financial year. The chart below shows the % distribution of grant funding to the four geographical areas of the county.



The scale of the immediate response is by far the largest emergency response injected into Suffolk's charity and community sector at year end. This is particularly impressive as the Foundation team kept all other funding streams under management open whilst engaged in the emergency campaign. We must acknowledge the Foundation team for their complete dedication to helping others during this challenging time, as well as pass on our gratitude to everyone who has contributed to the appeal both locally through the Foundation and nationally,

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through the National Emergency Trust. We must also thank our media partners, the East Anglian Daily Times and BBC Radio Suffolk who continue to promote the campaign so that ongoing support can be channelled through the Foundation to help our local charities and community groups during this difficult time.

Strategic grantmaking update – Integrated Care System

In last year's trustees' report, we reported on our involvement with the Suffolk and North East Essex Integrated Care System (ICS). Integrated Care Systems are a key part of the NHS long-term plan and are intended to bring about major changes in how health and care services are planned, paid for and delivered. This includes working with relevant charity and community sector organisations who are operating in the health and wellbeing arena. The ICS takes collective responsibility for managing integrated resources to improve health for the population they serve. The Foundation is a member of the ICS Board and ICS Strategic Investment Group providing knowledge of the charity and community sector and its evolving role it can play 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 developed a £2m fund, which will help support charities and community groups who are tackling issues identified by the local partners as key determinates to poor health and wellbeing. The initiative is known as the Realising Ambitions programme. This key work of identifying and developing the appropriate charitable and community group partners and funding their activity, has fallen to both Suffolk and Essex Community Foundations with distribution from the fund being split (Suffolk £1.225m and Essex £767,000). The Suffolk Community Foundation leads on the community foundation partnership.

The Realising Ambitions programme was launched in July 2019 with funding priorities chosen by ICS partners on a regional basis and thereby creating three Alliances of cross-organisational working, West Suffolk, Ipswich and East Suffolk (excluding Waveney) and North East Essex. Assessed grant applications to the fund were presented to the individual Alliance grant panels which were composed of primary and social care experts with chosen partners being awarded a total of 77 grants with a value of between £553 to £79,000. Under traditional grantmaking practises, the funder would normally step back from the successful applicants until final monitoring of the funded project. However, both Suffolk and Essex Community Foundations have continued to play a role with the organisations post award, both to help and provide advice on the project delivery and importantly, to also help devise systems to measure the impact of the individual projects, so that the contribution to the wider ICS plan can be evaluated – six different evaluation models have been adopted by the participating organisations.

The Foundation has also been able to direct new philanthropic donations to support other organisations that are tackling the Realising Ambitions priorities, particularly where the Foundation has spotted a gap in provision. An assessment report commissioned by the ICS in March was extremely positive about the Realising Ambitions programme and the role of the community foundations, paying particular attention to the early signs of significant impact, and the contribution of philanthropic support.

The COVID-19 emergency has affected some of the projects' delivery expectations but the vast majority remain on course to deliver their expected outcomes.

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Financial review

Financial position

The Foundation's financial position is shown in the Statement of Financial Activities on page 20 and the Balance Sheet on page 22. Overall, the Foundation has delivered a strong financial performance over the year as follows:

- Income grew over the previous year by 5.7% to £6,214,331
- Endowment funds under management fell by 0.5% to £15,964,778
- Return on listed investment grew by 3.4% to £432,310
- Grantmaking increased by 78.3% to £4,926,324
- Unrestricted reserves increased by 23.2% to £512,942

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.

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. Overall responsibility for the investment portfolio is overseen by the Operations Committee who report to the Board of Trustees.

The Foundation uses the services of investment managers to invest its financial assets. These are selected following a structured selection process in line with the investment objectives. Over the past financial year, the Foundation has continued to contract the services of investment managers Rathbones, CCLA and, Barratt and Cooke. All investment managers performance has been monitored closely in line with the investment objectives and prevailing market conditions. The current portfolio of listed investments managed by the investment managers is £13,697,806 at year end (Note 13).

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The Foundation also holds property that has been gifted to it, the rental income of which, after maintenance costs, supports a grants programme. The revaluation of the property portfolio has been considered and we have been advised that the current portfolio valuation is in line with current market values (with the addition of a further gift in March 2020). The current property portfolio is therefore valued at £2,418,000.

