



Suffolk Community Foundation

Trustees' Report and Financial Statements

For the Year Ended

30 June 2021

Suffolk Community Foundation

Legal and Administrative Information

Trustees	George Vestey DL Peter Newnham Jonathan Agar DL Susan Gull Jordan Holder (from 17 th September 2020) The Hon. Selina Hopkins David Hughes (to 8 th December 2020) Gulshanbir Kayembe DL William Kendall DL Jane Millar (from 29 th July 2021) Louisa Pepper Neil Walmsley Terrence Ward
Chief Executive	Stephen Singleton MBE
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 Connexions 159 Princes Street Ipswich IP1 1QJ

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
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EC4V 4ET

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North Wing, City House
126-130 Hills Road
Cambridge
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Suffolk Community Foundation

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Suffolk Community Foundation

Chairman's Statement

Chairman's Statement

I am pleased to present the Trustees' Annual Report and Financial Statements for the year ended 30 June 2021.

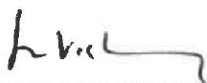
You will see from the trustee report that the Suffolk Community Foundation has had another very busy year. Understandably, a significant amount of our energy and time has been focussed on supporting charities and community groups that have been helping those most affected directly or indirectly by the Covid-19 pandemic. What started with emergency aid particularly centred around vital food provision for vulnerable isolated and often older people has turned into support for a whole array of further associated social problems, such as job loss, money problems, relationship breakdown, and mental health issues. The Foundation's funding has been nimble and flexible to meet the changing need as it has evolved through the pandemic. With the generosity of our donors and support from other trusts and foundations, we have raised £3.37M since lockdown in March 2020 to support a number of emergency and recovery grant programmes. Over the same timescale, 525 emergency grants have been awarded to charities and community groups who have operated in the frontline during the most testing of times. It has been a humbling experience to witness such community spirit, commitment, compassion, and determination in their desire to assist others who have desperately needed help.

Throughout the pandemic, the Foundation staff have continued to deliver their pre-pandemic service as normal and in tandem to our emergency response. Income this year reached a new high whilst the team processed and distributed 1010 grants, a truly spectacular achievement considering all the challenges that they have had to overcome. I would like to recognise their achievements over the past year and on behalf of the Board of Trustees send our warm and heartfelt thanks for their enormous contribution to the Foundation and to Suffolk. I would like to thank my fellow trustees for their ongoing support and knowledge that they bring to the Foundation, as well as our Patrons who remain tirelessly committed.

It also gives me great pleasure to congratulate our Chief Executive, Stephen Singleton, who was recognised in the 2020 Queen's Birthday Honours List with an MBE for services to the community in Suffolk during Covid-19. Stephen has been at the helm of the Suffolk Community Foundation since its inception sixteen years ago and it is a tribute to his knowledge, skills, and determination that the Foundation has developed into such an effective support to the voluntary sector.

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, their generosity has been extraordinary over the past year. 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.

Signed on 27th September 2021



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George Vestey DL
Chairman

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2021

The trustees present their report and financial statements for the year ended 30 June 2021. 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, and special resolutions dated 11th September 2009, 28th November 2011 and 8th December 2020. 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:

George Vestey DL	Chair of Trustees, Income Development Committee Chair
Peter Newnham	Vice Chair, Grants & Community Impact Committee, Income Development Committee, Operations Committee
Jonathan Agar DL	Income Development Committee
Susan Gull	Operations Committee Chair from 13 th September 2021
Jordan Holder	Grants and Community Impact Committee from 17 th September 2020
The Hon. Selina Hopkins	Income Development Committee
David Hughes	Operations Committee to 8 th December 2020
Gulshanbir Kayembe DL	Grants & Community Impact Committee
William Kendall DL	
Jane Millar	Grants and Community Impact Committee from 29 th July 2021
Louisa Pepper	Grants and Community Impact Committee
Neil Walmsley	Operations Committee Chair to 13 th September 2021
Terrence Ward	Grants & Community Impact Committee Chair

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Trustees' Report

For the Year ended 30 June 2021

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 16 members of staff, (13.5 full time equivalent) who undertake the core functions of the Foundation - grantmaking, income development, finance, administration, marketing, communications, and event management. From 1st July 2021 the team members increased to 18 (14.93 full time equivalent).

The Foundation is also assisted by volunteers who sit on grant panels, where their local knowledge informs and 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. Over the past year, much of this work has been conducted virtually because of Covid-19 pandemic restrictions. We would like to recognise their continued commitment and flexibility in supporting the work of the Foundation during these uncertain times and the Board of Trustees would like to record its enormous appreciation for their help and dedication during these challenging times.

The Foundation also greatly appreciates and values the continued support and guidance from its patrons, vice patrons and honorary life patron 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 47 community foundations operating across the UK. With combined endowment funds under investment in excess of £700m, we are now collectively the fourth largest grant maker across the UK.

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Our chief executive, Stephen Singleton was re-appointed to the UK Community Foundations (UKCF) Board in December 2020. He has served on the Board since 2016.

We are pleased to confirm that Gulshanbir Kayembe will continue to serve the Board for another year. Gulshan brings unique insight into a range of issues, including young people and education, health systems, law and order and diversity, equality and inclusion. Her contribution to the Foundation over many years is much valued. We are also grateful to Gulshan for delivering ongoing diversity, equity and inclusion training to our staff and trustees.

Jordan Holder joined the board on 17th September 2020. As the Senior Enterprise Coordinator at the New Anglia Local Enterprise Partnership, Jordan is an aspiring leader working to connect education & business and has a special interest in improving social mobility especially projects that support young people from underrepresented communities. He is also a Governor of Copleston High School in Ipswich.

