

Charity registration number 1113226

Company registration number 5670692 (England and Wales)

SUSSEX COMMUNITY FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

SUSSEX COMMUNITY FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Andrew Baird
Maggie Burgess
Rodney Buse
Julia Carrette
Guy Davison
Corinne Day
Jonica Fox
Mebrak Ghebreweldi
Nikki Glover
David Hill
Keith Hollis - Chair
Brian Mills
Martin Roberts
Mark Spofforth OBE
Patrick Stevens - Treasurer
Pamela Stiles

Secretary and Chief Executive

Kevin Richmond

Founder

The 10th Duke of Richmond & Gordon

Joint Presidents

Andrew Blackman Lord Lieutenant of East Sussex
Dame Susan Pyper Lord Lieutenant of West Sussex

Patron

The 11th Duke of Richmond & Gordon

Charity number

1113226

Company number

5670692

Registered office

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East Sussex
BN7 1RL

www.sussexgiving.org.uk
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Auditor

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Lewes
East Sussex
BN7 1JU

Bankers

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SUSSEX COMMUNITY FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

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Hove
East Sussex
BN3 2AF

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Trinity House
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Lewes
East Sussex
BN7 2NN

Investment advisors

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Senator House
85 Queen Victoria Street
London
EC4V 4ET

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
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SUSSEX COMMUNITY FOUNDATION

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SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum & 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 (FRS 102)" (effective 1 January 2019).

Chair's Report

It is characteristic of Chair reports that they strike an "upbeat" note, accentuating the positive developments in an organisation. I make no apology for doing so this year - there is so much to be positive about in the Foundation's work - but at the same time I would like to reassure both our generous donors and our deserving beneficiaries that we are not complacent. We are only too well aware of the further work that has to be done to make the necessary impact on the wellbeing of people throughout Sussex. There remains a significant gap in the funds that we have available to distribute in grants and the level of demand for deserving grants. I am sorry to say that I believe that this gap will continue to grow. We seek to do all that we can to narrow that gap and to mitigate the effects.

Having made that point I can tell you that during the reporting year our level of new endowment growth is back to our original pre-pandemic budget, whilst at the same time our flow through figures have remained significantly higher than had been expected or planned for. The work that we have done is reflected in the figures set out in this report, especially from the notably generous support that we received from the County Councils in both East and West Sussex. So I can, with justification, confidently sound the necessary upbeat note.

I reported last year on the need for us to turn our attention back to the Foundation's longer term strategy. We had developed a fresh strategy in 2019, but that was soon taken over by the demands of the pandemic. To a significant extent those demands have continued in the current year. Whilst in no way being diverted from our core functions, each trustee and each member of staff has, in the current year, been contributing to the development of a refreshed long term strategic plan, which we hope will underpin the Foundation's work until 2027 and set out clear targets for that year. We hope that this will be "signed off" by the Board of trustees shortly and then be unveiled in the autumn.

In the meantime we have taken a number of important steps to prepare the way for these new developments, amongst which:

- we have reorganised our management structures and made significant new investment in our "human resources". Not a term I like to use in describing our hardworking and enthusiastic colleagues on the staff. We have recruited and trained a number of new colleagues whose contributions have already started to make a real difference to how we carry out our work, and to the effectiveness of our grant giving. There is a much greater "buzz" as a consequence which I know will be to the continued benefit of our whole operation. This is helped of course by the greater use of the office, although the clear benefits that "working from home" can bring mean that this remains an important part of our modus operandi.
- we have resumed and increased our programme of visits to the projects that we support, ensuring that our staff and our trustees are better informed about the issues that our beneficiaries face from day to day and how the Foundation could be best placed to help them.
- we have brought expert and experienced help from non-trustees onto our various management committees, at the same time reviving and strengthening our grants strategy and impact committee.
- we have updated our system of impact reports for a number of our named funds, an especially welcome development, enabling philanthropists to see at a glance the difference that their support is making.
- we have signed up to the Funders' Commitment on Climate Change, and now view all of our activities through the lens of environmental sustainability.
- we have carefully reviewed the risk factors in each of our areas of operation, and, where necessary, ensured that any significant areas of risk are minimised

We do not "mark time". Each year we learn new and important lessons about how to go about our work. Each year we endeavour to put those lessons into practical effect.

SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

We will be sorry to be saying goodbye later this year to three trustees, Jonica Fox, Rodney Buse and Nikki Glover, who each have done so very much for the Foundation. The County of Sussex, and of course the City of Brighton and Hove, owes them each a great deal for the time and care which they have taken in their work for the Foundation. We will shortly be embarking on a new round of advertising for trustees. If anyone reading this would like further details of what trusteeship involves, please contact me or Kevin Richmond at the Foundation.

CASE STUDY 1: Chichester Information Shop for Young People



Chichester Information Shop for Young People provide a free counselling service and drop-in advice to 13-25 year olds. The charity received a grant of £9,722 to restructure with new and expanded staff roles, to offer extended service hours.

One young person said: "After my time with The Infoshop, I feel much more prepared to face life's problems and process the impact they make. I feel much more able to face the world and my own feelings in a way I'm not sure I could ever have achieved on my own."

OBJECTIVES AND ACTIVITIES

The Foundation's Charitable Objects are:

- The promotion of any charitable purposes for the benefit of the community in the Counties of East Sussex, West Sussex and the City of Brighton and Hove and in particular the advancement of education, the protection of good health both mental and physical and the relief of poverty and sickness;
- Other exclusively charitable purposes in the United Kingdom and elsewhere which are, in the opinion of the Trustees, beneficial to the community including those in the area of benefit.

For ease of reference East Sussex, West Sussex and Brighton and Hove are referred to as "Sussex" in this document.

OUR LONG TERM VISION

We want Sussex to be a great place to live for everyone – a place where people and communities thrive and are empowered to fulfil their potential.

We aim to reach that vision by increasing the value and effectiveness of local philanthropy and providing effective grant-making to support local communities across East Sussex, West Sussex and Brighton & Hove.

