



Local giving for local need

**Report of the Directors and
Financial Statements
for the Year Ended 31 March 2018**

for

**Community Foundation for Surrey
(Limited by Guarantee)**

Registered Charity Number: 1111600

Company Number: 05442921

Community Foundation for Surrey
Report of the Directors and Financial Statements for the Year Ended 31 March 2018

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Chairman's Report

It is amazing to consider what has been collectively achieved through the generosity of the Community Foundation for Surrey's family of local Donors in the financial year 2017-18:

- Close to £2 million has been generated in the last 12 months for the benefit of communities in Surrey
This figure includes new donations to endowment, as well as the income generated by the endowment funds during the year which was made available for grant-making, plus donations which were given for immediate grant-making.
- Over £1.2 million in grants has been awarded to local community groups and individuals in need
This is more than in any other year since the Foundation was established. Donors have also been encouraged to begin making multi-year grant commitments, which will provide critical long-term funding and support the ongoing delivery of a variety of local initiatives within the county.

Telling the Story of Giving

The year also saw the publication of the Foundation's *Philanthropy: Changing Lives* brochure – sharing the stories of some of the local donors who have been brought together by the Foundation. These examples highlight the range of options provided by the Foundation, including: individuals and families who have established their own bespoke funds, corporate donors, legacy and in memoriam giving, partnerships with charitable trusts, and those who give to one of the Foundation's collective funds for a particular theme or area.

Making an Impact

In early March, the first major report investigating the impact made by the Foundation since establishing in 2005 was published. This *Impact Report* examines the two core activities of the Foundation – developing local philanthropy and local grant making – to answer the question of what impact the Foundation has achieved to date, and considers future steps to ensure the successes of the past can be built upon and multiplied.

The report highlights the figure of £22 million, as the total amount of resource which has been generated for the benefit of communities in Surrey through the Foundation's work to inspire local giving for local need. However, it also recognises the level of unmet need, reporting a total of £1 million in requests received in 2017, which were unable to be invited for consideration as the Foundation had no suitable philanthropic fund to support them.

These two publications can be found on the Foundation's website at: <http://www.cfsurrey.org.uk/publication/>

Recognising the Quality of our Work

The Foundation successfully achieved its fourth UK Community Foundations Quality Accreditation, receiving a maximum score of 5 (Exemplar) for 8 out of the 11 Standards, and an overall score of 52 out of a possible 55.

Thank You

I am extremely grateful to all those involved in the Foundation's success to date, and am particularly grateful for the enormous contribution of Wendy Varcoe MBE, our Founding Executive Director, who stepped down in May 2017.

On the following pages, you can read more about the Foundation's work to develop local philanthropy, as well as our local grant making to support communities across Surrey during 2017-18.

Also included below is a summary of the Foundation's future plans, with a focus on continued and accelerated growth in both philanthropic donations and the level of grants awarded, in order that the Foundation can make a bigger difference to the lives of more local people in the county in the years to come.

David Frank
Chairman

Trustees' Annual Report for the Year Ended 31 March 2018

Objectives and Activities

The Foundation is a grant-making charity, with the stated objects being the promotion of charitable purposes for the benefit of the community in the county of Surrey.

Vision

The Foundation's vision is to create a culture of philanthropy in Surrey that will change people's lives and build stronger communities.

Mission

Our mission is to inspire strategic local philanthropy for local need and make a lasting impact in our community. To deliver our mission we:

- Engage people in local philanthropy to support communities across the county;
- Build sustainable funds to increase the level of resources available to community and voluntary groups across Surrey now and in perpetuity;
- Identify and understand where need exists in Surrey;
- Connect this need with local donors, to award strategic grants to strengthen communities and make a genuine difference to the lives of local people.

Strategic Aims

The Foundation's three key strategic aims, and activities to support these aims within the year, were as follows:

- **Developing philanthropy** – To inspire those with resources to give in support of Surrey's local needs

The Foundation recognises that sharing narratives about the giving of existing donors can serve as an inspiration for others to become involved. In the summer, the *Philanthropy: Changing Lives* brochure was published – a collection of interviews with some of the current donors to the Foundation. In January, the Foundation also organised an event held at the Surrey Technology Centre at which a corporate donor shared his story of giving and the benefits of working with the Foundation to a wider audience. Other events, presentations, newsletters, social media posts and face-to-face meetings held during the year served to publicise the work of the Foundation and promote an increased level of involvement in local philanthropy.

- **High quality donor care** – To help donors meet their philanthropic ambitions and enable collaboration

For those who have established funds, the Foundation provides a bespoke service according to the desired level of involvement from the individual fund holder. Donors benefit from the in-depth knowledge of the Foundation's team in relation to the local voluntary sector and identified needs within the county. Individual and small group meetings held throughout the year also enable Donors to exchange information with other philanthropists.

- **Effective and strategic grant-making** – To meet identified local needs across the county of Surrey

The Foundation's grants team continued a programme of outreach activities, including funding surgeries, presentations, one-to-one meetings and events to attract applications from a diverse range of voluntary groups. Pro-active work was also undertaken to promote the availability of funding in 'harder to reach' communities. Through the application and assessment process, which was reviewed during the year, the Foundation ensures that grants are targeted at identified local needs and will be an effective use of funds. During the year, a number of Donors began making multi-year funding commitments to provide longer-term support.

Public Benefit

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities of the Foundation.

The Trustees review the activities of the Foundation against its aims on an ongoing basis and are satisfied that all the activities continue to focus on achieving its aims. No specific issues of detriment or harm have been identified.

Achievements and Performance

Highlights



Almost
£2 million
generated in
resources to help
those in need

Over

£1.2 million

distributed to support local communities



304

unique grant
recipients



grants awarded



Average value of
grant awarded
to organisations:

£4,270



Largest grant:

£28,500

Philanthropy and Donor Care

7 new funds were established in the year, resulting in a total of 83 funds at 31 March 2018. These funds are listed individually on page 6 below, and include both Endowment Funds and Flow-through Funds (the latter being funds donated for immediate grant-making). The criteria and focus of these funds spreads across a broad range of issues and geographic communities across Surrey.

A total of 55 bespoke funds has been established – by the generous donations of local individuals or families, including by way of a legacy or in memory of a loved one; by local companies; and by charitable trusts. Creating a bespoke fund allows donors to direct their giving to the causes about which they are most passionate, with the Foundation's team providing the grant-making expertise, comprehensive due diligence and recommendations, as well as connecting the donors to their supported projects by organising visits.

The 28 collective funds established by the Foundation are comprised of donations from a wider group of local donors, united around a shared interest – whether that be a particular locality or theme. Joining with others in this way means that multiple donations are pooled together, to achieve greater impact.

Donations for immediate grant-making totalled £949,235, and a further £498,391 was received in donations to endowment during 2017-18 (bringing the total Endowment Funds to a total of £11,537,923 at 31 March 2018). With £437,432 received in income generated by the Endowment Funds during the year made available for grant-making, this gives a total of almost £2 million generated in new resources to help those in need, by the Foundation's activities in the year to March 2018.

