

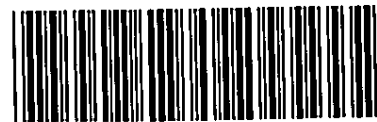
5234236

NORFOLK COMMUNITY FOUNDATION LIMITED

FINANCIAL STATEMENTS

28 FEBRUARY 2009

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NORFOLK COMMUNITY FOUNDATION LIMITED

A Company Limited by Guarantee

Trustees' Report and Financial Statements

28 February 2009

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NORFOLK COMMUNITY FOUNDATION LIMITED
Trustees' Annual Report
Reference and Administration Details

| | |
|--|---|
| Name of Charity | Norfolk Community Foundation Limited |
| Charity registration number | 1110817 |
| Company registration number | 5234236 |
| Address of principal and registered office | St James Mill, Whitefriars, Norwich, NR3 1SH |
| Patrons | Rt Rev Graham James, Lord Bishop of Norwich Richard Jewson, HM Lord Lieutenant of Norfolk |
| Trustees (at 28 February 2009) | Theodore Agnew (Chairman) Anne Sloman OBE (Vice Chairman) Robert Ashton Charlotte Carter Peter Colby Christopher Dicker DL Peter Franzen (resigned July 2009) Mark Jeffries Helen Johnson Richard Packham Ann Polley Tim Procter David Wright |
| Company Secretary | Martin Webster |
| Executive Director | Kate Kingdon (resigned 3 March 2009) Graham Tuttle (from 20 April 2009) |
| Bankers | Barclays Bank Plc St Cuthberts House 7 Upper King Street Norwich, NR3 1WX |
| Auditor | Grant Thornton UK LLP Kingfisher House 1 Gilders Way St James Place Norwich, NR3 1UB |
| Solicitors | Mills & Reeve LLP 1 St James Court Whitefriars Norwich, NR3 1RU |
| Investment Bankers | Barclays Wealth Level 15, 1 Churchill Place, Canary Wharf London, E14 5HP |

NORFOLK COMMUNITY FOUNDATION LIMITED
Trustees' Annual Report
For the period to 28 February 2009

Structure, Governance and Management

Constitution

Norfolk Community Foundation Limited ("the Foundation") is established as a company limited by guarantee and was incorporated on 17 September 2004. It is registered as a charity with the Charity Commission (registered on 10 August 2005). The affairs of the Foundation are governed by its Memorandum and Articles of Association and managed by a Board of Trustees who are also the Directors of the Charity. The liability of the members in the event of the Foundation being wound up is limited to a sum not exceeding £1.

Recruitment and appointment of Trustees

The Trustees are nominated for election because of the skills, expertise and local knowledge that they can bring to guiding the charity to fulfil its objectives. Nominations are made by existing Trustees. Under the terms of the Memorandum and Articles of Association, a Trustee (Director) is elected to hold office for three years and is eligible for re-election for up to a further three years.

The Rt Rev Graham James, Lord Bishop of Norwich retired as Chairman in December 2008 and was elected a Patron. Theodore Agnew was elected Chairman.

Apart from the above, all Trustees (directors) named on page 1 held office throughout the year.

Piers Pratt retired in December 2008 and Peter Franzen resigned in July 2009.

Mark Jeffries, Ann Polley and David Wright will be retiring by rotation and are eligible for re-election.

Induction and training of Trustees

On appointment all Trustees are provided with an induction pack which includes:-

- a) Memorandum and Articles of Association.
- b) Charity Commission publication CC3 - "The Essential Trustee - What You Need To Know".
- c) A copy of the latest financial statements.

All Trustees are invited and encouraged to attend an annual training session intended to familiarise them with the charity and the context within which it operates. Trustees are also encouraged to attend other training seminars held locally for charity Trustees and to read newsletters and articles published by the Charity Commission, The Community Foundation Network and other advisory bodies.

NORFOLK COMMUNITY FOUNDATION LIMITED
Trustees' Annual Report (continued)
For the period to 28 February 2009

Organisational structure

The Board of Trustees meets quarterly. Between these main board meetings, business is conducted through 4 sub committees who provide reports on activity for approval of the full board.

| | |
|----------------------------------|--|
| Management Committee - | Theodore Agnew (Chairman) Robert Ashton Christopher Dicker Anne Sloman David Wright |
| Finance Committee - | Christopher Dicker (Chairman) Theodore Agnew Helen Johnson Tim Procter Anne Sloman |
| Community Investment Committee - | David Wright (Chairman) Charlotte Carter Helen Johnson Heather Farley* Maxine Fiander* Jo Parrett * Ann Polley Jamie Evans* Trish Aydin* |
| Endowment Group - | Tim Procter (Chairman) Robert Ashton Caroline Jarrold * Mark Jeffries Peter Colby Andy Newman * |

* Not Trustees

With effect from 16 March 2009, the Management Committee took over the responsibilities of the Finance Committee.

