

## **Essex Community Foundation**

Annual Report and Financial Statements

Year Ended

30 June 2012

Company Number 3062567

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**Essex Community Foundation**  
**Trustees' Report and Financial Statements**  
**for the year ended 30 June 2012**

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**Trustees' Report and Financial Statements**  
**for the year ended 30 June 2012**

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**The Trustees' Annual Report**

**Reference and Administrative information**

**The Directors of the Company – and Trustees of the Charity**

The directors of the charitable company, Essex Community Foundation (the Foundation), are its trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees

John Barnes	
Kate Barker	Appointed 24 November 2011
Jason Bartella	
Peter Blanc	
Charles Clark OBE QPM DL	Retired 24 November 2011
Carole Golbourn	
Peter Heap	
Martin Hopkins	
Margaret Hyde	Retired 24 November 2011
Jonny Minter	
Rhiannedd Pratley OBE	
Owen Richards	
<b>John Spence OBE DL</b>	<b>Chairman of the Board of Trustees</b>
Jackie Sully	

**Officers**

Colin Sivell	Company Secretary
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**Senior Executives**

Bob Reitemeier CBE	Chief Executive
Jo Murphy	Head of Communications
Bob Sherer	Development Director
Caroline Taylor	Programmes Director

<b>Company Number</b>	3062567
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<b>Charity Commission Reference Number</b>	1052061
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<b>Registered Office</b>	121 New London Road, Chelmsford, Essex, CM2 0QT
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<b>Bankers</b>	National Westminster Bank plc, 6 High Street, Chelmsford, Essex, CM1 1BL
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<b>Auditors</b>	BDO LLP, 66 Broomfield Road, Chelmsford, Essex, CM1 1SW
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<b>Investment Managers</b>	BlackRock Investment Management (UK) Ltd, 12 Throgmorton Avenue, London EC2N 2DL
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<b>Solicitors</b>	Birkett Long, 1 Legg Street, Chelmsford CM1 1JS
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# **Essex Community Foundation**

## **Trustees' Report and Financial Statements**

### **for the year ended 30 June 2012**

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#### **The Chairman's Report**

I have great pleasure in presenting the Trustees' Annual Report for the year to 30 June 2012. This year Essex Community Foundation has once again demonstrated the significant difference a modest grant can make when effectively targeted to support the needs of the most vulnerable people in the community.

From July 2011 to June 2012, we were able to award £15 million in grants across Essex, Southend and Thurrock. Our endowment funds received £3 million in new donations during the year. Fifteen new funds were established bringing our year-end total to 90 named funds.

Our success this year was particularly encouraging when considering the United Kingdom's economic climate. We entered into a double-dip recession, the costs of health and social care for an ageing population continue to rise, and the number of 16 to 24 year olds out of employment, education and training surpassed the 1,000,000 mark across the country. Despite these pressures, local people across Essex, Southend and Thurrock continued to support communities in need and looked to Essex Community Foundation to guide their grantmaking.

As we look back on the past year, we are extremely grateful to all of our donors, volunteers and supporters whose commitment and dedication to helping individuals and community organisations is an inspiration to us all – and is the reason behind any success that the Foundation achieves.

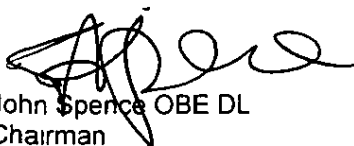
New developments during the year included the launch of a four-year Government supported match funding programme called Community First. Essex Community Foundation led the way by raising more endowment funds than any of the other UK community foundations involved in the scheme.

We welcomed our new Chief Executive, Bob Reitemeier, to the Foundation in January 2012. Bob brings with him 30 years experience in the voluntary and community sector, most recently as Chief Executive of The Children's Society and Member of the Youth Justice Board.

Looking to the future, the Trustee Board approved Essex Community Foundation's Three Year Plan, covering the period July 2012 to June 2015. The Plan calls for growth, both in grantmaking and fund development. With our grantmaking, we will reach out to a greater number of deserving communities, directly supported by growth of £15 million in our endowment funds over the next three years. Our task is to attract more donors and distribute more grants to where they will have the greatest effect.

It is because many individuals, groups and communities struggle to make ends meet in such challenging times, that the work of Essex Community Foundation increases in importance. Now, more than ever, we need to deliver on our mission to inspire philanthropy and charitable giving – matching people, ideas, resources and needs, to make a lasting difference.

I am therefore pleased to report a strong and dedicated Board of Trustees and Committee Members, supported by professional and committed staff, to all of whom I express my sincere appreciation.



John Spence OBE DL  
Chairman

# **Essex Community Foundation**

## **Trustees' Report and Financial Statements**

### **for the year ended 30 June 2012**

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The Trustees present their report along with the audited financial statements of the charity for the year ended 30 June 2012. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 (second edition) in preparing the annual report and financial statements of the charity.

#### **Structure, Governance and Management**

Essex Community Foundation was established in 1996 as a company limited by guarantee, company number, 3062567, and is registered as a charity with the Charity Commission, registration number 1052061. The Trustees and officers of the charity and its principal advisers are listed on page 2.

The Foundation is governed by its Memorandum and Articles of Association which set out the objects of the Foundation and the powers of the Board of Trustees.

Trustees meet quarterly and Board meetings work to a consent agenda, which enables the Board to group routine items and vote on those without any additional explanation or comment. This procedure has been in place for several years, and has proven to provide time for both business matters and open discussion on issues related to the strategic direction of the Foundation.

Business is conducted between Board meetings through four sub-committees which are responsible for operational oversight: the Governance Committee, Grants Committee, Finance & Investment Committee and Fund Development Committee. The terms of reference for these committees set out the powers and authority delegated to them. The Governance Committee has delegated responsibility to identify future Board members of sufficient calibre, integrity and diversity for nomination to the Board and to develop and maintain an effective mechanism to review the performance of the full Board, of sub-committees and of individual Board members. Invitation to join the Board is by selection and consideration is given to expertise, experience, skills and geographical representation.

In addition, the Governance Committee oversees an ongoing programme of Trustee induction, which provides the opportunity for new Trustees to meet all staff and to understand organisational procedures. On appointment, Trustees receive an induction pack, setting out policies and terms of reference of the Board and sub-committees as required by the governing document. The pack includes operational details of the Foundation, a copy of the Memorandum and Articles, a copy of the current Business Plan and the document detailing the role of Trustees.

There were twelve Trustees at the year-end. Charles Clark and Margaret Hyde both retired at the AGM, having served their full term of eight years. Charles Clark also served as Chairman of the Board of Trustees from 2003 to 2009, and in recognition of his valuable leadership and contribution to the Foundation, he was invited to become a Vice President upon his retirement. The Chairman, on behalf of the Board of Trustees, expressed appreciation of the time, commitment and leadership that they had both given to the Foundation. Kate Barker was elected onto the Board as a Trustee in November 2011, and at a meeting held immediately after the AGM, the Trustees elected John Spence as the Foundation's Chair for a third year.

Staff resources increased during the year. The new Chief Executive, Bob Reitemeier, was appointed in October 2011 following a thorough recruitment process and took up his post in January 2012. The Senior Management Team, consisting of Caroline Taylor, Bob Sherer and Jo Murphy, ably and professionally led the organisation during the period between the departure of the out-going Chief Executive, Laura Warren OBE DL, in May 2011 and Bob's arrival in January 2012. In addition, a part-time Intern was appointed to provide administrative support to the charity's involvement in Localgiving.com, a Community Foundation supported initiative that promotes charitable giving to locally based voluntary and community organisations.

There are seven full time members and two part time members of staff. Administration is supported by an additional small number of volunteers. Particular appreciation is given to the dedicated and long-serving volunteers who add significant value to the work of the Foundation. Andrew Clarke and Barbara Garside have volunteered for the grants team and wider Foundation for 12 and 7 years respectively and Antony Stark has

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been involved for over two years. They were joined this year by a new volunteer, Alison Ingleby, who provided administrative support one day per week.

Caroline Taylor, Programmes Director, successfully completed a Master of Science degree in Grantmaking, Philanthropy & Social Investment this year, achieving an honours distinction. Jo Murphy, Head of Communications, Steven Mackenzie, Fund Development Officer and Jill Curd, Grants Officer, participated in the Institute of Leadership and Management Level 3 Award in the First Line Management course. Jill Curd used this opportunity to focus her course paper, for which she was awarded an 'outstanding' mark, on the transformation of the Foundation's grant distribution system to a rolling, year-long grants programme. Bob Reitemeier, Chief Executive, was awarded a CBE in the Queen's Birthday Honours in June 2012 for his services to children.

The Patron, the President and the Vice Presidents of the Foundation act as honorary ambassadors and their support is much appreciated to strengthen our profile. The Trustees were delighted to welcome Charles Clark OBE QPM DL, retiring Trustee and former Chairman, and Robert Erith TD DL, as Vice Presidents this year. Care is taken to keep all our ambassadors informed of the Foundation's activities and their attendance at events is encouraged, to increase their knowledge and understanding.

Essex Community Foundation is a member of Community Foundation Network, CFN, a national organisation that connects and represents the 58 UK community foundations at national level. The Foundation is proud to have been awarded the Quality Accreditation 2010–2013, a programme managed by CFN and formally endorsed by the Charity Commission for England and Wales.

### **Objectives and Activities undertaken by the Foundation for the Public Benefit**

#### **VISION**

A strong generous community – an Essex where people work together to enhance the quality of local life.

#### **MISSION**

To inspire philanthropy and charitable giving – matching people, ideas, resources and needs to make a lasting difference.