We also welcome the recent appointment of Jane Millar to the Board on 29th July 2021. Jane has worked as an NHS mental health services manager and later as a commissioner of NHS mental health services – both posts were outside of Suffolk. Jane cares deeply about mental health and wellbeing for all and she is particularly interested in supporting carers. Jane brings much knowledge and experience to the Board with comprehensive experience of both mental health and social care.

We extend our gratitude to David Hughes who retired from the Board on 8th December 2020.

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

Significant activities

The trustees report that during the past financial year, the Foundation awarded 1010 grants with a value of £4,362,007. Since 2005, the Foundation has now awarded 8,141 grants with a combined value of £30.7m.

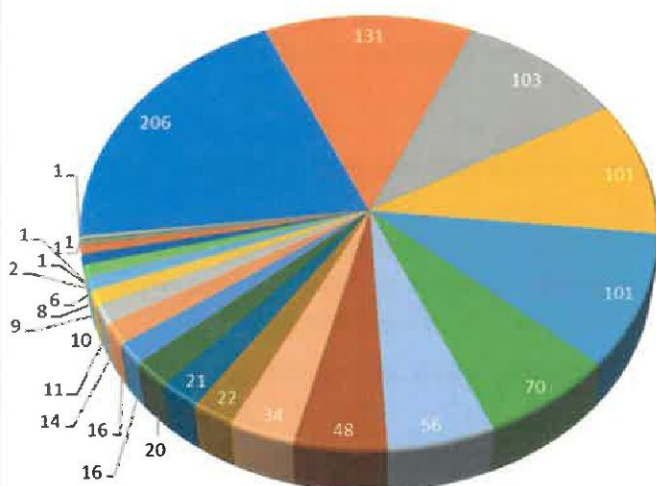
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For the Year ended 30 June 2021

The following charts below show the number of grants awarded during the past financial year, by primary beneficiary group and the primary issue that they are tackling.

No of grants by primary beneficiary group
2020-2021

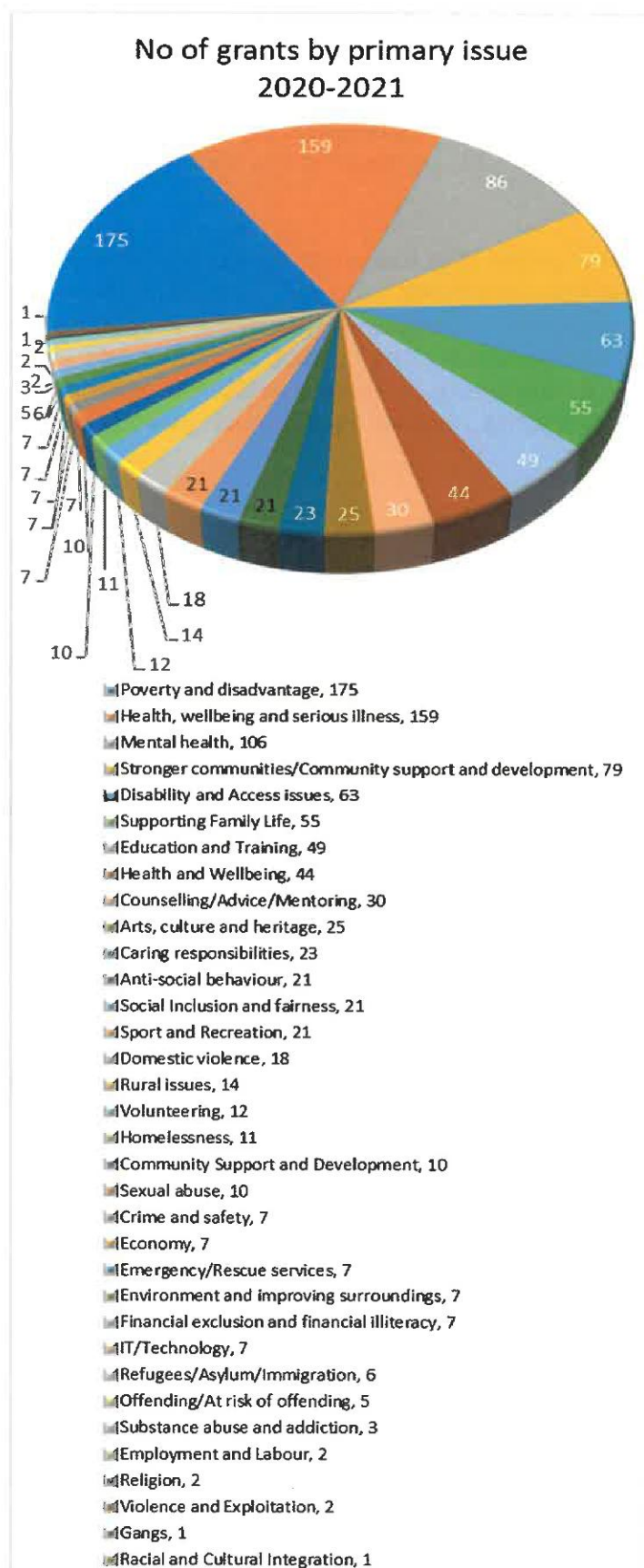


- Children & young people, 206
- Local residents, 131
- Older people, 103
- Families/parents/lone parents, 101
- People living in poverty, 101
- People with mental health issues, 70
- Ethnic minorities, 56
- People with multiple disabilities, 48
- People with learning difficulties, 34
- Women, 22
- Victims of crime/violence/abuse, 21
- Carers, 20
- People in care or suffering serious illness, 16
- People with physical disabilities, 16
- Homeless people, 14
- Ex-offenders/offenders/At risk of offending, 11
- Men, 10
- Refugees/asylum seekers /immigrants, 9
- Not in education, employment and training (NEET 16-24), 8
- Adults, 6
- Long-term unemployed, 2
- Disadvantaged / Low Income, 1
- Education and Training, 1
- People with alcohol/drug addictions, 1
- People with general health issues, 1
- Lesbian, gay, bisexual and transgendered groups, 1

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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 117 individual funds of which 69 are endowed. The net endowment fund value at year end was £19,096,517, a rise of 19.62% on the previous year. This increase was achieved through the establishment of new endowed funds, new donations to existing endowed funds and investment returns on existing and new funds. The trustees are comfortable with the performance. The Trustees made the decision to move all investments held within the CCLA Investment fund to the CCLA Ethical Investment Fund on 2nd July 2021 in line with an ongoing focus on environmental, social and governance best practice.