For the year ending 30 June 2020 investment income of £502,818 was achieved (Note 4) which includes rental income and income from short term bank deposits. A net capital loss of £249,598 is reported on the value of invested assets held within the investment managers' portfolio.

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.

Last year we reported that the operational conditions for the charitable sector remained volatile. This year, these conditions have deteriorated primarily through the loss of fundraising and income trading opportunities following the COVID-19 pandemic lockdown. The Foundation continues to work closely with organisations who are being affected by these challenges, often repurposing existing and new grant support to help tackle the financial shortfall that organisations are experiencing.

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 (£333,500 to £667,000) of our projected overheads. To that end, the Foundation is currently holding reserves at year end of £512,942.

Plans for future periods

In addition to delivering the Foundation's mission (page 5), the Foundation will;

- continue to develop its strategic leadership initiatives that tackle root causes rather than addressing their symptoms.
- develop our support for organisations working with Black, Asian, Minority Ethnic communities.
- Revisit our Hidden Needs research regarding deprivation.

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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

On 28th September 2020

George Vestey
Trustee

Suffolk Community Foundation

Statement of Trustees' Responsibilities

For the Year ended 30 June 2020

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 2020 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 2020

Opinion

We have audited the financial statements of Suffolk Community Foundation (the 'charitable company') for the year ended 30 June 2020 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 2020, 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 2020

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 16, 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 2020

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

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

Use of our report

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

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

Statutory Auditor

Cardinal House
46 St Nicholas Street
Ipswich
Suffolk
IP1 1TT

Dated: 07 October 2020

Suffolk Community Foundation

Statement of Financial Activities

For the Year ended 30 June 2020

	Notes	Unrestricted funds £	Restricted Funds £	Endowment funds £	Total 2020 £	Unrestricted funds £	Restricted Funds £	Endowment funds £	Total 2019 £
Income and endowments from:									
Donations and legacies									
<i>Donations and legacies</i>	2	183,190	4,561,542	390,186	5,134,918	171,394	2,076,958	2,852,767	5,101,119
<i>Grants</i>	2	-	505,800	-	505,800	-	142,660	-	142,660
Other trading activities	3	44,695	26,100	-	70,795	74,274	78,372	-	152,646
Investments	4	65,501	437,317	-	502,818	54,811	426,131	-	480,942
Total income		293,386	5,530,759	390,186	6,214,331	300,479	2,724,121	2,852,767	5,877,367
Expenditure on:									
Raising funds	5	155,219	78,890	31,339	265,448	158,026	81,875	47,349	287,251
Charitable activities									
<i>Grants awarded</i>	5	54,936	4,871,388	-	4,926,324	65,545	2,698,088	-	2,763,633
<i>Other charitable activities</i>	5	501,321	5,943	-	507,264	442,829	13,693	-	456,522
Total expenditure	5	711,476	4,956,221	31,339	5,699,036	666,400	2,793,656	47,349	3,507,406
Net gains/(losses) on investments		-	396	(249,994)	(249,598)	-	5,571	750,361	755,932
Net income / (expenditure)		(418,090)	574,934	108,853	265,697	(365,922)	(63,964)	3,555,779	3,125,893
Transfers between funds		514,739	(326,897)	(187,842)	-	345,511	(144,095)	(201,416)	-
Net movement in funds		96,649	248,037	(78,989)	265,697	(20,411)	(208,059)	3,354,363	3,125,893
Fund balances at 1 July 2019		416,293	1,527,208	16,043,767	17,987,268	436,704	1,735,267	12,689,404	14,861,375
Fund balances at 30 June 2020		512,942	1,775,245	15,964,778	18,252,965	416,293	1,527,208	16,043,767	17,987,268