WHAT WE DO

Sussex Community Foundation raises funds for, and gives grants to, smaller charities and community groups in East Sussex, West Sussex and Brighton & Hove. We make it easy for Sussex people to give money to local causes close to their hearts and ensure that their donations reach the people that need them. Our endowment fund enables our donors to benefit Sussex people for generations to come.

SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

WHAT DOES SUCCESS LOOK LIKE FOR US?

GROW income and capital to benefit Sussex now and for the future by growing and nurturing a committed community of philanthropists and donors

DELIVER effective grant-making that addresses disadvantage, promotes thriving communities, improves quality of life, and helps people to fulfil their potential

PROVIDE a professional service for people and organisations who wish to give to Sussex

PROMOTE excellence in philanthropy in Sussex by:

- promoting and developing effective local philanthropy
- encouraging best practice and innovation in philanthropy and grant making
- identifying projects and organisations that help address local needs
- raising awareness of those needs and supporting local solutions
- regularly publishing research and reporting on the issues and opportunities that face our communities

MAINTAIN an efficient, well-managed and motivated organisation.

CASE STUDY 2: Springboard

Springboard supports disabled children, young people, and their families by delivering fun, supportive and inclusive short breaks. The charity received a £10,000 grant to run their Worthing group, providing support sessions for disabled children aged six to 12 years.

"My eight year old son has autism. It's wonderful to see him accessing somewhere with peers and having such a great time. During the school holidays he's had the opportunity to go on wonderful trips and it's really helped broaden his horizons and encourage independence."



SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

ATTRACTING FUNDS FOR IMMEDIATE GRANT MAKING

Indicator	2021/22	2020/21
Amount Donated to flow-through	£2,524,758	£3,883,357
Number of active Flow-through funds	39	31
Contribution to grant funds from Community First Endowment	£253,223	£268,111
Contribution to grant funds from other endowment	£1,171,908	£694,151

If funds raised for immediate grant making are greater than the amount distributed in the year then the surplus will be distributed in future periods.

GRANT MAKING

One of the most challenging roles for the Trustees is choosing which of many deserving causes should be assisted from limited resources. The Board of Trustees is ultimately responsible for all grants awarded by the Foundation but it delegates detailed decision-making to its Grants Committee. The report, "Sussex Uncovered 3", published by the Foundation in November 2019, details the Indices of Multiple Deprivation in areas across Sussex and is used to inform the grant making strategy. The Foundation solicits applications and assesses those that are eligible for funding. Applications are then matched with the charitable goals of each fund and donor.

Indicator	2021/22	2020/21
Value of grants awarded	£4,254,328	£4,639,518
Number of grants awarded	1,106	1,172
Average size of grant	£4,193	£3,928
Number of grants £10,000 or over	118	47
Number of groups supported	639 *	720 *
Number of grants to individuals	23	19
Number of grants under £1,000	174 (15 %)	174 (15 %)

*220 groups received more than one grant (average number of grants per group was 1.59).

A number of grants were awarded subject to conditions, which have not yet been fulfilled. The total value of these conditional grants was £145,085.

SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

CASE STUDY 3: Moulsecomb Bangladeshi Women's Group

Moulsecomb Bangladeshi Women's Group gives women a space to come together and share information about the services available in Brighton. A £4,250 grant enabled the group to pay transport costs for collecting food and attending essential medical appointments during lockdown. They also purchased tablets and provided online art and cookery classes for members.



Number of grants by Local Authority area*

Number of Grants

Local Authority	2021/22	2020/21
East Sussex	294	383
West Sussex	353	405
Brighton & Hove	328	334
Other	18	31
Total	993	1,153
*Does not include grants to individuals.		

CASE STUDY 4: The Bevy



Bevendean Community Pub received a £10,000 grant to convert the community pub into a food delivery service throughout the pandemic. The Bevy Meals on Wheels ensured that shielding people, including those with dementia and mobility issues, received nutritious food and safe social contact.

"Tanya has health issues and can't go out. She is always so grateful when I see her. Lovely lady who says the Bevy Meals on Wheels deliveries are an absolute godsend."

SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

IMPACT REPORTING

Making decisions about who should benefit is challenging. However, the Foundation's role does not stop there, and the Trustees are mindful of the need to understand the impact that each grant has made, and to follow up contact with beneficiaries.

The Foundation requires all grant recipients to return monitoring forms at the end of their projects. These are used to monitor outcomes and inform assessment of future applications. The Foundation collates quantitative and qualitative data from these monitoring returns and uses this data to produce reports to trustees, donors and stakeholders on the achievements of the groups that we fund.

The Board of Trustees has maintained oversight of the grants process and is satisfied with this year's outcomes. Healthy discussions at Board meetings ensure that there is no complacency with the Foundation's achievements, and the Trustees continue to learn and strive for greater impact with the resources available.

HELPING COMMUNITIES TO RECOVER FROM DISASTERS

In recent years, community foundations across the UK have played a key role in managing funds donated to help people affected by disasters. Community foundations have a unique knowledge of the needs of local communities and an ability to make grants quickly and effectively.

We used this knowledge and expertise to deliver the Sussex Crisis Fund in response to the Covid Pandemic in 2020, and were very grateful to generous support from the National Emergencies Trust, East & West Sussex County Councils and many local people, companies and charities, that have enabled us to get funds to where they were most needed during the pandemic and through the recovery phase.

The Sussex Crisis Fund is now in abeyance, but we stand ready to help the local community to respond to any future crisis that may arise in our county.

CASE STUDY 5: Rother Responders

Rother Responders are dedicated to preserving the health of people via their team of volunteer Community First Responders, provision of public access defibrillators and public education on first aid in emergency situations. The charity received £4,000 to purchase a new defibrillator and replacement batteries and shock pads for their 20 community sites.



SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

PUBLIC BENEFIT

The goal of all the Foundation's activities is to provide benefit to the public in Sussex, focusing on addressing disadvantage and deprivation and building strong communities, but supporting all areas of charitable activity. It achieves this by awarding grants to local charities and community groups, which provide demonstrable community benefits. In assessing applications for a grant the Foundation seeks evidence of genuine public benefit and requires applicants to have an appropriate Equal Opportunities Statement that assures that benefits are available to all within the relevant community. The Trustees have had due regard for the guidance published by the Charity Commission on public benefit.

