

Community Foundation
serving Tyne & Wear and Northumberland
(A company limited by guarantee)
Annual financial statements
for the year ended 31 March 2013

Registered company number 2273708

Registered charity number 700510

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Community Foundation

serving Tyne & Wear and Northumberland

(A company limited by guarantee)

Annual financial statements for the year ended 31 March 2013

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Community Foundation **serving Tyne & Wear and Northumberland**

Annual report for the year ended 31 March 2013

Introduction

The Board present their report and the audited financial statements for the year ended 31 March 2013

The Charity's full name is Community Foundation serving Tyne & Wear and Northumberland, referred to hereafter as the Community Foundation

The Community Foundation's registration number is 700510 and the limited company number is 2273708
The principal office and registered office is Cale Cross, 156 Pilgrim Street, Newcastle upon Tyne NE1 6SU

The Community Foundation comprises four separate organisations whose financial statements and activities are consolidated within the group They are as follows

- Community Foundation serving Tyne & Wear and Northumberland – a limited company and main operating charity, also incorporating Community First Trust
- Tyne and Wear Foundation Trust – a charitable trust, which holds donations of permanent endowment to the Community Foundation This has enabled several historic charitable trusts to be transferred to the Group
- Tyne & Wear Foundation Limited – a trading company whose profits are covenanted to the Community Foundation The trading company is mainly used for specific large fundraising events but was inactive during the year
- Joseph Brough Charitable Trust – an endowed trust making grants in the historic counties of Durham and Northumberland, of which the Community Foundation is sole trustee

The Community Foundation's activities during the year also encompassed 3 projects Sponsors Club, Tiny Lives, and Local Environmental Action Fund These have distinct aims and objectives but are not registered charities in their own right, and form part of the Community Foundation All 3 projects are accounted for under restricted funds After the year end Tiny Lives was transferred to a standalone charity

The Community Foundation also administers The Fred Clay Trust, which has its own trustees and reports separately to the Charity Commission and its financial information is not included within these financial statements

The Community Foundation is a member and active supporter of UK Community Foundations, which supports and promotes good practice between community foundations in the United Kingdom The Community Foundation manages two Fairshare programmes on contracts from UK Community Foundations but is not otherwise subject to any governance arrangements with UK Community Foundations

Community Foundation
serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2013 (continued)

Advisers

Chartered Accountants and Statutory Auditors

PricewaterhouseCoopers LLP
89 Sandyford Road
Newcastle upon Tyne
NE1 8HW

Main Bankers

Barclays Bank PLC
Newcastle Corporate Services
Barclays House
71 Grey Street
Newcastle upon Tyne
NE99 1LG

Investment Managers

Investec Asset Management
2 Gresham Street
London
EC2V 7QP

Brewin Dolphin
Time Central
Gallowgate
Newcastle upon Tyne
NE1 4SR

UBS Wealth Management
2 St James' Gate
Newcastle upon Tyne
NE4 7JH

CCLA Investment Management Limited
80 Cheapside
London
EC2V 6DZ

Solicitors

Muckle LLP
Time Central
32 Gallowgate
Newcastle upon Tyne
NE1 4BF

Wardhadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2013 (continued)

Structure, governance and management

The Community Foundation is a limited company governed by Memorandum and Articles of Association drawn up in 1988 and amended in 1990, 2000 and 2007. The Articles and Memorandum allow for four categories of members as follows:

Category A – voluntary organisations

Category B – individuals

Category C – statutory authorities

Category D – companies/businesses

Members have voting rights at the Annual General Meeting and receive regular information about Community Foundation activities throughout the year. Members may nominate candidates for election to the Board. Each membership category elects three members to the Board except for Category C, where Board members are appointed by mutual consent. The Board may co-opt up to nine further members, and is required to ensure adequate representation throughout the area of benefit.

Board members serve for a three-year term and may be elected for two further periods of three years each. However, Board members do not normally stand for a third term in order to ensure adequate rotation of membership, unless they have been elected as honorary officers or chair sub-committees of the Board.

