



Suffolk Community Foundation

Trustees' Report and Financial Statements

For the Year Ended

30 June 2022

Suffolk Community Foundation

Legal and Administrative Information

Trustees	George Vestey DL Peter Newnham Jonathan Agar DL Susan Gull Jordan Holder The Hon. Selina Hopkins Gulshanbir Kayembe DL (to 13 th January 2022) William Kendall DL Jane Millar (from 29 th July 2021) Louisa Pepper (to 13 th January 2022) Neil Walmsley Terrence Ward Gareth Wilson (from 1 st June 2022)
Chief Executive	Stephen Singleton MBE (to 31 st August 2022) Melanie Craig (from 1 st September 2022)
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

Lloyds Bank plc
Cornhill North
Ipswich
IP1 1DG

Solicitors

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

Investment advisors

Barratt & Cooke
5 Opie Street
Norwich
NR1 3DW

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

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

Evelyn Partners
45 Gresham Street
London
EC2V 7BG

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 2022.

The Suffolk Community Foundation has continued to play a significant role in these times of uncertainty. After two years supporting the work of our local frontline charities and community organisations throughout the Covid-19 pandemic there has been little time to recharge, as we enter what appears to be another developing emergency, the cost-of-living crisis. There is some comfort that the systems we have developed and utilised during the pandemic, are as valuable now, as we prepare to work with our supporters and partners to provide much needed financial support for the charitable sector, who are seeing a sharp rise in demand for their services against rising operational costs.

It is easy to look at these emergencies and focus on their driving causes, in the cost-of-living crisis, energy costs and inflation. However, at the Foundation, we are already witnessing associated social issues, as with the pandemic, such as deteriorating mental health, relationship breakdown, job loss, growing poverty and increasing isolation.

The role of Suffolk's charitable and community sector is vital in supporting our communities and people, particularly at times like these, when the need is increasing alarmingly, whilst public services are stretched. It is therefore critical that we continue to work tirelessly to raise financial support, to help those whose lives are and will come under severe pressure in the months to come. With your help, as with the pandemic, we know that we can rise to the challenge together, so that we can bring some comfort and respite to those most at risk.

During the past year, the Trustees implemented a succession plan to accommodate the planned retirement wishes of our founding Chief Executive, Stephen Singleton, after 18 years of service.

Following an extensive search and recruitment process, we appointed Melanie Craig in May 2022 and commenced employment on 1st September 2022. Melanie joins the Foundation following a long and highly successful career in the National Health Service and will take up her new role with the Foundation as she concludes her current role as Director of General Practice, National Primary Care Team for NHS England.

Melanie has spent most of her career in the NHS working in or close to Suffolk, and prior to her current role was Chief Executive in the Norfolk and Waveney NHS for five years. Her experience of working in health provision has given her a deep understanding of the needs of Suffolk and the wider region which will be vital in extending the Community Foundation's reach and support into the greatest areas of need across our county. The Board welcomes Melanie and looks forward to working with her in the months and years to come.

We are also delighted to report that Stephen has agreed to take on a new role as Executive Vice Chair effective from 1st September. His appointment gives the Foundation the opportunity for the smooth transfer of knowledge and additional capacity to oversee some key strategic projects that will have long term benefits for the Foundation. We hope you will join us in congratulating Stephen for his outstanding career with the Foundation and his enormous contribution in developing it from inception to the place it is today, as a much-respected driving force for good in Suffolk.

Suffolk Community Foundation

Chairman's Statement

I would also like to acknowledge the achievements and commitment of the wider Foundation team, staff, volunteers, trustees, and patrons, who continue to work at a high tempo, with passion, knowledge, and energy. All go beyond the call of duty.

Our activity simply would not happen without the generosity of our donors and funding partners whom I would like to acknowledge and thank on the behalf of the Foundation. Their willingness to give and share has been quite 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 26th September 2022



George Vestey DL
Chairman

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2022

The trustees present their report and financial statements for the year ended 30 June 2022. 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. 01109453) 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 11 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 and subsequently 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
Jordan Holder	Grants and Community Impact Committee
The Hon. Selina Hopkins	Income Development Committee
Gulshanbir Kayembe DL	Grants & Community Impact Committee (retired 13 th January 2022)
William Kendall DL	
Jane Millar	Grants and Community Impact Committee
Louisa Pepper	Grants and Community Impact Committee (retired 13 th January 2022)
Neil Walmsley	Operations Committee
Terrence Ward	Grants & Community Impact Committee Chair
Gareth Wilson	Newly appointed

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Trustee recruitment, induction, and training

As set out in the Memorandum and Articles of Association, new trustees are appointed by the Board of Trustees and formally elected at the following annual general meeting. New trustees are identified through nominations by other trustees, advertisements, recommendations from respected individuals and engagement with the Foundation through professional networks. Prior to appointment, potential trustees are vetted by a nominations committee made up of existing trustees and shortlisted candidates are put to the Board for approval. Trustees are appointed with a range of 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.

Over the past year the Board of Trustees have worked with independent facilitators and the executive team to help develop its effectiveness. The conversations and resultant actions have been wide-ranging and have included the current and ongoing development of the strategic direction of the Foundation; the skills required on the Board to support the Foundation's ambitions and, its ability to reach the most disadvantaged people and communities that it serves; the importance of embracing and developing a strong equality, diversity and inclusion culture; and a meaningful response to the challenges of climate change.

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 Three-Year Strategic and Business Plan 2022-2025 and who reports to the Board on progress against the plan. The current plan has been developed by the executive team with input from the Board of Trustees following external facilitated input. In light of the impending cost-of-living crisis and the successful delivery of the previous plan in year four of a five-year plan, this plan was brought forward so that its strategic direction and resultant actions are more relevant and targeted to support those people who will fall into poverty as a result of the crisis.