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 invested in endowed funds, where annual investment return is utilised for sustainable grantmaking into the future.

All funds however:

- concentrate on funding for defined and measurable objectives
- giving preference to smaller grants for local organisations who are tackling social need, and
- using priorities that are determined by local needs analysis, including the Foundation's Hidden Needs Report 2020.

Resources spent on charitable activities

During the past year, the Foundation managed grantmaking for the 117 individual funds that we hold on behalf of individuals, families, businesses, trusts and foundations, and public sector organisations. Diligent, effective, 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 delivery of the associated grants programme, particularly regarding the opportunities and challenges that voluntary and charitable organisations face, 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.

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In addition to the resources used in delivering the grant programmes, 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, through workshops, and increasingly by using on-line webinars. The Foundation is also called upon when organisations face difficulties, typically when funding pressure occurs through increased service demand or funding shortfall. The Foundation continues to witness ongoing challenges for many grant applicants and continues to allocate resource to support and help those organisations that are facing difficulties by offering in addition to its own grant investment, advice, and support services, including signposting to other funding sources. The COVID-19 pandemic has increased the pressure considerably for many charities and community groups as fundraising and income trading activity has been particularly hit over the past year, whilst demand on their services has continued to grow.

During the year, the average grant awarded by the Foundation was £4,319, with grant awards ranging from £68 to £125,000 with larger grants typically being awarded over 2 years.

The associated direct delivery overhead for the Foundation's grant activity is £282,193 (2020: £260,757) (note 7). The Foundation's charitable activity is broader than its direct grantmaking activity and includes knowledge sharing, producing evidence, associated research and awareness of local issues and collaborative working. This community development activity is intensive, complex in nature and often involves multi-partnership working across private, public, and voluntary sectors. The financial contribution to this charitable activity over the past year equates to £160,158 (2020: £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 £64,334 (2020: £64,574) (note 7) of charitable giving was attributed to this area.

Achievements and performance

Response to Covid-19

As the Foundation entered its new financial year, it became clear that a large proportion of our support and resource would be focussed on the challenges brought about by the Covid-19 pandemic. As stated in last year's trustees' report, Suffolk Community Foundation was on alert and into emergency planning mode by February 2020 and subsequently went live with its emergency grant aid programme on the 18th March 2020, one of the first funders to launch an emergency fund across the UK. At year end on the 30th June 2020, and some 15 weeks after launch, the emergency fund became essential in supporting charities and community groups who found themselves in the frontline providing vital services needed to support the most vulnerable people in our communities who lives were being severely affected by the pandemic.

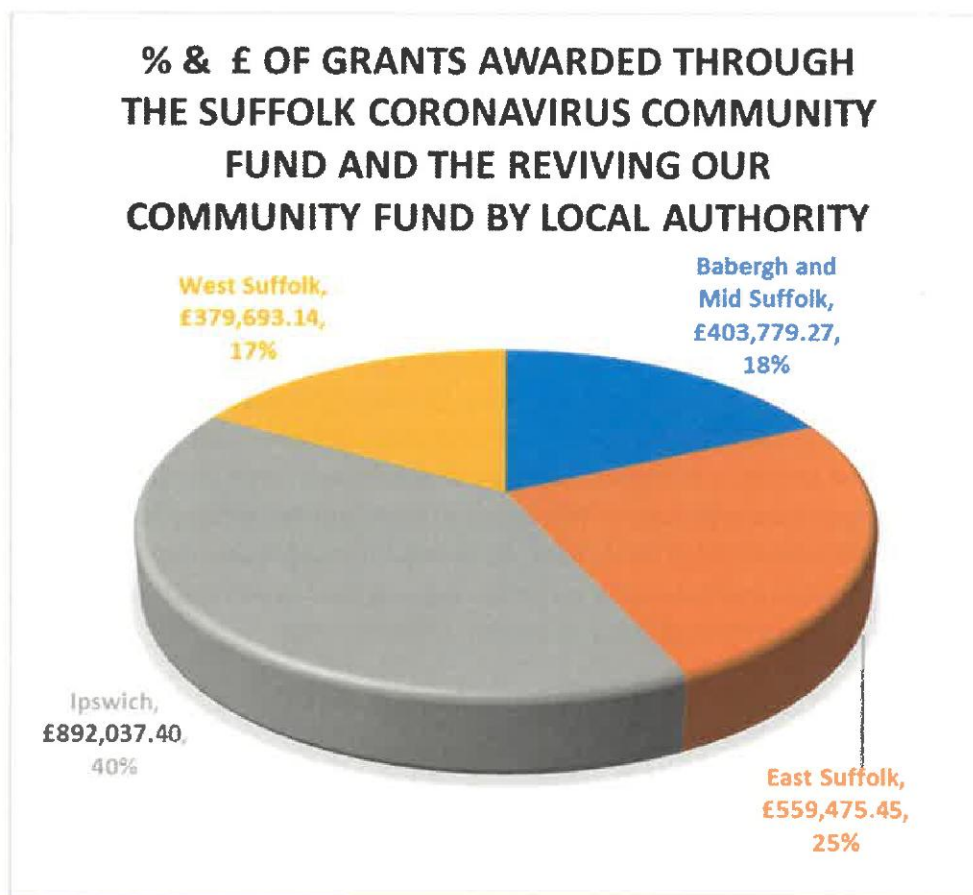
As we moved into our new financial year (July 2020), the scale of the need grew significantly. Working remotely, our partnership with the National Emergency Trust (NET), who were co-ordinating the nationwide Coronavirus Appeal, became vital in channelling much needed financial support through community foundations across the UK. This was complemented by our local appeal supported by our media partners, BBC Radio Suffolk and the East Anglian Daily Times, who tirelessly promoted the campaign to raise further income to supplement the national allocation from NET. The generosity of local people was truly uplifting and helped to make a total of 525 grants

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from the Coronavirus Appeal totalling £2,234,985. The chart below shows the percentage and value of grant distribution to the four geographical areas of the county.