There are arrangements for induction, training and support of Board members, which are reviewed by the Honorary Officers Committee. Each new Board Member is given a standard induction pack and attends an induction session with the senior staff and Chair. The Honorary Officers Committee reviews training needs of the Board members and arranges training as required. The involvement of Board members is reviewed by the Honorary Officers after one and three years to ensure that the skills and time provided by members of the Board are used to best effect. Additionally, Board skills are kept under review to inform Board member recruitment, engagement and support. Board members also volunteer their services to assist in Community Foundation activities, such as grant panels, evaluation visits, donor development and public speaking engagements during the year.

The full Board meets four times a year. One of these meetings is normally a longer meeting for reflection and forward planning. Within the annual cycle, the Board

- agrees an operating budget,
- receives quarterly management accounts,
- agrees annual objectives,
- reviews three-year objectives,
- monitors performance within agreed targets,
- considers risks and ways to mitigate them,
- considers strategic issues, and
- receives reports and minutes from all sub-committees listed below

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2013 (continued)

Structure, governance and management (continued)

The Board appoints sub-committees, which are responsible for more detailed oversight of strategy and activities within their area of responsibility. The sub-committees meeting during the year were

- Audit & Risk Committee (Audit)
- Development Committee (Dev)
- Honorary Officers (Hon)
- Investment & Finance Committee (Inv)
- Philanthropy Committee (Phil)

Members of the Board who served during the year and the committees on which they served are as follows

Ashley Winter OBE – Chair elected October 2008	(Hon, Dev)
Jamie Martin OBE – Deputy Chair from November 2011 co-opted October 2006, elected November 2010	(Hon, Dev, Audit)
Chris Drinkwater CBE – Deputy Chair co-opted October 2006	(Hon, Phil)
Colin Seccombe - Treasurer elected October 2007	(Inv, Hon)
John Clough MBE co-opted November 2009, elected November 2010	(Inv)
Alastair Conn elected November 2009	(Inv)
Fiona Cruickshank OBE elected November 2011	(Dev)
Jo Curry co-opted October 2008, elected November 2010	(Phil)
Charles Harvey co-opted October 2008	(Phil, Audit)
Dean T. Huggins elected October 2008	(Phil, Audit)
Gev Pringle co-opted 23 November 2009	(Phil, Audit)
Kate Roe appointed November 2010 to represent statutory authorities	(Inv)
Jane Robinson appointed March 2012 to represent statutory authorities	(Dev)
Betty Weallans elected 23 November 2009, retired November 2012	(Phil)
Susan Winfield OBE appointed October 2006 to represent statutory authorities	(Audit)

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2013 (continued)

Structure, governance and management (continued)

The following member of the Board served during the year but retired before the year end Betty Weallans Members who will retire at the 2013 Annual General Meeting and are eligible for re-election are Jo Curry and John Clough Jamie Martin is eligible for re-election but has indicated his intention to retire Geoff Hodgson was appointed to the Board in June 2013

The Board also appoints a President, Vice Presidents and Patrons in recognition of their distinguished service to the community or contributions to the Community Foundation These are honorary positions with no formal powers or duties The Board reviewed appointments in September 2010 The current office holders are listed in the yearbook and on the Community Foundation's website

At the year end the senior members of staff responsible for day-to-day management of the Charity as delegated by the Board were

Rob Williamson	Chief Executive
Lisa Cappleman	Head of Philanthropy Development
Derry Nugent	Head of Philanthropy Services
Mark Pierce	Head of Policy, Projects & Programmes
Sonia Waugh	Finance & Operations Director/Deputy Chief Executive

At the year end there was a total of 19 core staff (FTE 16.5 including 1 maternity cover) and 6 project staff (FTE 4.8 including 0.7 maternity cover)

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2013 (continued)

Risk assessment

The Board receives an annual assessment of risk prepared by the senior staff and agrees steps to manage risk. In September 2010 the Board approved a new policy for determining, managing and reviewing the risks to which the Community Foundation is exposed. The Board will review the risk policy every three years. The risk register is reviewed quarterly and any significant changes reported to the Board. Every year, the Board will receive a report on risk and approve an updated risk register. The main risks identified in the most recent register dated March 2013 were

- Weak economic climate/stock market crash
- Failure to sell unrestricted/discretionary giving
- Adverse publicity
- Loss of donor confidence
- Loss of projects

Objectives and activities

The Community Foundation was formally established for the support or promotion of any charitable purposes, for the relief of poverty, the advancement of education (including training for employment or work), the advancement of religion or any other charitable purpose for the benefit of the community in particular, but not exclusively, in the area of Tyne & Wear and Northumberland.