Once again, the level of giving by the Foundation's existing donors increased in 2017-18, comprising over 70% of total donations received in the year. In addition, one of the new Endowment Funds established was by an existing donor, who, following the establishment of a Flow-through Fund in March 2017, chose to create an Endowment Fund. This is testament to the standard of the service which the Foundation provides to Donors, and the value that individuals gain from working with the Foundation.

Our Funds

We would like to thank all of our Donors and Fund Holders who between them have made a substantial contribution to improving the lives of people across Surrey.

Individual and Family Giving

Arabella and Julian Smith Family Trust Fund
Baker Family Fund
Bexington Fund
Borrows Fund
Bryn Siriol Fund
Burnett Music Fund
Burnett Environmental Fund
Carrington Family Trust Fund
CARTS Fund
Christim Beck Community Fund
Cyrus Fund
Dancer Fund
East Court Fund
Hamilton Fund
Hazelhurst Fund
Kaye Family Fund
LBM Jem Fund
Ockley Community Fund
One & 35 Fund
Orchid Environmental Trust Fund
Parkes Fund
Perros Trust Fund
Smyth Community Fund

Legacy / In Memoriam Funds

Carl Burrows Trust Fund
David Tyson Memorial Fund
Dora Fedoruk Memorial Fund
Lawther Community Fund
Mamie Mollan Community Fund
Rebecca Cannon Vitality Fund

Working in Partnership with

Charitable Trusts

Albert Van Den Bergh Fund
Betty Parr Whitbread Music Fund
Bishop of Guildford's Foundation
Carers Support (Guildford) Fund
Carers Support (Runnymede) Fund
Comic Relief
DD McPhail Charitable Settlement Fund
The Fidelity UK Foundation Surrey Community Development Fund
NIBS Wells Fund
The Pargiter Trust Fund
The Peter Harrison Foundation Community Fund
Pitstop Community Fund
RAISE Challenge Fund
The Thomas Trust Community Fund

Corporate Giving

Aviva Community Fund
Birtley House Fund
Charles Russell Speechlys Community Fund
CSH Surrey Community Fund
Dunsfold Park Fund
Electronic Arts Educational Fund
Electronic Arts Youth Fund
Gatwick Airport Foundation Fund
Gold-i Innovation Fund
Memset Community Fund
Myakka Fund
Savills Guildford Community Fund
Village Developments Community Fund

Total Bespoke Giving: 55 Funds

Area Funds

Chiddingfold Community Fund
Chobham Bly Lawson Community Fund
Elmbridge Community Fund
Epsom & Ewell Community Fund
Guildford Philanthropy
Hambleton Community Fund
Haslemere Chalice Community Fund
Horley Edmonds Community Fund
Horsleys Community Fund
Lower Green Neighbourhood Fund
Peaslake Village Community Fund
Runnymede Community Fund
Surrey Heath Community Fund
Tandridge Community Fund
Woking Community Fund

Themed Funds

Back to Back Spinal Sports Injury Fund
David Powell Youth Club Fund
Liz Wheatley Northbourne Community Fund
Surrey Community Arts Fund
Surrey Community Fund
Surrey Education Fund
Surrey Flood Recovery Appeal
Surrey Hills Trust Fund
Surrey Sports Fund
Surrey Supported Employment Fund
Surrey Young People's Fund
Surviving Winter Campaign Fund
Youth Social Action Fund

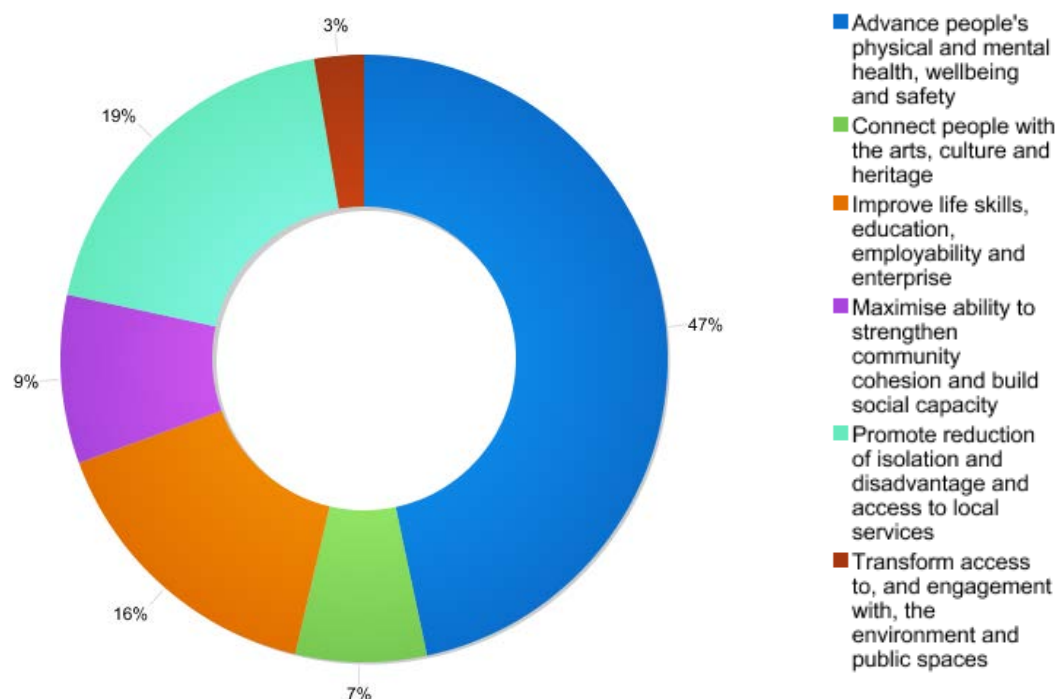
Total Collective Giving: 28 Funds

Trustees' Annual Report for the Year Ended 31 March 2018

Our Grantmaking

During 2017-18, the Foundation awarded 358 grants to community groups and individuals across Surrey, totalling £1,215,797 (net amount total £1,146,932). Since it was established in 2005 to 31 March 2018, the Foundation has awarded 2,813 grants totalling £8,076,816. The average grant awarded to community groups was £4,270 and the largest grant awarded in the year was £28,500.

The chart below shows the breakdown of grants awarded in 2017-18 by theme:



The following case studies give a flavour of some of the local initiatives which the Foundation's donors are supporting. A full list of grants awarded in 2017-18 is available at: <http://cfsurrey.org.uk/about-us/open-data/>

Supporting victims of domestic abuse

A grant was awarded to *Citizens Advice Elmbridge West* to extend an existing volunteer project that supports victims of domestic abuse and their families longer term.

The Foundation provided funding to enhance the Independent Domestic Violence Advice services with the aim of reducing isolation, inequality and repeat victimisation.

Victims will be given one-to-one support, and access to specialist workshops and self-help groups. The project also creates new volunteer opportunities for residents to get involved in supporting the charity's valuable work, with specialised training provided to equip volunteers.

Creating opportunities in nature and play



Local charity, *Autism and Nature*, aims to tackle the lack of opportunities for children with autism to learn about and experience the outdoors.

The Foundation awarded a grant for the production and distribution of 'Alex and Rosie's Surrey colouring book', aimed at children aged 5-11, which will help adults to prepare autistic children for a visit to a particular place.