At the year end, the Foundation employed 18 members of staff, (14.92 full time equivalent) who undertake the core functions of the Foundation - grantmaking, income development, finance, administration, marketing, communications, and event management. At year end two members of the team were on maternity leave. We welcomed Clare Gibson as Grants Officer on 1st July and Melanie Craig as Chief Executive on 1st September which brings the total headcount to 20 members of staff (16.92 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. Although the Covid-19 pandemic has restricted face-to-face meetings, the level of volunteering support for the Foundation has

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Trustees' Report

For the Year ended 30 June 2022

remained robust. 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, UK community foundations are now collectively the fourth largest grant maker across the UK.

The Board of Trustees cannot thank Gulshanbir Kayembe enough for serving on the Board for a further year and for her unwavering service and wise counsel. Gulshan retired on 13th January 2022.

We also extend our gratitude and best wishes to Louisa Pepper who also retired from the Board on 13th January 2022 and thank her for her contribution particularly around her knowledge of communities and understanding of the voluntary sector.

Gareth Wilson joined the board on 1st June 2022. Since retirement as Chief Constable of Suffolk Constabulary in 2019, Gareth has been appointed as a senior civil servant and joined the Ministry of Defence Police as their Chief Operation Officer. He is also a lay member of the University of Suffolk Research Ethics Committee.

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, mission, purpose and values, together with its grantmaking policy.

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Our vision

For Suffolk to have strong, supportive, and flourishing communities where everyone has an opportunity to realise their potential.

Our mission

To inspire local giving and philanthropy to improve local lives by connecting causes that matter with people who care

Our purpose

To improve the current and future health, wellbeing, and prosperity of Suffolk's communities. We are driven to help charities and community organisations supporting local people facing disadvantage to improve their lives. We provide impartial strategic leadership in meeting the County's social needs.

We do this by:

- Researching, analysing, identifying, and understanding the needs of the County
- Being creative, energetic, empathetic, and open to new ideas and initiatives
- Seeking out and supporting key frontline organisations who can play a role in addressing social need and inequality
- Securing, managing, and distributing resources and funds to support frontline charities and community organisations with their overheads and project costs
- Developing and nurturing partnerships where we can work together to make a difference
- Showcasing local charities and community organisations to demonstrate their impact and achievements, thereby inspiring continued efforts to address local need
- Believing in and empowering local people and their knowledge to improve their communities

Our values **GUIDE** us

Genuine – we are sincere, reliable, trustworthy, professional, and compassionate in the way we undertake our everyday business activity

Understanding – we are curious, we listen, and we learn from others so that we can develop associated interventions that make a positive difference

Inspiring – we are motivated to inspire others so they too can improve local lives

Developing – our people are the heart of our organisation. They are appreciated, supported, developed, and empowered to achieve

Engaging – we are open, inclusive, and actively engaged with all our partners and the communities we serve.

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Trustees' Report

For the Year ended 30 June 2022

Significant activities

The trustees report that during the past financial year, the Foundation awarded 902 grants with a value of £4,866,737. Since 2005, the Foundation has now awarded 9,043 grants with a combined value of £35.5m.

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).

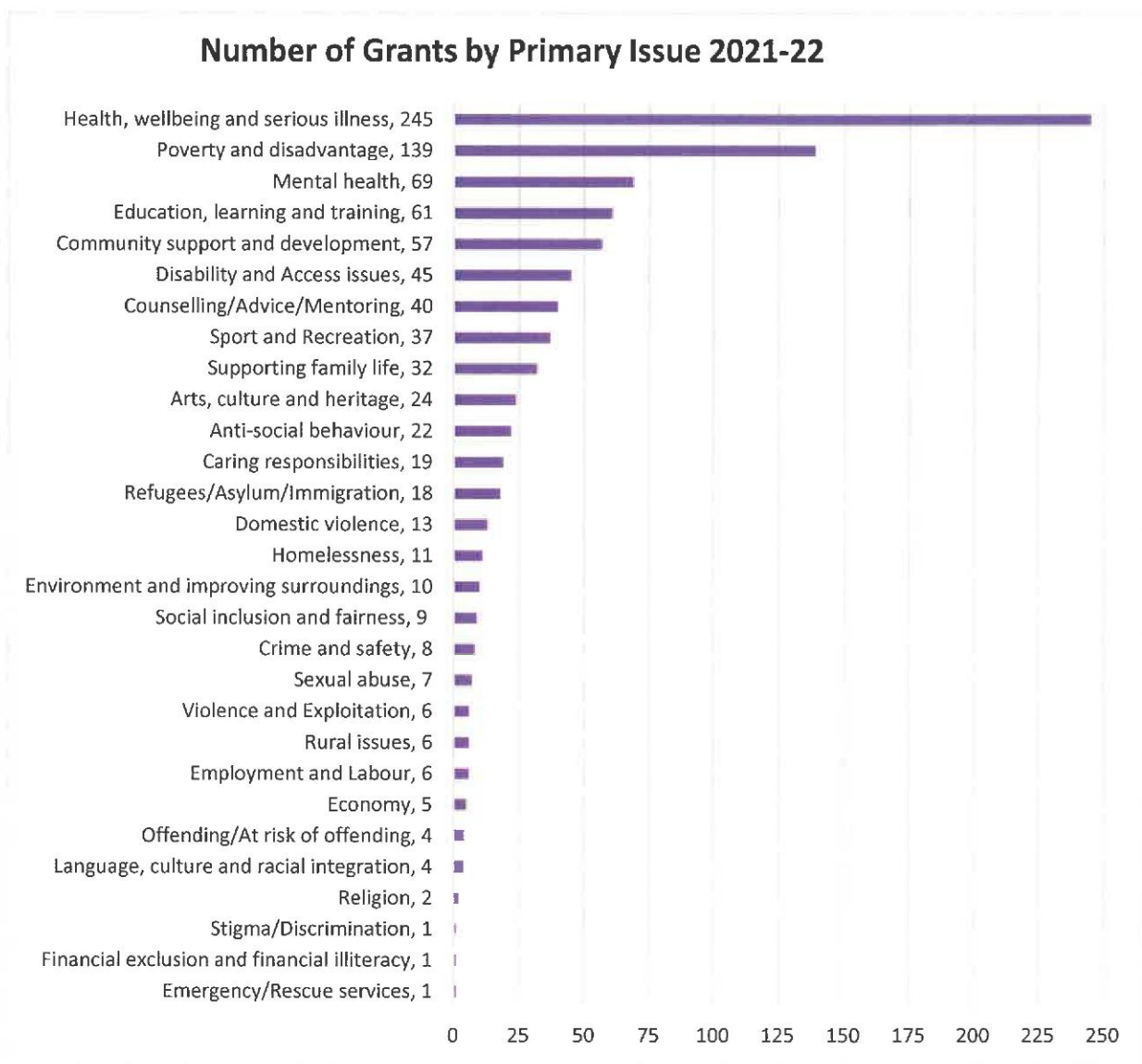
As of the financial year-end, the Foundation managed 125 individual funds on behalf of its donors, of which 73 are endowed. Despite difficult investment market conditions over the past year, the combined endowment value of these invested funds at year end increased to £20,076,477, a growth of 5.1% after grantmaking activity on the previous year. This increase was achieved through the establishment of new endowed funds and new donations made by donors to their existing endowed funds.