The day to day management of the Foundation is conducted by a full time executive director, who is supported by a Finance Officer, a Development Officer, 2 Grants Officers and an Administrative Assistant.

| | |
|--------------------------|--|
| Executive Director | Kate Kingdon (resigned 4 March 2009) Graham Tuttle (from 20 April 2009) |
| Finance Officer | Olive Thompson |
| Development Officer | Jane Jones |
| Grants Officers | Myroslava Puttock and Clive Rayner |
| Administrative Assistant | Ashleigh Joubert |

Proposals for the award of grants are submitted to all the Trustees for ratification.

NORFOLK COMMUNITY FOUNDATION LIMITED
Trustees' Annual Report (continued)
For the period to 28 February 2009

Related parties

The Foundation is a member of the Community Foundation Network. Established in 1991, Community Foundation Network (CFN) is the national network linking, promoting and supporting over 60 community foundations in England, Northern Ireland, Scotland and Wales.

Risk Management

The Trustees have reviewed the major risks to which the charity is exposed and where appropriate systems or procedures have been established to mitigate the risks the charity faces. Internal risks are minimised by the implementation and procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff and volunteers.

Objectives and Activities

Objects and aims

The principal objects and activities of the Foundation are:-

- The promotion of any charitable purposes for the benefit of the community in the County of Norfolk and its immediate neighbourhood 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 directors, beneficial to the community with a preference for those in the area of benefit.

Strategies

Norfolk Community Foundation seeks to develop giving within Norfolk to address the needs of communities, and to support community self help.

Norfolk Community Foundation will:

- Invest and distribute funds on behalf of individuals, companies and trusts who want to make a real difference to communities in Norfolk
- Increase the funds available to community and voluntary organisations to help them build social capital and sustainable communities throughout Norfolk
- Develop an extensive knowledge of the needs of Norfolk. This will provide a vital reference to guide grant making and support fund development activities
- Ensure that its grant making is open and accessible so that even very small and informal voluntary or community groups may benefit
- Provide a conduit for public bodies and centrally administered funds to target support to grass roots needs within Norfolk

NORFOLK COMMUNITY FOUNDATION LIMITED
Trustees' Annual Report (continued)
For the period to 28 February 2009

Grantmaking policies

Norfolk Community Foundation aims to build endowment funds to generate income from which to make grant awards throughout the County of Norfolk.

The Foundation's aim is to provide support to voluntary and community groups in Norfolk whose primary aim is to improve the quality of people's lives and promote community cohesion. This is achieved by delivering thoughtful and informed grant making in support of grass roots community groups addressing real need. The Foundation exists to support the groups that miss out on funding from many sources, due to their size or client group.

In addition, The Foundation delivers funding programmes on behalf of individual, corporate and statutory donors, according to their specific criteria or area of interest.

Public Benefit

During the financial year the Foundation made 240 grants to community and other voluntary organisations, thus demonstrating its commitment towards providing public benefit to a wide variety of deserving groups throughout the county of Norfolk.

Achievements and Performance

The Trustees are delighted that the Foundation's activities have increased significantly with the implementation of the Grassroots programme despite the difficult economic climate. The Foundation was awarded the status of Local Funder for the Grassroots three year programme which started in July 2008. The programme challenges the Foundation to raise £1.6m in new endowment money before March 2011 which the Cabinet Office will match fund on a 2:1 ratio, thereby enabling a further £800K to be added to the Grassroot Funds. The Grassroots programme also awarded the Foundation with £1.1m to be distributed as grants to small community organisations over the three year period. The Government restricted the award of the grant to organisations with a turnover of less than £20K (upgraded to £30K in Feb 2009), to a group that had been active for more than a year, had a formal constitution and bank account and was largely volunteer led.

Interest from the Grassroots Endowment Funds has to be spent on Grassroot type grants. However, as the Funds were only invested for a short time during the accounts period, the interest accrued was therefore insignificant. It has been agreed with Community Development Foundation (the organisation managing the Grassroots programme) that no grants will be awarded from this interest for this year.

The Cabinet office encouraged working in partnership with the Voluntary Sector to deliver the programme. The Foundation have partnered with Voluntary Norfolk, West Norfolk Voluntary & Community Action and Norfolk RCC for this purpose.

Key achievements during the year were as follows:

- The endowment held by the Foundation increased from £381,227 at 28 February 2008 to £866,516 at 28 February 2009.
- The Foundation rose to the Grassroots challenge to raise £328k in new endowment money by the end of March 2009, achieving 98% of the target figure. This enabled the Foundation to claim £160,960 in total match funding from the Cabinet Office through the Office of Third Sector.