Designed to improve communication, the book will also encourage children to stay calm, be self-expressive, aid in the development of motor skills and help them better relate to their surroundings.

Encouraging musical creativity

A significant grant provided funding to launch the *Strings Scheme* in Boxgrove School, Guildford – an initiative designed to inspire musical activity – over a four-year period.

This funding will provide opportunity for over 90 students within the first year (aged 8 and 9) to be creative. The project aims to give all children within the year group a deeper knowledge and appreciation of music, and will in turn raise morale, self-esteem and overall musical ability. Sessions will positively impact on each child's social integration, creative skill development and cultural understanding.

Following a successful pilot scheme in another two schools in Guildford, Boxgrove were eager for their pupils to undertake this scheme. All children will be involved, regardless of background, ethnicity or disability, ensuring the highest possible level of inclusivity.



Reducing isolation in Surrey Heath

Funding was awarded to the *Surrey Minority Ethnic Forum* for a Nepali Elders Group, supporting isolated older people.

This grant aims to bring together people from diverse backgrounds, alleviating social isolation and encouraging community cohesion.



Regular sessions will enable participants to get involved with structured activities to increase confidence, awareness and mobility, which in turn will have a positive impact on both mental and physical wellbeing.

Sessions will include English lessons, exercise, dance and a range of other activities. The Community Development Worker will be a native Nepali speaker who will be able to facilitate the learning and leisure activities for maximum benefit.

Further information and support will be offered about relevant services and how to access them.

Supporting those experiencing food poverty

A grant was awarded to *Generation Church* to support a project for people who have engaged previously with the local Epsom and Ewell Foodbank.

The funding will be used to establish a regular and ongoing support service, with both one-to-one work and group training provided by local volunteers and a Support Worker.

Training will focus on life skills such as budgeting, wellbeing, work and employment and managing family life. This service will have a significant impact on local people, helping them out of food poverty and improving their economic capacity.

Trustees' Annual Report for the Year Ended 31 March 2018

Financial Review

	2017-18	2016-17
Where our money came from	£	£
Our total income was	1,994,198	2,087,160
New Donations to Endowment Funds	498,391	637,460
New Donations to Flow-through Funds	949,235	958,667
Donations towards Support Costs	86,411	100,087
Distributions from Endowment Funds and other income (net)	423,832	358,227
How we spent our money	£	£
We spent in total	1,513,131	1,450,215
Grants*	1,146,932	1,081,267
Grant Making & Donor Care	278,827	295,573
Costs of Developing Philanthropy	87,372	73,375

*Grants paid out during the year ended 31 March 2018 will differ from grants awarded (see note 4.5).

Cost of Running the Foundation

In the year ended 31 March 2018, the Foundation covered 71% (61% year ended 31 March 2017) of its operating costs through contributions received from administering funds. The remaining costs have been generously supported by Surrey County Council, discoverIE, Alliotts, Barlow Robbins, Barclays, CCLA, two charitable trusts and by donations from individuals.

Gifts in Kind

The Foundation received gifts in kind totalling £21,577 during the year, which includes office costs; provision of payroll service and accountancy software support from Roffe Swayne; and venue space for our annual donor event supported by Royal Holloway.

Investment Powers and Policy

Under the Memorandum and Articles of Association, the Foundation has the power to invest funds as approved by the Trustees. The Board has established a Finance and Investment Group consisting of six Trustees, one voluntary adviser, the Chief Executive and the Finance Manager. The group monitors the financial position, oversees the management of the funds to ensure optimum returns on investments, appoints professional advisers and auditors within agreed Board policy and makes financial recommendations to the Board.

During 2017-18, the Foundation has built funds to cover the operational costs of running the Foundation, to fund the grant-making programme from donor contributions and to build its Endowment Funds. The Trustees have considered a number of options for ensuring optimum returns on these funds and have an approved investment policy which is reviewed annually.

Funds held are as follows:

- Flow-through Funds and support costs are retained in bank accounts. Monies not immediately required are held on deposit where possible.
- The value of the restricted funds at 31 March 2018 was £745,148, which includes £6,812 sponsorship income carried forward (2017: £578,594).

Trustees' Annual Report for the Year Ended 31 March 2018

The Foundation's investment objective is to maximise the total return over the long term without exceeding the level of risk appropriate for a charity. The Foundation's investment target is a total return of RPI plus 4% net of investment manager's fees with quarterly distributions. The agreed time horizon is 10 years plus and the level of risk is medium.

- Some Endowment Funds are invested with CCLA COIF Charities Investment Fund including those established with Community First Match Challenge funding. At 31 March 2018, £5,144,629 (£5,086,453 at 31 March 2017) was invested with CCLA.

The Foundation receives quarterly distributions of the income which fund the grant programme. In addition, at the end of each financial year to 31 March, the Foundation, in consultation with Donors, decides what proportion of the cumulative gain above inflation, if any, may be distributed bearing in mind the long-term investment objective.

- All Endowment Funds other than those managed by CCLA are invested through Investec. At 31 March 2018, £6,324,466 (£5,729,983 at 31 March 2017) was invested through Investec.

Assessment of Principal Risks

With respect to the next reporting period, 2018-19, the most significant areas of uncertainty that affect the carrying value of assets held by the Foundation are the level of investment return and the impact of markets on Endowments. The Finance and Investment Group review and monitor investment performance on a quarterly basis and are provided regular reports from both CCLA and Investec.

Reserves Policy

It is the policy of the Foundation to build Endowment Funds in order to generate income to support its grants programme. The Foundation aims to achieve a balance between meeting current needs and developing the endowment to generate ongoing funding to meet the needs of future generations.

It is the Reserves Policy of the Foundation that unrestricted funds, which have not been designated for a specific use should be maintained at a level equivalent to six months of the subsequent year's budgeted operating expenditure minus 70% of the expected contribution to the Community Foundation's costs from investment distributions from the endowment funds. This equates to approximately £142,127. At 31 March 2018, free reserves totalled £192,204. Funds held in surplus to this are used for meeting additional need as it arises and for investing in the capacity of the organisation to meet its operating commitments.

Plans for Future Periods

The Trustees are aware of the need to generate greater awareness of the services provided by the Foundation, and for the organisation to become more widely known across the county. A new marketing strategy has been developed, which sets out how both existing and new methods of communication will be used to extend the Foundation's reputation and reach. In addition, a new development plan will outline how the Foundation can set about achieving its ambitious targets for a continued increase in local philanthropy in Surrey, including through adopting some creative new approaches.

The Foundation has also considered priority areas where there is significant need, which is insufficiently met through the charity's current Funds. As a pro-active response, the Foundation is developing new collective giving programmes which will bring together donors to make a difference in these areas. These include mental health and helping to strengthen local voluntary sector organisations, enabling them to grow and develop, overcome barriers, pursue aspirations and take new opportunities.

In relation to the Foundation's grant making, the recent *Impact Report* provides a summary of the data which is collected from grant recipients, through an Impact Assessment Framework which the Community Foundation for Surrey was involved in developing and piloting on behalf of the network of 46 UK Community Foundations. The data is categorised into Themes and includes, for example, the number of vulnerable people to have received support or participated in activities, received training or gained employment, through projects funded by the Foundation. Further work is still to be done, to continue improving the data collected, as well as the Foundation's analysis of this data.