The Community Foundation's operational purpose is to be the hub for community philanthropy in its area – inspiring and supporting giving that strengthens communities and enriches local life. To do this, the Community Foundation

- enables effective giving by people and business,
- supports organisations and individuals with money, time and expertise, and
- informs and influences issues affecting its communities

The Community Foundation adopted its latest strategy and business plan in 2010 with the overall aim of growing the Community Foundation, increasing its visibility and impact whilst making it more financially sustainable. The plan was reviewed and updated in June 2011 and June 2012. The plan has five strategic aims

- 1 to attract more donors and to increase the amount of discretionary and unrestricted funding for distribution,
- 2 to become a more effective, intelligent and strategic grant-maker,
- 3 to develop a stronger leadership role regionally, nationally and internationally,
- 4 to improve communications so our work and value is more widely and clearly understood, and
- 5 to work efficiently and effectively and to develop the skills, confidence and capacity of our staff and Board

The Community Foundation is a generalist grant-maker to a wide range of community groups. Some of the funds have more restricted purposes – for example the Young Musicians Fund only makes grants to develop musical skills of young people. The Community Foundation accommodates donors' wishes in respect of grant awards wherever possible. The Board has agreed certain exclusions for grants with its general funds and these are detailed in grant application materials available on request. The predominant activity is grant-making but the Community Foundation also devotes resources to leadership work, development and donor education which aim to increase local philanthropy.

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2013 (continued)

Objectives and activities (continued)

The Community Foundation exists and operates for the public benefit. Through its grant-making it works to improve the community, in particular, but not exclusively, in Tyne & Wear and Northumberland. The Trustees confirm that they have referred to the guidance produced by the Charity Commission on public benefit when reviewing the Charity's aims and objectives and in planning future activities and grant-making and are satisfied that it meets the requirements.

Achievements and performance

2012-13 covered the third and final year of the Community Foundation's current business plan. Achievements and performance against the strategic aims reviewed by the Board in 2013 are set out below. More detailed descriptions of activities and their impact are included in the Community Foundation's yearbook.

To attract more donors and to increase the amount of discretionary and unrestricted funding for distribution

- £2.1m was added to the endowment during the year, and £3.1m was received in flow-through funding
- 20 funds were established. Major new funds included the Pea Green Boat Community First and EDF Energy Green Rigg Wind Farm
- A new menu of fund types and cost contributions was approved
- Give2 funds for each top tier local authority area were established
- Endowment raising targets through the Government's Community First match scheme were exceeded

To become a more effective, intelligent and strategic grant-maker

- The Community Foundation awarded 1,656 grants (2012: 1,695) totalling £5.4m (2012: £4.6m) during the year. The majority continued to be for amounts of under £5,000 and to provide practical support for small voluntary and community groups. The grants total includes a number of grant programmes run in partnership with statutory bodies and for The Henry Smith Charity as shown in the table below.

Programme	No of grants	Total awards
Community Foundation main funds	1,571	4,200,932
ESF Community Grants	50	410,266
Fair Share	5	80,876
The Henry Smith Charity	30	674,400
Total grants awarded by the full Group	1,656	£5,366,474

- The 10-year Fair Share programme was successfully completed and an evaluation published
- The Community Foundation also provided grant-making services for 1989 Willan Charitable Trust, which awarded grants of £511,364 in this financial year. These grants are not included in the grants awarded figure above as the grants were made directly from that organisation.