Initially, the largest response from the charitable and community sector was to meet the increasing demand for emergency food provision to support vulnerable people. Our grant distribution was primarily channelled through foodbanks to meet this demand. As the challenges surrounding the effects of the pandemic evolved, the demands for our support had to adapt to meet further developing pressure points. We witnessed and responded by supporting organisations who were experiencing significant increased demands upon their services, particularly those organisations working in the following areas:

- Mental health and wellbeing support
- Advice and advocacy services with high demand for unemployment, financial crisis and relationship support
- General health and wellbeing interventions for the isolated and lonely
- Interventions to support Black, Asian and minority Ethnic communities
- Development of good neighbour schemes and other grassroots locality initiatives

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Importantly, other funds that are held with the Foundation responded to these emerging challenges bringing our total Coronavirus response to £3.37M.

As we moved on through the year, new challenges for the charitable sector emerged. Whilst some charities found themselves in the frontline experiencing unprecedented demand for their services, others were frustrated that they could not operate because of social distancing measures. The pressure on these organisations was profound with staff anxious that their services were not available for their user groups. Whilst many adapted their services by using telephone or video conferencing, others have had to halt their activity. In most situations funding has become more challenging for both groups. The Foundation has been supportive of their plight, re-structuring existing grants that have been awarded and providing new emergency funding to maintain some stability for the organisations where possible.

The knowledge and sharing of the charitable and community sector's strategy in supporting communities and individuals during the pandemic, has been a key objective for the Foundation, particularly as a Board Member on the public sector led Collaborative Communities Board, which has led on community resilience planning and response. Equally, the Foundation has played an active role on the Integrated Care Board, the principal body charged with integrating health and social services, and at the forefront of the clinical challenges brought about by Covid-19.

Business as usual

It is encouraging to report that despite the operational challenges associated with the pandemic which has included remote working from the office for the staff for over a year, that core services have continued without a hitch. It is a credit to the staff and their professionalism that the Foundation has continued to develop whilst extraordinary demands have been placed upon it. The Board of Trustees would like to place on record their gratitude to them for their extraordinary commitment and dedication during these challenging times.

Achievements and performance against last year's future plans

In last year's Trustee Report (2019-20), the Foundation identified three key areas for development that would complement and support its strategic plan and mission. Those initiatives were to:

- Revisit our Hidden Needs research into local deprivation.
- Continue to develop its strategic leadership initiatives that tackle root causes of social issues rather than addressing their symptoms.
- Develop support for organisations working with Black, Asian, Minority Ethnic Communities.

We are pleased to report that we have made very positive progress against these initiatives during the year as follows:

Revisiting our Hidden Needs research

Our first Hidden Needs Report (2010) benchmarked the level of deprivation across Suffolk with subsequent Hidden Needs research showing a continued upward trend of deprivation relative to other counties. In

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Trustees' Report

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partnership with the University of Suffolk, an updated report was published in the autumn of 2020. Launched online and through video conferencing with follow up partnership sessions for public and charitable sector organisations, the latest Hidden Needs Report (2020) shows a continuing upward trend of increasing deprivation across Suffolk relative to other counties. The report also looked deeper than previous reports to try and establish the factors driving this deprivation. Historically, we know that rurality is a significant factor for Suffolk, but the latest research discovered that other factors are now also driving deprivation growth. These include a low pay economy, higher housing cost than the national average and educational under performance. When these factors come together, their effect is profound and a huge challenge for the county. The report also looks at ways to tackle these issues and introduces a theory of change model that advocates cross sector (public, private, and voluntary sector) partnership working to tackle these major challenges. Our Hidden Needs Report can be viewed at <https://www.suffolkcf.org.uk/suffolks-hidden-needs-report-2020/>

Continuing to develop strategic leadership initiatives that tackle root causes of social issues rather than addressing their symptoms

The Foundation is increasingly supportive of exploring sustainable ways that can engage cross sector alliances to support strategic initiatives that tackle the root causes of social issues – the theory of change model that our Hidden Needs Report advocates. As a strategic partner, we can bring significant benefits to the table namely:

- Knowledge of Suffolk's charitable and community sector and its services
- Understanding the complexity of social need across Suffolk
- Ability to attract philanthropic support
- Independent leadership and ability to convene key cross-sector players
- Financial and physical stamina to stay with an initiative over a prolonged period

To date, we have developed or participated in an increasing number of strategic initiatives from our own Surviving Winer Campaign which now enters its 11th year to our involvement with the Integrated Care System and its ambition to integrate primary care and social care services to improve the outcomes for its users.

We are now looking to lead or partner with organisations where we can add value through the benefits we can bring and with a focus to tackle the root causes of social issues. As a result, we are now developing a new initiative for Suffolk which has been piloted in Oxfordshire by their community foundation, called Growing Minds.

The Growing Minds programme is looking to partner with perinatal services and voluntary sector organisations to support families and the development of their young children with the aim to improve their school readiness and thereby their life chances. This programme will be launched in autumn 2021 and financed with philanthropic support via the Foundation. Looking back at the drivers of deprivation in our Hidden Needs report, this project aligns with one of those drivers, namely educational underperformance. We believe that this is such an important development for the Foundation that we will take it forward in this report as part of this year's Future Plans.