GRANTS POLICY

The Foundation has developed a grants policy, which aims to match the charitable goals of its donors with the needs of the community, focusing on addressing disadvantage, promoting thriving communities, improving quality of life, and helping people to fulfil their potential.

FUNDRAISING

The Foundation is registered with the Fundraising Regulator and has signed up to the Fundraising Promise and the Code of Fundraising Practice. It is also Quality Accredited by UK Community Foundations.

The Foundation raises funds by developing long-term relationships with potential supporters. Fundraising activities are undertaken by paid employees and volunteer trustees and ambassadors, all of whom are accountable to the Chief Executive and the Board of Trustees. The Foundation does not use any paid external fundraising agencies or consultants.

There have been no failures to comply with Fundraising Standards and no complaints regarding the Foundation's fundraising activities in this financial year.

The Foundation takes great care to communicate sensitively with supporters and potential supporters and to avoid any intrusion on an individual's privacy.

ENDOWMENT FUND

In order to achieve long-term benefit for the community, the Foundation is building an Endowment Fund, which will enable the Foundation to provide public benefit to the local community across Sussex for generations to come. The Endowment Fund is invested using professional fund managers.

SERVICE TO DONORS

The Foundation's individual character and, to some extent, competitive advantage over other organisations seeking to improve the lives of those in need in Sussex, arises from the strategy for attracting funds from donors who wish to monitor and advise on the manner in which their donations are applied. As a result, the Foundation's work additionally provides a comprehensive donor service to people and companies who care about their local community; it helps donors to make the maximum positive impact on the community and shows them the benefits achieved with their giving.

"Named Funds" are a core element of this service for donors. A Named Fund offers the donor the opportunity to establish a charitable fund in their own name, which can be used to award grants to match the donor's specific charitable interests.

Named Funds are of two types. A "Flow-through" named fund is distributed within an agreed timescale, normally one year, so as to maximise the immediate impact in the community. An "Endowment" Named Fund is a capital fund invested to generate investment income and capital growth, which can be distributed as grants for the benefit of the community for the long term.

SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Financial review

The financial year from April 2021 to March 2022 was another successful one for Sussex Community Foundation.

Donations to endowment, at £925,666 (2021 - £196,091) were back on budget after a drop during the Covid pandemic, when donations were focused towards immediate crisis response. It is reassuring to see that the support for endowment giving remains strong.

Income for immediate grant making (flow-through funds) was £2,524,758 for the year (£3,883,357 in the previous year), compared with a budget of £1,251,000. The above budget performance was due to continued support to help communities recover from the pandemic, most notably from East & West Sussex County Councils, for which we are very grateful.

As at 31 March 2022, the Foundation held £1,683,540 in restricted grant making funds, which are for the sole purpose of grant making in future periods and cannot be used for the general purposes of the charity. The high value of fund held is due in part to advance payments for the Rampion Fund which are intended to be spent over a period of ten years. Other funds which carry over a large balance include the Brighton & Hove Homelessness Fund, which is a large grant for a capital project which has been delayed by the pandemic.

The charity's investments showed a capital gain over the year of £1,826,903 compared with a gain of £4,690,814 in 2021. Both were in line with market performance. The table below compares the investment performance of our two fund managers in the periods up to 31 March 2022.

	Last 12 months	3 years (average)	5 Years (average)
Sarasin	5.4%	9.1%	7.3%
CCLA Charities Fund	11.62%	11.52%	10.27%
CCLA Charities ethical fund	11.56%	11.46%	7.34%

In February 2020, the trustees took the decision to move all our investments held at Sarasin to their "Climate Active Fund" which does not invest in fossil fuels and proactively invests in businesses that are making a positive contribution to addressing climate change. On 1 July 2021 the trustees decided to transfer all funds held at CCLA to the CCLA Charities Ethical Fund. Both Sarasin and CCLA are seen as leaders in the field of ethical investing and active engagement with companies in which they invest. Details of our investment managers' ethical investment policies are available on request.

SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

RESERVES POLICY

As with all charities, Sussex Community Foundation must raise the funds required to support the development of the charity itself, in addition to grants to beneficiaries. It is important to ensure that the organisation is sustainable and successful in the long term. In order to ensure that sustainability, the Charity must hold an appropriate level of Reserves.

Our Reserves Policy is that unrestricted funds, which have not been designated for a specific use, should be maintained at a level equivalent to twenty-six weeks (six months) of the subsequent year's budgeted operating expenditure. The Trustees recognise that the charity's income for operating costs is variable and consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while plans are made to address changing circumstances.

The charity's reserves received a substantial boost during 2019-20, due in particular to the receipt of a substantial legacy from Mr Arthur Green. 2020-21 and 2021-22 were unusual years for the Foundation, with a very high level of flow-through donations to the Sussex Crisis Fund. The charity ended the year with a surplus of £45,529, increasing the level of reserves further.

As at 31 March 2022, unrestricted reserves stood at £552,401, which represents 34 weeks' operating expenditure budget for 2022-23 compared with £506,872 or 40 weeks in the previous year.

The Trustees plan to expend these additional reserves to provide a basis for future growth and development of the charity and to increase its positive impact on the community. They have approved a plan to bring the reserves in line with policy over a period of three years.

The Trustees are continuing to promote a Friends Scheme to attract unrestricted donations. Should income from this scheme be greater than that required to cover operating costs then surplus funds may be distributed as grants.

SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

INVESTMENT POLICY

Central to Sussex Community Foundation's mission is the development of an Endowment Fund in order to provide sustainable funding to promote thriving communities, address disadvantage and improve quality of life across Sussex for generations to come. The Foundation continually works to attract new donations to help grow this fund for the benefit of the community.

Under the Articles of Association the Trustees have the power to invest funds not immediately required by the Charity and to appoint professional investment managers to manage investments on their behalf. The Trustees have the power to spend capital from the Endowment Fund to promote the charitable purposes of the Foundation.