To develop a stronger leadership role regionally, nationally and internationally

- Staff and Board members played a leading role in UK Community Foundations
- Targets for our Local Environmental Action Fund were met
- Development of Vital Signs continued for publication in May 2013
- A joint event was held with Newcastle University and the Centre for Charitable Giving and Philanthropy

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2013 (continued)

Achievements and performance (continued)

To improve communications so our work and value is more clearly and widely understood

- Media campaigns were run for Give2 and Surviving Winter
- Social media guidelines were adopted and twitter profiles expanded
- Funding fairs were attended across the area of benefit

To work efficiently and effectively and to develop the skills, confidence and capacity of our staff and Board

- Additional operational income targets were exceeded and the aim of reducing the projected operating deficit to zero or surplus at the March 2013 year end was achieved
- Work was completed to establish Tiny Lives as an independent charity

Financial review

Net assets at 31 March 2013 were £55.8m (2012 £49.9m) £52.8m of the assets related to endowment funds (2012 £46.9m). The total unrealised and realised gains on investments amounted to £5.6m (2012 £0.5m loss). There were new donations to the endowment funds during the year of £2.1m (2012 £1.3m), and fees and transfers out of endowment of £1.6m (2012 £1.1m). The expendable endowment fund is treated by the Trustees as a long-term capital fund to provide income for future grant-making. The investments are managed by Investec Asset Management, UBS Wealth Management and Brewin Dolphin, to achieve maximum total returns and provide an agreed amount annually for grant-making. CCLA Investment Management Limited manages the funds donated to the Community First Trust as required by the match funding agreement. There is separate provision for donors who wish to invest ethically. The Investment Committee meets with the managers quarterly and monitors their performance in relation to the WM Charity Benchmark. Clear guidelines have been agreed in relation to asset allocation and these are also reviewed by the Investment Committee quarterly. The WM benchmark for the year delivered a total return of 14%. The Board was pleased with performance on the funds and both managers of the main fund outperformed the benchmark resulting in an average return of 15.7%.

Incoming resources for the year totalled £6.9m (2012 £5.4m). Grants from public bodies increased by £0.6m mainly due to Community First match received in the year. The main sources of income were new donations, grants from public bodies and investment income. The main resources expended were for charitable grants of £5.3m net (2012 £4.5m net). Fundraising events within the charity include events held to raise funds for Tiny Lives, Women's Fund and Sponsors Club.

Reserves

The Statement of Financial Activities shows the movement in the year of the Community Foundation's (Group) Unrestricted and Restricted Funds. The year-end balances on the Restricted Funds are available in their entirety for future grant-making and other direct charitable expenditure. The Unrestricted Funds balance at 31 March 2013 of £1,253,679 includes £728,640 set aside for designated funds which are solely for future grant-making, and the balance of £525,039 as a general reserve available to meet future administration and development expenditure. The Board's policy designates £100,000 of the general reserves to cover potential premises move costs in 2015 and to support development costs, and then sets a maximum level of reserves to allow the Community Foundation to operate for up to 12 months if income streams were significantly impacted by market conditions. The policy will be reviewed during 2014. At the year end, the reserve level was at the maximum level set by the policy.

Community Foundation

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Annual report for the year ended 31 March 2013 (continued)

Plans for future periods

The Board, staff and close associates of the Community Foundation held a 'think tank' day in April 2013 to review achievements against and lessons from the 2010-13 business plan and to inform the next strategy. Following further discussion and development, in June 2013 the Board approved a new strategy for 2013-16 under the connected aims of growth, impact and sustainability. The intended results the Board wants to achieve over the next three years are as follows:

- 1 Bring more high value people and businesses in our pipeline of potential donors
- 2 Engage more new donors in giving through us
- 3 Maintain and increase giving by existing donors and partners
- 4 Encourage more planned giving
- 5 Get our grants, advice and support to where they are needed
- 6 Develop the effectiveness of and reward from donors' philanthropy
- 7 Gather, use and share more meaningful information
- 8 Provide leadership on the vital issues in our communities
- 9 Steward and develop our resources
- 10 Demonstrate excellent standards and accountability
- 11 Effectively develop our people and govern our organisation
- 12 Live our principles

Whilst the Community Foundation is not immune from global financial challenges and may need to change plans accordingly, the Board hopes to invest on average £4.85m a year in grant-making, with distribution from our endowment and revenue funds, and through partnership programmes. It also hopes to refine and expand the in-kind support offered through the Community Ventures scheme, and to be a more effective voice on key issues through Vital Signs. Some work will be done by investing a modest amount of unrestricted resources in leadership and policy work and in providing the necessary leverage so the Foundation can keep bringing in resources from a range of partners and supporters to benefit the area. The Board will also invest money from its reserves when needed for working capital and organisational development or capacity.