#### **VALUES**

- We are **accountable** to our community and to our donors and funders, by being transparent in all our communications and activities.
- We remain committed to being an organisation which is **approachable** by donors, grant recipients and strategic partners alike.
- We encourage and support **innovation**, recognising that needs are best tackled through the independent and creative determination of people.
- We act with **integrity** and **professionalism** at all times.

The Foundation's **charitable objects** for the public benefit, as defined in its Memorandum & Articles of Association, are

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- The promotion of charitable purposes for the benefit of the community in the county of Essex and its immediate neighbourhood
- 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
- To assist financially or otherwise any individual, trust, association or organisation, for purposes of relieving those who are injured or bereaved or in need and of other charitable purposes connected with or arising out of an event deemed to be a disaster in Essex

These charitable objects are achieved through

- Managing an effective grants programme which distributes funds to charities, voluntary and community organisations that meet ECF's criteria together with the criteria set by funders
- Increasing endowment and revenue funds under management by providing flexible, donor-centred management services, and by retaining existing donors and attracting new donors
- Ensuring that all levels of the organisation operate to the highest standards

The Trustees refer to the guidance on Public Benefit produced by the Charity Commission when reviewing the Foundation's charitable objectives and when planning future activities and grant-making, and are satisfied that these objects meet the appropriate charitable purposes as defined by the Charities Act 2006

**Achievements and Performance 2011 - 2012**

- £1,657,016 distributed in grants to 274 organisations (including commitments from prior years) and 11 individuals £1,516,709 was awarded in new grants during the year
- Endowed funds of £19,146,110, as valued at 30 June 2012
- Total Income for year was £4,450,048
- New income for endowment was £3,040,463
- Total grant income into our restricted flow-through funds was £855,159
- 15 new named funds established within ECF, 11 endowed funds from families and companies, and 4 flow-through funds one of which was to be distributed in the year under review

**Significant activities**

A range of activities was undertaken during the year under review to achieve the Foundation's strategic objectives. In the main, these relate to grant making activities and fund development. Quarterly reports tracking the Foundation's Business Plan enabled the Board of Trustees to measure achievement against objectives and, in summary, the Trustees are delighted to report that both fund development and grantmaking goals have been met.

This year a new Government supported matched endowment funding scheme was launched, called Community First. It is a four-year scheme, which is scheduled to end in March 2015. It is a two to one scheme, meaning that for every pound donated to the scheme's endowment funds, the government will match this with a 50 pence contribution. However, as the scheme experienced a delayed start, the Government allowed the scheme to operate a one to one match during the first year, which ended on 31 March 2012.

## **Essex Community Foundation**

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Community First is funded through the Office for Civil Society and managed by the Community Development Foundation. It is implemented through the 58 Community Foundations across the UK, by means of an agreement between the Community Development Foundation and Community Foundation Network, of which Essex Community Foundation is a member.

Essex Community Foundation successfully raised the largest amount of Community First new endowment funding across all 58 Community Foundations in its first year ended 31 March 2012, achieving £1,034,000 in new endowed donations. This was then matched pound for pound by the Government, resulting in funds totalling £2,068,000.

The Essex County Council supported Youth Philanthropy Board, managed by the Foundation, was launched during the year, bringing together a group of young people to develop an action plan on how to become more engaged in their local communities. It is also designed to introduce the concept of philanthropy to this generation of young people.

This year, ECF contributed to the continuing success of Localgiving.com, a website promoting charitable giving to local organisations, which may not be registered with the Charity Commission. ECF leads this work across Essex. Localgiving.com made contributions to organisations vetted by Essex Community Foundation totalling £25,944. On 30 June 2012, 98 organisations had been registered on Localgiving across Essex, Southend and Thurrock.

#### **Community Foundation Network (CFN)**

Essex Community Foundation is an active member of CFN, which is the national organisation representing and supporting the 58 community foundations across the UK. Retiring Trustee and former Chairman Charles Clark is a CFN Board member and chairs their IT Strategy Committee. Caroline Taylor, Programmes Director, is a committee member for the National Programmes and Operations Committee and the Fair Share Trust Committee. Jo Murphy, Head of Communications, is a member of the UK marketing group which meets regularly to discuss and co-ordinate national campaigns and general marketing issues. Bob Reitemeier attended the CFN Southern Regional Chief Executives' Forum in May 2012.

CFN launched the Esmée Fairbairn Foundation supported initiative, Time to Give, this year. It is designed to support the development of a new generation of philanthropists as a means to mark the 50<sup>th</sup> anniversary of this leading UK grantmaker. Time to Give promotes the nomination of Fairbairn Fellows, who are philanthropists who seek involvement with other philanthropists to share learning and promote charitable giving. Time to Give operates at a regional level, and Essex Community Foundation is a member of CFN East, composed of neighbouring community foundations in Suffolk, Cambridgeshire, Norfolk, Bedfordshire and Hertfordshire. The CFN East launch of Time to Give took place in Cambridge in May 2012, and was attended by Essex Community Foundation Trustee, Rhianedd Pratley OBE and Bob Reitemeier.

#### **Programme and Grants expenditure**

As at June 2012, the Foundation had awarded £19 million in grants since inception in 1996. Nearly 4,500 projects run by local voluntary and community groups have received funding over the last 16 years, supporting a range of issues including children and young people, health and wellbeing, employment, rural isolation and homelessness. The Foundation increasingly manages a variety of funds to address these issues, funds are either expended at the discretion of the Board of Trustees or by the fundholder. Funds may be restricted to a particular area, for example The Hew Watt Family Charitable Fund for Thurrock, or to a particular issue, for example The Stour Valley Environment Fund which supports charities and voluntary groups working to enhance the environment in the Stour Valley.

In this year alone, 420 grant payments were made to 274 organisations and 11 individuals, totalling £1,657,016 including commitments from previous years. However the total amount requested from the Foundation was £2,822,141. The average payment was £3,913, and 76 organisations were funded from more than one fund. As the Foundation runs an increasing number of multi-year funding programmes, the amounts awarded and actually distributed in a financial year will differ. 31% of applicants applied to the Foundation for the first time, which is down on last year's figure of 42%.

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The Foundation continues to work collaboratively with other grant makers to ensure funds are targeted where they are needed most. The Henry Smith Charity, a large UK foundation established in 1628, benefits from the Foundation's extensive experience and knowledge of the voluntary sector in Essex. Henry Smith Charity uses the Foundation to advise and administer grant making across the county. In the year under review we have distributed £284,476 on their behalf and a total of £864,176 in grant funding since 2009. The Foundation's partnership with Comic Relief entered its third year, similarly to Henry Smith, Comic Relief uses the knowledge and experience of the Foundation to award grants across the county. Within the year £60,557 was awarded to Essex organisations working to improve the lives of disadvantaged people in the county.

#### **Grant Distribution Policy**

The Board of Trustees set a level of grant expenditure from the endowed fund which is intended to provide a realistic level of grant making, consistent with the investment aim to maintain the nominal value of the endowment, and subject to any conditions imposed by donors. Each year the Finance & Investment Committee recommends to the Board what it considers to be an appropriate level to be distributed in grants. The trustees considered carefully past and likely future investment returns, the economic outlook and the evidence on community needs. A distribution rate of 4.5% was considered to be appropriate for the year under review.

#### **Programme and Grantmaking**

The Foundation's programme development and grantmaking continue to go from strength to strength. Funds under management have a broad range of criteria and offer opportunities to award varying sizes of grants. In the year under review the largest amount awarded to an organisation was £37,000 to The Grandparents Association who are working to support estranged grandparents. The smallest amount awarded was £100 to St Mary's Church, Saffron Walden.

The Foundation generally manages open grants programmes which are advertised throughout the year with deadlines in both January and September. However, the Foundation also manages funds which seek to address a particular issue through a more strategic approach. For example, the Fair Share Trust aims to develop and engage local communities in two deprived areas in Basildon and Clacton. As a 10 year programme Fair Share Trust takes a longer term approach to supporting change in local communities. The Foundation has worked intensively in both Clacton and Basildon with a panel of local residents and agencies to improve the quality of life in each area. As the programme comes to an end, local residents agreed the final grants of £27,353 to Signpost (Colchester) and £7,000 to Inclusion Ventures.

Within the year, the Foundation undertook a review of its open grantmaking, the aim of which was to ensure our grantmaking continues to meet the needs of the voluntary and community sector and our fundholders. The grants team considered the wider funding environment and the high demands for access to grant funding, with the review highlighting the need for our funding to be accessible throughout the year. In 2012/13, we will, therefore, remove our two main deadlines and implement a newly designed grant making process.

As part of a national campaign supported by Community Foundation Network, SAGA and Age UK, the Foundation participated for a second year in the Surviving Winter Appeal, which directs much needed funds to those organisations supporting older and vulnerable people through the cold winter months. ECF awarded £18,350 to organisations providing hot meals in people's homes and at day centres, and also contributed to community transport schemes to maximise opportunities for people to get out and about.

#### **Impact**

Like many organisations the Foundation is committed to demonstrating the impact of its work and continuously improving its approach through increased knowledge and understanding. The Foundation is actively supporting the development of an impact assessment framework by the Community Foundation Network which will enable all foundations to collect and compare information at a local and national level to demonstrate the diversity and scope of its grantmaking. This new framework is linked into a newly designed, bespoke database DIGITS 2 which the Foundation has trialled throughout 2012. This new system enables us to enhance our ability to analyse and use data to demonstrate the impact of our grantmaking.