Sussex Community Foundation's investment policy for its Endowment seeks to:

- maximise performance through a diversified portfolio and a medium risk strategy
- achieve a total investment return after costs of at least 1% per annum above that of the median fund in the ARC Steady Growth Charity Index over rolling three-year periods
- achieve a total investment return which exceeds the Retail Price Index over rolling three-year periods

All Endowment funds are invested using professional fund managers. In instructing these advisors, Sussex Community Foundation aims to achieve a balance between meeting current needs for grant making funds (by generating an annual income) and developing an Endowment to meet the needs of future generations (by maintaining the real value of the capital).

The investment managers acting on behalf of the Foundation have extensive expertise in managing charity investments and have developed standard ethical investment policies, which the Trustees consider to be appropriate for their needs. The Trustees do not at present undertake any social investment or programme related investments.

At the end of each financial year the Trustees review the capital value of the Endowment Fund and any income received. They then decide the value of grants to be awarded from the Endowment Fund, and any contribution to the costs of running the charity. In making this decision they seek to balance the short and long-term needs of the community.

It is a requirement of Government Match Funding that all Community First donations be held in a central fund managed by a single advisor. This investment advisor is for the time being CCLA. Community First investments are overseen by a National Investment Committee, which is a sub-committee of the Board of UKCF.

RISK MANAGEMENT

The major factors which affect the success and sustainability of the charity are:

1. The degree of success in raising funds – for endowment, grant making and operating costs
2. The investment performance of endowment funds
3. The ability of the charity to provide a high quality service to its donors and to the community
4. The reputation of the charity among potential donors, community groups, charities and intermediaries

The Trustees have developed a comprehensive risk management policy and system, which allocates responsibility for managing risk to sub-committees and named individuals and is overseen by the Audit Committee.

SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

PLANS FOR FUTURE PERIODS

Sussex Community Foundation has reviewed its strategy over the last six months in the light of the aftermath of the Covid pandemic.

We are facing the most challenging times for a generation. The Covid 19 pandemic has been followed by a cost of living crisis and global issues like climate change and war are having an immediate impact on people's daily lives in Sussex. Many people worry about how to make ends meet today, and whether the world will be a safe place for their children to live in future.

From the first days of lockdown in March 2020, small local charities organised in a strategic way, changing everything they did, and working together to make sure that local people had the support they needed to survive the pandemic. Through our Sussex Crisis Fund, we were able to provide the money these charities needed to create this immediate response.

We were able to respond so quickly because of our strong relationships with our donors, and because we hold an endowment fund which is there to address both the immediate and long term needs of our community.

Just as local charities provided hope to so many during the pandemic, we believe they also provide hope for the future. There are so many people who want to help their local community, either by giving time or money. By investing in local community action we will support those people who are generating the solutions to the huge challenges our society is facing, and who are helping people to cope with the day to day impact.

Our job is to connect people who care with the causes that matter. We believe that hope for the future lies in our local communities, and that philanthropy plays a crucial role in sustaining thriving communities and people.

Our belief in the power of community to change people's lives has been at the heart of everything we do since the charity was created. It has never been more urgent that we sustain our local communities so we can face the present, and the future, together.

SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Our vision

We want to see a fairer and more equal Sussex, where people and communities thrive for today and for the future.

Our mission

To champion and enable all who want to make a positive contribution to our local area through effective philanthropy and community action.

We will do this by:

Inspiring local people to give money to meet local needs

Investing in local charities and community groups, and helping them to become strong and sustainable organisations

Informing & Influencing philanthropists and the wider community about local needs, and how to meet the big issues facing people in Sussex, now and in the longer term.

In order to achieve these we will maintain a strong and sustainable organisation, which can respond to the changing needs of our communities and our donors today and for the future.

All of our work is informed by our values:

We show **leadership**, acting boldly and positively for the public good

We use **data and local knowledge** to inform our work; we are always keen to learn more, and we actively share our findings with others

We champion **equity**, working in accessible and inclusive ways, supporting greater fairness, and standing against prejudice, discrimination and disadvantage

Our approach is **empowering**, helping others to make the difference that they want to make

We maintain the highest standards of **integrity** in all that we do.

We believe that people achieve the most when they work together with **shared passion** and vision, while also having fun!

Our commitments:

In our last strategy, approved by the Board in 2019, we committed ourselves to being a broad based local funder, supporting a wide range of charitable activities and enabling philanthropists to address the causes they care about. This remains unchanged, but in addition as part of this strategy we are making five specific commitments. We will measure our progress on each commitment and report back each year on what we have achieved and what is still left to do.

Our commitments are:

To address poverty and disadvantage

To help build a thriving community and voluntary sector across Sussex

To increase the amount and the effectiveness of local philanthropy in Sussex

To use data and knowledge to inform all our work

To promote equity, diversity and inclusion

To review our impact on the environment and to support local action to address climate change

To be an open and trusting grant maker

Structure, governance and management

Sussex Community Foundation is a registered charity and a company limited by guarantee. It is governed by its Memorandum and Articles of Association dated 10th January 2006 as amended on 11 May 2010.

SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Trustees and officers who served during the year or at the time of publication were:

Andrew Baird
Maggie Burgess
Rodney Buse
Julia Carrette
Guy Davison
Corinne Day
Jonica Fox
Mebrak Ghebreweldi
Nikki Glover
David Hill
Keith Hollis - Chair
Brian Mills
Martin Roberts
Mark Spofforth OBE
Patrick Stevens - Treasurer
Pamela Stiles

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Trustees are appointed by the Board of Trustees for a three-year term, which can be renewed up to twice. Recruitment of new trustees is overseen by a Nominations Committee, which makes recommendations to the Board. At least every three years, the Trustees carry out a detailed review of the skills of members of the Board in order to identify any gaps. This review was completed in June 2022.

During 2020, the trustees advertised to seek applications for new trustees. After a very positive response, four new trustees were appointed and the Board also decided to appoint a number of independent committee members in order to provide greater opportunities for people to support the charity's work and to increase the diversity of people involved in the organisation. The trustees intend to repeat this process in 2022 in order to fill identified gaps on the Board.

TRUSTEE INDUCTION AND TRAINING

The Foundation has adopted procedures for recruitment, induction and training of Trustees, which include meetings with the Chair and Chief Executive on appointment, a recruitment information pack and appropriate training for Trustees.