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2013 (continued)

Statement of trustees' responsibilities

The Trustees (who are also directors of Community Foundation serving Tyne & Wear and Northumberland for the purposes of company law) are responsible 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)

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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that 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 in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware

- there is no relevant audit information of which the charitable company'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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed to members at the Annual General Meeting.

By Order of the Board


Ashley Winter OBE
Chair

24 September 2013

Community Foundation **serving Tyne & Wear and Northumberland**

Independent Auditors' Report to the Members and Trustees of Community Foundation serving Tyne & Wear and Northumberland

We have audited the financial statements of Community Foundation serving Tyne & Wear and Northumberland for the year ended 31 March 2013 which comprise the Group Statement of Financial Activities, the Group Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, 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.

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

This report, including the opinions, has been prepared for and only for the charitable company's members and trustees as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2013 and of the group's incoming resources and application of resources, including its income and expenditure and group's cash flows, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Community Foundation
serving Tyne & Wear and Northumberland

Independent Auditors' Report to the Members and Trustees of
Community Foundation serving Tyne & Wear and Northumberland

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us, or
- the parent charitable company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Nicola Wright

Nicola Wright (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
Date 25 September 2013

Community Foundation
serving Tyne & Wear and Northumberland

**Consolidated statement of financial activities
for the year ended 31 March 2013**

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total 2013	Total 2012
		£	£	£	£	£
Incoming resources						
Incoming resources from generated funds						
Voluntary income						
Donations		738,940	1,903,589	1,515,879	4,158,408	3,336,740
Grants from public bodies		53,840	609,649	575,174	1,238,663	593,001
Activities for generating funds						
Fundraising events		-	65,570	-	65,570	52,760
Investment income	1	542,418	913,008	-	1,455,426	1,368,693
Other incoming resources		19,336	-	-	19,336	18,910
Total incoming resources		1,354,534	3,491,816	2,091,053	6,937,403	5,370,104
Resources expended						
Costs of generating funds						
Costs of generating voluntary income	3	204,072	96,710	-	300,782	296,209
Costs of fundraising events	4	3,391	41,491	-	44,882	50,969
Investment management costs		-	-	182,424	182,424	165,822
Charitable activities	5	1,613,289	4,340,085	-	5,953,374	5,083,815
Governance costs	6	91,193	5,514	-	96,707	93,204
Other resources expended		19,336	-	-	19,336	18,910
Total resources expended		1,931,281	4,483,800	182,424	6,597,505	5,708,929
Net (outgoing)/incoming resources before transfers		(576,747)	(991,984)	1,908,629	339,898	(338,825)
Transfers	13-15	463,510	1,124,427	(1,587,937)	-	-
Net (outgoing)/incoming resources before taxation		(113,237)	132,443	320,692	339,898	(338,825)

Community Foundation
serving Tyne & Wear and Northumberland

**Consolidated statement of financial activities
for the year ended 31 March 2013 (continued)**

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total 2013	Total 2012
		£	£	£	£	£
Net (outgoing)/incoming resources before taxation		(113,237)	132,443	320,692	339,898	(338,825)
Taxation	12	-	-	-	-	-
Net (outgoing)/incoming resources before other recognised gains/losses		(113,237)	132,443	320,692	339,898	(338,825)
Gains/(losses) on investment assets	8	-	-	5,564,154	5,564,154	(547,578)
Net movement in funds		(113,237)	132,443	5,884,846	5,904,052	(886,403)
Fund balances brought forward at 1 April 2012		1,366,916	1,650,396	46,925,577	49,942,889	50,829,292
Fund balances carried forward at 31 March 2013		1,253,679	1,782,839	52,810,423	55,846,941	49,942,889

All of the above results are derived from continuing operations. All gains and losses which were incurred in the year are included above. There is no difference between the net (outgoing)/incoming resources before other recognised gains/losses above and their historical cost equivalent.