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With the support of Community Foundation Network, the Foundation is benefitting from the resources available through Local Futures, a research and strategy consultancy who provide a range of resources which enable us to improve our understanding of the economic, social and environmental characteristics of Essex communities

This work will enable the Foundation to develop a more strategic understanding of the impact of our work

#### **Monitoring and Evaluation**

Every organisation funded by the Foundation agrees, as part of their terms and conditions, to return a monitoring and evaluation report at the end of the grant award. The Foundation enjoys a high level of submission of monitoring, achieved largely through an active approach taken by the Foundation's grants team. The Grantmaking Policy outlines the process for chasing monitoring which can be time consuming and costly to a small team. Through active tracking in collecting this information and by issuing email reminders to organisations in advance of their deadline, the Foundation can report that of the 225 reports due, 99% returned a satisfactory end of grant report.

#### **Fund Development**

In the year under review, new funds totalling £3,040,463 were added to the pooled endowment. This met our target of £3 million, and represented an increase of approximately 2% on the previous year. In challenging economic times we are delighted with this result.

Fifteen new funds were created, five of which were established as parallel funds, taking advantage of the Government's Community First matched challenge scheme. These parallel funds were established by existing fundholders and sit alongside their original funds. They are Mersea Homes Community First Charitable Fund, Essex Rural Community First Fund, Belinda Starling Memorial Community First Fund, Minter Family Community First Fund and Birketts Community First Fund. Yellow Car Community First Fund and Little Braxted Community and Educational Community First Fund were also established as new Community First funds.

A further four funds were established within the existing endowment portfolio. They are Bailey Family Fund, Police Property Act Fund, Hills Family Charitable Fund, and the Essex Youth Philanthropy Fund.

Four new restricted funds were established during the year, the Colchester Jubilee Fund, Essex Life Charitable Fund, Essex County Council Mid Essex Children's Partnership Fund and Stour Valley Environment Fund.

In addition, £34,745 was raised through the Surviving Winter Appeal, with these funds being distributed to those most vulnerable in our communities during the winter period. This was the second year in which this initiative was run.

The Foundation's relationship with Greenfields Housing Association continues to grow, and a further £170,358 was distributed in flow through grants from the Braintree Community Investment Partnership Fund.

As at June 2012 the number of named funds under the Foundation's management grew to 90, up from 64 last year. These funds allow the donors opportunities tailored to their requirements and charitable interests.

#### **Financial Review**

Total income for the year was £4,450,048, compared with £4,105,620 in 2011. Donations to the endowment fund during the year totalled £3,040,463. As at June 2012, the investment portfolio was valued at £19,058,145, compared with £18,024,908 in 2011.

The Foundation awarded £1,516,709 in grants to charities and voluntary and community organisations in the year under review, compared with £1,769,975.

The bulk of the Foundation's expenditure is in grant distribution, and funding for this is taken both from flow-through funds and as an annual drawdown from the endowment fund. The Foundation is reliant on management fees, both on endowed funds and on flow-through funds, and on membership subscriptions, to meet the bulk of its running costs.

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#### **Investment Performance**

The last twelve months have proved challenging – to both the equity markets and to the professionals involved. In the four consecutive quarters under review markets have fallen (heavily), risen, risen again, then fallen. This “risk off / risk on” experience, driven primarily by euro-related problems and global economic see-sawing, has resulted in a negative return to the Foundation’s assets of 4.3% for the year. After the positive return of 23.7% in the previous year, this is disappointing.

In contrast to this time last year, however, markets have rallied since our year-end, and we are again comfortably in positive territory. Short-term fluctuations are to be expected when investing in equity markets and it is comforting to note that the seven year return on assets invested has been 5.3% p.a. – broadly in line with the grant distribution percentage over the same period. It is perhaps worth re-iterating that our investment policy aims to maintain the nominal value of the endowment, while maximising grant-giving over the medium to long term. This has been achieved.

BlackRock Investment Management (UK) Limited manage the core portfolio and they have outperformed their benchmark by 1.4% net of fees over the seven year period. Less satisfactory has been the performance of one of our ethical managers whom we have released subsequent to our year-end. Their portfolio has been consolidated into the existing portfolio of our other ethical manager.

We continue to review our managers on a quarterly basis, and meet with them at least once a year. Our benchmark has not been changed in the last year, and reflects our aim of sustainable long-term growth in assets.

Looking forward, the outlook offers uncertainty as long as market fundamentals continue to be influenced so heavily by politicians and central bankers. We do believe, however, that, in good times as well as bad, competently run companies have the capacity to protect their balance sheets, profits and dividends and to produce the returns we seek from our investments.

#### **Investment Objective**

The development of an endowment fund, providing sustainable support for local communities in the long term, is central to the role of Essex Community Foundation. The Foundation has adopted an investment policy for its expendable endowment that sets out to achieve maximum long-term growth consistent with an acceptable level of risk. In consultation with its professional advisers it has established a benchmark return which it seeks to outperform. This benchmark will be the subject of regular review in the light of Essex Community Foundation's progress and of market conditions.

#### **Reserves Policy**

At 30 June 2012 the balance on unrestricted funds amounted to £139,412 compared with £139,105 in the previous year. The Trustees have not established a particular target figure for the balance on unrestricted funds in view of the other sources of support that are available to the Foundation. Overall, the Trustees aim to keep reserves to a minimum while maximising the funds deployed in grant giving. The Trustees monitor the situation closely and are confident that the overall financial position of the Foundation is such that all obligations can be met.

#### **Risk Management**

A review of the Risk register is a standard item on all quarterly sub-committee meeting agendas and the Board undertook their annual review of the risk register in January 2012. Key risks identified are i) falling value of investments, ii) core costs funding shortfall and iii) loss of key members of staff. The Board are satisfied that, within the constraints of the Foundation, appropriate procedures are in place to mitigate these risks to an acceptable level.

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#### **Future Plans**

The Trustee Board approved the July 2012 to June 2015 Three Year Plan this year. The Plan was informed by three Trustee workshops and a staff and Trustee Board awayday, allowing time for discussion, analysis and reflection on the strategic direction of the Foundation in the medium-term.

The Three Year Plan calls for the following objectives to be met by June 2015

- Raise £15 million in new endowment funding
- Distribute grants increasing from £1.7 million to £2 million per annum
- Introduce and embed an outcomes framework into ECF grantmaking
- Capture need as expressed by communities and share this learning widely
- Increase ECF's profile with Fund Development and Grantmaking audiences
- Achieve external validation of standards of excellence in customer service
- Align the ECF Committee structure and systems to the long-term strategic drivers

#### **Trustees' responsibilities**

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the foundation and of the surplus or deficit of the Foundation for that period.

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Foundation's transactions and disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The following information for the accounting year to 30 June 2012 is presented in the form required by the Charity Commission and the Companies Act 2006 and as amended by the Charities Act of 2006. The Foundation also produces an Annual Review, which includes information presented more visually about activities undertaken in the year, including a list of all grants awarded.

The Financial Statements and Annual Review are also published on the Foundation's website ([www.essexcommunityfoundation.org.uk](http://www.essexcommunityfoundation.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 ongoing integrity of the financial statements contained therein.

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**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.

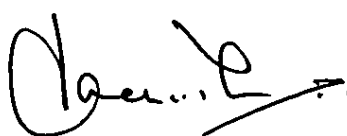
A resolution to reappoint BDO LLP as auditors will be proposed at the next Annual General Meeting.

In preparing this Trustees' report advantage has been taken of the small companies exemption under the Companies Act 2006.

By order of the Trustees

  
J Spence OBE DL  
Chairman  
Board of Trustees

Date 8/11/12



J Minter  
Chairman, Finance & Investment Committee  
Board of Trustees

8/11/12

# **Essex Community Foundation**

## **Report of the independent auditors**

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### **Independent Auditor's report to the members of Essex Community Foundation ('the Foundation')**

We have audited the financial statements of Essex Community Foundation for the year ended 30 June 2012 which comprise the Statement of Financial Activities (including an income and expenditure account), the Note of Historical Cost Profits and Losses, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity'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 charity's members 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

### ***Respective responsibilities of trustees and auditor***

As explained more fully in the Trustees' Responsibilities Statement (set out on page 11), the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### ***Scope of the audit of the financial statements***

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### ***Opinion on financial statements***

In our opinion the financial statements

- give a true and fair view of the state of the charity's affairs as at 30 June 2012 and of its incoming resources and application of resources, 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.

### ***Opinion on other matters prescribed by the Companies Act 2006***

In our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Essex Community Foundation**  
**Report of the independent auditors**

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***Matters on which we are required to report by exception***

We have nothing to report in respect of the following matters where 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,
- 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 and the trustees' report in accordance with the small companies' regime



Donald Bawtree (*Senior Statutory Auditor*)  
For and on behalf of BDO LLP, Statutory Auditor  
Chelmsford  
United Kingdom

Date 22 November 2012

BDO LLP is a limited liability partnership registered in England and Wales (with registration number OC305127)