Suffolk Community Foundation

Summary Income and Expenditure Account

For the Year ended 30 June 2020

	2020	2019
	£	£
Income	5,509,169	2,745,074
Gains / (losses) on investments	396	5,571
Interest and investment income	502,818	480,942
	<hr/>	<hr/>
Gross income in the reporting period	6,012,383	3,231,587
Expenditure	5,661,313	3,454,282
Interest payable	-	-
Depreciation	6,384	5,775
	<hr/>	<hr/>
Total expenditure in the reporting period	5,667,697	3,460,057
	<hr/>	<hr/>
Net income before tax in the reporting period	344,686	(228,470)
Tax payable	-	-
	<hr/>	<hr/>
Net income in the reporting period	344,686	(228,470)
	<hr/>	<hr/>
The above excludes income for endowment.		
Statement of Recognised Gains and Losses		
Net income for the year	344,686	(226,176)
Unrealised gains on investments held by income funds	-	-
Net movement on endowment funds	(78,989)	3,354,363
	<hr/>	<hr/>
	265,697	3,125,893
	<hr/>	<hr/>

Suffolk Community Foundation

Balance Sheet

As at 30 June 2020

Company number 05369725

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	12		18,692		14,435
Investments	13		16,115,806		16,079,058
Total fixed assets			<u>16,134,498</u>		<u>16,093,493</u>
Current assets:					
Debtors	14	463,909		440,980	
Cash at bank and in hand		3,211,036		3,639,254	
Total current assets		<u>3,674,945</u>		<u>4,080,234</u>	
Liabilities:					
Creditors amounts falling due within one year	15	(1,390,178)		(2,127,959)	
Net current assets			<u>2,284,767</u>		<u>1,952,275</u>
Total assets less current liabilities			<u>18,419,265</u>		<u>18,045,768</u>
Creditors: amounts falling due after more than one year	16		(166,300)		(58,500)
Net assets			<u>18,252,965</u>		<u>17,987,268</u>
The funds of the charity:					
Capital funds					
Endowment funds	17		15,964,778		16,043,767
Income funds					
Restricted funds	18		1,775,245		1,527,208
Unrestricted funds			512,942		416,293
Total charity funds			<u>18,252,965</u>		<u>17,987,268</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 28th September 2020

.....
Mr G Vestey

Trustee

.....
Mrs S Gull

Trustee

The notes on pages 24 to 41 form part of these financial statements.

Suffolk Community Foundation

Cash Flow Statement

For the Year ended 30 June 2020

		2020		2019	
	Notes	£	£	£	£
<i>Cash flows from operating activities:</i>					
Net cash provided by (used in) operating activities	20a		(1,284,235)		60,224
			<hr/>		<hr/>
<i>Cash flows from investing activities:</i>					
Dividends, interest and rents from investments			502,818		480,942
Proceeds from the sale of investments			921,283		2,192,179
Purchase of fixed assets			(10,642)		(7,504)
Purchase of investments			(947,628)		(4,645,570)
			<hr/>		<hr/>
<i>Net cash generated/ (or used) in investing activities</i>			465,831		(1,979,953)
<i>Cash flows from financing activities:</i>					
Receipt of endowments			390,186		2,852,767
			<hr/>		<hr/>
<i>Changes in cash and cash equivalents in the year</i>	20b		(428,218)		933,038
Cash and cash equivalents at the beginning of the reporting period			3,639,254		2,706,216
			<hr/>		<hr/>
<i>Cash and cash equivalents at the end of the reporting period</i>	20b		3,211,036		3,639,254
			<hr/>		<hr/>

The notes on pages 24 to 41 form part of these financial statements.

Suffolk Community Foundation

Notes to the Accounts

For the Year ended 30 June 2020

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 2019, 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 COVID-19 emergency activity has not negatively impacted on the financial position. In fact the Foundation's financial position has strengthened due to the increased operational activity throughout the year.

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 goods, 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 2020

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 2020

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 2020

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 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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 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.

1.13 Investment properties

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

1.14 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 2020

1 Accounting policies continued

1.15 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 is 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 2020 £	Total 2019 £
Donations and gifts	183,190	4,561,542	390,186	5,134,918	2,915,961
Legacy income	-	-	-	-	2,185,158
	<u>183,190</u>	<u>4,561,542</u>	<u>390,186</u>	<u>5,134,918</u>	<u>5,101,119</u>

Donations and gifts

Unrestricted funds:

Corporate donations and gifts	10,926	13,518
Private donations and gifts	101,595	87,851
Membership	70,669	70,025
	<u>183,190</u>	<u>171,394</u>

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
Grant income					
Grants	-	505,800	-	505,800	142,660
	<u>-</u>	<u>505,800</u>	<u>-</u>	<u>505,800</u>	<u>142,660</u>

Included within income relating to grant making are the following grants

The Henry Smith Charity	505,800	142,660
	<u>505,800</u>	<u>142,660</u>

Gifts in kind to the value of £131k were received by way of donated food goods and were re-distributed in-kind to foodbanks.