Community Foundation
serving Tyne & Wear and Northumberland

**Consolidated income and expenditure account
for the year ended 31 March 2013**

	Note	2013 £	2012 £
Income - continuing operations			
Donations		2,642,529	2,173,084
Grants from public bodies		663,489	459,739
Fundraising events		65,570	52,760
Investment income		1,455,426	1,368,693
Other income		19,336	18,910
		4,846,350	4,073,186
Expenditure - continuing operations			
Grants	5	5,339,393	4,509,128
Staff costs	7	640,247	665,984
Other costs		435,441	367,995
		6,415,081	5,543,107
Net deficit for the year before transfers, investment asset disposals and taxation		(1,568,731)	(1,469,921)
Transfer from endowment fund		1,587,937	1,085,472
Taxation	12	-	-
Net surplus/(deficit) for the year		19,206	(384,449)

The total income of £4,846,350 comprises £1,354,534 for unrestricted funds and £3,491,816 for restricted funds as shown in the statement of financial activities. The total expenditure of £6,415,081 comprises £1,931,281 for unrestricted funds and £4,483,800 for restricted funds as shown in the statement of financial activities.

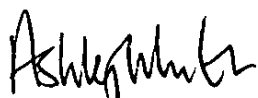
Community Foundation
serving Tyne & Wear and Northumberland

Balance sheets as at 31 March 2013

Registered company number 2273708

	Note	Group 2013 £	Group 2012 £	Charity 2013 £	Charity 2012 £
Fixed assets					
Endowment fund investments	8	52,669,343	46,714,984	50,526,793	44,856,773
Investments	8	-	-	100	100
Tangible assets	9	20,686	23,609	20,686	23,609
		52,690,029	46,738,593	50,547,579	44,880,482
Current assets					
Debtors	10	98,775	65,595	93,479	59,179
Cash on short term deposit		3,345,720	1,009,500	3,345,720	1,009,500
Cash at bank and building society		1,113,401	3,256,784	1,070,588	3,160,137
Total current assets		4,557,896	4,331,879	4,509,787	4,228,816
Creditors: amounts falling due within one year	11	(1,400,984)	(1,127,583)	(1,401,014)	(1,126,913)
Net current assets		3,156,912	3,204,296	3,108,773	3,101,903
Total assets less current liabilities		55,846,941	49,942,889	53,656,352	47,982,385
The funds of the charity:					
Endowment funds	13	52,810,423	46,925,577	50,656,844	44,994,291
Restricted income funds	14	1,782,839	1,650,396	1,745,829	1,621,178
Unrestricted income funds	15	1,253,679	1,366,916	1,253,679	1,366,916
Total charity funds		55,846,941	49,942,889	53,656,352	47,982,385

The financial statements on pages 13 to 40 were approved by the Board on 24 September 2013 and were signed on their behalf by


Ashley Winter OBE

Chair


Colin Seccombe

Treasurer

Community Foundation
serving Tyne & Wear and Northumberland

Consolidated cash flow statement for the year ended 31 March 2013

	Note	Group 2013 £	Group 2012 £
Net incoming/(outgoing) resources before revaluations and taxation		339,898	(338,825)
Investment income		(1,398,893)	(1,308,683)
Interest receivable		(56,533)	(60,010)
Receipts of endowment funds		(2,091,053)	(1,296,918)
Depreciation		8,148	7,971
Loss on disposal of fixed assets		2	1,452
Increase in debtors		(33,180)	(13,201)
Increase/(decrease) in creditors		273,401	(287,359)
Net cash outflow from operating activities		(2,958,210)	(3,295,573)
Returns on investments and servicing of finance			
Investment income		1,398,893	1,308,683
Interest receivable		56,533	60,010
		1,455,426	1,368,693
Taxation			
Tax paid		-	-
Capital expenditure and financial investment			
Payments to acquire fixed assets		(5,227)	(23,034)
Purchase of investments		(20,326,530)	(12,113,529)
Proceeds from sale of investments		19,936,325	12,390,431
		(395,432)	253,868
Management of liquid resources			
(Increase)/decrease in short term deposits	21	(2,336,220)	2,301,017
Financing			
Receipts of Endowment Funds		2,091,053	1,296,918
Increase in cash in year	21	2,143,383	1,924,923