NORFOLK COMMUNITY FOUNDATION LIMITED
Trustees' Annual Report (continued)
For the period to 28 February 2009

Achievements and Performance (continued)

- In terms of grants, the Foundation was successful in awarding the 1st year Grassroots money from the Government, £338,211, to small community organisations throughout Norfolk. Some of these groups will receive 2nd and 3rd year funding up to a maximum grant of £5K.
- The number of funds established with the foundation rose from 19 to 28.
- The value of grants awarded has increased overall from £86,000 to £611,000.
- Part of the Grassroots package was a management fee to help the Foundation deliver the grassroots and small grants programme which has helped to support core costs. This management fee is in lieu of an administration fee on the match funding received from the Cabinet Office.
- The Foundation also secured funding from Norfolk County Council through its second homes income stream to support the salary & costs (for a 2 year contract) of a Development Officer to help deliver the Grassroots programme.
- The Norfolk 100 initiative to engage individuals with philanthropy through a collective giving fund has been successful on all counts.
 1. Over £56K was given out in grants
 2. The initial target of 100 signed up members was achieved
 3. The endowment element qualifies for match funding from the Cabinet Office (for new donations since July 2008) and £4,687 was claimed in match funding for donations received during the year.

A decision was made to continue beyond the 100 with new members known as the Norfolk 100 +.

The Foundation continues to benefit from the generosity and support of Jarrold & Sons Limited through the provision of space within their offices at St James Mill at no charge.

It has been another active and demanding year for the staff of the Foundation and the Trustees are very grateful to them all for their hard work and dedication during this time of rapid expansion. Kate Kingdon stepped down from her role as Director in March 2009 and a new Director was appointed. Graham Tuttle has had 30 years worth of experience in a business environment as the Managing Director with Marsh, a leading insurance company.

Financial Review

Financial position

The financial position of the Foundation is shown in the Statement of Financial Activities on page 11 and the Balance Sheet on page 12. The Trustees are pleased with the level of donations and grants received for the Endowment and Restricted funds in the year to 28 February 2009 which totalled £1,034,171. Core expenditure amounted to £178,156, of which £50,604 was reimbursed as management fees from the Cabinet Office (to help support the Grassroots programme) and the financial position at the end of the year is considered satisfactory.

NORFOLK COMMUNITY FOUNDATION LIMITED
Trustees' Annual Report (continued)
For the period to 28 February 2009

Policy on reserves

It is the policy of the Trustees to retain general fund reserves (cash balances, current assets less current liabilities) equivalent to approximately 12 months annual operating expenditure. At the current operating levels the target reserve would be approximately £180,000. Unrestricted general fund reserves at the balance sheet date amounted to £138,786.

Funding sources

The Foundation has received and continues to receive funding for core costs from a variety of sources. In the period under review the following amounts were received for this purpose:-

Donations and grants receivable

The following donations and grants were received towards the core cost of the Foundation:-

| | 2009 Unrestricted |
|---|------------------------------|
| Ardeshir Naghshineh | 25,000 |
| Charles Dunstone Charitable Trust | 20,000 |
| Archant Limited | 5,000 |
| Norfolk 100 | 5,300 |
| Charles Littlewood Trust | 2,500 |
| Lady Hind Trust | 2,500 |
| John Jarrold Trust | 1,000 |
| Public Interest Foundation | 2,500 |
| Grant delivery fees | 5,000 |
| Others (below £1,000) and gift aid | <u>29,300</u> |
| | 98,100 |
| Office of Third Sector – Cabinet Office | <u>50,504</u> |
| | <u>£148,704</u> |

In addition amounts totalling £17,496 were transferred from the Endowment and Restricted Funds as management fees:-

| | |
|------------------|-----------------------|
| Endowment Funds | 4,748 |
| Restricted Funds | <u>12,748</u> |
| | <u>£17,496</u> |

£6,100 was paid separately in cheques for administration fees.

Investments and investment policy

Investments are held in accordance with the powers of the Trustees set out in the Articles of Association. Investment policy is to maximise the return on the portfolio while ensuring that the level of risk is low. The Trustees have delegated responsibility for investment matters to the Management Committee which has appointed Barclays Wealth as investment managers.