TRUSTEE REMUNERATION AND REGISTER OF INTERESTS

All Trustees give their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in Note 10 to the accounts. Trustees are required to disclose all relevant interests and register them with the Chief Executive and to withdraw from decisions where a conflict of interest arises. At the beginning of every trustee meeting, those present are asked to declare any interests in any item in the agenda. Trustees may also declare any additional interest as the meeting unfolds.

SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

ORGANISATION

The Board of Trustees, which meets four times per year, governs the charity.

Sub-committees have been established to address specific areas of governance and meet as required. These committees include a Finance, Strategy & HR Committee, Grants Committee, Grants Strategy & Impact Committee, Fund Development Committee, Nominations Committee, Marketing Committee and Audit Committee.

As at June 2022, 14 permanent and five temporary paid staff conduct the day-to-day business of the charity, supported by volunteers and led by the Chief Executive who reports to the Board.

The Trustees are extremely grateful for the valuable contribution of volunteers and ambassadors, who help to attract funds, assess applications and assist in administration. These volunteers have played a central role in the success of the charity and the Trustees are always looking for ways to increase the Foundation's effectiveness by the involvement of volunteers.

PAY POLICY FOR SENIOR STAFF

The pay of all staff is reviewed annually against the Consumer Prices Index, other indicators of the cost of living and other comparable jobs. Job Descriptions are reviewed from time to time as posts become vacant or as roles and the requirements of the organisation develop. All Job Descriptions are reviewed at least every three years. The pay for new or revised Job Descriptions is benchmarked against similar posts in other community foundations and the local voluntary sector.

RELATED CHARITIES

None of the Trustees has any beneficial interest in the Foundation. All of the Trustees are members of the company and guarantee to contribute £10 in the event of winding-up.

Sussex Community Foundation is a quality accredited member of UK Community Foundations (which is itself a Registered Charity). Accreditation is subject to independent assessment every three years. The Foundation achieved accreditation in 2007, 2010, 2013 and 2017. UKCF delayed development of the 2020 quality standards due to the work involved in responding to the coronavirus crisis. The Foundation submitted its applications for accreditation in April 2021 and was accredited in September 2021.

The Foundation is also an associate member of the Association of Charitable Foundations.

The Foundation has distributed funds on behalf of the National Emergencies Trust via a partnership agreement with UKCF.

SUSSEX COMMUNITY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

CASE STUDY 6: SEDS



Sussex Ehlers-Danlos syndromes and hypermobility support group support people with symptomatic hypermobility and Ehlers-Danlos syndromes, their close families and carers. They received £5,000 to support their core costs and purchase equipment to access online therapy.

Auditor

In accordance with the company's articles, a resolution proposing that Knill James LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

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

The Trustees' report was approved by the Board of Trustees.



Keith Hollis - Chair
Trustee

Date: 21.7.22

SUSSEX COMMUNITY FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees, who are also the directors of Sussex Community Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements 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 financial statements, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements 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 financial statements comply with the Companies Act 2006, the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. 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.

SUSSEX COMMUNITY FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SUSSEX COMMUNITY FOUNDATION

Opinion

We have audited the financial statements of Sussex Community Foundation (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the statement of cash flows and the notes to the financial statements, 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 31 March 2022 and of its incoming resources and application of resources, 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

SUSSEX COMMUNITY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SUSSEX COMMUNITY FOUNDATION

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within 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 the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

In the light of the knowledge and understanding of the 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, 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 charity'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.

Auditor's 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

In identifying and assessing the risk of material misstatement in respect of irregularities, including fraud, we:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company complies with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud; and
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

SUSSEX COMMUNITY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SUSSEX COMMUNITY FOUNDATION

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements, including the Trustees' report, remaining alert to new or unusual transactions which may not be in accordance with the governing document.

The most significant laws and regulations that have an indirect impact on the financial statements are employment law and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

We identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included, but were not limited to, testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available 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 report

This report is made solely to the charitable company's trustees, 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 trustees those matters we are required to state to them in an auditor's 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 the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed

Knill James LLP

Mark Filsell FCA (Senior Statutory Auditor)
for and on behalf of Knill James LLP

25 July 2022

Chartered Accountants
Statutory Auditor

One Bell Lane
Lewes
East Sussex
BN7 1JU

SUSSEX COMMUNITY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Total 2021 £
<u>Income and endowments from:</u>						
Donations and legacies	2	651,861	2,524,758	925,666	4,102,285	4,677,070
Other trading activities	3	11,235	2,640	-	13,875	5,260
Investments	4	437	260,022	-	260,459	274,895
Other income	5	-	-	-	-	102,820
Total income and endowments		663,533	2,787,420	925,666	4,376,619	5,060,045
<u>Expenditure on:</u>						
Raising funds	6	93,247	-	-	93,247	96,161
Charitable activities	7	524,757	4,595,272	256,153	5,376,182	5,648,050
Total expenditure		618,004	4,595,272	256,153	5,469,429	5,744,211
Net gains/(losses) on investments	12	-	-	1,826,903	1,826,903	4,690,814
Net incoming/(outgoing) resources before transfers		45,529	(1,807,852)	2,496,416	734,093	4,006,648
Gross transfers between funds		-	1,213,564	(1,213,564)	-	-
Net movement in funds		45,529	(594,288)	1,282,852	734,093	4,006,648
Fund balances at 1 April 2021		506,872	2,277,828	24,682,436	27,467,136	23,460,488
Fund balances at 31 March 2022		552,401	1,683,540	25,965,288	28,201,229	27,467,136

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

SUSSEX COMMUNITY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Prior financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
<u>Income and endowments from:</u>					
Donations and legacies	2	597,622	3,883,357	196,091	4,677,070
Other trading activities	3	2,778	2,482	-	5,260
Investments	4	1,398	273,497	-	274,895
Other income	5	-	102,820	-	102,820
Total income and endowments		601,798	4,262,156	196,091	5,060,045
<u>Expenditure on:</u>					
Raising funds	6	96,161	-	-	96,161
Charitable activities	7	449,042	5,003,590	195,418	5,648,050
Total expenditure		545,203	5,003,590	195,418	5,744,211
Net gains/(losses) on investments	12	-	-	4,690,814	4,690,814
Net incoming/(outgoing) resources before transfers		56,595	(741,434)	4,691,487	4,006,648
Gross transfers between funds		-	689,095	(689,095)	-
Net movement in funds		56,595	(52,339)	4,002,392	4,006,648
Fund balances at 1 April 2020		450,277	2,330,167	20,680,044	23,460,488
Fund balances at 31 March 2021		506,872	2,277,828	24,682,436	27,467,136