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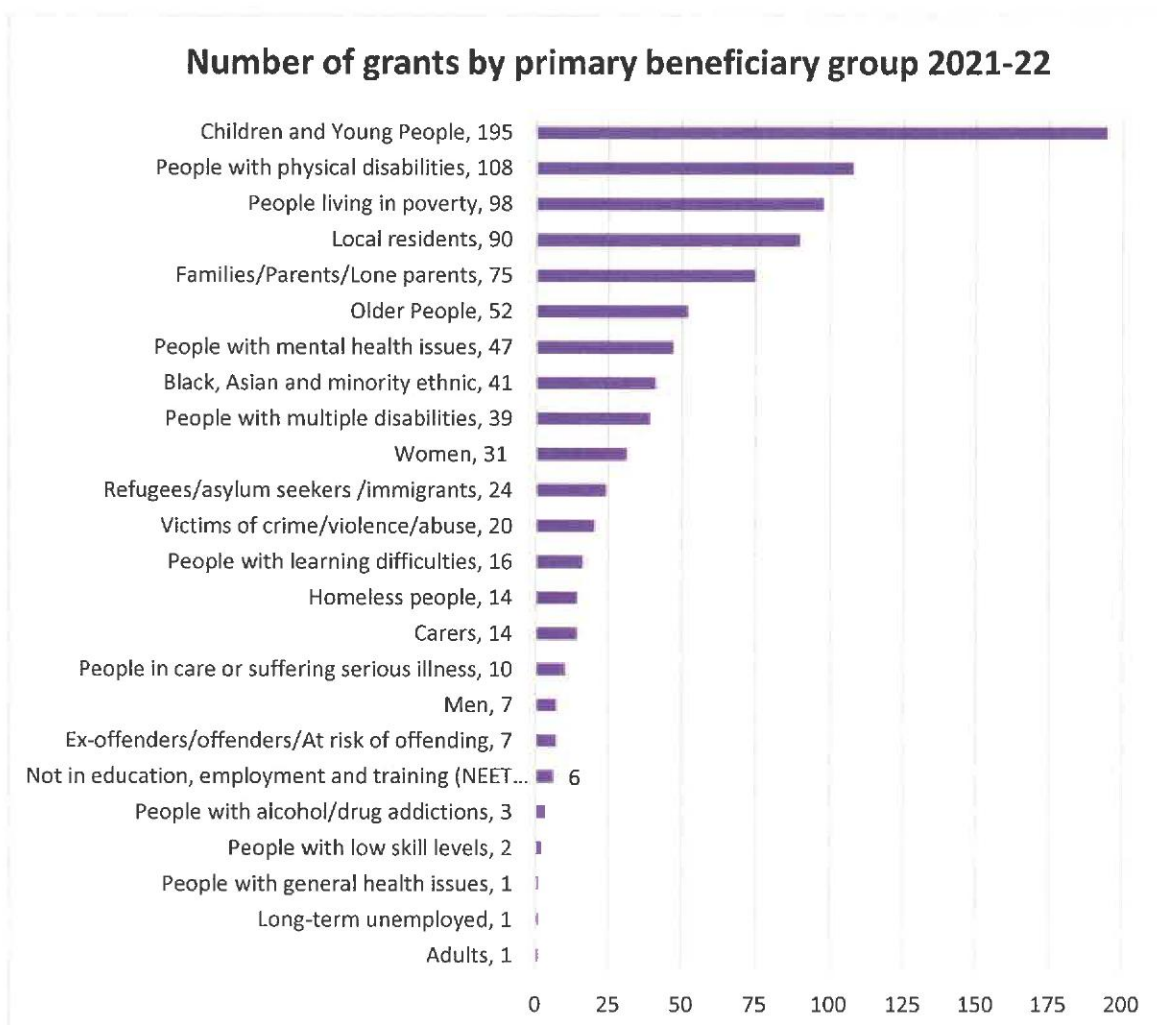
The following two charts show the number of grants awarded during the past financial year by 1) primary issue and 2) the primary beneficiary group that they are tackling.



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Trustees' Report

For the Year ended 30 June 2022



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.

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All funds however:

- concentrate on funding for defined and measurable objectives
- give preference to smaller grants for local organisations who are tackling social need, and
- use 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 125 individual funds that we administer on behalf of individuals, families, businesses, other 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 practices they employ to tackle local need, is of great value. As a result, the Foundation is increasingly spending more time promoting the sector, its attributes, and qualities, to help strengthen its position in society. In addition to the resources used in delivering the grant programmes, resource is also 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. It has been a testing time for the voluntary and charitable sector following the challenges of supporting the COVID-19 pandemic and now, increased demand and increased operational overheads associated with rising inflationary costs and increased demand for services through the rapidly developing cost-of-living crisis.