**Essex Community Foundation**  
**Statement of Financial Activities (including Income and Expenditure Account)**  
**for the year ended 30 June 2012**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2012 £	Total Funds 2011 £
<b>Incoming resources</b>						
<b>Incoming resources from generated funds:</b>						
Voluntary income						
Donations and gifts	2	11,956	159,384	3,040,463	<b>3,211,803</b>	2,660,632
Grants receivable	3	-	855,159	-	<b>855,159</b>	1,140,158
Investment income	4	974	363,757	-	<b>364,731</b>	285,570
<b>Other incoming resources:</b>						
Sponsorship		2,800	-	-	<b>2,800</b>	2,000
Project & other income		15,555	-	-	<b>15,555</b>	17,260
<b>Total incoming resources</b>		<b>31,285</b>	<b>1,378,300</b>	<b>3,040,463</b>	<b>4,450,048</b>	<b>4,105,620</b>
<b>Resources expended</b>						
<b>Cost of generating funds</b>	5	133,462	71,639	(78,729)	<b>126,372</b>	107,405
<b>Grants payable and associated costs</b>	6	309,749	1,516,709	-	<b>1,826,458</b>	2,104,391
Governance	7	42,443	-	-	<b>42,443</b>	46,789
<b>Total resources expended</b>		<b>485,654</b>	<b>1,588,348</b>	<b>(78,729)</b>	<b>1,995,273</b>	<b>2,258,585</b>
<b>Net incoming/(outgoing) resources for the year before transfers</b>		<b>(454,369)</b>	<b>(210,048)</b>	<b>3,119,192</b>	<b>2,454,775</b>	<b>1,847,035</b>
<b>Transfers between funds</b>	9	<b>454,676</b>	<b>264,444</b>	<b>(719,120)</b>	<b>-</b>	<b>-</b>
<b>Net incoming resources for the year before other recognised gains and losses</b>		<b>307</b>	<b>54,396</b>	<b>2,400,072</b>	<b>2,454,775</b>	<b>1,847,035</b>
<b>Other recognised (losses)/gains on investment assets</b>						
Unrealised	11	-	-	(1,357,780)	<b>(1,357,780)</b>	2,593,500
Realised		-	-	13,510	<b>13,510</b>	159,147
<b>Net movement in funds c/fwd</b>		<b>307</b>	<b>54,396</b>	<b>1,055,802</b>	<b>1,110,505</b>	<b>4,599,682</b>

**Essex Community Foundation**  
**Statement of Financial Activities (including Income and Expenditure Account)**  
**for the year ended 30 June 2012 (continued)**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2012 £	Total Funds 2011 £
<b>Net movement in funds b/fwd</b>		307	54,396	1,055,802	<b>1,110,505</b>	4,599,682
Total funds brought forward		139,105	247,037	18,090,308	<b>18,476,450</b>	13,876,768
<b>Total funds carried forward</b>	15	<u>139,412</u>	<u>301,433</u>	<u>19,146,110</u>	<u><b>19,586,955</b></u>	<u>18,476,450</u>

All of the activities undertaken by the Foundation were continuing activities

There were no other recognised gains and losses for the year

The notes on pages 20 to 39 form part of these financial statements

## Essex Community Foundation

### Note of historical cost profits and losses For the year ended 30 June 2012

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	Note	2012 £	2011 £
<b>Note of historical cost profits and losses</b>			
Reported net movement in funds		<b>1,110,505</b>	4,599,682
Realisation of investment gains of previous years		<b>13,510</b>	159,147
Unrealised loss/(gain) on investments	11	<b>1,357,780</b>	(2,593,500)
		<hr/>	<hr/>
<b>Historical cost net movement in funds</b>		<b>2,481,795</b>	2,165,329
		<hr/>	<hr/>

The notes on pages 20 to 39 form part of these financial statements

# Essex Community Foundation

Balance sheet  
at 30 June 2012

Company number 3062567

	Note	£	2012 £	£	2011 £
<b>Fixed assets</b>					
Tangible assets	10		7,314		5,526
Investments	11		19,058,145		18,024,908
			<u>19,065,459</u>		<u>18,030,434</u>
<b>Current assets</b>					
Debtors	12	90,914		182,419	
Short term bank deposits	13	356,514		365,120	
High yield bank deposits	13	460,733		335,143	
Cash at bank and in hand		200		200	
		<u>908,361</u>		<u>882,882</u>	
<b>Creditors: amounts falling due within one year</b>	14	(386,865)		(436,866)	
<b>Net current assets</b>			<u>521,496</u>		<u>446,016</u>
<b>Net assets</b>	15		<u>19,586,955</u>		<u>18,476,450</u>
<b>Income funds</b>					
Unrestricted funds	16		139,412		139,105
<b>General funds</b>					
Restricted funds	17		301,433		247,037
<b>Capital funds</b>					
Endowments	18		19,146,110		18,090,308
<b>Total funds</b>			<u>19,586,955</u>		<u>18,476,450</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the Companies Act 2006 small companies' regime

The financial statements were approved by the Board and authorised for issue on 8/11/12

J Spence OBE DL  
Chairman  
Board of Trustees

J Minter  
Chairman, Finance & Investment Committee  
Board of Trustees

The notes on pages 20 to 39 form part of these financial statements

# Essex Community Foundation

## Cashflow Statement for the year ended 30 June 2012

	Note	£	2012 £	£	2011 £
<b>Net cash outflow from operating activities</b>	23a		<b>(909,528)</b>		<b>(718,699)</b>
<b>Returns on investment and servicing of finance</b>					
Investment income			<b>364,731</b>		<b>285,570</b>
<b>Capital expenditure and financial investment</b>					
Payment for tangible fixed assets		<b>(5,961)</b>		<b>(3,047)</b>	
Payment for investments		<b>(3,425,430)</b>		<b>(7,355,866)</b>	
Proceeds from sale of investments		<b>1,052,709</b>		<b>5,153,566</b>	
			<b>(2,378,682)</b>		<b>(2,205,347)</b>
<b>Financing</b>					
Endowment donations			<b>3,040,463</b>		<b>2,602,621</b>
<b>Increase / (decrease) in cash</b>	23b		<b>116,984</b>		<b>(35,855)</b>

The notes on pages 20 to 39 form part of these financial statements

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012

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**1 Accounting policies**

*Basis of accounting*

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments and in accordance with the provisions of the Companies Act 2006, the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005 2<sup>nd</sup> edition) and applicable accounting standards. Where necessary the headings laid down in the Companies Act have been adapted to meet the special activities of the Foundation.

The following principal accounting policies have been applied:

*Incoming resources*

Donations and legacies are accounted for when receivable by the Foundation. Revenue grants are credited to the Statement of Financial Activities (SOFA) when the charity is considered to have entitlement to the assets, it is certain that the resources will be received, and the monetary value of incoming resources can be measured with sufficient reliability. If grants are related to a future donor-imposed period the income is deferred until that period. Other income is accounted for on an accruals basis as far as it is prudent to do so.

*Resources expended*

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and includes irrecoverable value added tax.

Grants payable are payments made to third parties in the furtherance of the charity's objectives. Single or multi-year grants are recognised as resources expended when a grant commitment is made without condition, or when the condition will not in practice allow the charity to avoid the liability.

*Costs of generating funds*

Comprise those costs directly attributable to managing the investment portfolio together with a proportion of other costs attributable to the development of funds and publicity.

*Cost of grant making*

Includes the value of grants awarded by the Foundation and both the direct and management costs relating to these activities. 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 over by instalments, the outstanding balance is disclosed as a liability.

Grant costs include the administrative functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Costs that can be recognised as being wholly associated with support activities are directly allocated. All other costs, including staffing costs, are apportioned on the basis of an estimate of the time spent by each member of staff.

*Management and administration*

Comprises costs of the running of the charity itself as an organisation.

**Essex Community Foundation**  
**Notes forming part of the financial statements**  
**for the year ended 30 June 2012 (Continued)**

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**1 Accounting policies (Continued)**

*Governance costs*

Include those costs incurred in the governance of the Foundation and its assets. Expenditure that can be recognised as wholly attributable to governance costs, for example audit fees and trustee expenses, are directly allocated.

*Allocation of costs*

All other costs, including staffing costs, are apportioned on the basis of an estimate of the time spent by each member of staff on governance-related issues. Such costs are primarily associated with the strategic planning processes that contribute to the future development of the Foundation and its statutory requirements.

*Gifts in kind*

The Foundation receives the benefit of work carried out by volunteers. No account of this is taken in the Statement of Financial Activities.

*Operating leases*

Rentals paid under operating leases are included in the accounts over the period in which the cost is incurred. Future obligations under operating leases are detailed in note 23 of these financial statements.

*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.

*Investments*

Investments are stated in the balance sheet at their market value. Realised gains and losses are included in the income and expenditure account. Investment income is recognised on the basis of the due date for payment. Unrealised gains are included in the Statement of Financial Activities.

*Tangible fixed assets and depreciation*

Tangible fixed assets are included at cost. Depreciation of tangible fixed assets is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures, fittings and equipment - 25% straight line

*Pensions*

The Foundation has a defined contribution pension scheme. The cost of contributions payable by the Foundation to the scheme is charged to the income and expenditure account as incurred.

**Essex Community Foundation**  
**Notes forming part of the financial statements**  
**for the year ended 30 June 2012 (Continued)**

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**1 Accounting policies (Continued)**

**Funds 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 particular restricted purposes within the objects of the Foundation. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

*Endowment funds* – represent those assets held in the long term by the charity, principally investments. In accordance with the trust deed and donors' wishes the capital is expendable, that is the capital can be converted into income at the discretion of the trustees in furtherance of the charitable objectives. Income arising on the endowment fund can be used in accordance with the objects of the charity and included as restricted income. Any capital gains or losses arising and the investment management charges and legal advice relating to the fund are charged against the fund.

*Transfers* - between funds are at the discretion of the Trustees. The purpose is to allocate resources to particular projects that are in accordance with the charitable objectives.