SUSSEX COMMUNITY FOUNDATION

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	All income funds 2022 £	2021 £
Gross income	3,450,953	4,863,954
Transfer from endowment funds	1,213,564	689,095
Total income in the reporting period	4,664,517	5,553,049
Total expenditure from income funds	5,213,276	5,548,793
Net (expenditure)/income for the year	(548,759)	4,256
Reconciliation to Statement of Financial Activities		
Gross income (above)	3,450,953	4,863,954
Endowment fund income	925,666	196,091
Total income and endowments	4,376,619	5,060,045
Total expenditure from income funds (above)	5,213,276	5,548,793
Endowment fund expenditure	256,153	195,418
Total expenditure	5,469,429	5,744,211
Net gains/(losses) on investments	1,826,903	4,690,814
Net movement in funds	734,093	4,006,648

SUSSEX COMMUNITY FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13		542		722
Investments	14		25,489,868		24,242,812
			<u>25,490,410</u>		<u>24,243,534</u>
Current assets					
Debtors	16	55,756		93,952	
Investments	17	291,000		291,000	
Cash at bank and in hand		2,414,395		2,869,542	
		<u>2,761,151</u>		<u>3,254,494</u>	
Creditors: amounts falling due within one year	18	(50,332)		(30,892)	
Net current assets			<u>2,710,819</u>		<u>3,223,602</u>
Total assets less current liabilities			<u>28,201,229</u>		<u>27,467,136</u>
Capital funds					
Endowment funds	20	25,965,288		24,682,436	
Income funds					
Restricted funds	21	1,683,540		2,277,828	
Unrestricted funds		552,401		506,872	
		<u>28,201,229</u>		<u>27,467,136</u>	

The financial statements were approved by the Trustees on 21.7.22

Keith Hollis

Keith Hollis - Chair
Trustee

Company registration number 5670692

SUSSEX COMMUNITY FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash absorbed by operations	25		(1,295,453)		(1,044,051)
Investing activities					
Purchase of investments		(14,014,563)		(269,358)	
Proceeds on disposal of investments		14,594,410		588,524	
Investment income received		260,459		274,895	
Net cash generated from investing activities			840,306		594,061
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(455,147)		(449,990)
Cash and cash equivalents at beginning of year			2,869,542		3,319,532
Cash and cash equivalents at end of year			2,414,395		2,869,542

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Sussex Community Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 15 Western Road, Lewes, East Sussex, BN7 1RL.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used or have been raised by the charity for particular purposes. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Expendable endowment funds represent those assets which, under the Articles of Association, the trustees have power to invest and which have been invested to generate investment income and capital gains which can be distributed as grants for the benefit of the community. Income arising on the expendable endowment funds can be used in accordance with the objects of the charity and is split between restricted and unrestricted funds in accordance with agreements made with individual donors. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected.

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

For flow-through funds management fees are taken at the time the donation is received by the Foundation. If the value of the fee exceeds £5,000 this income is spread over the period during which the grant making fund is disbursed. In all cases the management fee is treated as income at the date of receipt of the donation.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Fund raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out by the charity. Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year in which they are awarded.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% reducing balance
--------------------------------	----------------------

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities 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.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.12 Fund accounting

Unrestricted funds are general funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity including core costs and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. All Restricted Funds held are Flow-through Named Funds, intended for awarding grants to local charities and community groups within a short timescale (normally up to one year). These funds are detailed in Note 16 to the financial statements.

Expendable endowment funds represent those assets which, under the Articles of Association, the trustees have power to invest and which have been invested to generate investment income and capital gains which can be distributed as grants for the benefit of the community. Income arising on the expendable endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Investment income and gains are allocated to the appropriate fund.

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

2 Donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Donations and gifts	651,861	2,524,758	925,666	4,102,285	597,622	3,883,357	196,091	4,677,070

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Other trading activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Management charge income	11,235	-	11,235	2,778	-	2,778
Letting arrangements	-	2,640	2,640	-	2,482	2,482
Other trading activities	11,235	2,640	13,875	2,778	2,482	5,260

4 Investments

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from unlisted investments	-	260,022	260,022	-	273,497	273,497
Interest receivable	437	-	437	1,398	-	1,398
	437	260,022	260,459	1,398	273,497	274,895

5 Other income

	Total 2022 £	Restricted funds 2021 £
Income from sale of leasehold extensions	-	102,820

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Raising funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Fundraising and publicity</u>		
Fundraising events	1,223	233
Other fundraising costs	382	8,747
Staff costs	91,642	87,181
	<u>93,247</u>	<u>96,161</u>

7 Charitable activities

	2022 £	2021 £
Staff costs	313,876	277,462
Depreciation and impairment	180	240
Management charge	597,067	559,491
Other costs	53,313	28,953
	<u>964,436</u>	<u>866,146</u>
Grant funding of activities (see note 8)	4,254,358	4,639,518
Share of support costs (see note 9)	104,913	93,796
Share of governance costs (see note 9)	52,475	48,590
	<u>5,376,182</u>	<u>5,648,050</u>
Analysis by fund		
Unrestricted funds	524,757	449,042
Restricted funds	4,595,272	5,003,590
Endowment funds	256,153	195,418
	<u>5,376,182</u>	<u>5,648,050</u>

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Grants payable

	2022 £	2021 £
Grants to institutions	4,254,358	4,639,518

1,106 grants (2021 – 1,172) worth £4,254,328 (2021 - £4,639,518) were awarded to 639 groups (2021 - 720) and 23 individuals (2021 – 19). The average grant awarded was £4,193 (2021 - £3,490). 174 grants were for £1,000 or less (2021 – 174).