Following a positive response from donors to the Foundation's belief that longer term, rather than one-year funding gives organisations the time and resources needed to plan and embed work, the Foundation will continue to develop opportunities to provide this more sustained grant support.

Trustees' Annual Report for the Year Ended 31 March 2018

Structure, Governance and Management

Governing Document

The Community Foundation for Surrey (the Foundation) is registered as a charity with the Charity Commission and is a company limited by guarantee governed by its Memorandum and Articles of Association dated 26 April 2005. As at 31 March 2018, there were nine Trustees, each of whom agrees to contribute a maximum of £10 in the event of the Foundation winding up.

Appointment of Trustees

The Directors of the Foundation are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

As set out in the Articles of Association, the Foundation must at any time have at least three Trustees but is not subject to any maximum number. The Trustees are appointed on the basis of a range of skills and expertise to support the development of the Foundation. The Chairman and Vice Chairman are elected by nomination and vote of the Trustees.

Trustees hold office until the third Annual General Meeting following their appointment when they then retire. A retiring Trustee is eligible for re-election for two further three-year periods.

All Trustees are circulated with invitations to nominate Trustees prior to the annual general meeting, advising them of the retiring Trustees and requesting nominations. Trustees can also be appointed by resolution at a meeting of existing Trustees and can hold office only until the next annual general meeting when nominations for reappointment are made.

Trustee Induction and Training

New Trustees are provided with an induction pack and attend an induction session with Trustees and key employees of the Foundation. The pack and training session includes the aims, objectives and key activities of the Foundation and their legal obligations under charity and company law, including the Charity Commission booklet CC3, 'The Essential Trustee'. Other documents included are the governing document, the latest Trustees' annual report and accounts, the Business Plan, current budget and policies, the structure of Sub-Committees, the Fund Development Plan, the Marketing and Communications Strategy and Grants Strategy.

Trustees undertake on-going training and development including visiting other Community Foundations, organising relevant internal training sessions or attending appropriate external training sessions.

Organisation Structure

The Board of Trustees administers the Foundation and meets quarterly. The Board has four sub-committees which meet quarterly between Board meetings, unless otherwise specified below. Each sub-committee includes at least three Trustees plus non-trustees appointed by majority vote of Trustees. The sub-committees are:

- Finance and Investment Group
- Development and Marketing Group
- Grants Policy Group (*met monthly during 2017-18*)
- Personnel Group (*meets at least once a year to review staff pay and conditions, to oversee recruitment and annual staff performance appraisals*)

A Research Group and an Impact Group have also been established periodically to oversee key projects to inform the Foundation's grant programme and fund development, meeting as required during the period.

The Foundation has full membership of the UK Community Foundation, and does not use the services of any third party professional fundraiser.

Risk Management

The individual sub-committees consider the risks and the management of the risks associated with their responsibilities. The Finance and Investment Group takes an overview of risk management and reports to the Board. Trustees have considered the major strategic, business and operational risks to which the Foundation is exposed and have completed a risk assessment which is reviewed annually. Systems and review processes have been established to mitigate these risks.

Trustees' Annual Report for the Year Ended 31 March 2018

Reference and Administrative Details

PATRON:	Michael More-Molyneux, Her Majesty's Lord-Lieutenant of Surrey
VICE PRESIDENTS:	Matthew Bowcock CBE Professor Patrick Dowling CBE DL FREng FRS (Founding Chairman) Peter Hampson CBE Sir Stephen Lamport GCVO DL The Hon. Mrs Lavinia Sealy DL Gordon Lee-Steere DL Jim McAllister Andrew Wates OBE DL
TRUSTEES:	David Frank – Chairman Dr Julie Llewelyn – Vice-Chairman Bridget Biddell MRICS Peter Cluff Martin De Forest-Brown FCA (retired March 2018) Nigel Gillott FIA Julia Grant (retired December 2017) Graham Healy FCA Simon Whalley Richard Whittington DL FCA – Hon. Treasurer Graham Williams CA
SECRETARY:	Laura Thurlow – Chief Executive
HON TREASURER:	Richard Whittington DL FCA
REGISTERED OFFICE:	Millmead House, Millmead, Guildford, Surrey, GU2 4BB
REGISTERED CHARITY NO:	1111600
REGISTERED COMPANY NO:	05442921
AUDITORS:	Alliotts, Chartered Accountants & Statutory Auditors Friary Court, 13-21 High Street, Guildford, Surrey, GU1 3DL
PRINCIPAL BANKERS:	National Westminster Bank Plc Strand Branch, PO Box 414, 38 Strand, London, WC2H 5JB

Trustees' Annual Report for the Year Ended 31 March 2018

Trustees' responsibilities in relation to the financial statements

Company law requires the Trustees, as directors, to prepare financial statements that give a true and fair view of the state of affairs of the Foundation at the end of the financial year and of its surplus or deficit for the financial year. In doing so the Trustees are required to:

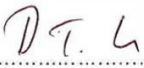
- Select suitable accounting policies and then apply them consistently;
- Make sound judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation; and
- State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and which 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.


Each Trustee who was a Trustee of the charitable company at the date this report was approved has taken all steps that he/she ought to have taken as a Trustee in order to make themselves aware of any relevant audit information (as defined by the Companies Act 2006) and ensure that the auditors are aware of all relevant information (as defined). As far as each Trustee is aware, there is no relevant audit information of which the Foundation's auditors are unaware. This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the Trustees:


.....
David Frank
Chairman

Date: 5/7/18


.....
Richard Whittington
Trustee and Chairman of Finance and Investment Group

Independent auditor's report to the members of Community Foundation for Surrey

Opinion

We have audited the financial statements of Community Foundation for Surrey (the "Charity") for the year ended 31 March 2018 which comprise the Statement of Financial Activities, Balance Sheet, Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2018 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

Independent auditor's report to the members of Community Foundation for Surrey

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Report of the Trustees and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the Directors of the Charitable 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, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

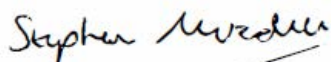
In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

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's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Meredith FCA, DChA
Senior Statutory Auditor

Date: 5 July 2018

Alliotts
Friary Court
13 – 21 High Street
Guildford
GU1 3DL

Statement of Financial Activities (including income and expenditure account) for the Year Ended 31 March 2018