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012 (*Continued*)

**2 Donations and gifts**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2012 £	Total Funds 2011 £
<b>Acorn Fund</b>	-	-	16,236	<b>16,236</b>	13,046
<b>Bailey Family Fund</b>	-	-	37,500	<b>37,500</b>	-
<b>Baker Tilly Community Fund</b>	-	-	960	<b>960</b>	96
<b>Bartella Charitable Fund</b>	-	-	20,529	<b>20,529</b>	200
<b>Belinda Starling Memorial Fund</b>	-	-	4,476	<b>4,476</b>	562
<b>Bird Luckin Community Fund</b>	-	-	1,947	<b>1,947</b>	-
<b>Birketts Charitable Fund</b>	-	1,250	2,250	<b>3,500</b>	-
<b>Britvic Community Fund</b>	-	-	20,000	<b>20,000</b>	-
<b>Alan and Fay Cherry Fund</b>	-	-	24,438	<b>24,438</b>	-
<b>Clark Family Charitable Fund</b>	-	-	612	<b>612</b>	-
<b>Colchester Jubilee Fund</b>	-	18,000	-	<b>18,000</b>	-
<b>e2v Foundation</b>	-	-	30,000	<b>30,000</b>	-
<b>ECF Staff Fund</b>	-	-	2,094	<b>2,094</b>	-
<b>Essex Life Charitable Fund</b>	-	30	-	<b>30</b>	-
<b>Essex Girls Fund</b>	-	-	19,495	<b>19,495</b>	-
<b>Essex Youth Philanthropy Fund</b>	-	-	25,000	<b>25,000</b>	-
<b>Golbourn Family Fund</b>	-	-	13,295	<b>13,295</b>	-
<b>Firebird Fund</b>	-	-	-	-	501,207
<b>Harlow Recreation Trust</b>	-	-	4,428	<b>4,428</b>	-
<b>High Sheriffs' Fund</b>	-	37,717	-	<b>37,717</b>	12,912
<b>Hills Family Charitable Fund</b>	-	-	35,938	<b>35,938</b>	-
<b>Elsbeth Hodgkinson Fund</b>	-	-	6,250	<b>6,250</b>	-
<b>Christopher Holmes Charitable Fund</b>	-	-	173,873	<b>173,873</b>	-
<b>Management Fund</b>	11,956	-	-	<b>11,956</b>	-
<b>Margaretting Fund</b>	-	-	250	<b>250</b>	-
<b>Milsom Charitable Fund</b>	-	-	-	-	2,224
<b>Police Property Act Fund</b>	-	-	25,000	<b>25,000</b>	-
<b>Michael Pratley Charitable Fund</b>	-	-	4,020	<b>4,020</b>	-
<b>Essex Rural Fund</b>	-	-	22,418	<b>22,418</b>	-
<b>Saffron Building Society Community Fund</b>	-	2,000	10,000	<b>12,000</b>	15,000
<b>Southend Fund</b>	-	10,962	-	<b>10,962</b>	2,262
<b>Spence Family Fund</b>	-	-	2,000	<b>2,000</b>	-
<b>Alastair and Patricia Stewart Fund</b>	-	-	31,250	<b>31,250</b>	74
<b>Stour Valley Environment Fund</b>	-	17,145	-	<b>17,145</b>	-
<b>Surviving Winter Appeal</b>	-	34,744	-	<b>34,744</b>	-
<b>WOMAC Fund</b>	-	37,536	-	<b>37,536</b>	40,539
<b>Donations and gifts c/fwd</b>	<b>11,956</b>	<b>159,384</b>	<b>534,259</b>	<b>705,599</b>	<b>588,122</b>

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012 (Continued)

**2 Donations and gifts continued**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2012 £	Total Funds 2011 £
<b>Donations and gifts b/fwd</b>	11,956	159,384	534,259	<b>705,599</b>	588,122
<b>Community First Challenge Funds*</b>					
<b>Belinda Starling Memorial Fund</b>	-	-	30,000	<b>30,000</b>	-
<b>Birketts Charitable Fund</b>	-	-	18,000	<b>18,000</b>	-
<b>Mersea Homes Charitable Fund</b>	-	-	29,500	<b>29,500</b>	-
<b>Minter Family Fund</b>	-	-	22,500	<b>22,500</b>	-
<b>Little Braxted Community &amp; Education Fund</b>	-	-	378,405	<b>378,405</b>	-
<b>Essex Rural Fund</b>	-	-	27,799	<b>27,799</b>	-
<b>Yellow Car Charitable Fund</b>	-	-	2,000,000	<b>2,000,000</b>	-
<b>Grassroots Match Challenge Funds**</b>					
<b>AJW Charitable Fund</b>	-	-	-	-	23,462
<b>Baker Tilly Community Fund</b>	-	-	-	-	3,467
<b>Bartella Charitable Fund</b>	-	-	-	-	29,098
<b>Bird Luckin Community Fund</b>	-	-	-	-	11,892
<b>Birketts Charitable Fund</b>	-	-	-	-	35,075
<b>Britvic Community Fund</b>	-	-	-	-	30,000
<b>Butler Family Fund</b>	-	-	-	-	17,115
<b>CAE Charitable Fund</b>	-	-	-	-	14,423
<b>Alan and Fay Cherry Fund</b>	-	-	-	-	76,056
<b>Clark Family Charitable Fund</b>	-	-	-	-	861
<b>e2v Foundation</b>	-	-	-	-	37,500
<b>ECF Staff Fund</b>	-	-	-	-	7,893
<b>Essex Girls Fund</b>	-	-	-	-	4,812
<b>Golbourn Family Fund</b>	-	-	-	-	13,843
<b>Grassroots Grants and Endowment Challenge - Essex</b>	-	-	-	-	34,971
<b>Grassroots Grants and Endowment Challenge - Southend</b>	-	-	-	-	12,373
<b>Grassroots Grants and Endowment Challenge - Thurrock</b>	-	-	-	-	182
<b>Harlow Recreation Trust</b>	-	-	-	-	12,124
<b>High Sheriffs' Fund</b>	-	-	-	-	50,761
<b>Elspeth Hodgkinson Fund</b>	-	-	-	-	28,846
<b>Christopher Holmes Charitable Fund</b>	-	-	-	-	674,341
<b>Margaretting Fund</b>	-	-	-	-	688
<b>Donations and gifts c/fwd</b>	11,956	159,384	3,040,463	<b>3,211,803</b>	1,707,905

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012 (Continued)

**2 Donations and gifts continued**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2012 £	Total Funds 2011 £
<b>Donations and gifts b/fwd</b>	11,956	159,384	3,040,463	<b>3,211,803</b>	1,707,905
<b>Mersea</b> Homes Charitable Fund	-	-	-	-	37,500
<b>Milsom</b> Charitable Fund	-	-	-	-	7,500
<b>Minter</b> Family Fund	-	-	-	-	48,077
<b>Oval</b> Community Fund	-	-	-	-	8,267
<b>Humphrey Pennington</b> Fund	-	-	-	-	5,769
<b>Poter</b> Family Fund	-	-	-	-	38,462
<b>Michael Pratley</b> Charitable Fund	-	-	-	-	13,471
<b>Essex Rural</b> Fund	-	-	-	-	40,208
<b>Skills</b> Investment Fund	-	-	-	-	197
<b>Spence</b> Family Fund	-	-	-	-	48,077
<b>Dennis and Kathleen Smith</b> Fund	-	-	-	-	699,430
<b>Young Sport</b> Fund	-	-	-	-	5,769
	<b>11,956</b>	<b>159,384</b>	<b>3,040,463</b>	<b>3,211,803</b>	2,660,632

\* All funds included below this title relate to Grassroots Match Challenge Funds. Figures entered in Endowment funds column include the donors donation, Gift Aid if applicable, and the Government's 50% uplift from the Grassroots Endowment Match Challenge.

**3 Grants receivable**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2012 £	Total Funds 2011 £
Active at 60	-	-	-	-	19,608
Comic Relief	-	66,915	-	<b>66,915</b>	-
ECC Mid Essex Children's Partnership Fund	-	50,000	-	<b>50,000</b>	-
Fair Share Trust	-	65,853	-	<b>65,853</b>	225,792
GrassRoots Grants	-	-	-	-	297,551
Greenfields Community Fund	-	51,700	-	<b>51,700</b>	4,700
Greenfields – CHIP Fund	-	191,358	-	<b>191,358</b>	275,964
Local Giving	-	1,383	-	<b>1,383</b>	3,900
May Gurney	-	-	-	-	6,250
Royal London	-	5,000	-	<b>5,000</b>	-
Saffron Walden Building Society	-	-	-	-	1,800
Henry Smith Charity	-	422,950	-	<b>422,950</b>	301,300
Winter Appeal	-	-	-	-	3,293
	-	<b>855,159</b>	-	<b>855,159</b>	1,140,158

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012 (*Continued*)

**4 Investment income**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2012 £	Total Funds 2011 £
Interest receivable	974	-	-	974	645
Other investment income	-	363,757	-	363,757	284,925
	<u>974</u>	<u>363,757</u>	<u>-</u>	<u>364,731</u>	<u>285,570</u>

**5 Cost of generating funds**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2012 £	Total Funds 2011 £
Allocated costs					
Staff costs	105,756	-	-	105,756	104,363
Premises costs	13,915	-	-	13,915	13,380
Other costs	10,550	-	-	10,550	12,231
Consultancy	30	-	-	30	3,235
Publicity and communications	3,211	71,639	-	74,850	51,842
Investment managers fee rebate*	-	-	(78,729)	(78,729)	(77,646)
	<u>133,462</u>	<u>71,639</u>	<u>(78,729)</u>	<u>126,372</u>	<u>107,405</u>

\* The Foundation pays a fixed annual fee of 0.50% on the majority of investments managed by BlackRock. However, a number of the BlackRock investment funds charge a higher fee than the aforementioned 0.50% and these charges are deducted from within the fund itself. Accordingly, BlackRock rebates the Foundation for any fee above the 0.5% fixed annual fee to ensure that the overall fee is 0.50%. As a result, the Foundation receives cash rebates each quarter.