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2020

3 Income from trading activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
Event income	44,695	26,100	-	70,795	152,646
	<u>44,695</u>	<u>26,100</u>	<u>-</u>	<u>70,795</u>	<u>152,646</u>

4 Investment income

	Unrestricted funds £	Restricted Funds £	Endowment funds £	Total 2020 £	Total 2019 £
Rental income from property investments	-	57,708	-	57,708	52,941
Income from listed investments	53,482	378,828	-	432,310	417,917
Other investment income	12,019	781	-	12,800	10,084
	<u>65,501</u>	<u>437,317</u>	<u>-</u>	<u>502,818</u>	<u>480,942</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 2020

5 Expenditure

	Note	Staff costs £	Depreciation £	Other Costs £	Grant Funding £	Total 2020 £	Total 2019 £
Raising funds							
Events and marketing		-	-	54,928	-	54,928	72,647
Support costs	7	143,099	1,085	15,455	-	159,639	143,972
Investment management costs		-	-	38,795	-	38,795	55,055
Other investment property costs		-	-	12,086	-	12,086	15,577
Total raising funds		143,099	1,085	121,264	-	265,448	287,251
Charitable activities							
Grants programme							
Grant funding of activities	6	-	-	-	4,926,324	4,926,324	2,763,633
Support costs	7	216,066	2,554	42,137	-	260,757	222,831
		216,066	2,554	42,137	4,926,324	5,187,081	2,986,464
Community development							
Support costs	7	139,799	2,107	30,035	-	171,941	151,014
Research and education							
Support costs	7	54,832	638	9,102	-	64,572	59,001
Research (Knife Crime)		-	-	-	-	-	11,400
		54,832	638	9,102	-	64,572	70,401
Management, operational and financial administration							
Support costs	7	-	-	9,994	-	9,994	12,276
Total charitable activities		410,697	5,299	91,268	4,926,324	5,433,588	3,220,155
Total expenditure		553,796	6,384	212,532	4,926,324	5,699,036	3,507,406

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2020

6 Grants payable

	2020 £	2019 £
Grants programme	4,926,324	2,763,633

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. Grants are distributed through panels across Suffolk.

During the year 885 grants (2019: 665) were distributed. A full analysis of grants paid in the year can be obtained from the registered office.

	2020 £	2019 £
Reconciliation of grants payable		
Commitments made in the year	4,926,324	2,763,633
Grants paid during the year	(4,687,758)	(2,759,381)
Commitments at 1 July 2019	894,004	889,752
Commitments at 30 June 2020	<u>1,132,570</u>	<u>894,004</u>
Commitments at 30 June 2020 are payable as follows:		
Within one year	966,270	835,504
After more than one year	166,300	58,500
	<u>1,132,570</u>	<u>894,004</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2020

7 Support costs

	Raising funds	Grants programme	Management & admin	Community development	Research & education	Total 2020	Total 2019
	£	£	£	£	£	£	£
Office and admin	8,526	25,792	-	16,550	5,015	55,883	56,608
Premises expenses	5,963	14,031	-	11,575	3,508	35,077	34,308
Staff costs	143,099	216,108	-	139,834	54,843	553,884	475,079
Depreciation	1,085	2,554	-	2,107	638	6,384	5,775
Information technology costs	966	2,272	-	1,875	568	5,681	5,048
Governance costs (Note 8)	-	-	9,994	-	-	9,994	12,276
	<u>159,639</u>	<u>260,757</u>	<u>9,994</u>	<u>171,941</u>	<u>64,572</u>	<u>666,903</u>	<u>589,094</u>

Premises expenses include £21,600 (2019: £21,600) payable in respect of operating leases for property. Office and administration expenses include £2,309 (2019: £2,239) in respect of operating leases for plant and machinery.

8 Governance costs

	2020 £	2019 £
Legal and professional fees	9,380	10,872
Other costs	614	1,404
	<u>9,994</u>	<u>12,276</u>

Governance costs includes payments to the auditors of £8,400 (2019: £8,000) for audit fees.

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2020

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year (2019: £nil).