*220 groups received more than one grant (average number of grants per group was 1.59).

Grants to institutions of £10,000 or more awarded during the year were as follows:

Details	Amount £
Bognor Rugby Football Club	59,000.00
Saltdean Lido Community Interest Company	50,000.00
Kent Community Foundation	36,350.00
Friends of Twineham	32,930.00
Chris Smith Mem Fund	30,197.78
Eastbourne Citizens Advice Bureau	30,000.00
Turning Tides	24,953.00
Dial-a-Ride Southern Service	24,199.00
Arun & Chichester Citizens Advice Bureau	20,000.00
Carers Support Selsey	20,000.00
East Sussex Recovery Alliance (ESRA) CIC	20,000.00
Free Shop Crawley	20,000.00
Pregnancy Options Centre	20,000.00
Release Counselling and Therapy for Women	20,000.00
Streetlight	20,000.00
UkHarvest	20,000.00

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Grants payable

(Continued)

Details	Amount £
Yada	20,000.00
Youth Dream	20,000.00
Ouse & Adur Rivers Trust	16,000.00
South Downs National Park Trust	12,500.00
Rockinghorse	10,230.00
Building Heroes Education Foundation	10,090.00
As You Are Centre	10,000.00
Bentswood Community Partnership	10,000.00
Bevendean Community Pub	10,000.00
Bognor Regis Foodbank	10,000.00
Bournethisway LGBT+ Parents Support Group	10,000.00
Breadwinners	10,000.00
Brighton & Hove City Mission	10,000.00
Brighton & Hove LGBT Switchboard	10,000.00
Brighton and Hove Speak Out	10,000.00
Brighton Cauldron	10,000.00
Brighton Food Factory	10,000.00
Brighton Unemployed Centre Families Project	10,000.00
Brighton Women's Centre	10,000.00
Broadwater Support Group CIC	10,000.00
Chichester District Foodbank	10,000.00
Chichester Down Syndrome Support group	10,000.00

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Grants payable

(Continued)

Details	Amount £
Chichester Forest Schools CIC	10,000.00
Chichester Information Shop for Young People	10,000.00
Citizens Advice 1066	10,000.00
Citizens Advice in West Sussex (North, South, East)	10,000.00
Common Cause Co-operative	10,000.00
Communities First Wessex	10,000.00
Conversation Over Borders	10,000.00
CYCALL	10,000.00
Daisy Chain Project	10,000.00
Defiant Sports	10,000.00
Dementia Support	10,000.00
Diversity Lewes	10,000.00
Diversity Resource International	10,000.00
Down Syndrome Development Trust	10,000.00
East Brighton Food Co-operative	10,000.00
East Sussex Association of Blind and Partially Sighted People (ESAB)	10,000.00
East Sussex Hearing Resource Centre	10,000.00
Education Training Consortium Sussex	10,000.00
Electric Storm Youth Ltd	10,000.00
ENGAge	10,000.00
Esteem	10,000.00
Family Support Work	10,000.00
Fegans	10,000.00
Fellowship of St Nicholas	10,000.00

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Grants payable

(Continued)

Details	Amount £
Hastings Area Community Trust	10,000.00
Hastings Furniture Service	10,000.00
Holding Space	10,000.00
Home-Start Arun, Worthing & Adur	10,000.00
Home-Start East Sussex	10,000.00
Kangaroos	10,000.00
Les Alden Foundation	10,000.00
Life Centre	10,000.00
MenTalkHealth	10,000.00
Moulsecoomb Primary School	10,000.00
Now! Charity Group Ltd	10,000.00
Off The Fence Trust	10,000.00
Olive Tree Cancer Support Centre	10,000.00
Pelham CIO	10,000.00
Pelican Parcels	10,000.00
Phoenix Therapy Practice	10,000.00
Positive Routes to Wellbeing C.I.C.	10,000.00
Reaching Families	10,000.00
Safety Net	10,000.00
Sara Lee Trust	10,000.00
Selsey Community Forum	10,000.00
Selsey Employment Service	10,000.00
Individual Grants	10,000.00
Springboard Project	10,000.00

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Grants payable

(Continued)

Details	Amount £
St James' Trust	10,000.00
St Mark's CE Primary	10,000.00
St Nicholas Church	10,000.00
Strongmen	10,000.00
Sussex Association for Spina Bifida & Hydrocephalus	10,000.00
Sussex Beacon	10,000.00
Sussex Interpreting Services	10,000.00
Sussex Prisoners Families	10,000.00
Sussex Syrian Community Group	10,000.00
Sylvia Beaufoy Centre	10,000.00
Tamer Community Project	10,000.00
Think18	10,000.00
Together Co	10,000.00
Tubbs Computer Supplies	10,000.00
U CAN Spray CIO	10,000.00
Unemployed Climbers Group (Brighton and Hove)	10,000.00
Veterans' Growth	10,000.00
Voices in Exile	10,000.00
Volunteers Network CIC	10,000.00
You Raise Me Up (YRMU)	10,000.00
	£1,376,449.78

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Grants payable

(Continued)

Grants to Kent Community Foundation relate to the Little Cheyne Court Wind Farm Fund, which is managed in partnership between the two foundations.

In addition to the above, a number of grants were awarded subject to conditions, which have not yet been fulfilled. The table below shows the value of conditional grants totalled by Fund:

Fund Name	Value of Conditional awards
Argus Appeal Fund	£800
Noel Bennett Fund	£250
East Brighton Trust Fund	£4,650
William Reed Fund	£1,500
CJR Family Fund	£4,000
Ian Askew Charitable Trust Fund	£1,000
Sussex Giving Fund	£3,000
Brighton & Hove Legacy Fund	£200
Westdene Fund	£350
Rooney Foundation Fund	£3,215
Inspire Fund	£6,681
Little Cheyne Court Windfarm Fund	£1,500
Rampion Fund	£184,333
Rye Fund	£1,800
	£213,279