**6 Grants payable and associated costs**

	Grant/ Project Support Costs £	Publicity and Communications £	Investment Management £	Management and Administration £	Management & Admin sub total £	Total 2012 £	Total 2011 £
Grants payable (note 8)	-	-	-	-	-	1,516,709	1,769,975
<b>Grant support costs</b>							
Staff costs	113,222	42,564	3,340	42,272	88,176	201,398	216,636
Premises expenses	15,219	5,653	435	5,218	11,306	26,525	28,097
Literature and brochures	3,511	1,304	100	1,204	2,608	6,119	8,104
Marketing and publicity	-	32,330	-	-	32,330	32,330	17,976
Other costs	11,540	4,286	330	4,495	9,111	20,651	25,686
Consultancy and management fees	-	-	-	22,726	22,726	22,726	37,917
	<u>143,492</u>	<u>86,137</u>	<u>4,205</u>	<u>75,915</u>	<u>166,257</u>	<u>309,749</u>	<u>334,416</u>
<b>Total cost of grant making</b>						<u>1,826,458</u>	<u>2,104,391</u>

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012 (*Continued*)

**6 Grants payable and associated costs for Essex based charities continued**

During the year the Foundation paid £1,657,016 in grants. Grants payable recognised in the Statement of Financial Activities total £1,516,709. The difference arises due to timing differences between an obligation to pay a grant, and the physical payment of that grant.

**Allocation of support costs**

Costs that can be recognised as wholly attributable to one of the above categories are directly allocated. All other costs including staff and premises expenses are apportioned on the basis of an estimate of the time spent by each member of staff within the categories. Costs have been apportioned as follows:

<i>Role</i>	Cost Generating funds	Publicity & Communications	Investment Management	Grant / Project Support Costs	Management and Administration	Governance
Chief executive	29%	20%	3%	10%	18%	20%
Marketing officer	10%	65%	-	10%	10%	5%
Finance officer	10%	10%	10%	30%	10%	30%
Programmes grant director and officers	-	-	-	80%	15%	5%
Fund development officers	83%	-	-	2%	10%	5%

**7 Governance costs**

	<b>Total 2012 £</b>	<b>Total 2011 £</b>
Allocated costs		
Staff costs	23,202	24,543
Premises costs	3,044	3,122
Other costs	3,010	4,783
Audit fees – Current year	7,500	7,200
– Prior year	180	149
Accountancy – Current year (Including management reporting)	5,000	5,145
– Prior year	-	70
Panel costs	507	1,777
	<b>42,443</b>	<b>46,789</b>

**Essex Community Foundation**  
**Notes forming part of the financial statements**  
**for the year ended 30 June 2012 (Continued)**

**8 Grants payable**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 30 June 2012 £	Total 30 June 2011 £
Grants payable – to Organisations	-	1,516,709	-	<b>1,516,709</b>	1,769,975

A total of 420 grant payments were made to 274 voluntary organisations and 11 individuals during the period under review. The following list shows the 50 highest in value. The net amount of grants awarded during the year ended 30 June 2012 totalled £1,516,709 (2011 - £1,769,975), and the grants distributed totalled £1,657,016 (2011 - £1,796,035).

Name	Amount £
The Grandparents' Association	£37,000
Essex Wildlife Trust	£35,000
Teen Talk (Harwich)	£33,700
London Bus Theatre Company	£33,000
Basildon, Billericay & Wickford CVS	£31,573
Youth At Risk	£30,000
Family Support - Clacton	£26,670
Relate North Essex & East Herts	£26,650
Relate North Essex & East Herts	£26,650
London Bus Theatre Company	£25,845
Colchester & Tendring Women's Refuge	£25,775
1st Bures Scout & Guide Group	£25,000
Braintree Women's Aid	£25,000
Signpost (Colchester) Limited	£25,000
Helping Hands Essex	£24,990
Braintree, Halstead & Witham Citizens Advice Bureau	£23,935
Voluntary Sector Training (VST)	£23,799
Braintree Youth Project Charity	£23,100
Colchester Community Voluntary Services	£21,500
Signpost (Colchester) Limited	£21,262
Signpost (Colchester) Limited	£11,500
Teen Talk (Harwich)	£11,500
Tendring Community Voluntary Services	£11,500
Tendring Community Voluntary Services	£11,485
Crossroads Care East Anglia	£11,000
Grays Baptist Church	£10,000
HARP (Homeless Action Resource Project)	£10,000
Havens Hospice	£10,000
Inclusion Ventures Ltd	£10,000
Opportunities Through Technology	£10,000
Rainbow Services (Harlow) Ltd	£10,000
Southend Association of Voluntary Services	£10,000
Victim Support	£10,000
Synergy (formally Alcohol Advisory Service)	£9,941
Thurrock Citizens Advice Bureau	£9,864
Brentwood Community Print CIC	£9,784
Integration Support Services	£9,500
Hythe Community Centre Association	£9,153

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012 (*Continued*)

9 Fund transfers	Unrestricted Funds £	Restricted Funds £	Endowment Funds £
Transfers of expendable endowments to restricted funds for furtherance of charitable objectives	-	351,637	(351,637)
Transfers of restricted funds receivable as a contribution towards the charity's support costs	87,193	(87,193)	-
Transfers of management fees charged on endowed funds from endowment to unrestricted	288,754	-	(288,754)
	<u>375,947</u>	<u>264,444</u>	<u>(640,391)</u>
Transfers of Blackrock fees rebate on endowed funds from endowment to unrestricted	78,729	-	(78,729)
	<u>454,676</u>	<u>264,444</u>	<u>(719,120)</u>

10 Tangible assets	Fixtures fittings & equipment £
<i>Cost</i>	
At 1 July 2011	44,656
Additions	5,961
At 30 June 2012	<u>50,617</u>
<i>Depreciation</i>	
At 1 July 2011	39,130
Charge for year	4,173
At 30 June 2012	<u>43,303</u>
Net Book Value as at 30 June 2012	<u>7,314</u>
Net Book Value as at 30 June 2011	<u>5,526</u>

The depreciation charge for the year ended 30 June 2012 was £4,173 (2011 £3,368)

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012 (Continued)

11 Investments	2012 £	2011 £
Market value at 1 July 2011	18,024,908	13,069,834
Additions at cost or transfer value	3,320,337	7,666,467
Disposals	(1,039,199)	(4,994,419)
Unrealised (losses) / gains on revaluation at 30 June 2012	(1,357,780)	2,593,500
(Decrease) / increase in cash invested	109,879	(310,474)
	<hr/>	<hr/>
Market value at 30 June 2012	19,058,145	18,024,908
	<hr/>	<hr/>
Historical cost at 30 June 2012	17,251,962	14,984,290
	<hr/>	<hr/>

The investments held at the year end can be analysed at market value as follows

	2012 £	2012 %	2011 £	2011 %
Cash deposits	110,932	0.6	1,053	0.0
UK equity funds	14,646,300	76.8	13,184,414	73.1
UK property funds	448,753	2.4	446,817	2.5
Overseas equity funds	3,579,659	18.8	3,994,282	22.2
Overseas property funds	271,619	1.4	296,823	1.6
Institutional cash	882	0.0	101,519	0.6
	<hr/>		<hr/>	
	19,058,145		18,024,908	
	<hr/>		<hr/>	

Investments that represent greater than 5% by value of the Foundation's Portfolio

	2012 £	2012 %	2011 £	2011 %
2,101,417 units (2011 – 2,080,080) Charishare	8,792,330	46.1	9,412,365	52.2
2,641,261 units (2011 – 2,641,261) BlackRock Fund Managers Overseas FD Distribution	2,836,715	14.9	3,087,634	17.1
120,064 units (2011 - Nil) CCLA COIF Investment Fund	2,427,747	12.7	-	-
1,014,554 units (2011 - 1,014,554) BlackRock UK Absolute Alpha P	1,199,979	6.3	1,242,427	6.9
774,944 units (2011 – 774,944) Aviva Investors UK Ethical	948,824	5.0	997,121	5.5
760,364 units(2011 - 760,364) WHEB Sustainability	742,944	3.9	906,497	5.0
	<hr/>		<hr/>	

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012 (*Continued*)

<b>12 Debtors</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Taxation	<b>51,985</b>	30,945
Prepayments	<b>12,255</b>	8,500
Income due for grants programmes	-	113,706
Other debtors	<b>26,674</b>	29,268
	<hr/> <b>90,914</b> <hr/>	<hr/> 182,419 <hr/>

All amounts fall due for payment within one year

**13 Bank deposits**

Short term bank deposits include cash awaiting distribution via the various grant programmes

High yield bank deposits comprise amounts not immediately required for disbursement

<b>14 Creditors: amounts falling due within one year</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Accrued grants liability	<b>178,433</b>	325,667
Other creditors	<b>100</b>	2,936
Accruals	<b>29,832</b>	10,313
Deferred income	<b>178,500</b>	97,950
	<hr/> <b>386,865</b> <hr/>	<hr/> 436,866 <hr/>

Deferred income represents grants income received by the charity that relates to future donor-imposed periods

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012 (Continued)

**15 Analysis of net assets between funds**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Fund balances at 30 June 2012 are represented by				
Tangible fixed assets	7,314	-	-	7,314
Investments	-	-	19,058,145	19,058,145
Net current assets	132,098	301,433	87,965	521,496
	<u>139,412</u>	<u>301,433</u>	<u>19,146,110</u>	<u>19,586,955</u>
Total net assets	<u>139,412</u>	<u>301,433</u>	<u>19,146,110</u>	<u>19,586,955</u>

Further details of movements in restricted and endowment funds are given in notes 18 and 19

**16 Unrestricted Funds**

	1 July 2011 Balance £	Incoming resources £	Outgoing resources £	Transfers £	30 June 2012 Balance £
<b>General funds:</b>					
Revenue fund	117,915	31,285	(479,984)	449,676	118,892
<b>Designated funds:</b>					
Dilapidations reserve	21,190	-	(5,670)	5,000	20,520
	<u>139,105</u>	<u>31,285</u>	<u>(485,654)</u>	<u>454,676</u>	<u>139,412</u>