NORFOLK COMMUNITY FOUNDATION LIMITED
Trustees' Annual Report (continued)
For the period to 28 February 2009

Plans for the Future

- To ensure that the Foundation is seen as both innovative and professional and thereby the charity of choice with donors
- To build an endowment that will ensure funds are permanently available to community and voluntary groups in Norfolk
- To successfully achieve the Grassroots Endowment Challenge financial targets by 31 March 2011
- To make applying for a grant easy for those who work with and support charitable causes and organisations.
- To promote and integrate the work of the Foundation across Norfolk with its current and potential donors, applicants and many partner groups
- To continue to drive towards self-sustainability.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Norfolk Community Foundation Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and 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 Foundation and of the incoming resources and application of resources, including the income and expenditure, of the Foundation for the period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

In so far as each of the Trustees are aware

- there is no relevant audit information of which the Foundation's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A Resolution to reappoint Grant Thornton UK LLP will be proposed at the next Annual General Meeting.

.....
Theodore Agnew, Chairman
14 September 2009

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF NORFOLK COMMUNITY FOUNDATION LIMITED

We have audited the financial statements of Norfolk Community Foundation Limited for the year ended 28 February 2009 which comprise the statement of financial activities, the balance sheet and notes 1 to 16. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

The Trustees (who are also the directors of Norfolk Community Foundation Limited for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, whether they are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the charitable company is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF NORFOLK COMMUNITY
FOUNDATION LIMITED (CONTINUED)**

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 28 February 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

Grant Thornton UK LLP

GRANT THORNTON UK LLP
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS

Norwich

13.10.2009

NORFOLK COMMUNITY FOUNDATION LIMITED

Statement of Financial Activities (Incorporating Income and Expenditure Account) For the year to 28 February 2009

Incoming Resources

| | Notes | Unrestricted Funds | Restricted Funds | Endowment Funds | 2009 Total | 2008 Total |
|---|-------|--------------------|------------------|-----------------|------------------|----------------|
| Incoming resources from generated funds | | | | | | |
| Donations and grants towards core costs | 2 | 148,704 | 10,000 | - | 158,704 | 82,018 |
| Other donations and grants | 3 | - | 568,011 | 465,160 | 1,033,171 | 538,586 |
| Legacies | | - | - | 1,000 | 1,000 | - |
| Services provided | | 23,483 | - | - | 23,483 | 26,188 |
| Interest receivable | | 11,149 | - | 24,317 | 35,466 | 23,977 |
| Total incoming resources | | 183,336 | 578,011 | 490,477 | 1,251,824 | 670,769 |

Resources Expended

| | | | | | | |
|---------------------------------|---|----------------|----------------|----------|----------------|----------------|
| Costs of generating funds | 4 | 27,816 | 8,568 | - | 36,384 | 18,079 |
| Charitable activities | | | | | | |
| Grants awarded | 4 | - | 610,873 | - | 610,873 | 85,909 |
| Support costs | 4 | 138,498 | - | - | 138,498 | 96,010 |
| Governance costs | 4 | 11,842 | - | - | 11,842 | 4,638 |
| Total resources expended | | 178,156 | 619,441 | - | 797,597 | 204,636 |

| | | | | | | |
|--|--|-------|----------|---------|---------|---------|
| Net incoming/outgoing resources before transfers | | 5,180 | (41,430) | 490,477 | 454,227 | 466,133 |
|--|--|-------|----------|---------|---------|---------|

| | | | | | | |
|--------------------------------------|---------|---------|----------|---------|---|---|
| Transfers | 13 & 14 | | | | | |
| Management Fees | | 17,496 | (12,748) | (4,748) | - | - |
| For grantmaking from endowment funds | | - | 6,953 | (6,953) | - | - |
| Other transfers | | (6,072) | (441) | 6,513 | - | - |

| | | | | | | |
|------------------------------|--|---------------|-----------------|----------------|----------------|----------------|
| Net movement in funds | | 16,604 | (47,666) | 485,289 | 454,227 | 466,133 |
|------------------------------|--|---------------|-----------------|----------------|----------------|----------------|

| | | | | | | |
|--------------------|--|----------------|----------------|----------------|----------------|----------------|
| Funds 1 March 2008 | | <u>124,785</u> | <u>293,519</u> | <u>381,227</u> | <u>799,531</u> | <u>333,398</u> |
|--------------------|--|----------------|----------------|----------------|----------------|----------------|

| | | | | | | |
|-------------------------------|--|------------------------|-----------------------|-----------------------|-------------------------|-----------------------|
| Funds 28 February 2009 | | <u>£141,389</u> | <u>245,853</u> | <u>866,516</u> | <u>1,253,758</u> | <u>799,531</u> |
|-------------------------------|--|------------------------|-----------------------|-----------------------|-------------------------|-----------------------|

All recognised gains and losses are included in the Statement of Financial Activities above.
The notes on pages 12 to 21 form part of the financial statements.