Community Foundation

serving Tyne & Wear and Northumberland

Accounting policies

a) Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of listed investments and freehold property, and in accordance with applicable accounting standards in the United Kingdom, including the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities published in 2005, the Companies Act 2006 and the Charities Act 2011

The financial statements consolidate the results of the Charity and its wholly-owned subsidiaries, The Joseph Brough Charitable Trust, Tyne & Wear Foundation Limited and Tyne and Wear Foundation Trust, on a line by line basis using consistently applied accounting policies

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006 and paragraph 422 of the SORP

b) Incoming resources

Income is recognised in the period in which it is receivable unless the Charity has to fulfil conditions before becoming entitled to it or if the donor has specified that the income is to be expended in a future period, in which case it is deferred. Donations are accounted for in the period in which they are received or receipt is certain

Investment income is recognised on an accruals basis

Grants from the government and other agencies have been included as income from activities in furtherance of the Charity's objects where these amount to a contract for services

Legacies are included when the Charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified

c) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Costs relating to raising voluntary donations, fundraising, grant costs and governance have been allocated direct to those cost headings and support costs have been apportioned on the basis of staff time spent on each area

d) Grant commitments

Grants payable are charged in the year when the offer is approved and conveyed to the recipient. Cancelled grants are re-credited at the point the decision is made not to pay out the grant or when a refund has been received

Community Foundation

serving Tyne & Wear and Northumberland

Accounting policies (continued)

e) Fund accounting

Funds held by the Charity are as follows

Unrestricted general funds these are funds which can be used in accordance with the charitable objects at the discretion of the Directors

Unrestricted designated funds these are funds which the Directors regard as unrestricted because they are used for general charitable grant-making purposes in the Community Foundation's area of benefit although grants may still be made on recommendations from the donor

Restricted funds these are funds that can only be used for particular restricted purposes within the objects of the Charity

Endowment funds are invested and the income from these funds is applied to the relevant restricted or unrestricted income funds

Investment income is allocated to the income funds on a "total return" basis for the Charity. Withdrawals from the endowment fund have been made at a rate of 6% which the Directors review annually and consider to be a reasonable total return withdrawal rate. A total of £1,093,311 (2012 £1,141,929) in excess of investment income, was transferred from the endowment fund to restricted (£693,111) and unrestricted (£400,200) funds in the year

f) Listed and unlisted investments

Listed investments are stated at their quoted market value at the year end

Unlisted investments are quoted at cost. Freehold property is stated at the Directors' estimate of market value. All of the properties were revalued by property consultants during 2013 and the Directors consider the valuations to be reasonable

The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Realised gains and losses for the year are calculated based on market value brought forward plus any additions in the year. No depreciation is charged on investment properties

g) Tangible fixed assets and depreciation

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives on a straight line basis, at the following rates

Furniture and equipment	-	20% and 25% per annum
Office improvements	-	Over period of lease

h) Operating leases

Rentals applicable to operating leases are charged to the SOFA and Income and Expenditure Account over the period in which the cost is incurred

Community Foundation serving Tyne & Wear and Northumberland

Accounting policies (continued)

i) Pensions

The Community Foundation makes contributions on behalf of certain staff to a number of independently controlled defined contribution pension schemes. Contributions are charged in the period to which they relate.

j) Liquid resources

Liquid resources for cashflow purposes consist of cash held at banks in current and short term deposit accounts.