The revenue fund represents the free funds of the charity that are not designated for particular purposes

The dilapidations reserve represents funds set aside for any potential dilapidations costs

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012 (*Continued*)

17 Restricted Funds	1 July 2011 Balance £	Investment Income and Donations £	Grants and Expenditure £	Transfers £	30 June 2012 Balance £
Acorn Fund	10,185	13,400	(35,605)	26,011	13,991
AJW Charitable Fund	-	918	1,000	-	1,918
Baker Tilly Community Fund	302	349	(795)	144	-
Bartella Charitable Fund	5,309	5,420	(7,990)	(2,739)	-
Belinda Starling Memorial Fund	1,313	2,368	-	-	3,681
Bird Luckin Community Fund	578	644	(1,808)	847	261
Birketts Charitable Fund	163	693	-	-	856
Birketts Flow Through Fund	-	1,250	-	-	1,250
Blanc Family Fund	1,425	915	(2,000)	-	340
Jerome Booth Charitable Fund	29,861	21,483	(50,719)	5,929	6,554
Britvic Community Fund	2,248	2,108	(4,954)	598	-
Butler Family Fund	1,325	1,209	-	-	2,534
CAE Charitable Fund	37	290	-	-	327
Alan and Fay Cherry Fund	229	1,557	(3,400)	1,614	-
Chiron Fund	-	29,823	(69,217)	39,394	-
Clark Family Charitable Fund	514	587	(1,300)	199	-
Colchester Fund	-	660	(1,531)	1,138	267
Colchester Jubilee Fund	-	18,000	(3,392)	-	14,608
Comic Relief	-	66,915	(60,557)	(6,358)	-
Coombeewood Amenity Fund	-	4,774	(9,784)	6,975	1,965
Manon Ruth Courtauld Educational Fund	194	3,827	(8,512)	4,491	-
William Julien Courtauld Medical Fund	-	1,992	(2,253)	1,079	818
e2v Foundation	2,504	2,730	(6,390)	1,156	-
ECF Staff Fund	237	303	(650)	232	122
Essex & Suffolk Water Abberton Scheme Neighbourhood Fund	-	1,447	(2,250)	803	-
Essex & Suffolk Water Community Fund	-	1,841	(3,400)	1,559	-
Essex County Council Chairman's Fund	-	8,818	(20,464)	11,646	-
Essex County Council Mid Essex Children's Partnership Fund	-	50,000	(15,624)	-	34,376
Essex Life Charitable Fund	-	30	-	-	30
Essex Millennium Fund	-	19,439	(45,434)	25,995	-
Essex County Fire & Rescue Service Charitable Fund	-	1,318	(3,000)	1,682	-
Essex Girls' Fund	755	852	(4,004)	2,397	-
Essex Youth Philanthropy Fund	-	132	-	-	132
Fair Share Trust	33,384	65,853	(45,604)	(53,633)	-
Firebird Fund	3,455	9,776	(22,600)	9,369	-
Thomas and Evelyn Gepp Charitable Fund	396	1,122	(2,800)	1,282	-
Golbourn Family Fund	137	1,209	(5,851)	4,505	-
Greenfields CHIP Fund	57,486	34,233	-	-	91,719
Greenfields Community Fund	-	51,700	(47,000)	(4,700)	-
Greenfields - Braintree District Community Investment Partnership Fund	-	191,358	(170,358)	(21,000)	-
Harlow Education Trust	-	2,037	(4,775)	6,062	3,324
Harlow Recreation Trust	16,331	15,681	(25,492)	-	6,520
Harwich Peninsula Education Support Trust	1,658	803	(1,828)	-	633
<b>Restricted funds c/fwd</b>	<b>170,026</b>	<b>639,864</b>	<b>(690,341)</b>	<b>66,677</b>	<b>186,226</b>

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012 (Continued)

17 Restricted Funds	1 July 2011 Balance £	Investment Income and Donations £	Grants and Expenditure £	Transfers £	30 June 2012 Balance £
Restricted funds b/fwd	170,026	639,864	(690,341)	66,677	186,226
Roger and Jean Heath Charitable Fund	-	5,298	(12,000)	6,702	-
High Sheriffs' Fund	1,973	42,591	(39,324)	-	5,240
Hills Family Charitable Fund	-	151	-	-	151
Elspeth Hodgkinson Fund	768	828	-	-	1,596
Christopher Holmes Charitable Fund	6,803	16,334	-	-	23,137
Henry Smith Charity	-	422,950	(422,950)	-	-
Hutton Charity	-	1,767	(4,000)	2,233	-
Local Giving	200	1,383	-	(1,502)	81
Margaretting Fund	59	299	(500)	142	-
Ian and Angela Marks Charitable Fund	-	3,651	(8,535)	4,884	-
John and Wenna Marks Charitable Fund	11,227	5,942	(14,157)	-	3,012
May Gurney Foundation Fund	-	-	-	-	-
Mersea Homes Charitable Fund	257	723	-	-	980
Milsom Charitable Fund	818	848	(2,475)	809	-
Minter Family Fund	122	944	(2,150)	1,084	-
Oval Community Fund	797	776	(1,850)	277	-
PB Charitable Fund	-	5,042	(11,608)	6,566	-
Humphrey Pennington Fund	1,730	1,657	-	-	3,387
Poter Family Fund	569	979	-	-	1,548
Michael Pratley Charitable Fund	2,035	1,409	-	-	3,444
Royal London Foundation	-	5,000	(5,000)	-	-
Essex Rural Fund	1,463	1,971	(8,549)	5,115	-
Saffron Building Society Community Fund	1,849	347	(2,550)	520	166
Saffron Building Society Flow Through Fund	-	2,000	-	-	2,000
Searle Trust	-	9,219	(9,035)	-	184
Skills Investment Fund	6,321	184	-	-	6,505
Dennis and Kathleen Smith Fund	2,912	13,491	(31,400)	14,997	-
Southend Fund	4,319	19,895	(32,474)	15,979	7,719
Thriving Third Sector Fund	-	50,102	(129,992)	79,890	-
Thurrock Fund	-	2,204	(5,000)	2,796	-
Spence Family Fund	483	1,005	(2,770)	1,282	-
Alastair and Patricia Stewart Fund	462	998	(1,825)	365	-
Stour Valley Environment Fund	-	17,145	(5,000)	-	12,145
Gary Sullivan Charitable Fund	2,806	1,478	(3,500)	-	784
Surviving Winter Appeal	293	34,744	(18,350)	-	16,687
Hew Watt Family Charitable Fund	4,345	18,399	(78,094)	55,350	-
WOMAC Fund	23,978	37,536	(43,719)	-	17,795
Young Sport Fund	422	500	(1,200)	278	-
Restricted funds c/fwd	247,037	1,369,654	(1,588,348)	264,444	292,787

**Essex Community Foundation**  
**Notes forming part of the financial statements**  
**for the year ended 30 June 2012 (Continued)**

**17 Restricted Funds Continued**

	1 July 2011 Balance £	Investment Income and Donations £	Grants and Expenditure £	Transfers £	30 June 2012 Balance £
<b>Restricted funds b/fwd</b>	247,037	1,369,654	(1,588,348)	264,444	292,787
<b>Community First Funds</b>					
Yellow Car Community First Fund	-	8,646	-	-	8,646
<b>Total</b>	<u>247,037</u>	<u>1,378,300</u>	<u>(1,588,348)</u>	<u>264,444</u>	<u>301,433</u>

**Restricted funds** are funds that have been given for particular purposes and projects in order for the Foundation to fulfil its charitable objectives

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012 *(Continued)*

**18 Endowment Funds**

	1 July 2011 Balance £	Donations £	(Losses)/ Gains £	Transfers £	30 June 2012 Balance £
Acorn Fund	715,877	16,236	(50,529)	(36,367)	645,217
AJW Charitable Fund	45,760	-	(4,590)	(805)	40,365
Bailey Family Fund	-	37,500	-	(188)	37,312
Baker Tilly Community Fund	17,368	960	(1,360)	(469)	16,499
Bartella Charitable Fund	274,620	20,529	(20,017)	(1,606)	273,526
Belinda Starling Memorial Fund	120,108	4,476	(9,662)	(2,139)	112,783
Bird Luckin Community Fund	32,098	1,947	(2,920)	(1,432)	29,693
Birketts Charitable Fund	35,036	2,250	(2,733)	(648)	33,905
Blanc Family Fund	45,561	-	(4,601)	(801)	40,159
Jerome Booth Charitable Fund	1,100,906	-	(79,794)	(21,443)	999,669
Britvic Community Fund	107,847	20,000	(7,874)	(2,637)	117,336
Butler Family Fund	63,215	-	(3,196)	(1,173)	58,846
CAE Charitable Fund	14,316	-	(1,606)	(249)	12,461
Alan and Fay Cherry Fund	75,464	24,438	(5,589)	(3,196)	91,117
Chiron Fund	1,536,546	-	(109,056)	(58,747)	1,368,743
Clark Family Charitable Fund	28,837	612	(3,181)	(706)	25,562
Colchester Fund	34,027	-	(2,809)	(1,737)	29,481
Coombeewood Amenity Fund	246,497	-	(18,956)	(10,763)	216,778
Marion Ruth Courtauld Educational Fund	196,289	-	(14,434)	(7,646)	174,209
William Julien Courtauld Medical Fund	101,497	-	(8,412)	(2,904)	90,181
Essex & Suffolk Water Abberton Scheme Neighbourhood Fund	74,362	-	(5,053)	(2,157)	67,152
Essex & Suffolk Water Community Fund	95,628	-	(6,028)	(3,300)	86,300
e2v Foundation	139,497	30,000	(10,778)	(3,649)	155,070
Essex County Council Chairman's Fund	455,004	-	(31,849)	(18,250)	404,905
Essex County Fire & Rescue Service Charitable Fund	66,646	-	(5,672)	(2,873)	58,101
Essex Millennium Fund	1,003,451	-	(69,834)	(39,963)	893,654
ECF Staff Fund	14,410	2,094	(1,568)	(504)	14,432
Essex Girls' Fund	34,930	19,495	(2,310)	(3,309)	48,806
Essex Youth Philanthropy Fund	-	25,000	(896)	(245)	23,859
Firebird Fund	498,786	-	(37,084)	(16,587)	445,115
Thomas and Evelyn Gepp Charitable Fund	61,822	-	(2,881)	(2,429)	56,512
Golbourn Family Fund	57,058	13,295	(3,323)	(5,709)	61,321
Greenfields CHIP Fund	1,748,091	-	(126,789)	(21,384)	1,599,918
Harlow Education Trust	106,975	-	(8,096)	(7,945)	90,934
Harlow Recreation Trust	800,334	4,428	(56,835)	(11,467)	736,460
Harwich Peninsula Education Support Trust	41,975	-	(2,145)	(778)	39,052
Roger and Jean Heath Charitable Fund	272,921	-	(19,194)	(10,901)	242,826
High Sheriffs' Fund	248,696	-	(18,603)	(3,877)	226,216
Hills Family Fund	-	35,938	(1,026)	(318)	34,594
Elspeth Hodgkinson Fund	41,835	6,250	(2,335)	(833)	44,917
Christopher Holmes Charitable Fund	706,795	173,873	(40,699)	(12,603)	827,366
<b>Endowment funds c/fwd</b>	<b>11,261,085</b>	<b>439,321</b>	<b>(804,317)</b>	<b>(324,737)</b>	<b>10,571,352</b>