The associated direct delivery overhead for the Foundation's grant activity is £300,797 (2021: £282,193) - note 7. The Foundation's charitable activity is broader than just 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 £181,634 (2021: £160,158) - 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 £83,362 (2021: £64,334) - note 7 of charitable giving was attributed to this area.

During the year, the average grant awarded by the Foundation was £5,395, with grant awards ranging from £86 to £300,000 with larger grants typically being awarded over 3 years.

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Achievements and performance

Severe challenges but a record response

Against all current social and economic challenges, the Foundation has performed extremely well against its key performance indicators over the past year. The following snapshot illustrates this strong performance:

- Income grew by 28.3% to a record level of £8,555,496
- Endowment funds under management grew by 5.1% to £20,076,477.
- Grantmaking also increased to £4,866,737, showing 11.6% growth over the preceding year. In total, 902 grants were awarded to meet pressing social need
- Reserves grew by 4.7% to £515,128

In depth analysis of these figures suggests that two factors are influencing the growth of the Foundation during a time that has seen charitable giving falling nationally. The first observation is that the Foundation's knowledge of and ability to reach frontline charities and community groups who are providing emergency support services in a co-ordinated way, has been recognised by private and public funders alike. In addition, this knowledge has helped avoid funding duplication, encouraged partnership working and increased impact.

Another growth area is referrals from professional advisors, whether solicitors, accountants, or wealth managers. Looking at these referrals closer, demonstrates that the Foundation is often providing solutions for professional advisors and their clients around legacy planning and future-proofing legacy gifts, inheritance fund creation and tax effective planning solutions.

Focusing on growing need

In the past the Foundation's funding model has been primarily directed towards supporting charities and community groups with financial support to allow them to provide their services to individuals. However, over recent years, there has been a growing shift towards supporting individuals and families who are falling into poverty. To achieve this, the Foundation works with frontline charitable organisations who are supporting those who cannot make ends meet. The growing cost-of-living crisis is fuelling an alarming increase in people asking for support and we have seen increasing numbers using foodbanks and seeking financial support to meet everyday household costs.

Over the past year, the Foundation distributed £930K to organisations specialising in helping those affected by financial hardship. The organisations we work with, carry out due diligence checks and often provide additional services to help those that are needing support, such as money advice services. The vast majority of this aid is currently supporting food, energy and general household costs.

Working in partnership – a Foundation Theory of Change model

Our Hidden Needs (2020) not only reports on the level and causes of deprivation across Suffolk but also explores a Theory of Change model that identifies the advantages of tackling deep-rooted and stubborn social issues through co-designed partnership working. The Foundation has been developing this approach over recent years,

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most notably with our Surviving Winter Fuel Poverty programme, but also through prototyping our Growing Minds initiative (see page 13 of this report).

The challenge with this approach, is to select a project that is either manageable in scale, or one that redesigns service delivery practice through achieving increased impact or better system cost efficiency, and sometimes both. One such project that we have been working on is a programme called Equity in Mind that was developed during the past two years with delivery going live during the past year.

The primary focus for the programme is to support older people and those from BAME communities who might not access mental health support, through stigma or cultural barriers, but with intervention can live well in their communities. The focus on breaking down barriers, rehabilitation, confidence building and preparation for independent living as well as looking at wider holistic support by involving family, friends or community is key to the programme. Equally, failure to reach these individuals is ultimately more damaging for them and potentially needs more clinical intervention further down the line.

Supported and informed by an independent panel of clinicians and individuals with lived-life experience of mental health issues, the panel chose and worked with 6 charitable organisations that have been funded for two years to support their interventions to locate and support these hard-to-reach target users. The East Suffolk and Ipswich Clinical Commissioning Group and the West Suffolk Clinical Commissioning Group established the programme fund with the Foundation with an initial contribution of £300,000. As a result of the partners involved, stronger relationships between voluntary and statutory services have been forged, especially with the mental health service provision provided by the Norfolk and Suffolk Foundation Trust. This will have wider value to the partnership beyond the initial criteria of the programme such as up-skilling the charitable partners with increased training around personality disorders, as well as how to connect well to other minority groups such as the LGBTQ+ community.

The success of the first round has led to a further £700,000 of second round funding and discussions are underway to establish funding for year 3.

Quality Accreditation

All 47 UK community foundations undertake a rigorous independent quality accreditation assessment across 14 core standards that fall into 5 defined areas namely:

1. Strategy, Governance, Definition and Risk
2. Financial and Information Management
3. Philanthropy services and donor management
4. Grant-making and community participation
5. Organisational and network development

Re-accreditation requires a community foundation to pass all 14 core standards to maintain membership to the UK community foundation network. In addition, the assessment tracks developmental progress against the previous quality accreditation assessments and highlights areas for further development and improvement. As a consequence, the accreditation undertaking is not static with the process flexing so that best current practise is implemented in a continual development cycle. Typically, accreditation is undertaken every three years, although this last accreditation was delayed by a year to allow community foundations to fully contribute their resource

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to the Covid-19 emergency response. As a result, this latest accreditation was received and approved at the turn of this financial year. The Board of Trustees are pleased to report that, as with previous accreditations, Suffolk Community Foundation has performed very well. Scoring against the fourteen core standards demonstrates this strength with 5 good passes, 8 excellent passes and, 1 exemplar pass (one of only eleven awarded nationally).

Achievements and performance against last year's future plans

In last year's Trustees' Report (2020-2021), the Foundation identified four key areas for review and development which would complement its strategic plan and mission. Those initiatives were to:

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

Against these initiatives, we can report that we have made significant progress as follows:

Strategic Plan – Using external facilitators and involving the Board of Trustees and the Executive, the Foundation's operational approach was reviewed and evaluated. This total approach included revisiting our vision, mission and value statements as well as defining our purpose. This work underpinned our strategic thinking and the development of a new Strategic and Business Plan 2022-2025. Importantly, this plan incorporates our response to the cost-of-living crisis as well as other key developmental areas, something that wasn't identified when we started the review.