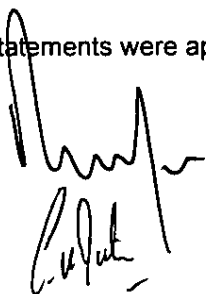
NORFOLK COMMUNITY FOUNDATION LIMITED

Balance Sheet at 28 February 2009

| | Notes | 2009 | 2008 |
|--|-------|-------------------|-----------------|
| Fixed assets | | | |
| Tangible assets | 9 | 2,603 | 3,292 |
| Investments | 10 | <u>694,820</u> | <u>370,862</u> |
| | | 697,423 | 374,154 |
| Current assets | | | |
| Debtors | 11 | 183,518 | 26,683 |
| Cash at bank | | <u>477,133</u> | <u>403,546</u> |
| | | <u>660,651</u> | <u>430,229</u> |
| Creditors: amounts falling due within one year | 12 | <u>104,316</u> | <u>4,852</u> |
| Net current assets | | <u>556,335</u> | <u>425,377</u> |
| Total assets less current liabilities | | <u>£1,253,758</u> | <u>£799,531</u> |
| Income funds | | | |
| Unrestricted funds | | | |
| General funds | | 141,389 | 124,785 |
| Restricted funds | 13 | 245,853 | 293,519 |
| Capital funds | | | |
| Endowments | 14 | <u>866,516</u> | <u>381,227</u> |
| | | <u>£1,253,758</u> | <u>£799,531</u> |

The financial statements were approved by the Board on 14 September 2009

Trustee:-



Theodore Agnew

Trustee:-



Christopher Dicker

The notes on pages 12 to 21 form part of the financial statements.

NORFOLK COMMUNITY FOUNDATION LIMITED

Notes forming part of the financial statements for the period ended 28 February 2009

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the provisions of the Companies Act 1985, the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005, and applicable United Kingdom Accounting Standards.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are those 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 restrictive purposes. In accordance with the terms of donor agreements, interest received on restricted fund balances is credited to the general (unrestricted) fund.

Endowment funds are permanent or expendable funds that are held by the Foundation and are represented by investments held by the Foundation. Income accruing to the endowment funds is either transferred to restricted funds for grant making or added to the endowment fund, depending on the wishes of the donor.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Foundation is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:-

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated equipment, services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:-

- Grants payable are recognised as expenditure when the grant is approved.
- Costs of generating funds comprises the costs associated with attracting voluntary income.

NORFOLK COMMUNITY FOUNDATION LIMITED

Notes forming part of the financial statements (contd) for the period ended 28 February 2009

1 Accounting policies (contd)

Resources expended (contd)

- Charitable expenditure comprises those costs incurred by the charity and the delivery of its activities and services for its beneficiaries. It includes both the costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated to that activity whilst others are apportioned on an appropriate basis.

Tangible fixed assets and depreciation

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions costing below £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases is estimated at 4 years.

Investments

The "Protected Equity Linked Securities" investment is included in the balance sheet at cost. It will be restated at its current value when the market value exceeds cost for a sustainable period.

Taxation

As a registered charity, the Foundation is generally exempt from income tax and capital gains tax, but not from VAT.

Pensions

The Foundation contributes to individual personal pension plans on behalf of its employees. The contributions payable by the Foundation are charged to the Statement of Financial Activities on an accruals basis.

Cash Flow Statement

A cash flow statement is not included as part of these financial statements as the charity falls outside the scope of Financial Reporting Standard No. 1

NORFOLK COMMUNITY FOUNDATION LIMITED

Notes forming part of the financial statements (contd) for the period ended 28 February 2008

2 Donations and grants receivable

The following donations and grants were received towards the core cost of the Foundation:-

| | 2009 |
|---|------------------------|
| Unrestricted funds | |
| Ardeshir Naghshineh | 25,000 |
| Charles Dunstone Charitable Trust | 20,000 |
| Archant Limited | 5,000 |
| Norfolk 100 | 5,300 |
| Charles Littlewood Trust | 2,500 |
| Lady Hind Trust | 2,500 |
| John Jarrold Trust | 1,000 |
| Public Interest Foundation | 2,500 |
| Grant delivery fees | 5,000 |
| Others (below £1,000) and gift aid | <u>29,300</u> |
| | 98,100 |
| Office of Third Sector – Cabinet Office | <u>50,604</u> |
| | 148,704 |
| Restricted funds | |
| Norfolk County Council | <u>10,000</u> |
| | <u>£158,704</u> |

3 Other Donations and grants

| | Restricted Funds | Endowment Funds | 2009 | 2008 |
|---|-----------------------------|----------------------------|-------------------------|-----------------------|
| For grantmaking and endowment funds | 271,169 | 340,339 | 611,508 | 538,586 |
| Office of Third Sector – Cabinet Office | <u>296,842</u> | <u>124,821</u> | <u>421,663</u> | - |
| | <u>£568,011</u> | <u>465,160</u> | <u>1,033,171</u> | <u>538,586</u> |