		Unrestricted	Restricted	Endowment	Total Funds		Unrestricted	Restricted	Endowment	Total Funds
Income and Endowments from:	Note	funds	funds	funds	2018		funds	funds	funds	2017
		£	£	£	£		£	£	£	£
Donations	2	86,411	949,235	498,391	1,534,037		100,087	958,667	637,460	1,696,214
Investments	3	3,229	437,432	-	440,661		4,491	377,187	-	381,678
Other - Sponsorship	4.4	-	19,500	-	19,500		-	9,268	-	9,268
TOTAL INCOME AND ENDOWMENTS		89,640	1,406,167	498,391	1,994,198		104,578	1,345,122	637,460	2,087,160
Expenditure on:										
Raising funds:										
Investment Management Costs	4.6	433	-	35,897	36,330		433	-	32,286	32,719
Fundraising cost of grants and donations	4	69,283	18,089	-	87,372		64,688	8,687	-	73,375
Charitable activities:										
Grants	4.5	200	1,146,732	-	1,146,932		250	1,081,017	-	1,081,267
Grant-making and donor services	4	272,796	6,030	-	278,826		292,677	2,896	-	295,573
TOTAL EXPENDITURE		342,712	1,170,851	35,897	1,549,460		358,048	1,092,600	32,286	1,482,934
Realised gains/(losses) on investments		(739)	-	(60,551)	(61,290)		(533)	-	(39,189)	(39,722)
Unrealised gains/(losses) on investments	10	43	-	75,726	75,769		9,132	-	1,345,531	1,354,663
Net gains/(losses) on investments		(696)	-	15,175	14,479		8,599	-	1,306,342	1,314,941
Net income/(expenditure) and net movement in funds		(253,768)	235,316	477,669	459,217		(244,871)	252,522	1,911,516	1,919,167
Transfers between funds:	16									
Contribution to Community Foundation		240,371	(219,041)	(21,330)	-		218,860	(203,701)	(15,159)	-
Other		754	(754)	-	-		18,500	(13,500)	(5,000)	-
Net Indexed Gain distribution		-	151,033	(151,033)	-		-	18,622	(18,622)	-
NET MOVEMENT IN FUNDS		(12,643)	166,554	305,306	459,217		(7,511)	53,943	1,872,735	1,919,167
Total funds brought forward		204,847	578,594	11,232,617	12,016,058		212,358	524,651	9,359,882	10,096,891
Total funds carried forward		192,204	745,148	11,537,923	12,475,275		204,847	578,594	11,232,617	12,016,058

The statement of financial activities includes all gains and losses recognised in this year. All incoming resources and resources expended derive from continuing activities.

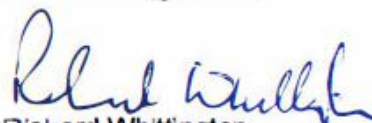
		Balance Sheet as at 31 March 2018				Balance Sheet as at 31 March 2017			
		Unrestricted	Restricted	Endowment	Total Funds	Unrestricted	Restricted	Endowment	Total Funds
	note	Funds	Funds	Funds	2018	Funds	Funds	Funds	2017
		£	£	£	£	£	£	£	£
Fixed Assets:									
Investments	10	73,983	-	11,469,095	11,543,078	75,114	-	10,741,322	10,816,436
Total Fixed Assets		73,983	-	11,469,095	11,543,078	75,114	-	10,741,322	10,816,436
Current assets:									
Debtors	11	4,148	63,570	13,519	81,237	4,142	53,639	171,706	229,487
Cash at bank	12	134,823	748,636	58,351	941,810	146,554	591,410	322,426	1,060,390
Total Current Assets		138,971	812,206	71,870	1,023,047	150,696	645,049	494,132	1,289,877
Liabilities:									
Creditors falling due within one year	13	(20,750)	(66,058)	(3,042)	(89,850)	(20,963)	(66,455)	(2,837)	(90,255)
NET CURRENT ASSETS		118,221	746,148	68,828	933,197	129,733	578,594	491,295	1,199,622
Creditors falling due after one year		-	(1,000)	-	(1,000)				
Net Assets		192,204	745,148	11,537,923	12,475,275	204,847	578,594	11,232,617	12,016,058
The funds of the charity:									
Unrestricted income fund		192,204	-	-	192,204	204,847	-	-	204,847
Restricted income funds		-	745,148	-	745,148	-	578,594	-	578,594
Endowment Funds		-	-	11,537,923	11,537,923	-	-	11,232,617	11,232,617
Total Funds	14	192,204	745,148	11,537,923	12,475,275	204,847	578,594	11,232,617	12,016,058

The notes at pages 19 to 31 form part of these accounts.

The accounts were approved and authorised for issue by the Board on 5 July 2018
and signed on its behalf by



David Frank
Chairman



Richard Whittington
Trustee and Chairman of Finance and Investment Group

Cashflow Statement for the year ended 31 March 2018

	Note	2018 £	2017 £
Net cash used in operating activities	17	<u>(124,490)</u>	<u>(116,098)</u>
<i>Cash flows from investing activities:</i>			
Interest and dividends			
Proceeds from sale of investments		286,278	105,812
Purchase of investments		<u>(937,152)</u>	<u>(155,061)</u>
Net cash provided by investing activities		<u>(650,874)</u>	<u>(49,249)</u>
<i>Cash flows from financing activities:</i>			
Receipts of new Endowment		<u>498,391</u>	<u>637,460</u>
Net cash provided by financing activities		498,391	637,460
Decrease/(Increase) in Endowment debtors		158,187	(166,477)
Increase/(Decrease) in Endowment creditors		205	241
Change in cash and cash equivalents in the year		<u>(118,581)</u>	<u>305,877</u>
Cash and cash equivalent brought forward		<u>1,060,390</u>	<u>754,515</u>
Cash and cash equivalents carried forward		<u>941,809</u>	<u>1,060,390</u>

1 Accounting Policies

The Community Foundation for Surrey is a charitable company limited by guarantee incorporated in England and Wales. The registered office is Millmead House, Millmead, Guildford, Surrey, GU2 4BB.

a) Basis of Preparation and assessment of going concern

The financial statements of the Foundation, which is a public benefit entity under FRS102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP (FRS102)) and the Companies Act 2006.

The Financial Statements are prepared in Sterling, which is the functional currency of the company. Monetary amounts in these Financial Statements are rounded to the nearest £.

The Trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern.

b) Company Status

The Foundation is a company limited by guarantee. The members of the company are the current Trustees named on page 3. In the event of the Foundation being wound up, the liability in respect of the guarantee is limited to £10 per member of the Foundation.

c) Fund Accounting

Unrestricted Funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation and which have not been designated for other purposes.

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors. These mainly comprise Flow-through Funds that are used for grant-making within a short time after the receipt of the donation, generally not more than two years.

Endowment Funds represent those expendable funds that are held for the long term for purposes in accordance with the objects of the Foundation and in line with the relevant Fund Agreement. Income arising from the Funds is used to support grant-making and, in addition, capital from the Funds may be distributed from time to time, provided this is permitted by the Fund Agreement.

The cost of administering Flow-through and Endowment Funds is charged against the specific Fund. The aim and use of each Fund is set out in note 18.3 to the financial statements.

d) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the Foundation is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is either when the Foundation is notified of an impending distribution by an appropriate person or when the legacy is received.

Gifts in Kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Donated facilities are included at the value to the Foundation where this can be quantified and a third party is bearing the cost.

e) Resources Expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Foundation to that expenditure or it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Notes to the Financial Statements for the Year Ended 31 March 2018

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. For more information on this attribution refer to note (k) below.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Grant Making & Donor Development costs are those costs incurred directly in support of expenditure on the objects of the Foundation. Governance costs are those incurred in complying with statutory and legal requirements.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Foundation. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient and a constructive obligation has arisen as a result.

f) Donated goods and services

The valuable services provided by volunteers are not incorporated into these financial statements but the Trustees recognise the considerable contribution they make and thank them for their support.