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Developing support for organisations working with Black, Asian, Minority Ethnic Communities

As part of our ongoing equality, diversity and inclusion development work, we wanted to make sure that our approach to supporting Black, Asian and Minority Ethnic Communities across Suffolk was embedded in our service delivery, transparent, committed and aligned with our desire to be equitable and fair. To do this, we have had to look at new ways of working. This has included more outreach working with those communities, dedicated funding support through increased direct engagement. We have also engaged the help of specialist partners, increased our staff training and most importantly, listened to the challenges that these communities face. It is also imperative that we measure our success in reaching these communities.

As a result of this work, and in response to the Covid-19 pandemic that has disproportionately affected Black, Asian and Minority Ethnic Communities, the Foundation monitored its distribution of Covid-19 emergency funding, not only to charitable organisations serving those communities, but to organisations that were managed directly by ethnic communities themselves. Whilst this is encouraging, we remain committed to improving the lives of all of Suffolk residents and will endeavour to manage our organisation so that no one is left behind.

Financial review

Financial position

The Foundation's financial position is shown in the Statement of Financial Activities on page 22 and the Balance Sheet on page 24.

Against very challenging operating conditions, the Foundation returned a strong financial performance. The Covid-19 Pandemic has resulted in both philanthropic and business caution with associated investment market volatility. Equally public sector budgets have also been put under severe pressure as their services have responded to increased pandemic demand.

Grants payable by the Foundation will be affected by these external factors as well as timing issues and further details of grants paid and committed are set out in note 6 to the financial statements. This demonstrates that whilst grants committed to in the year fell by 11.45% to £4,362,007, grants paid out exceeded the previous year. To keep the Foundation's performance in perspective, grants payable represented the second highest grantmaking level achieved to date and our highest ever performance regarding the number of grants awarded, a total of 1010 compared to 885 in the previous year.

Return on listed investment also fell by a small margin of 5.4% to £409,004. In contrast, endowed funds under management grew by 19.62% to £19,096,517 through new donor income and trust transfer. Together with other income streams, the overall income grew by 7.33% to £6,670,079, strengthening the financial base to enable continued focus on long term strategic goals.

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Principal Funding Sources

The Foundation's Income is derived 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 £16,587,648 an increase of 21.1% at year-end (Note 13).

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 be increased by 10% to £2,813,800.

For the year ending 30 June 2021 investment income of £478,224 was achieved (Note 4) which includes rental income and income from short term bank deposits. A net capital gain of £2,066,144 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,

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action plans implemented to address the risk.

Last year we reported that the operational conditions for the charitable sector remained volatile. Although optimism has generally increased for the charitable sector because of the introduction of the nationwide vaccine program, challenges continue as a result of social distancing restrictions, a fall in volunteering support and a reduction in funding and trading opportunities. The Foundation continues to support organisations that are struggling with the challenges by offering advice, through the introduction to specialist partner support, or the repurposing of existing grants or new grant support to directly address financial shortfall.

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 £491,962 (2020: £512,942).

Plans for future periods

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

- Undertake a full review of our operational activity using wider stakeholder involvement to help inform our next 5-year strategic plan for the Foundation
- Launch and further develop our Growing Minds Programme to support our long-term strategic goal of tackling the root causes of social need
- Conduct and review our offer to Professional Advisors
- Continue to develop of the use of United Nations Sustainable Development Goals (UN SDG) to enhance the Foundation's operational activity.

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

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

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2021

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 47 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.

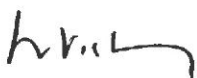
Disclosure of information to auditors

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 27th September 2021



George Vestey DL
Trustee

Suffolk Community Foundation

Statement of Trustees' Responsibilities

For the Year ended 30 June 2021

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 2021 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 2021

Opinion

We have audited the financial statements of Suffolk Community Foundation (the 'charitable company') for the year ended 30 June 2021 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 2021, 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibility and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Suffolk Community Foundation

Independent Auditors' Report to the Members of Suffolk Community Foundation

For the Year ended 30 June 2021

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 this gives rise to a material misstatement in the financial statements themselves. 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 17, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going 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.

Suffolk Community Foundation

Independent Auditors' Report to the Members of Suffolk Community Foundation

For the Year ended 30 June 2021

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 auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our audit was designed, after obtaining suitable knowledge and understanding of the Charitable Company and its operating systems, controls and culture, to include tests of detail together with supportive analytical procedures, to enable us to obtain reasonable assurance that the financial statements are free from material misstatements.

The engagement partner ensured the audit team collectively had the required experience, knowledge and competence to undertake the planned work and identify any material misstatements due to irregularities.

Our planned procedures included consideration of the work of service organisations utilised by the charity and the use of an expert for property revaluations.

From the work performed, discussions with management and the trustees and our knowledge and experience of the charity sector, we have obtained an understanding of the legal and regulatory framework the Charity operates in.

Our audit included higher levels of work on areas where we considered there to be a higher risk of fraud or misstatement, including revenue recognition and areas where there is a risk of management override of systems and controls or where there are high levels of uncertainty regarding an estimate or judgement.