NORFOLK COMMUNITY FOUNDATION LIMITED

Notes forming part of the financial statements (contd) for the period ended 29 February 2009

4 Resources expended

| | Basis of allocation | Costs of generating funds | Charitable activities | Governance costs | Total 2009 | Total 2008 |
|---------------------------------------|----------------------------|----------------------------------|------------------------------|-------------------------|-------------------|-------------------|
| Grants awarded (note 5) | Direct | - | 610,873 | - | 610,873 | 85,909 |
| Support costs allocated to activities | | | | | | |
| Salaries and pension costs | Staff time | 19,388 | 106,892 | 4,847 | 131,127 | 93,411 |
| Office expenses | Staff time | 996 | 3,735 | 249 | 4,980 | 5,417 |
| Rent | Staff time | - | - | - | - | 400 |
| Recruitment costs | Staff time | 928 | 3,478 | 232 | 4,638 | 984 |
| Training and Conferences | Staff time | 226 | 847 | 56 | 1,129 | 672 |
| IT & Computer costs | Staff time | 500 | 1,874 | 125 | 2,499 | 1,512 |
| Advertising and marketing | Staff time | 3,366 | 12,623 | 842 | 16,831 | 3,220 |
| Publications and subscriptions | Staff time | 385 | 1,445 | 96 | 1,926 | 1,581 |
| Telephone | Staff time | 585 | 2,193 | 146 | 2,924 | 1,856 |
| Travel | Staff time | 312 | 1,174 | 79 | 1,565 | 803 |
| Premises Insurance | Staff time | 105 | 394 | 26 | 525 | 263 |
| Professional Fees | Staff time | 664 | 2,488 | 2,179 | 5,331 | |
| Depreciation | Staff time | 361 | 1,355 | 90 | 1,806 | 1,526 |
| Audit fee | Direct | - | - | 2,875 | 2,875 | 118 |
| | | <u>27,816</u> | <u>138,498</u> | <u>11,842</u> | <u>178,156</u> | <u>197,672</u> |
| Restricted Fund | | | | | | |
| Salaries and pension costs | | 8,568 | - | - | 8,568 | 6,250 |
| Marketing | | - | - | - | - | 714 |
| | | <u>8,568</u> | <u>-</u> | <u>-</u> | <u>8,568</u> | <u>6,964</u> |
| Total (including grants) | | <u>£36,384</u> | <u>749,371</u> | <u>11,842</u> | <u>797,597</u> | <u>204,636</u> |

5 Grants payable

Grants totalling £610,873 were made to 240 community groups and other organisations during the year.

6 Net incoming resources for the year

| | | |
|---------------------------------|---------------|---------------|
| This is stated after charging:- | 2009 | 2008 |
| Depreciation | <u>£1,806</u> | <u>£1,526</u> |
| Auditor's remuneration | <u>£2,875</u> | <u>£118</u> |

NORFOLK COMMUNITY FOUNDATION LIMITED

Notes forming part of the financial statements (contd) for the period ended 28 February 2009

7 Staff costs and numbers

| | | |
|-------------------------------|------------------------|-----------------------|
| Staff costs were as follows:- | 2009 | 2008 |
| Salaries | 124,347 | 87,460 |
| Social Security costs | 11,450 | 8,603 |
| Pension contributions | 1,944 | 1,750 |
| Life assurance | <u>1,955</u> | <u>1,848</u> |
| | <u>£139,696</u> | <u>£99,661</u> |

No employee received emoluments of more than £60,000.

The average number of employees during the period, calculated on the basis of full time equivalents, was 4 (2008: 4).

8 Trustee remuneration and related party transactions

No Trustees received any remuneration or expenses during the period. Naked Marketing Limited, a company in which Mr R Ashton has an interest, was paid £4,637 (2008: £2,725) for marketing services on behalf of the Trust. During the year the Trustees made donations to the restricted and endowment funds. Lovewell Blake, Accountants, in which Christopher Dicker has an interest, was paid £2,013 (2008: Nil) for accountancy training. Mills & Reeve, in which Mark Jeffries has an interest, was paid £3,075 (2008: Nil) for legal advice

9 Tangible fixed assets

| Cost | Computers and Office Equipment |
|---------------------------------|-----------------------------------|
| At 1 March 2008 | 6,106 |
| Additions | <u>1,117</u> |
| At 28 February 2009 | <u>7,223</u> |
| Accumulated depreciation | |
| At 1 March 2008 | 2,814 |
| Charge for the year | <u>1,806</u> |
| At 28 February 2009 | <u>4,620</u> |
| Net book value | |
| At 28 February 2009 | <u>£2,603</u> |
| At 29 February 2008 | <u>£3,292</u> |