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Staff costs	18,484	28,807	47,291	15,608	43,947
Rent	27,885	-	27,885	26,104	26,104
Insurance	2,296	-	2,296	2,658	2,658
Property service charge	6,639	-	6,639	12,698	12,698
Bank charges	112	-	112	137	137
Staff training and recruitment	10,446	-	10,446	4,586	4,586
Staff travel and subsistence	6,527	-	6,527	3,842	3,842
Computer software, systems and applications	23,677	-	23,677	19,803	19,803
Printing, postage and stationery	4,924	-	4,924	2,611	2,611
Telephone	2,453	-	2,453	3,299	3,299
Repairs and maintenance	1,470	-	1,470	2,450	2,450
Grant making costs	-	994	994	-	525
Audit fees	-	6,060	6,060	-	6,000
Legal and professional	-	10,417	10,417	-	6,840
Bookkeeping and accountancy	-	4,510	4,510	-	4,849
Trustees meetings and expenses	-	261	261	-	-
Annual report and AGM	-	1,426	1,426	-	2,037
	<u>104,913</u>	<u>52,475</u>	<u>157,388</u>	<u>93,796</u>	<u>142,386</u>
Analysed to					
Charitable activities	<u>104,913</u>	<u>52,475</u>	<u>157,388</u>	<u>93,796</u>	<u>142,386</u>

The charity's auditors Knill James LLP also supplied book-keeping and accountancy services to the charity during the year for a fee of £2,781 (2021 - £4,086).

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Charitable employees	13	12

Employment costs

	2022 £	2021 £
Wages and salaries	397,522	364,299
Social security costs	35,186	31,322
Other pension costs	20,101	12,969
	452,809	408,590

Pension contributions

The charity operates a defined contribution pension scheme. At the year end, there were £2,393 of outstanding pension contributions owing to the scheme (2021 - £1,393).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
In the band £80,001 - £90,000	1	1

Contributions totalling £3,458 were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

12 Net gains/(losses) on investments

	Endowment funds 2022 £	Endowment funds 2021 £
Revaluation of investments	1,826,903	4,690,814

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 April 2021	13,758
At 31 March 2022	13,758
Depreciation and impairment	
At 1 April 2021	13,036
Depreciation charged in the year	180
At 31 March 2022	13,216
Carrying amount	
At 31 March 2022	542
At 31 March 2021	722

14 Fixed asset investments

	Securities £
Cost or valuation	
At 1 April 2021	24,242,812
Additions	14,014,563
Valuation changes	1,826,903
Disposals	(14,594,410)
At 31 March 2022	25,489,868
Carrying amount	
At 31 March 2022	25,489,868
At 31 March 2021	24,242,812

15 Financial instruments

	2022 £	2021 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	25,780,868	24,533,812

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	12,357	18,980
Other debtors	43,399	74,972
	<u>55,756</u>	<u>93,952</u>

The comparative amount for other debtors differs from that shown in the prior year financial statements. An amount of £291,000 has been moved to current asset investments (see note 17) being an asset held for sale.

17 Current asset investments

	2022 £	2021 £
Short term investments	<u>291,000</u>	<u>291,000</u>

Current asset investments represent freehold properties held for sale.

18 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	7,029	9,538
Trade creditors	725	848
Other creditors	2,393	1,879
Accruals and deferred income	40,185	18,627
	<u>50,332</u>	<u>30,892</u>

19 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to Statement of Financial Activities in respect of defined contribution schemes was £20,101 (2021 - £12,969).

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

20 Endowment funds

	Balance at 1 April 2020 £	Incoming resources £	Movement in funds			Balance at 1 April 2021 £	Incoming resources £	Movement in funds			Balance at 31 March 2022 £
			Resources expended £	Transfers £	Investments gains/losses £			Resources expended £	Transfers £	Investments gains/losses £	
Expendable endowments											
Sarasin											
Endowment											
including											
grassroots	10,175,083	196,090	(146,584)	(526,315)	2,420,196	12,118,470	775,666	(194,370)	(637,923)	589,428	12,651,271
Community First											
Trust	7,249,382	-	-	-	1,495,787	8,745,169	-	-	(1,108,676)	710,010	8,346,503
CCLA Other	3,255,579	-	(48,834)	(162,780)	774,831	3,818,797	150,000	(61,783)	533,035	527,465	4,967,514
	<u>20,680,044</u>	<u>196,090</u>	<u>(195,418)</u>	<u>(689,095)</u>	<u>4,690,814</u>	<u>24,682,436</u>	<u>925,666</u>	<u>(256,153)</u>	<u>(1,213,564)</u>	<u>1,826,903</u>	<u>25,965,288</u>

Transfers of £1,171,908 (2021 - £689,095) represent drawdowns from endowment for grant making and operating costs. "Grassroots" and "Community First" relate to two government funded endowment match challenges.

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

21 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 April 2020 £	Movement in funds			Balance at 1 April 2021 £	Movement in funds			Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £	
Funds held for grant making	2,330,167	4,262,158	(5,003,592)	689,095	2,277,828	2,787,420	(4,595,272)	1,213,564	1,683,540

22 Analysis of net assets between funds

Fund balances at 31 March 2022 are represented by:

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Tangible assets	542	-	-	542	722	-	-	722
Investments	-	-	25,489,868	25,489,868	-	-	24,242,812	24,242,812
Current assets/(liabilities)	551,859	1,683,540	475,420	2,710,819	506,150	2,277,828	439,624	3,223,602
	552,401	1,683,540	25,965,288	28,201,229	506,872	2,277,828	24,682,436	27,467,136

SUSSEX COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	26,333	26,093
Between two and five years	38,064	63,798
	<u>64,397</u>	<u>89,891</u>

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>81,509</u>	<u>80,135</u>

25 Cash generated from operations

	2022 £	2021 £
Surplus for the year	734,093	4,006,648
Adjustments for:		
Investment income recognised in statement of financial activities	(260,459)	(274,895)
Fair value gains and losses on investments	(1,826,903)	(4,690,814)
Depreciation and impairment of tangible fixed assets	180	240
Movements in working capital:		
Decrease in debtors	38,196	306,238
Increase/(decrease) in creditors	19,440	(391,468)
Cash absorbed by operations	<u>(1,295,453)</u>	<u>(1,044,051)</u>

26 Analysis of changes in net funds

The charity had no debt during the year.