However, it is the primary responsibility of management, with the oversight of the trustees, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

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/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

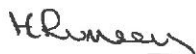
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable

Suffolk Community Foundation

Independent Auditors' Report to the Members of Suffolk Community Foundation

For the Year ended 30 June 2021

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

Connexions
159 Princes Street
Ipswich
IP1 1QJ

Dated: 27/9/21

Suffolk Community Foundation

Statement of Financial Activities

For the Year ended 30 June 2021

	Notes	Unrestricted funds £	Restricted Funds £	Endowment funds £	Total 2021 £	Unrestricted funds £	Restricted Funds £	Endowment funds £	Total 2020 £
Income and endowments from:									
Donations and legacies									
<i>Donations and legacies</i>	2	158,739	4,664,539	1,249,777	6,073,055	183,190	4,561,542	390,186	5,134,918
<i>Grants</i>	2	-	112,800	-	112,800	-	505,800	-	505,800
Other trading activities	3	-	6,000	-	6,000	44,695	26,100	-	70,795
Investments	4	54,445	423,779	-	478,224	65,501	437,317	-	502,818
Total income		213,184	5,207,118	1,249,777	6,670,079	293,386	5,530,759	390,186	6,214,331
Expenditure on:									
Raising funds	5	167,317	19,568	31,499	218,384	155,219	78,890	31,339	265,448
Charitable activities									
<i>Grants awarded</i>	5	49,860	4,312,147	-	4,362,007	54,936	4,871,388	-	4,926,324
<i>Other charitable activities</i>	5	499,637	18,339	-	517,976	501,321	5,943	-	507,264
Total expenditure	5	716,814	4,350,054	31,499	5,098,367	711,476	4,956,221	31,339	5,699,036
Net gains/(losses) on investments		611	4,931	2,165,295	2,170,837	-	396	(249,994)	(249,598)
Net income / (expenditure)		(503,019)	861,995	3,383,573	3,742,549	(418,090)	574,934	108,853	265,697
Transfers between funds		482,039	(230,205)	(251,834)	-	514,739	(326,897)	(187,842)	-
Net movement in funds		(20,980)	631,790	3,131,739	3,742,549	96,649	248,037	(78,989)	265,697
Fund balances at 1 July 2020		512,942	1,775,245	15,964,778	18,252,965	416,293	1,527,208	16,043,767	17,987,268
Fund balances at 30 June 2021		491,962	2,407,035	19,096,517	21,995,514	512,942	1,775,245	15,964,778	18,252,965

Suffolk Community Foundation

Summary Income and Expenditure Account

For the Year ended 30 June 2021

	2021 £	2020 £
Income	5,193,912	5,509,169
Gains / (losses) on investments	5,542	396
Interest and investment income	478,224	502,818
Gross income in the reporting period	5,677,678	6,012,383
Expenditure	5,059,781	5,661,313
Interest payable	-	-
Depreciation	7,087	6,384
Total expenditure in the reporting period	5,066,868	5,667,697
Net income before tax in the reporting period	610,810	344,686
Tax payable	-	-
Net income in the reporting period	610,810	344,686
The above excludes income for endowment.		
Statement of Recognised Gains and Losses		
Net income for the year	610,810	344,686
Unrealised gains on investments held by income funds	-	-
Net movement on endowment funds	3,131,739	(78,989)
	3,742,549	265,697

Suffolk Community Foundation

Balance Sheet

As at 30 June 2021

Company number 05369725

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		15,479		18,692
Investments	13		19,401,448		16,115,806
Total fixed assets			<u>19,416,927</u>		<u>16,134,498</u>
Current assets:					
Debtors	14	415,572		463,909	
Cash at bank and in hand		3,192,419		3,211,036	
Total current assets		<u>3,607,991</u>		<u>3,674,945</u>	
Liabilities:					
Creditors amounts falling due within one year	15	(942,154)		(1,390,178)	
Net current assets			<u>2,665,837</u>		<u>2,284,767</u>
Total assets less current liabilities			<u>22,082,764</u>		<u>18,419,265</u>
Creditors: amounts falling due after more than one year	16		(87,250)		(166,300)
Net assets			<u>21,995,514</u>		<u>18,252,965</u>
The funds of the charity:					
Capital funds					
Endowment funds	17		19,096,517		15,964,778
Income funds					
Restricted funds	18		2,407,035		1,775,245
Unrestricted funds			491,962		512,942
Total charity funds			<u>21,995,514</u>		<u>18,252,965</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 27th September 2021



Mr G Vestey DL

Trustee



Mrs S Gull

Trustee

The notes on pages 26 to 43 form part of these financial statements.

Suffolk Community Foundation

Cash Flow Statement

For the Year ended 30 June 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities:					
Net cash (used in) operating activities	20a		(767,941)		(1,284,235)
Cash flows from investing activities:					
Dividends, interest and rents from investments			478,224		502,818
Proceeds from the sale of investments			3,658,953		921,283
Purchase of fixed assets			(4,211)		(10,642)
Purchase of investments			(4,633,419)		(947,628)
Net cash (used) / generated in investing activities			(500,453)		465,831
Cash flows from financing activities:					
Receipt of endowments			1,249,777		390,186
Changes in cash and cash equivalents in the year	20b		(18,617)		(428,218)
Cash and cash equivalents at the beginning of the reporting period			3,211,036		3,639,254
Cash and cash equivalents at the end of the reporting period	20b		3,192,419		3,211,036

The notes on pages 26 to 43 form part of these financial statements.

Suffolk Community Foundation

Notes to the Accounts

For the Year ended 30 June 2021

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 2021

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 2021

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 2021

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 2021

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 2021 £	Total 2020 £
Donations and gifts	148,739	4,664,539	1,208,277	6,021,555	5,134,918
Legacy income	10,000	-	41,500	51,500	-
	<u>158,739</u>	<u>4,664,539</u>	<u>1,249,777</u>	<u>6,073,055</u>	<u>5,134,918</u>

Donations, gifts & legacies

Unrestricted funds:

Corporate donations and gifts	9,950	10,926
Private donations and gifts	88,913	101,595
Membership	59,876	70,669
	<u>158,739</u>	<u>183,190</u>

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £	Total 2020 £
Grant income					
Grants	-	112,800	-	112,800	505,800
	<u>-</u>	<u>112,800</u>	<u>-</u>	<u>112,800</u>	<u>505,800</u>

Included within income relating to grant making are the following grants

The Henry Smith Charity	112,800	505,800
	<u>112,800</u>	<u>505,800</u>

Gifts in kind to the value of £Nil (2020: £131k) Previous year was by of donated food goods and was re-distributed in-kind to foodbanks.