NORFOLK COMMUNITY FOUNDATION LIMITED

Notes forming part of the financial statements (contd) for the period ended 28 February 2009

10 Investments

The investments are managed by Barclays Wealth and at 28 February 2009 comprised:-

| | 2009 | 2008 |
|--|-----------------|-----------------|
| Protected Equity Linked Securities (PELS) | 49,520 | 50,000 |
| Skipton Building Society (Guernsey) – Cash deposit | - | 304,819 |
| Alliance & Leicester | 145,848 | - |
| Bank of Scotland – 07070303 | 100,000 | - |
| Bank of Scotland – 01072465 | 100,000 | - |
| Zurich Bank International | 100,000 | - |
| Support a/c | 28,511 | - |
| Deposit account | 154 | 16,043 |
| Barclays Gilt | <u>98,066</u> | <u>-</u> |
| | 622,099 | 370,862 |
| Other Investments | | |
| Bank of Scotland | <u>72,721</u> | <u>-</u> |
| | <u>£694,820</u> | <u>£370,862</u> |

11 Debtors

| | 2009 | 2008 |
|-------------------------------|-----------------|----------------|
| Accrued interest | 7,529 | 5,076 |
| Gift Aid receivable | 36,255 | 13,894 |
| Other debtors and prepayments | <u>139,734</u> | <u>7,713</u> |
| | <u>£183,518</u> | <u>£26,683</u> |

12 Creditors - amounts falling due within one year

| | 2009 | 2008 |
|------------------------------|-----------------|---------------|
| Taxation and Social Security | 3,282 | 2,720 |
| Other creditors and accruals | <u>101,034</u> | <u>2,132</u> |
| | <u>£104,316</u> | <u>£4,852</u> |

NORFOLK COMMUNITY FOUNDATION LIMITED
Notes forming part of the financial statements (contd) for the period ended 28 February 2009

13

Restricted funds

| | Opening balance | Donations and grants | Interest from endowment funds | Grants payable | Other costs | Management fees | Transfers | Closing balance |
|----------------------------------|-----------------|----------------------|-------------------------------|------------------|----------------|-----------------|--------------|-----------------|
| For grants | | | | | | | | |
| Norfolk Community Fund | 22,502 | 28,333 | 3,901 | (43,548) | - | (751) | - | 10,437 |
| Bishop of Norwich Community Fund | 2,251 | 5,000 | - | (5,885) | - | - | - | 1,366 |
| R G Carter Fund | 19,009 | - | - | (1,000) | - | - | - | 18,009 |
| North Norfolk Community Fund | 41,925 | 25,000 | 2,302 | (38,741) | - | (5,000) | - | 25,486 |
| Birketts Fund | 7,506 | - | - | (7,000) | - | - | - | 506 |
| Annie Bell Fund | - | 1,243 | - | - | - | - | (513) | 730 |
| PricewaterhouseCoopers | 274 | 6,162 | - | (5,540) | - | (97) | - | 799 |
| The Mental Health Fund | 29,974 | 30,000 | - | (35,825) | - | (3,000) | - | 21,149 |
| High Sheriff's Fund | 308 | 3,928 | - | (1,500) | - | (150) | - | 2,586 |
| Barclays Bank Fund | 1,167 | - | 750 | (998) | - | - | - | 919 |
| Eversheds | - | 1,000 | - | (1,000) | - | - | - | - |
| Norfolk 100 | 22,925 | 46,758 | - | (57,008) | - | - | 720 | 13,395 |
| Norwich 4 Business | 110,678 | 10,000 | - | - | - | - | (648) | 120,030 |
| Lovewell Blake | 10,000 | 32,745 | - | (21,107) | - | - | - | 21,638 |
| TargetFollow | 25,000 | 6,250 | - | (25,000) | - | - | - | 6,250 |
| Small Grants Programme | - | 11,000 | - | (6,395) | - | - | - | 4,605 |
| Victory Housing Fund | - | 25,000 | - | (24,974) | - | - | - | 26 |
| Sports & Culture Fund | - | 38,750 | - | (35,000) | - | (3,750) | - | - |
| Grassroots Fund | - | 296,842 | - | (300,352) | - | - | - | 3,510 |
| For Jane Jones costs | | | | | | | | |
| Norfolk County Council | - | 10,000 | - | - | (8,568) | - | - | 1,432 |
| | £293,519 | 578,011 | 6,953 | (610,873) | (8,568) | (12,748) | (441) | 245,853 |