Growing Minds Programme – We successfully launched the programme in the West of Suffolk with four key organisations working in partnership. The area for delivery was specifically chosen because of its high levels of deprivation and poor school attainment. The programme is innovative in that it is working with expectant families and children up to the age of two and provides a broad holistic support system tailored to individual needs with the aim of improving school readiness, parenting skills and overall wellbeing of the family with the wider aspiration of enhancing life opportunities. We are already working with nearly 60 families and will continue to closely monitor the impact of the programme.

Professional Advisors' Offer – In recent years we have been fortunate to receive significant gifts and legacies from new donors following client introductions from professional advisors (solicitors, accountants, and wealth managers). The Foundation's donor services are particularly flexible allowing it to accommodate and future-proof a broad range of charitable giving wishes which in turn provides a synergetic service for professional advisors. As a result, we have created a new role within the Foundation to support this service demand and are creating new ways of introducing it to professional advisors with immediate success. These activities have been taken through and incorporated into our new Strategic Plan.

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Using United Nations Sustainable Development Goals (UN SDG) – To help demonstrate our impact, the Foundation now uses UN SDGs as part of its grantmaking impact measurement activity. The 17 SDGs were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and bring peace and prosperity to all people. We are proud to join the growing band of global public, private and non-government organisations who are utilising the SDGs and in so doing, recognising that ending poverty and other deprivations go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

Financial review

Financial position

The Foundation's financial position is shown in the Statement of Financial Activities on page 23 and the Balance Sheet on page 25.

The economic challenges over the past year continued with a post-Pandemic emergency being replaced by the rapidly emerging cost-of-living crisis. Despite these conditions, the Foundation has returned a strong financial performance with income growing by 28.3% to a record level of £8,555,496.

Grant making also increased to £4,866,737, showing 11.6% growth over the preceding year. In total, 902 grants were awarded to meet pressing social need.

Turbulent economic conditions have resulted in a challenging investment market for our endowed funds. Despite this, new income deposited by existing fundholders, and legacy gifts, boosted the collective endowment under management by 5.1% after grantmaking activity.

The Foundation's Balance Sheet strengthened by 7.7% to £23,678,801.

Principal Funding Sources

The Foundation's Income is derived from the following sources:

- Individuals, families, and businesses, with referrals often coming from professional advisors (solicitors, accountants, and wealth managers)
- 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.

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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 sustainable grant distribution across Suffolk and as endowed funds increase over time, grant making growth too. 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, and following an annual review, 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 £16,960,585 an increase of 2.2% at year-end (Note 13).

The trustees have considered the value of the investment properties. The portfolio was revalued in 2017 and was further increased by 10% following consultation in 2021 with Lacy, Scott and Knight, Chartered Surveyors. The trustees consider there to have been no material change to the property values at 30 June 2022.

For the year ending 30 June 2022 investment income of £534,551 was achieved (Note 4) which includes property rental income. A net capital loss of £1,144,048 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. We can report this year that challenges still remain for the sector, with demand from service users generally increasing, particularly for those organisations who are tackling the cost-of-living crisis and the associated social issues, such as mental health issues and domestic violence. Organisations are also reporting significant challenges arising from sharp increases in utility costs.

The Foundation continues to support organisations that are struggling with these 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.

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Reserves policy

The trustees and executive management have considered the level of unrestricted reserves necessary to ensure the continuation of Suffolk Community Foundation's activities for the foreseeable future. This assessment is ongoing and is part of the Board of Trustees' financial risk management. The Foundation's unrestricted reserve derives from donations, sponsorship, events, and gifts from both corporate and private sources.

The nature and scale 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 £515,128 (2021: £491,962).

Plans for future periods

In addition to delivering the Foundation's mission (page 5), the Foundation will in line with its Strategic Plan;

- Support the cost-of-living crisis
- Inspire a new age of philanthropy and local giving that reaches a wider audience
- Use the transformational power of philanthropic giving to attract public sector investment into communities
- Ensure that our impact informs continued learning, informed practice, and increased opportunities
- Create an environment of excellence through investment in our people, practice, and systems

Key management personnel remuneration

The Board consider the key management personnel of the Foundation in charge of directing and controlling the Foundation comprise the trustees and chief executive; with their 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.

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 operating in England, Northern Ireland, Scotland, and Wales. Stephen Singleton is a Trustee on the UKCF Board.

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.

Suffolk Community Foundation

Trustees' Report

For the Year ended 30 June 2022

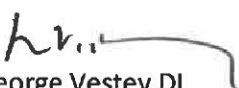
Disclosure of information to auditors

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 26th September 2022



George Vestey DL
Trustee

Suffolk Community Foundation

Statement of Trustees' Responsibilities

For the Year ended 30 June 2022

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 2022 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 2022

Opinion

We have audited the financial statements of Suffolk Community Foundation (the 'charitable company') for the year ended 30 June 2022 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 2022, 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 2022

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 18, 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 2022

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.