Where services are provided to the Foundation as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the Foundation. Donated services and facilities are detailed on page 9.

g) Pension Contributions

The Foundation contributes to an automatic enrolment workplace pension scheme with NEST or to individual personal pension schemes for the benefit of its employees. The cost of contributions is charged in the statement of financial activities as they accrue.

h) Leases

The Foundation has no operating leases.

i) Tangible Fixed Assets

Individual fixed assets costing £350 or more and having an expected useful economic life over one year are capitalised at cost.

Tangible fixed assets are depreciated on a straight line basis over their expected useful economic lives as follows:

Office Furniture – Over 3 years on a straight line basis.

Computer Equipment – Over 3 years on a straight line basis.

j) Allocation of support and governance costs

Support costs have been allocated between governance and other support costs. Governance costs comprise all costs involving the public accountability of the Foundation and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance and support costs relating to charitable activities have been apportioned based on percentages of staff time.

Notes to the Financial Statements for the Year Ended 31 March 2018

k) Financial instruments

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

Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

l) Critical accounting estimates and judgements

In the application of the Foundation's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Valuation of fixed asset investments

A key accounting estimate is the value at which Trustees recognise investments. The risk of misstatement is mitigated by the use of investment managers who publish a portfolio valuation. Listed investments are valued by reference to their market value prevailing at the balance sheet date.

Depreciation of tangible fixed assets

Depreciation is provided against assets held by the Foundation over the life of the asset with consideration made of the residual value left at the end of this life. The life is determined by the lease terms or the usual usable lifespan of similar items seen in the Foundation. The residual value is based on the value of similar items at the end of their useful lives in combination with the Foundation's knowledge of specific factors that may affect this valuation.

Notes to the Financial Statements for the Year Ended 31 March 2018

2 Donations Received

Analysis of donations received

Source	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2018 £	Total 2017 £
Public Sector	18,500	21,277	61,867	101,644	497,149
Individuals	14,090	149,661	281,537	445,288	299,511
Charitable Foundations	20,050	534,879	119,095	674,024	651,315
Corporate Donors Donated Services and facilities	12,194	243,418	35,892	291,504	208,789
	21,577			21,577	39,450
	86,411	949,235	498,391	1,534,037	1,696,214

3 Investment income

	Total Funds 2018 £	Total Funds 2017 £
Interest Receivable	224	1,813
Dividends receivable	440,437	379,865
	440,661	381,678

4.1 Resources Expended – Unrestricted Funds

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

	Raising Funds	Grant making and donor development	Total 2018	Total 2017
Office and admin	14,663	43,937	58,600	63,528
Staff costs	48,135	202,916	251,051	243,727
Depreciation	-	-	-	998
Governance costs	2,170	8,681	10,851	9,663
Sub Total	64,968	255,534	320,502	317,916
Gifts in Kind	4,315	17,262	21,577	39,450
Sub Total	69,283	272,796	342,079	357,366
Investec management fees	433	-	433	433
TOTAL	69,716	272,796	342,512	357,799

Notes to the Financial Statements for the Year Ended 31 March 2018

4.2 Governance Costs Analysis

Governance costs:	2018 £	2017 £	
Auditor's remuneration	6,300	6,360	Actual cost
Staff costs	3,789	2,541	Staff time
QAIV Accreditation	<u>762</u>	<u>762</u>	Actual cost
	<u>10,851</u>	<u>9,663</u>	

4.3 Allocation of Governance costs

The total support cost attributable to charitable activities is apportioned by staff time and a percentage of resources spent. The Trustees have decided to meet all governance costs from unrestricted funds and so no allocation or charge is made to restricted funds for any governance related costs.

	2018 £	2017 £
Grant making and donor development	8,681	7,730
Fundraising	<u>2,170</u>	<u>1,933</u>
Total Allocated	<u>10,851</u>	<u>9,663</u>

4.4 Resources Expended – Restricted Funds

These were funded by sponsorship income from charitable foundations, individuals and corporations. £19,500 was received as sponsorship income in 2017/18.

	Fund Raising £	Grant making & Donor Development £	2018 £	2017
Annual Review	1,500	500	2,000	2,000
Surrey Uncovered	3,375	1,125	4,500	-
Philanthropy brochure	1,500	500	2,000	5,252
Surrey Hills event	-	-	-	944
Surrey Supported Employment / Surrey Young People's Fund Event	1,310	436	1,746	89
Loseley event	-	-	-	984
2017 Annual Donor event	2,625	875	3,500	
2018 Annual Donor event and Impact Report	2,209	737	2,946	-
RAISE Challenge Fund evaluation	<u>5,570</u>	<u>1,857</u>	<u>7,427</u>	<u>2,315</u>
	<u>18,089</u>	<u>6,030</u>	<u>24,119</u>	<u>11,584</u>

Notes to the Financial Statements for the Year Ended 31 March 2018

4.5 Resources Expended – Grants

	2018
Grants to groups (279)	1,192,029
Grants to Individuals (79)	<u>23,768</u>
Total awarded (358 grants)	<u>1,215,797</u>
Fund expenses	2,037
Grants returned during the year	(24,077)
Total awarded for future years	<u>(46,825)</u>
Net amount awarded	<u>1,146,932</u>

There was one grant of £200 which was awarded from unrestricted funds.

A full list of grants awarded in 2017-18 is available at <http://cfsurrey.org.uk/about-us/open-data/>

4.6 Resources Expended – Endowment Funds

	Unrestricted £	Endowment £	Total 2018 £	Total 2017 £
Investment management fees for current year	<u>433</u>	<u>35,897</u>	<u>36,330</u>	<u>32,719</u>
	433	35,897	36,330	32,719

In 2017-18, all investment management costs were attributable to Endowment Funds.

5 Net Incoming/(Outgoing) Resources

These are stated after charging:

	2018 £	2017 £
Auditors' Remuneration	6,300	6,360
Depreciation on owned assets	-	998

6 Analysis of staff costs

	2018 £	2017 £
Salaries	203,511	216,034
Social Security costs	16,358	17,297
Pension costs	<u>12,201</u>	<u>12,927</u>
	<u>232,070</u>	<u>246,258</u>

There were no employees whose emoluments (as defined for taxation purposes) amounted to over £60,000 in the year.

The key management personnel of the foundation comprise the Trustees, the Chief Executive (formerly Executive Director) and the Deputy Director. The total employee benefits of the key management personnel of the Foundation were £79,534 (2017: £109,175).

Notes to the Financial Statements for the Year Ended 31 March 2018

7 Staff numbers

The number of employees during the year is provided below. The average number of full-time equivalent employees is given in brackets.

	2018	2017
Fund raising	1 (1)	1 (1)
Grant-making and donor development	8 (6)	8 (6)
	<u>9 (7)</u>	<u>9 (7)</u>

8 Trustees' Remuneration

The Trustees neither received nor waived any emoluments during the year (2017 – nil).

No out of pocket expenses were paid to any Trustees during the period (2017 – nil).

9 Taxation

No liability to UK corporation tax arose as the Foundation is exempt from corporation tax on its charitable activities.