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2021

3 Income from trading activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £	Total 2020 £
Event income	-	6,000	-	6,000	70,795
	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>6,000</u>	<u>70,795</u>

4 Investment income

	Unrestricted funds £	Restricted Funds £	Endowment funds £	Total 2021 £	Total 2020 £
Rental income from property investments	-	66,375	-	66,375	57,708
Income from listed investments	54,038	354,966	-	409,004	432,310
Other investment income	407	2,438	-	2,845	12,800
	<u>54,445</u>	<u>423,779</u>	<u>-</u>	<u>478,224</u>	<u>502,818</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 2021

5 Expenditure

	Note	Staff costs £	Depreciation £	Other Costs £	Grant Funding £	Total 2021 £	Total 2020 £
Raising funds							
Events and marketing		-	-	34,849	-	34,849	54,928
Support costs	7	125,541	1,205	12,395	-	139,141	159,639
Investment management costs		-	-	38,486	-	38,486	38,795
Other investment property costs		-	-	5,908	-	5,908	12,086
Total raising funds		<u>125,541</u>	<u>1,205</u>	<u>91,638</u>	<u>-</u>	<u>218,384</u>	<u>265,448</u>
Charitable activities							
Grants programme							
Grant funding of activities	6	-	-	-	4,362,007	4,362,007	4,926,324
Support costs	7	232,856	2,835	46,502	-	282,193	260,757
		<u>232,856</u>	<u>2,835</u>	<u>46,502</u>	<u>4,362,007</u>	<u>4,644,200</u>	<u>5,187,081</u>
Community development							
Support costs	7	132,914	2,338	24,906	-	160,158	171,941
Research and education							
Support costs	7	56,088	709	7,547	-	64,344	64,572
		<u>56,088</u>	<u>709</u>	<u>7,547</u>	<u>-</u>	<u>64,344</u>	<u>64,572</u>
Management, operational and financial administration							
Support costs	7	-	-	11,281	-	11,281	9,994
Total charitable activities		<u>421,858</u>	<u>5,882</u>	<u>90,236</u>	<u>4,362,007</u>	<u>4,879,983</u>	<u>5,433,588</u>
Total expenditure		<u>547,399</u>	<u>7,087</u>	<u>181,874</u>	<u>4,362,007</u>	<u>5,098,367</u>	<u>5,699,036</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2021

6 Grants payable

	2021 £	2020 £
Grants programme	4,362,007	4,926,324

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 1,010 grants (2020: 885) were distributed. A full analysis of grants paid in the year can be obtained from the registered office.

	2021 £	2020 £
Reconciliation of grants payable		
Commitments made in the year	4,362,007	4,926,324
Grants paid during the year	(4,737,901)	(4,687,758)
Commitments at 1 July 2020	1,132,570	894,004
Commitments at 30 June 2021	756,676	1,132,570
Commitments at 30 June 2021 are payable as follows:		
Within one year	669,426	966,270
After more than one year	87,250	166,300
	756,676	1,132,570

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2021

7 Support costs

	Raising funds	Grants programme	Management & admin	Community development	Research & education	Total 2021	Total 2020
	£	£	£	£	£	£	£
Office and admin	5,548	29,366	-	10,769	3,263	48,946	55,883
Premises expenses	5,403	12,713	-	10,488	3,178	31,782	35,077
Staff costs	125,541	233,880	-	133,759	56,344	549,524	553,884
Depreciation	1,205	2,835	-	2,338	709	7,087	6,384
Information technology costs	1,444	3,399	-	2,804	850	8,497	5,681
Governance costs (Note 8)	-	-	11,281	-	-	11,281	9,994
	<u>139,141</u>	<u>282,193</u>	<u>11,281</u>	<u>160,158</u>	<u>64,344</u>	<u>657,117</u>	<u>666,903</u>

Premises expenses include £21,600 (2020: £21,600) payable in respect of operating leases for property. Office and administration expenses include £2,460 (2020: £2,309) in respect of operating leases for plant and machinery.

8 Governance costs

	2021 £	2020 £
Legal and professional fees	10,406	9,380
Other costs	875	614
	<u>11,281</u>	<u>9,994</u>

Governance costs includes payments to the auditors of £8,736 (2020: £8,400) for audit fees.

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2021

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year (2020: £nil).

The charity has purchased trustee indemnity insurance for £365 (2020: £365).

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Key management personnel	4	4
Operational	11	12
	<u>15</u>	<u>16</u>

The average number of full-time equivalent employees during the year was 13.6.

Employment costs	2021 £	2020 £
Wages and salaries	472,467	484,413
Social security costs	40,717	41,692
Other pension costs	33,780	27,673
	<u>546,964</u>	<u>553,778</u>

One employee received remuneration of between £90,000 and £99,999 in 2021 (2020: One between £90,000 and £99,999) 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 £254,996 (2020: £245,940).