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/auditors> responsibilities. 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 company's members those matters we are required to state to them in an auditors' report and for no other

Suffolk Community Foundation

Independent Auditors' Report to the Members of Suffolk Community Foundation

For the Year ended 30 June 2022

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: 12/10/22

Suffolk Community Foundation

Statement of Financial Activities

For the Year ended 30 June 2022

	Notes	Unrestricted funds £	Restricted Funds £	Endowment funds £	Total 2022 £	Unrestricted funds £	Restricted Funds £	Endowment funds £	Total 2021 £
Income and endowments from:									
Donations and legacies									
<i>Donations and legacies</i>	2	1,736,584	5,055,535	1,057,620	7,849,739	158,739	4,664,539	1,249,777	6,073,055
<i>Grants</i>	2	-	86,100	-	86,100	-	112,800	-	112,800
Other trading activities	3	-	85,106	-	85,106	-	6,000	-	6,000
Investments	4	58,384	476,167	-	534,551	54,445	423,779	-	478,224
Total income		1,794,968	5,702,908	1,057,620	8,555,496	213,184	5,207,118	1,249,777	6,670,079
Expenditure on:									
Raising funds	5	196,029	44,556	35,070	275,655	167,317	19,568	31,499	218,384
Charitable activities									
<i>Grants awarded</i>	5	92,903	4,773,834	-	4,866,737	49,860	4,312,147	-	4,362,007
<i>Other charitable activities</i>	5	559,551	24,662	-	584,213	499,637	18,339	-	517,976
Total expenditure	5	848,483	4,843,052	35,070	5,726,605	716,814	4,350,054	31,499	5,098,367
Net gains/(losses) on investments		6,919	(8,475)	(1,144,048)	(1,145,604)	611	4,931	2,165,295	2,170,837
Net income / (expenditure)		953,404	851,381	(121,498)	1,683,287	(503,019)	861,995	3,383,573	3,742,549
Transfers between funds		(930,238)	(171,220)	1,101,458	-	482,039	(230,205)	(251,834)	-
Net movement in funds		23,166	680,161	979,960	1,683,287	(20,980)	631,790	3,131,739	3,742,549
Fund balances at 1 July 2021		491,962	2,407,035	19,096,517	21,995,514	512,942	1,775,245	15,964,778	18,252,965
Fund balances at 30 June 2022		515,128	3,087,196	20,076,477	23,678,801	491,962	2,407,035	19,096,517	21,995,514

Suffolk Community Foundation

Summary Income and Expenditure Account

For the Year ended 30 June 2022

	2022 £	2021 £
Income	5,861,867	5,193,912
Gains / (losses) on investments	(1,556)	5,542
Interest and investment income	534,551	478,224
Gross income in the reporting period	6,394,862	5,677,678
Expenditure	5,682,349	5,059,781
Interest payable	-	-
Depreciation	9,186	7,087
Total expenditure in the reporting period	5,691,535	5,066,868
Net income before tax in the reporting period	703,327	610,810
Tax payable	-	-
Net income in the reporting period	703,327	610,810
The above excludes income for endowment.		
Statement of Recognised Gains and Losses		
Net income for the year	703,327	610,810
Unrealised gains on investments held by income funds	-	-
Net movement on endowment funds	979,960	3,131,739
	1,683,287	3,742,549

Suffolk Community Foundation

Balance Sheet

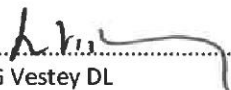
As at 30 June 2022


Company number 05369725

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	12	42,381	15,479
Investments	13	19,774,385	19,401,448
Total fixed assets		19,816,766	19,416,927
Current assets:			
Debtors	14	934,740	415,572
Cash at bank and in hand		3,974,636	3,192,419
Total current assets		4,909,376	3,607,991
Liabilities:			
Creditors amounts falling due within one year	15	(1,029,341)	(942,154)
Net current assets		3,880,035	2,665,837
Total assets less current liabilities		23,696,801	22,082,764
Creditors: amounts falling due after more than one year	16	(18,000)	(87,250)
Net assets		23,678,801	21,995,514
The funds of the charity:			
Capital funds			
Endowment funds	17	20,076,477	19,096,517
Income funds			
Restricted funds	18	3,087,196	2,407,035
Unrestricted funds		515,128	491,962
Total charity funds		23,678,801	21,995,514

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 26th September 2022.


 Mr G Vestey DL
 Trustee


 Mrs S Gull
 Trustee

The notes on pages 27 to 44 form part of these financial statements.

Suffolk Community Foundation

Cash Flow Statement

For the Year ended 30 June 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities:					
Net cash (provided by/used in) operating activities	20a		744,674		(767,941)
Cash flows from investing activities:					
Dividends, interest and rents from investments			534,551		478,224
Proceeds from the sale of investments			10,882,908		3,658,953
Purchase of fixed assets			(36,088)		(4,211)
Purchase of investments			(12,401,448)		(4,633,419)
Net cash used in investing activities			(1,020,077)		(500,453)
Cash flows from financing activities:					
Receipt of endowments			1,057,620		1,249,777
Changes in cash and cash equivalents in the year	20b		782,217		(18,617)
Cash and cash equivalents at the beginning of the reporting period			3,192,419		3,211,036
Cash and cash equivalents at the end of the reporting period	20b		3,974,636		3,192,419

The notes on pages 27 to 44 form part of these financial statements.

Suffolk Community Foundation

Notes to the Accounts

For the Year ended 30 June 2022

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, and the Companies Act 2006.

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

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

1.2 Preparation of accounts on a going concern basis

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

The following principal accounting policies have been applied:

1.3 Income

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

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

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

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

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

Donated 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 2022

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 2022

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 financing 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 2022

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 2022

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.

The key areas of judgement are;

Investment property valuation: the portfolio of freehold investment properties is held at fair value on the basis of valuations carried out by a professional valuer at regular intervals, updated annually through consultation between the Trustees and professional valuers and with reference to market information.

Legacy income: accrued legacies are included only if probate has been granted and there is certainty of value and receipt.

2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Donations and gifts	235,584	5,055,535	417,821	5,708,940	6,021,555
Legacy income	1,501,000	-	639,799	2,140,799	51,500
	<u>1,736,584</u>	<u>5,055,535</u>	<u>1,057,620</u>	<u>7,849,739</u>	<u>6,073,055</u>

Donations, gifts & legacies

Unrestricted funds:

Corporate donations and gifts				28,399	9,950
Private donations and gifts				1,646,005	88,913
Membership				62,180	59,876
				<u>1,736,584</u>	<u>158,739</u>

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Grant income					
Grants	-	86,100	-	86,100	112,800
	<u>-</u>	<u>86,100</u>	<u>-</u>	<u>86,100</u>	<u>112,800</u>

Included within income relating to grant making are the following grants

The Henry Smith Charity				86,100	112,800
				<u>86,100</u>	<u>112,800</u>

Gifts in kind to the value of £3,600 (2021: £nil) were received during the year.