10 Investments

	Total £
At 31 March 2017	10,816,436
Additions at cost	937,152
Disposals at carrying value	(286,278)
Gain on revaluation to market value	<u>75,768</u>
At 31 March 2018	11,543,078

Historic cost of investments - £9,346,872 (2017 £8,597,982).

Investment funds are held managed by:	Unrestricted £	Restricted £	Endowment £	2018 Total £	2017 Total £
Investec Wealth & Investment Limited	73,983	-	6,324,466	6,398,449	5,729,983
CCLA Investment Management Ltd - COIF Charities Investment Fund	<u>-</u>	<u>-</u>	<u>5,144,629</u>	<u>5,144,629</u>	<u>5,086,453</u>
	<u>73,983</u>	<u>-</u>	<u>11,469,095</u>	<u>11,543,078</u>	<u>10,816,436</u>

Notes to the Financial Statements for the Year Ended 31 March 2018

10 Investments continued

Analysis of Investments	Unrestricted	Restricted	Endowment	2018 Total	2017 Total
	£	£	£	£	£
UK Equities	34,576	-	3,895,673	3,930,249	4,154,653
Non UK Equities	16,380	-	4,230,273	4,246,653	3,864,293
Government Bonds	2,391	-	204,418	206,809	213,553
Corporate Bonds	7,484	-	667,580	675,064	543,354
Property	5,558	-	663,391	668,949	551,983
Cash on deposit	2,481	-	479,093	481,574	326,782
Other investments	5,113	-	1,328,667	1,333,780	1,161,817
Total	73,983	-	11,469,095	11,543,078	10,816,436

11 Debtors

	Unrestricted	Restricted	Endowment	2018 Total	2017 Total
	£	£	£	£	£
Prepayments	4,148	-	-	4,148	3,998
Accrued Income	-	60,570	13,519	74,089	225,345
Trade debtors	-	3,000	-	3,000	-
Pensions	-	-	-	-	144
	4,148	63,570	13,519	81,237	229,487

Accrued income included £49,686 (2017 – £45,824) investment income.

12 Cash at bank

Flow-through Funds and support costs are retained in bank accounts. Monies not immediately required are held on deposit where possible.

13 Creditors: amounts falling due within one year

	Unrestricted	Restricted	Endowment	2018 Total	2017 Total
	£	£	£	£	£
Trade creditors	7,522	5,298	-	12,820	5,193
Grants payable	-	60,760	-	60,760	59,190
Accruals	7,565	-	3,042	10,607	11,153
Deferred income	-	-	-	-	8,194
Payroll taxes	5,628	-	-	5,628	5,760
Pensions	35	-	-	35	-
Gift Aid overpayment	-	-	-	-	765
	20,750	66,058	3,042	89,850	90,255

Notes to the Financial Statements for the Year Ended 31 March 2018

13.1 Creditors: amounts falling due over one year

	Unrestricted £	Restricted £	Endowment £	2018 Total £	2017 Total £
Grants payable	-	1,000	-	1,000	-

14 Analysis of Net Assets between Funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2018 Total £	2017 Total £
Tangible Fixed assets	-	-	-	-	-
Investments	73,983	-	11,469,095	11,543,078	10,816,436
Current Assets	138,971	812,206	71,870	1,023,047	1,289,877
Creditors	(20,750)	(67,058)	(3,042)	(90,850)	(90,255)
	<u>192,204</u>	<u>745,148</u>	<u>11,537,923</u>	<u>12,475,275</u>	<u>12,016,058</u>

15 Reconciliation of net movement in funds to net cash flow from operating activities

	2018 £	2017 £
Net movement in funds	459,216	1,919,167
Adjustments for:		
Endowment Donations	(498,391)	(637,460)
Depreciation charges	-	998
(Gains)/Losses on investments	(75,768)	(1,354,663)
Decrease (Increase) in operating debtors	(9,937)	26,635
Increase (Decrease) in operating creditors	<u>390</u>	<u>(70,777)</u>
Net cash used in operating activities	<u>(124,490)</u>	<u>(116,098)</u>

16 Transfers between funds – Contribution to Community Foundation

£240,371 (2017 - £218,860) was transferred from the Restricted and Endowment funds in favour of the Unrestricted fund as a contribution towards support costs for maintaining the funds in accordance with the donor agreements.

Transfers between funds – Other

£754 was transferred from the Restricted to the Unrestricted funds representing sponsorship income received being allocated to staff costs relating to the sponsored event.

Transfers between funds – Net indexed gain distribution

£151,033 was withdrawn as net indexed gain from Community First Endowment Funds in accordance with the relevant fund agreements which represents an amount that can be used for grantmaking purposes.

Notes to the Financial Statements for the Year Ended 31 March 2018

17 Related Party Transactions

There were no related party transactions.

18.1 Description of Funds

As page 6 shows, 55 Bespoke Funds have been established through individual and family giving, legacy gifts and in memoriam donations; corporate giving and partnerships with charitable trusts. A further 28 Funds represent Collective Giving by a wider group of local donors, united around a shared interest.

Community First and Grassroots Endowment Funds refer to funds which benefitted from Endowment Match Challenge funding from programmes under the same names, run by the Government's Office of Civil Society (formerly Office of the Third Sector).

18.2 Restricted (Flow-through and Grants revenue) Funds

Larger restricted funds include those whose transactions are defined as material during the financial year. These are detailed below.

*Grants Revenue Funds receive the distributions from a linked Endowment Fund, along with any other donations made during the year for grants.

Flow Through Funds	<u>At 1 April 2017</u>	<u>Incoming Resources</u>	<u>Resources Expended</u>	<u>Transfers</u>	<u>At 31 March 2018</u>
Arabella & Julian Smith Family Trust Fund	-	50,000	(13,500)	(5,000)	31,500
Borrows Fund	-	50,000	(45,000)	(5,000)	-
Carl Burrows Trust Fund	-	79,020	(17,500)	(3,951)	57,569
Comic Relief	-	57,893	(52,376)	(5,517)	-
Cyrus Fund	41,701	-	(8,500)	-	33,201
The Fidelity UK Foundation Surrey Community Development Fund	74,202	-	(31,961)	-	42,242
Gatwick Airport Foundation Fund	-	100,000	(90,000)	(10,000)	-
Peter Harrison Foundation Community Fund	44,287	-	(42,155)	(1,000)	1,132
Pitstop Community Fund	56,638	-	(22,000)	-	34,638
Youth Social Action Fund	7,215	46,500	(32,244)	(4,500)	16,971
Total of large Flow Through funds	224,044	383,413	(355,236)	(34,968)	217,252
Total of smaller Flow Through funds	108,164	229,680	(172,576)	(20,532)	144,736
Total Grants Revenue Funds*	182,027	776,062	(618,920)	(12,509)	326,660
Total Restricted Funds	514,235	1,389,155	(1,146,732)	(68,008)	688,651
Accrued Income	52,174	(2,488)			49,686
Restricted donations/sponsorship	12,185	19,500	(24,119)	(754)	6,812
	578,594	1,406,167	(1,170,851)	(68,762)	745,149

Notes to the Financial Statements for the Year Ended 31 March 2018

Incoming resources of £1,406,167 includes £433,570 of distributions from Endowment funds (2017: £377,187), and £949,237 donation income (2017: £958,667), £19,500 sponsorship income (2017: £9,268) and £151,033 net indexed gain distributed towards grants (2017: £18,622).