The charity has purchased trustee indemnity insurance for £365 (2019: this cost formed part of a wider insurance package and it is therefore not possible to separately identify the amount).

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
Key management personnel	4	4
Operational	12	11
	<u>16</u>	<u>15</u>

The average number of full-time equivalent employees during the year was 13.5

	2020	2019
	£	£
Employment costs		
Wages and salaries	484,413	408,252
Social security costs	41,692	35,701
Other pension costs	27,673	25,368
	<u>553,778</u>	<u>469,321</u>

One employee received remuneration of between £90,000 and £99,999 in 2020 (2019: One between £80,000 and £89,999) including pension contributions.

The key management personnel comprise the Chief Executive, Head of Operations & Company Secretary, Head of Public Affairs, Head of Grant Programmes and the trustees. The total employee benefits including pension and employer's national insurance contributions of the key management personnel were £245,940 (2019: £228,766).

11 Pension and other post-retirement benefit commitments

Defined contribution

	2020	2019
	£	£
Contributions payable by the company for the year	<u>27,673</u>	<u>25,368</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2020

12 Tangible fixed assets

	Fixtures, fittings & equipment
	£
Cost	
At 1 July 2019	52,709
Additions	10,642
Disposals	(5,255)
At 30 June 2020	<u>58,096</u>
Depreciation	
At 1 July 2019	38,274
On disposals	(5,254)
Charge for the year	6,384
At 30 June 2020	<u>39,404</u>
Net book value	
At 30 June 2020	<u>18,692</u>
At 30 June 2019	<u>14,435</u>

13 Fixed asset investments

	Listed investments	Investment properties	Unlisted investments	Total
	£	£	£	£
Market value at 1 July 2019	13,921,058	2,158,000	-	16,079,058
Disposals at opening book value	(978,748)	-	-	(978,748)
Acquisitions at cost	947,628	260,000	-	1,207,628
Change in value in the year	(192,132)	-	-	(192,132)
Market value at 30 June 2020	<u>13,697,806</u>	<u>2,418,000</u>	<u>-</u>	<u>16,115,806</u>
Historical cost:				
At 30 June 2020	<u>11,755,818</u>	<u>2,211,750</u>	<u>1</u>	<u>13,967,568</u>
At 30 June 2019	<u>11,696,072</u>	<u>1,951,750</u>	<u>1</u>	<u>13,647,823</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2020

13 Fixed asset investments (continued)

During the year a property, valued on that date at £260,000, 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, and subsequent additions have been included at the valuation at the date of gift.

Holdings of more than 5%

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

	Market Value
	£
COIF Charities Investment Fund (386,693 income units)	6,488,442
	<hr/>

14 Debtors

	2020	2019
	£	£
Trade debtors	25,600	72,000
Accrued income	353,722	293,819
Prepayments	24,441	18,724
Other debtors	60,146	56,437
	<hr/>	<hr/>
	463,909	440,980
	<hr/>	<hr/>

Other debtors include loans of £60,146 (2019: £56,437) 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 2020

15 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	26,894	30,505
Other creditors	367,365	1,225,971
Grants payable – see note 6	966,270	835,504
Accruals	29,649	35,979
	<u>1,390,178</u>	<u>2,127,959</u>

Included in accruals is an amount of £nil at 30 June 2020 (2019: £2,547) relating to pension or other post- retirement benefits.

16 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Grants payable – see note 6	166,300	58,500
	<u>166,300</u>	<u>58,500</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2020

17 Endowment funds summary

	Balance at 1 July 2019	Income	Investment fees	Other transfers	Unrealised investments gains/losses	Balance at 30 June 2020
	£	£	£	£	£	£
Linked charity	1,022,716	-	-	(10,227)	(43,652)	968,837
Other endowment	11,426,257	369,267	(31,339)	(177,615)	(308,894)	11,277,676
Community First funds	3,594,794	20,919	-	-	102,552	3,718,265
	<u>16,043,767</u>	<u>390,186</u>	<u>(31,339)</u>	<u>(187,842)</u>	<u>(249,994)</u>	<u>15,964,778</u>
	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	2,825,223	(47,349)	(145,156)	413,850	11,426,257
Community First funds	3,326,385	27,544	-	(44,133)	284,998	3,594,794
	<u>12,689,404</u>	<u>2,852,767</u>	<u>(47,349)</u>	<u>(199,122)</u>	<u>748,067</u>	<u>16,043,767</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 2020