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2022

3 Income from trading activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
Event income	-	85,106	-	85,106	6,000
	-	85,106	-	85,106	6,000

4 Investment income

	Unrestricted funds £	Restricted Funds £	Endowment funds £	Total 2022 £	Total 2021 £
Rental income from property investments	-	64,791	-	64,791	66,375
Income from listed investments	57,894	405,163	-	463,057	409,004
Other investment income	490	6,213	-	6,703	2,845
	58,384	476,167	-	534,551	478,224

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 2022

5 Expenditure

	Note	Staff costs £	Depreciation £	Other Costs £	Grant Funding £	Total 2022 £	Total 2021 £
Raising funds							
Events and marketing		-	-	20,196	-	20,196	34,849
Support costs	7	168,274	1,562	16,096	-	185,932	139,141
Investment management costs		-	-	43,880	-	43,880	38,486
Other investment property costs		-	-	25,647	-	25,647	5,908
Total raising funds		168,274	1,562	105,819	-	275,655	218,384
Charitable activities							
Grants programme							
Grant funding of activities	6	-	-	-	4,866,737	4,866,737	4,362,007
Support costs	7	231,004	3,674	66,119	-	300,797	282,193
		231,004	3,674	66,119	4,866,737	5,167,534	4,644,200
Community development							
Support costs	7	147,357	3,031	31,246	-	181,634	160,158
Research and education							
Support costs	7	72,974	919	9,469	-	83,362	64,344
Management, operational and financial administration							
Support costs	7	-	-	18,420	-	18,420	11,281
Total charitable activities		451,335	7,624	125,254	4,866,737	5,450,950	4,879,983
Total expenditure		619,609	9,186	231,073	4,866,737	5,726,605	5,098,367

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2022

6 Grants payable

	2022 £	2021 £
Grants programme	4,866,737	4,362,007

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 902 grants (2021: 1,010) were distributed. A full analysis of grants paid in the year can be obtained from the registered office.

	2022 £	2021 £
Reconciliation of grants payable		
Commitments made in the year	4,866,737	4,362,007
Grants paid during the year	(4,841,449)	(4,737,901)
Commitments at 1 July 2021	756,676	1,132,570
Commitments at 30 June 2022	781,964	756,676
Commitments at 30 June 2022 are payable as follows:		
Within one year	763,964	669,426
After more than one year	18,000	87,250
	781,964	756,676

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2022

7 Support costs

	Raising funds	Grants programme	Management & admin	Community development	Research & education	Total 2022	Total 2021
	£	£	£	£	£	£	£
Office and admin.	7,797	46,593	-	15,139	4,587	74,116	48,946
Premises expenses	5,921	13,931	-	11,493	3,483	34,828	31,782
Staff costs	168,274	231,004	-	147,357	72,974	619,609	549,524
Depreciation	1,562	3,674	-	3,031	919	9,186	7,087
Information technology costs	2,378	5,595	-	4,614	1,399	13,986	8,497
Governance costs (Note 8)	-	-	18,420	-	-	18,420	11,281
	<u>185,932</u>	<u>300,797</u>	<u>18,420</u>	<u>181,634</u>	<u>83,362</u>	<u>770,145</u>	<u>657,117</u>

Premises expenses include £22,172 (2021: £21,600) payable in respect of operating leases for property. Office and administration expenses include £2,050 (2021: £2,460) in respect of operating leases for plant and machinery.

8 Governance costs

	2022 £	2021 £
Legal and professional fees	14,300	10,406
Other costs	4,120	875
	<u>18,420</u>	<u>11,281</u>

Governance costs includes payments to the auditors of £9,500 (2021: £8,736) for audit fees.

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2022

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year (2021: £nil).

The charity has purchased trustee indemnity insurance for £365 (2021: £365).

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Key management personnel	4	4
Operational	14	11
	<u>18</u>	<u>15</u>

The average number of full-time equivalent employees during the year was 14.7 (2021: 13.6)

Employment costs	2022 £	2021 £
Wages and salaries	504,760	472,467
Social security costs	45,458	40,717
Other pension costs	37,189	33,780
	<u>587,407</u>	<u>546,964</u>

One employee received remuneration of between £90,000 and £99,999 in 2022 (2021: 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 £258,082 (2021: £254,996).

11 Pension and other post-retirement benefit commitments

Defined contribution

	2022 £	2021 £
Contributions payable by the company for the year	<u>37,189</u>	<u>33,780</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2022

12 Tangible fixed assets

	Fixtures, fittings & equipment
	£
Cost	
At 1 July 2021	48,912
Additions	36,088
Disposals	(5,340)
At 30 June 2022	79,660
Depreciation	
At 1 July 2021	33,433
On disposals	(5,340)
Charge for the year	9,186
At 30 June 2022	37,279
Net book value	
At 30 June 2022	42,381
At 30 June 2021	15,479

13 Fixed asset investments

	Listed investments	Investment properties	Unlisted investments	Total
	£	£	£	£
Market value at 1 July 2021	16,587,648	2,813,800	-	19,401,448
Disposals at opening book value	(10,936,211)	-	-	(10,936,211)
Acquisitions at cost	12,401,448	-	-	12,401,448
Change in value in the year	(1,092,300)	-	-	(1,092,300)
Market value at 30 June 2022	16,960,585	2,813,800	-	19,774,385
Historical cost:				
At 30 June 2022	16,559,571	2,351,750	1	18,911,322
At 30 June 2021	13,163,482	2,351,750	1	15,515,233

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2022

13 Fixed asset investments (continued)

The trustees have considered the value of the investment properties. The portfolio was revalued in 2017 and was further increased by 10% following consultation in 2021 with Lacy, Scott and Knight, Chartered Surveyors. The trustees consider there to have been no material change to the property values at 30 June 2022.