Resources expended of £1,170,851 include grants made totalling £1,146,732 (2017: £1,081,267).

18.3 Endowment Funds as at 31 March 2018

A summary of endowment funds by type is presented in the table below.

	At 1 April 2017	Incoming Resources	Gains/(losses) on investments less Inv man. Fees	Transfer – Contribution to Foundation (note 16)	Transfer – Other (note 16)	At 31 March 2018
Endowment funds	2,939,645	637,676	(66,494)	(20,408)	16,040	3,506,457
Community First Funds	5,086,483	18,082	90,865	(542)	(167,533)	5,027,355
Grassroots Funds	3,039,326	12,633	(44,885)	(378)	460	3,007,156
Accrued Investment Management fees	(2,837)		(206)			(3,043)
Accrued Income	170,000	(170,000)				-
Total Endowment Funds	11,232,617	498,391	(20,722)	(21,330)	(151,033)	11,537,923

A breakdown of individual endowment funds which are deemed material this financial year are listed below.

	<u>At 1 April 2017</u>	<u>Incoming Resources</u>	<u>Gains/(losses) on investments less investment man. Fees</u>	<u>Transfers</u>	<u>At 31 March 2018</u>
Betty Parr Whitbread Music Fund	105,844	3,750	(1,721)	(113)	107,761
Bexington Community First Fund	48,624	-	873	(2,000)	47,497
Bexington Endowment Fund	48,944	-	(659)	(2,491)	45,794
Bexington Grassroots Fund	68,482	-	(1,031)	-	67,451
Bishop of Guildford Community First Fund	111,018	-	2,009	(10,000)	103,027
Bryn Siriol Grassroots Fund	553,763	-	(8,335)	-	545,428
Bryn Siriol Community First Fund	289,028	-	5,214	(20,000)	274,242
Burnett Environmental Fund	-	61,250	-	(1,838)	59,413
Carers Support (Guildford) Endowment Fund	76,000	122,557	(4,763)	(3,110)	190,684
Carrington Family Trust Fund	-	201,567	(6,105)	(5,963)	189,499
Chiddingfold Grassroots Fund	140,919	125	(2,125)	(4)	138,916
Chobham Bly Lawson Community First Fund	156,497	-	2,825	(11,500)	147,822
Chobham Bly Lawson Fund	34,124	-	(1,019)	11,500	44,605

	<u>At 1 April 2017</u>	<u>Incoming Resources</u>	<u>Gains/(losses) on investments less investment man. Fees</u>	<u>Transfers</u>	<u>At 31 March 2018</u>
Dancer Community First Fund	1,465,600	-	26,293	(50,000)	1,441,892
Dora Fedoruk Memorial Community First Fund	460,397	-	8,215	-	468,612
East Court Grassroots Fund	316,422	-	(4,763)	-	311,659
Electronic Arts Grassroots Educational Fund	50,926	-	(767)	-	50,160
Electronic Arts Grassroots Youth Fund	48,963	-	(737)	-	48,226
Elmbridge Endowment Fund	49,951	5,415	(939)	(162)	54,265
Guildford Community First Fund	98,802	-	1,775	(4,000)	96,576
Guildford Endowment Fund	44,435	32,124	(1,895)	(403)	74,262
Hambledon Community First Fund	81,946	-	1,462	-	83,408
Hambledon Grassroots Community Fund	89,689	500	(1,366)	(15)	88,808
Haslemere Challice Grassroots Fund	656,091	-	(9,875)	-	646,216
Haslemere Challice Community First Fund	410,481	-	7,325	-	417,805
Hazelhurst Endowment Fund	51,622	-	(777)	-	50,845
Hazelhurst Grassroots Fund	167,364	-	(2,519)	-	164,845
Horley Edmonds Endowment Fund	121,650	-	(1,831)	-	119,819
Horsleys Community First Fund	84,842	-	1,514	-	86,356
Horsleys Grassroots Community Fund	143,786	4,127	(2,284)	(124)	145,505
The Kaye Family Fund	818,516	-	(12,320)	-	806,196
Lawther Grassroots Community Fund	329,626	-	(4,960)	-	324,665
Lower Green Neighbourhood Fund	109,757	-	(1,652)	-	108,105
Mamie Mollan Grassroots Community Fund	238,637	-	(3,592)	-	235,045
NIBS Wells Grassroots Endowment Fund	255,368	-	(3,844)	-	251,525
Ockley Endowment Fund	107,234	-	(1,614)	-	105,620
One & 35 Community First Fund	464,748	-	8,349	(20,000)	453,097
Orchid Environmental Trust Grassroots Fund	213,606	-	(3,215)	-	210,391
Pargiter Community First Fund	116,718	-	2,095	(4,403)	114,410
Parkes Endowment Fund	110,585	-	(1,664)	-	108,921
Perros Trust Community First Fund	232,767	-	4,154	-	236,921
Runnymede Community First Fund	189,330	-	3,429	(16,865)	175,895
Runnymede Grassroots Fund	104,796	-	(1,577)	-	103,219
SCF Arts Endowment Fund	45,829	-	(683)	-	45,146
Surrey Arts Community First Fund	47,507	-	848	-	48,355

	<u>At 1 April 2017</u>	<u>Incoming Resources</u>	<u>Gains/(losses) on investments less investment man. Fees</u>	<u>Transfers</u>	<u>At 31 March 2018</u>
Surrey Education Fund	157,018	174,850	(10,974)	54,753	375,646
Surrey Grassroots Community Fund	66,805	2,000	(1,100)	400	68,105
Surrey Heath (Invested) Fund	166,986	-	(2,513)	-	164,473
Surrey Heath Community First Fund	44,792	-	808	(3,206)	42,394
Surrey Hills Endowment Fund	69,529	6,504	(1,358)	(195)	74,480
Surrey Sports Community First Fund	78,055	-	1,396	(2,935)	76,515
Surrey Supported Employment Invested Fund	91,935	-	(1,384)	-	90,551
Surrey Supported Employment Community First Fund	118,045	11,832	1,738	(355)	131,260
Surrey's Community First Fund	29,253	-	602	18,484	48,339
Tandridge Community First Fund	109,640	-	1,956	-	111,596
Tandridge Grassroots Fund	97,718	5,880	(1,724)	(176)	101,699
The Thomas Trust Community First Fund	166,630	-	3,015	(15,000)	154,645
Woking Community First Fund	127,893	-	2,282	-	130,175
Total Larger Endowment Funds	10,685,530	632,481	(19,506)	(89,720)	11,208,785
Total Smaller Endowment Funds	379,924	35,910	(1,010)	(82,643)	332,182
Total	11,065,454	668,391	(20,516)	(172,363)	11,540,967
Accrued Investment Management fees	(2,837)	-	(206)	-	(3,043)
Accrued Income	170,000	(170,000)	-	-	-
Total Endowment funds	11,232,617	498,391	(20,722)	(172,363)	11,537,923