11 Pension and other post-retirement benefit commitments

Defined contribution

	2021 £	2020 £
Contributions payable by the company for the year	<u>33,780</u>	<u>27,673</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2021

12 Tangible fixed assets

	Fixtures, fittings & equipment
	£
Cost	
At 1 July 2020	58,096
Additions	4,211
Disposals	(13,395)
At 30 June 2021	48,912
Depreciation	
At 1 July 2020	39,404
On disposals	(13,058)
Charge for the year	7,087
At 30 June 2021	33,433
Net book value	
At 30 June 2021	15,479
At 30 June 2020	18,692

13 Fixed asset investments

	Listed investments	Investment properties	Unlisted investments	Total
	£	£	£	£
Market value at 1 July 2020	13,697,806	2,418,000	-	16,115,806
Disposals at opening book value	(3,553,921)	-	-	(3,553,921)
Acquisitions at cost	4,633,419	140,000	-	4,773,419
Change in value in the year	1,810,344	255,800	-	2,066,144
Market value at 30 June 2021	16,587,648	2,813,800	-	19,401,448
Historical cost:				
At 30 June 2021	13,163,482	2,351,750	1	15,515,233
At 30 June 2020	11,755,818	2,211,750	1	13,967,569

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2021

13 Fixed asset investments (continued)

During the year a property, valued on that date at £140,000, was gifted to the charity.

In the year to 30 June 2021 the charity consulted Lacy Scott and Knight, Chartered Surveyors to reconsider the current value of the property portfolio and an increase of 10% to the property value was recommended. The trustees agreed this increase.

Holdings of more than 5%

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

	Market Value £
COIF Charities Investment Fund (443,269 income units)	8,530,182

14 Debtors

	2021 £	2020 £
Trade debtors	97,875	25,600
Accrued income	222,194	353,722
Prepayments	19,912	24,441
Other debtors	75,591	60,146
	<u>415,572</u>	<u>463,909</u>

Other debtors include loans of £75,591 (2020: £60,146) 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 2021

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	20,713	26,894
Other creditors	218,055	367,365
Grants payable – see note 6	669,426	966,270
Accruals	33,960	29,649
	<u>942,154</u>	<u>1,390,178</u>

16 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Grants payable – see note 6	87,250	166,300
	<u>87,250</u>	<u>166,300</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2021

17 Endowment funds summary

	Balance at 1 July 2020	Income	Investment fees	Other transfers	Investment gains/losses	Balance at 30 June 2021
	£	£	£	£	£	£
Linked charity	968,837	-	-	(9,688)	129,484	1,088,633
Other endowment	11,277,676	1,217,342	(31,499)	(242,146)	1,646,723	13,868,096
Community First funds	3,718,265	32,435	-	-	389,088	4,139,788
	<u>15,964,778</u>	<u>1,249,777</u>	<u>(31,499)</u>	<u>(251,834)</u>	<u>2,165,295</u>	<u>19,096,517</u>
	Balance at 1 July 2019	Income	Investment fees	Other transfers	Investment 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>

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 2021

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 2020	Incoming resources	Resources expended	Other transfers	Investments gains on disposal	Balance at 30 June 2021
	£	£	£	£	£	£
Grantmaking funds	1,775,245	5,201,118	(4,344,054)	(230,205)	4,931	2,407,035
Overhead funds	-	6,000	(6,000)	-	-	-
	<u>1,775,245</u>	<u>5,207,118</u>	<u>(4,350,054)</u>	<u>(230,205)</u>	<u>4,931</u>	<u>2,407,035</u>
	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>

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 2021

19 Analysis of net assets between funds

	Unrestricted £	Restricted £	Endowment £	Total £
Fund balances at 30 June 2021 are represented by:				
Tangible fixed assets	15,479	-	-	15,479
Investments	298,349	-	19,103,099	19,401,448
Current assets	216,967	3,391,024	-	3,607,991
Creditors: amounts falling due within one year	(38,833)	(896,739)	(6,582)	(942,154)
Creditors: amounts falling due after more than one year	-	(87,250)	-	(87,250)
	<u>491,962</u>	<u>2,407,035</u>	<u>19,096,517</u>	<u>21,995,514</u>

	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>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2021

20 Notes to the cash flow statement

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

	2021	2020
	£	£
Net income / (expenditure) for the reported period (as per the statement of financial activities)	3,742,549	265,697
Adjustments for:		
Depreciation charges	7,087	6,384
(Gains) / losses on investments	(2,066,144)	192,132
New endowments	(1,249,777)	(390,186)
Dividends interest and rents from investments	(478,224)	(502,818)
Loss / (profit) on sale of investment and assets	(104,694)	57,466
(Increase) / decrease in debtors	48,336	(22,929)
Increase / (decrease) in creditors	(527,074)	(629,981)
Donated properties	(140,000)	(260,000)
Net cash provided by (used in) operating activities	(767,941)	(1,284,235)

(b) Analysis of cash and cash equivalents

	2020	Movement in in cash flow	2021
	£	£	£
Cash at bank and in hand	3,211,036	(18,617)	3,192,419
	<u>3,211,036</u>	<u>(18,617)</u>	<u>3,192,419</u>

21 Commitments under operating leases

At 30 June 2021 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
Expiry date:	2021	2020	2021	2020
	£	£	£	£
Within one year	16,200	21,600	2,002	2,333
Between two and five years	-	16,200	6,574	1,320
Over five years	-	-	-	-
	<u>16,200</u>	<u>37,800</u>	<u>8,576</u>	<u>3,653</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2021

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 £3,250 (2020: £10,270) and donations from entities in which trustees have an interest totalled £34,799 (2020: £291,178 including a corporate gift-in-kind of £130,980). Grants awarded to charities in which trustees have an interest totalled £171,965 (2020: £216,091).

The following amounts were included as professional fees:

£15,110 (2020: £5,132) Birketts LLP – a business in which Jonathan Agar has an interest – for professional services in relation to the gift of property and legacy advice.

£3,519 (2020: £4,340) Scrutton Bland Insurance Brokers Limited – a business in which Susan Gull has an interest – for professional services in relation to insurance.

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

	2021	2020
	£	£
Financial assets measured at amortised cost	395,660	439,468
Financial assets measured at market value	19,401,448	16,115,806
	<u>19,797,108</u>	<u>16,555,274</u>
Financial liabilities measured at amortised cost	<u>1,029,404</u>	<u>1,556,478</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.