Holdings of more than 5%

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

	Market Value
	£
COIF Charities Ethical Investment Fund (3,110,300 income units)	8,603,400

14 Debtors

	2022	2021
	£	£
Trade debtors	310,250	97,875
Accrued income	509,321	222,194
Prepayments	19,396	19,912
Other debtors	95,773	75,591
	<u>934,740</u>	<u>415,572</u>

Other debtors include loans of £95,773 (2021: £75,591) 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 2022

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	27,697	20,713
Other creditors	213,612	218,055
Grants payable – see note 6	763,964	669,426
Accruals	24,068	33,960
	<u>1,029,341</u>	<u>942,154</u>

16 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Grants payable – see note 6	18,000	87,250
	<u>18,000</u>	<u>87,250</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2022

17 Endowment funds summary

	Balance at 1 July 2021	Income	Investment fees	Other transfers	Investment gains/losses	Balance at 30 June 2022
	£	£	£	£	£	£
Linked charity	1,088,633	-	-	(10,886)	(81,124)	996,623
Other endowment	13,868,096	1,045,445	(35,070)	1,112,344	(465,429)	15,525,386
Community First funds	4,139,788	12,175	-	-	(597,495)	3,554,468
	<u>19,096,517</u>	<u>1,057,620</u>	<u>(35,070)</u>	<u>1,101,458</u>	<u>(1,144,048)</u>	<u>20,076,477</u>
	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>

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 generally from the related restricted funds either to fund management fees or as a donor advised transfer to increase their endowment fund from general donations. In certain circumstances the Trustees can authorize transfers to endowment funds from unrestricted funds for furtherance of the charitable objectives.

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 2022

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 2021	Incoming resources	Resources expended	Other transfers	Investments gains on disposal	Balance at 30 June 2022
	£	£	£	£	£	£
Grantmaking funds	2,407,035	5,696,908	(4,837,052)	(171,220)	(8,475)	3,087,196
Overhead funds	-	6,000	(6,000)	-	-	-
	<u>2,407,035</u>	<u>5,702,908</u>	<u>(4,843,052)</u>	<u>(171,220)</u>	<u>(8,475)</u>	<u>3,087,196</u>
	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>

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 2022

19 Analysis of net assets between funds

	Unrestricted £	Restricted £	Endowment £	Total £
Fund balances at 30 June 2022 are represented by:				
Tangible fixed assets	11,567	30,814	-	42,381
Investments	63,902	-	19,710,483	19,774,385
Current assets	482,796	4,053,506	373,074	4,909,376
Creditors: amounts falling due within one year	(43,137)	(979,124)	(7,080)	(1,029,341)
Creditors: amounts falling due after more than one year	-	(18,000)	-	(18,000)
	<u>515,128</u>	<u>3,087,196</u>	<u>20,076,477</u>	<u>23,678,801</u>

	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>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2022

20 Notes to the cash flow statement

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

	2022	2021
	£	£
Net income / (expenditure) for the reported period (as per the statement of financial activities)	1,683,287	3,742,549
Adjustments for:		
Depreciation charges	9,186	7,087
(Gains) / losses on investments	1,092,300	(2,066,144)
New endowments	(1,057,620)	(1,249,777)
Dividends interest and rents from investments	(534,551)	(478,224)
Loss / (profit) on sale of investment and assets	53,304	(104,694)
(Increase) / decrease in debtors	(519,169)	48,336
Increase / (decrease) in creditors	17,937	(527,074)
Donated properties	-	(140,000)
Net cash provided by (used in) operating activities	744,674	(767,941)

(b) Analysis of cash and cash equivalents

	2021	Movement in in cash flow	2022
	£	£	£
Cash at bank and in hand	3,192,419	782,217	3,974,636
	<u>3,192,419</u>	<u>782,217</u>	<u>3,974,636</u>

21 Commitments under operating leases

At 30 June 2022 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2022	2021	2022	2021
	£	£	£	£
Expiry date:				
Within one year	24,750	16,200	1,688	2,002
Between two and five years	116,250	-	4,724	6,574
Over five years	-	-	-	-
	<u>141,000</u>	<u>16,200</u>	<u>6,412</u>	<u>8,576</u>

Suffolk Community Foundation

Notes to the Accounts (continued)

For the Year ended 30 June 2022

22 Contingent gain

During the year the Suffolk Community Foundation received an interim distribution from the Executors of an estate of which the Foundation is the residual beneficiary. Although the Executors current estimate is that there may be cash for final distribution of between £450,000 to £500,000 there are a number of uncertainties which could affect the final result. The remaining assets include both cash and property but at the date of signing the financial statements estate accounts have not yet been prepared and the property is subject to survey and the outcome of various arrangements around a related lease. On this basis the Trustees cannot estimate the final outcome with sufficient certainty to recognise further income in the year ended 30 June 2022 and have therefore disclosed the contingent gain.

23 Related party transactions

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

During the year, donations from trustees totalled £3,700 (2021: £3,250) and donations from entities in which trustees have an interest totalled £905,173 (2021: £34,799). Grants awarded to charities in which trustees have an interest totalled £167,987 (2021: £171,965).

The following amounts were incurred as professional fees:

£25,664 (2021: £15,110) Birketts LLP – a business in which Trustee Jonathan Agar has an interest – for professional services in relation to premises lease, legacy and fund development advice.

£6,165 (2021: £3,519) Scrutton Bland Insurance Brokers Limited – a business in which Trustee Susan Gull has an interest – for professional services in relation to insurance.

24 Members' liability

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

25 Financial instruments

	2022	2021
	£	£
Financial assets measured at amortised cost	915,344	395,660
Financial assets measured at market value	19,774,385	19,401,448
	<u>20,689,729</u>	<u>19,797,108</u>
Financial liabilities measured at amortised cost	<u>1,047,342</u>	<u>1,029,404</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.