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012 (Continued)

**18 Endowment Funds continued**

	1 July 2011 Balance £	Donations £	(Losses)/ Gains £	Transfers £	30 June 2012 Balance £
<b>Endowment funds b/fwd</b>	11,261,085	439,321	(804,317)	(324,737)	10,571,352
<b>Hutton</b> Charity	91,370	-	(6,344)	(3,880)	81,146
<b>Margaretting</b> Fund	14,868	250	(1,559)	(405)	13,154
<b>Ian and Angela Marks</b> Charitable Fund	189,675	-	(12,117)	(7,965)	169,593
<b>John and Wenna Marks</b> Charitable Fund	303,363	-	(22,476)	(4,622)	276,265
<b>Mersea Homes</b> Charitable Fund	37,179	-	(2,528)	(677)	33,974
<b>Milsom</b> Charitable Fund	44,599	-	(1,937)	(1,643)	41,019
<b>Minter</b> Family Fund	47,723	-	(4,387)	(1,923)	41,413
<b>Oval</b> Community Fund	40,484	-	(2,243)	(1,022)	37,219
<b>PB</b> Charitable Fund	259,883	-	(17,761)	(10,604)	231,518
<b>Humphrey Pennington</b> Fund	83,932	-	(7,035)	(1,503)	75,394
<b>Police</b> Property Act Fund	-	25,000	-	(125)	24,875
<b>Poter</b> Family Fund	49,421	-	(4,295)	(882)	44,244
<b>Michael Pratley</b> Charitable Fund	70,283	4,020	(5,298)	(1,319)	67,686
<b>Essex Rural</b> Fund	93,906	22,418	(5,657)	(7,089)	103,578
<b>Saffron</b> Building Society Community Fund	14,880	10,000	(1,930)	(874)	22,076
<b>Searle</b> Trust	471,676	-	(33,754)	(6,930)	430,992
<b>Skills</b> Investment Fund	8,213	-	(618)	(174)	7,421
<b>Dennis and Kathleen Smith</b> Fund	696,041	-	(48,133)	(24,935)	622,973
<b>Southend</b> Fund	454,724	-	(35,117)	(23,137)	396,470
<b>Spence</b> Family Fund	51,152	2,000	(4,138)	(2,208)	46,806
<b>Alastair and Patricia Stewart</b> Fund	40,103	31,250	(1,639)	(1,516)	68,198
<b>Gary Sullivan</b> Charitable Fund	76,260	-	(4,900)	(1,395)	69,965
<b>Thriving Third Sector</b> Fund	2,587,694	-	(184,786)	(108,645)	2,294,263
<b>Thurrock</b> Fund	114,613	-	(7,213)	(4,845)	102,555
<b>Hew Watt</b> Family Charitable Fund	960,068	-	(67,652)	(68,659)	823,757
<b>Young Sport</b> Fund	27,113	-	(565)	(795)	25,753
<b>Endowment funds c/fwd</b>	18,090,308	534,259	(1,288,399)	(612,509)	16,723,659
<b>Community First Match Challenge Funds</b>					
<b>Belinda Starling</b> Memorial Fund	-	30,000	(415)	(223)	29,362
<b>Birketts</b> Charitable Fund	-	18,000	(249)	(178)	17,573
<b>Mersea Homes</b> Charitable Fund	-	29,500	43	(1,143)	28,400
<b>Minter</b> Family Fund	-	22,500	(276)	(1,206)	21,018
<b>Little Braxted</b> Community & Education Fund	-	378,405	553	(14,325)	364,633
<b>Essex Rural</b> Fund	-	27,799	23	(962)	26,860
<b>Yellow Car</b> Charitable Fund	-	2,000,000	(55,550)	(9,845)	1,934,605
	18,090,308	3,040,463	(1,344,270)	(640,391)	19,146,110

The **endowment fund** represents those assets which are held in the long term by the charity, principally investments. Income arising on the endowment fund can be used in accordance with the objects of the charity or in line with donor wishes on restricted funds. Endowment funds are expendable.

Transfers include both transfers of expendable endowments to restricted funds for furtherance of charitable objectives and also management fees charged on endowed funds.

**Essex Community Foundation**  
Notes forming part of the financial statements  
for the year ended 30 June 2012 (*Continued*)

**19 Employees and staff costs**

	<b>2012 Number</b>	<b>2011 Number</b>
The average number of employees of the Foundation was	<u>9</u>	<u>8</u>
Total staff costs for the year were	<b>£</b>	<b>£</b>
Wages and salaries	<b>285,003</b>	303,631
Social security costs	<b>31,501</b>	29,092
Pension costs	<b>13,852</b>	12,817
	<u><b>330,356</b></u>	<u>345,540</u>

The Foundation currently employs 7 full time and 2 part time members of staff

There was one 'higher paid' employee during the year whose salary was between £70,000 - £80,000 and who received £1,875 in pension contributions in addition to their salary

**20 Pensions**

The Foundation pays contributions to employees' individual pension policies. The policies provide for benefits on a defined contribution basis and the pension provider holds the assets underlying each policy. The pension cost charge represents the contributions payable by the Foundation and amounted to £13,852 (2011 - £12,817)

**21 Trustees**

During the year under review

£1,077 was paid to host a meeting, an interview day and a staff awayday to Tormage Ltd of which one of the Trustees is a director

£10,000 was awarded to Rainbow Services, a charity of which an ECF board member is Chief Executive  
£8,000 was awarded to Voluntary Action Epping Forest of which an ECF board member is a trustee

Trustee Martin Hopkins of Birkett Long LLP provided professional services on a pro bono basis

These transactions are permitted by the Charity's constitution and appropriate procedures are in place before they are entered into

No other Trustees or connected persons received any remuneration either directly or indirectly

Expenses amounting to £334 were reimbursed to three trustees (2011 £548)

**Essex Community Foundation**  
**Notes forming part of the financial statements**  
**for the year ended 30 June 2012 (Continued)**

**22 Commitments**

At the year end the Foundation had the following non-charitable annual commitment in respect of operating leases which expire

	<b>Land and buildings</b>	
	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Within two to five years	<b>26,000</b>	<b>26,000</b>

Included within creditors due within one year are charitable commitments of £138,979 (2011 - £325,667) in relation to Greenfields and Henry Smith (2011 - In relation to Greenfields, the Big Lottery Fair Share Trust, Bartella and Henry Smith)

At the year end the charity had signed agreements to make grant payments totalling £401,372 over the next three years which have not been recognised as liabilities or resources expended in the financial statements. These grants are contingent on the charity receiving the associated income from the relevant funders. The charity expects to recognise the resources expended in the period to which the income is receivable.

At the year end the charity received notice from grant funders that they would support the distribution of £401,372 of grants over the next three years. This has not been recognised as an incoming resource in the financial statements as it is contingent on the grants funders having the income available at the time the grant is due, and the income is related to donor-imposed future periods. The charity expects to recognise the incoming resources in the periods to which they relate.

**23 Notes to the cashflow statement**

**(a) Reconciliation of net incoming resources to net cashflow from operating activities**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Net incoming resources	<b>2,454,775</b>	1,847,035
Gift of shares	<b>(4,786)</b>	(127)
Endowment donations	<b>(3,040,463)</b>	(2,602,621)
Investment income	<b>(364,731)</b>	(285,570)
Depreciation charge	<b>4,173</b>	3,368
Decrease / (Increase) in debtors	<b>91,505</b>	451,479
(Decrease) / Increase in creditors	<b>(50,001)</b>	(132,263)
Net cash outflow from operating activities	<b>(909,528)</b>	(718,699)

**(b) Analysis of net funds**

	<b>2011</b>	<b>Cashflow</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	200	-	<b>200</b>
Short term bank deposits	365,120	(8,606)	<b>356,514</b>
High yield bank deposits	335,143	125,590	<b>460,733</b>
	<b>700,463</b>	<b>116,984</b>	<b>817,447</b>