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 2019	Incoming resources	Resources expended	Other transfers	Investments gains on disposal	Balance at 30 June 2020
	£	£	£	£	£	£
Grantmaking funds	1,527,208	5,470,207	(4,895,669)	(326,897)	396	1,775,245
Overhead funds	-	60,552	(60,552)	-	-	-
	<u>1,527,208</u>	<u>5,530,759</u>	<u>(4,956,221)</u>	<u>(326,897)</u>	<u>396</u>	<u>1,775,245</u>
	<u>1,527,208</u>	<u>5,530,759</u>	<u>(4,956,221)</u>	<u>(326,897)</u>	<u>396</u>	<u>1,775,245</u>
	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	2,669,158	(2,738,693)	(146,389)	7,865	1,527,208
Overhead funds	-	54,963	(54,963)	-	-	-
	<u>1,735,267</u>	<u>2,724,121</u>	<u>(2,793,656)</u>	<u>(146,389)</u>	<u>7,865</u>	<u>1,527,208</u>
	<u>1,735,267</u>	<u>2,724,121</u>	<u>(2,793,656)</u>	<u>(146,389)</u>	<u>7,865</u>	<u>1,527,208</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 2020

19 Analysis of net assets between funds

	Unrestricted £	Restricted £	Endowment £	Total £
Fund balances at 30 June 2020 are represented by:				
Tangible fixed assets	18,692	-	-	18,692
Investments	145,176	-	15,970,630	16,115,806
Current assets	396,802	3,278,143	-	3,674,945
Creditors: amounts falling due within one year	(47,728)	(1,336,598)	(5,852)	(1,390,178)
Creditors: amounts falling due after more than one year	-	(166,300)	-	(166,300)
	<u>512,942</u>	<u>1,775,245</u>	<u>15,964,778</u>	<u>18,252,965</u>

	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	(64,171)	(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>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2020

20 Notes to the cash flow statement

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

	2020	2019
	£	£
Net income / (expenditure) for the reported period (as per the statement of financial activities)	265,697	3,125,893
Adjustments for:		
Depreciation charges	6,384	5,775
(Gains) / losses on investments	192,132	(750,361)
New endowments	(390,186)	(2,852,767)
Dividends interest and rents from investments	(502,818)	(480,942)
Loss / (profit) on sale of investment and assets	57,466	(5,571)
(Increase) / decrease in debtors	(22,929)	(17,829)
Increase / (decrease) in creditors	(629,981)	1,236,026
Donated properties	(260,000)	(200,000)
Net cash provided by (used in) operating activities	(1,284,235)	60,224

(b) Analysis of cash and cash equivalents

	2019	Movement in cash flow	2020
	£	£	£
Cash at bank and in hand	3,639,254	(428,218)	3,211,036
	<u>3,639,254</u>	<u>(428,218)</u>	<u>3,211,036</u>

21 Commitments under operating leases

At 30 June 2020 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2020	2019	2020	2019
	£	£	£	£
Expiry date:				
Within one year	21,600	21,600	2,333	2,050
Between two and five years	16,200	37,800	1,320	2,713
Over five years	-	-	-	-
	<u>37,800</u>	<u>59,400</u>	<u>3,653</u>	<u>4,763</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2020

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 have a registered interest of charities receiving grants from Suffolk Community Foundation.

During the year, donations from trustees totalled £10,270 (2019: £25,600) and donations from entities in which trustees have an interest totalled £291,178 (2019: £236,553) including a corporate gift-in-kind of £130,980. Grants awarded to charities in which trustees have an interest totalled £216,091 (2019: £172,024).

The following amounts were included as professional fees:

£5,132 (2019: £6,188) Birketts LLP – a business in which Jonathan Agar has an interest – for professional services in relation to the gift of property and legacy advice.

£4,340 (2019: £8,515) 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

	2020	2019
	£	£
Financial assets measured at amortised cost	439,468	422,256
Financial assets measured at market value	16,115,806	16,079,058
	<u>16,605,274</u>	<u>16,501,314</u>
Financial liabilities measured at amortised cost	<u>1,556,478</u>	<u>2,186,459</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.