NORFOLK COMMUNITY FOUNDATION LIMITED
Notes forming part of the financial statements (contd) for the period ended 28 February 2009

| 14 | Endowment Funds | Opening balance | Donations and grants | Interest received | Management fees | Transfers | Interest credited to Restricted Funds | Closing Balance |
|----|------------------------------|-----------------|----------------------|-------------------|-----------------|--------------|---------------------------------------|-----------------|
| | Non-Grassroots Funds | | | | | | | |
| | Norfolk Community Fund | 128,476 | 1,000 | 6,049 | (1,314) | 5,000 | (3,901) | 135,310 |
| | Trustees Fund | 5,682 | 2,597 | 329 | (83) | - | - | 8,525 |
| | Griffon Fund | 7,757 | 459 | 371 | (82) | - | - | 8,505 |
| | Annie Bell Fund | 9,831 | 1,487 | 498 | (113) | 513 | - | 12,216 |
| | North Norfolk Community Fund | 85,063 | 25,000 | 3,962 | (1,101) | - | (2,302) | 110,622 |
| | Barclays Bank Fund | 25,000 | - | 1,164 | (250) | - | (750) | 25,164 |
| | High Sheriff's Fund | 6,227 | - | 290 | (62) | - | - | 6,455 |
| | Birketts Fund | 20,000 | - | 931 | (200) | - | - | 20,731 |
| | Anne Stoman Fund | 12,087 | 4,600 | 632 | (167) | - | - | 17,152 |
| | Norfolk 100 | 22,958 | 29,050 | 1,903 | (520) | 1,000 | - | 54,391 |
| | Theodore Agnew | 30,825 | - | 1,435 | (308) | - | - | 31,952 |
| | Thelveton | 1,897 | 2,506 | 156 | (44) | - | - | 4,515 |
| | C B Jewson Trust | 25,424 | - | 1,184 | (254) | - | - | 26,354 |
| | The Victory Housing Fund | - | 25,000 | 1,068 | (250) | - | - | 25,818 |
| | | <u>381,227</u> | <u>91,699</u> | <u>19,972</u> | <u>(4,748)</u> | <u>6,513</u> | <u>(6,953)</u> | <u>487,710</u> |
| | Grassroots Funds | | | | | | | |
| | N100 Fund | - | 28,062 | 407 | - | - | - | 28,469 |
| | Norfolk | - | 191,899 | 2,285 | - | - | - | 194,184 |
| | C B Jewson Trust | - | 28,846 | 544 | - | - | - | 29,390 |
| | Theodore Agnew | - | 45,000 | 582 | - | - | - | 45,582 |
| | Annie Bell | - | 375 | 4 | - | - | - | 379 |
| | The Bill Moore | - | 57,693 | 349 | - | - | - | 58,042 |
| | The Jeffries | - | 8,333 | 68 | - | - | - | 8,401 |
| | The Mills & Reeve | - | 12,500 | 97 | - | - | - | 12,597 |
| | High Sheriff's | - | 1,753 | 9 | - | - | - | 1,762 |
| | | <u>-</u> | <u>374,461</u> | <u>4,345</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>378,806</u> |
| | | <u>£381,227</u> | <u>466,160</u> | <u>24,317</u> | <u>(4,748)</u> | <u>6,513</u> | <u>(6,953)</u> | <u>866,516</u> |

NORFOLK COMMUNITY FOUNDATION LIMITED

Notes forming part of the financial statements (contd) for the period ended 28 February 2009

15. Movement on Funds

| | Opening Balance | Incoming Resources | Outgoing Resources | Transfers | Closing Balance |
|--------------------|--------------------|-----------------------|-----------------------|-----------|--------------------|
| Unrestricted funds | | | | | |
| General Fund | 124,785 | 183,336 | (178,156) | 11,424 | 141,389 |
| Restricted funds | 293,519 | 578,011 | (619,441) | (6,236) | 245,853 |
| Endowment funds | 381,227 | 490,477 | | (5,188) | 866,516 |
| | <u>£ 799,531</u> | <u>1,251,824</u> | <u>(797,597)</u> | <u>-</u> | <u>1,253,758</u> |

16. Analysis of net assets between funds

| | Unrestricted Funds | Restricted Funds | Endowment Funds | Total Funds |
|---|-----------------------|---------------------|--------------------|-------------------|
| Fund balances at 28 February 2009 are Represented by:- | | | | |
| Tangible fixed assets | 2,603 | - | - | 2,603 |
| Investments | 75,000 | - | 619,820 | 694,820 |
| Bank balances | 66,407 | 302,635 | 108,091 | 477,133 |
| Other net current assets | <u>(2,621)</u> | <u>(56,782)</u> | <u>138,605</u> | <u>79,202</u> |
| | <u>£141,389</u> | <u>£245,853</u> | <u>£866,516</u> | <u>£1,253,758</u> |