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements
for the year ended 31 March 2013

1 Investment income

	2013	2012
	£	£
Dividends & interest from endowment fund assets	1,398,893	1,308,683
Interest receivable on cash deposits	56,533	60,010
	1,455,426	1,368,693

2 Allocation of support costs and overheads

Support costs and overheads have been apportioned using the basis of staff time spent on the various activities

	Donated income costs £	Fundraising events £	Charitable activities £	Governance £	Total 2013 £	Total 2012 £
Staff costs	40,537	1,734	103,156	11,558	156,985	148,114
Overhead costs	54,269	1,657	126,388	19,779	202,093	186,970
	94,806	3,391	229,544	31,337	359,078	335,084
Included in overhead costs are the following					2013 £	2012 £
Operating lease rentals - land and buildings					69,470	69,470
Loss on disposal of fixed assets					2	1,452
Depreciation					8,148	7,971

3 Costs of generating voluntary income

	2013 £	2012 £
Staff costs	131,392	147,622
Direct costs	74,584	52,709
Support costs	94,806	95,878
	300,782	296,209

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

4 Costs of fundraising events

	2013	2012
	£	£
Wages and salaries	3,517	7,405
Direct costs	37,974	36,935
Support costs	3,391	6,629
	44,882	50,969

5 Charitable activities

The Community Foundation serving Tyne & Wear and Northumberland undertakes its charitable activities through grant-making

	2013	2012
	£	£
Grants payable	5,339,393	4,509,128
Staff costs	297,250	312,212
Direct costs	87,187	56,753
Support costs	229,544	205,772
	5,953,374	5,083,815

Grants were awarded in the year to other charities, voluntary organisations and individuals as follows

	2013	2013	2012	2012
	£	Number	£	Number
Grants approved for payment				
Other charities & voluntary organisations	5,276,187	1,469	4,437,072	1,461
Individuals	90,287	187	113,462	234
Total new grants awarded in the year (<i>group</i>)	5,366,474	1,656	4,550,534	1,695
Grants cancelled	(27,081)		(41,406)	
Total grant expenditure	5,339,393	1,656	4,509,128	1,695

A breakdown of grants awarded is shown on page 7. A full listing of grants awarded in the financial year can be found on our website www.communityfoundation.org.uk

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

6 Governance costs

	2013	2012
	£	£
Staff costs	51,104	50,631
Auditors' remuneration		
- Audit services	7,550	7,800
Legal & professional	3,810	3,510
Direct costs	2,906	4,408
Support costs	31,337	26,855
	96,707	93,204

7 Staff costs

Staff costs comprise the following	2013	2012
	£	£
Salaries	558,703	580,879
Social security costs	53,552	57,126
Other pension costs	27,992	27,979
	640,247	665,984

The average number of employees, excluding Company Directors, employed by the Group during the year was 22 (2012 22), full time equivalent 19.2. At the year end the ratio of the highest paid employee to the lowest paid employee was 4.75:1.

None of the Directors received any remuneration during the year (2012 Nil). None of the Directors received reimbursements for expenses during the year (2012 Nil).

During the year employees with emoluments over £60,000 were in the following bands

	2013	2012
	Number	Number
£70,001 to £80,000	1	1

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

8 Investments

Endowment fund investments - Group

At valuation	Listed investments £	Deposit & other cash balances £	Freehold property £	Total £
At 1 April 2012	44,424,967	1,930,724	359,293	46,714,984
Additions in the year	20,326,530	-	-	20,326,530
Disposals/movement in the year	(19,496,529)	(439,796)	-	(19,936,325)
Realised losses in the year	(1,748,773)	-	-	(1,748,773)
Unrealised gains in the year	7,304,719	-	8,208	7,312,927
At 31 March 2013	50,810,914	1,490,928	367,501	52,669,343
At cost				
At 31 March 2013	40,198,466	1,490,928	273,001	41,962,395
At 31 March 2012	38,125,609	1,930,724	273,001	40,329,334

Listed investments are detailed as follows	2013 Market Value £	2012 Market Value £
UK Fixed Interest	4,922,443	4,427,833
UK Equities	22,307,989	20,640,098
Property	1,175,446	1,067,277
Overseas Fixed Interest	1,058,806	2,124,349
Overseas Equities	17,658,256	14,307,456
Collective Investment Schemes	2,057,048	-
Other	1,630,926	1,857,954
	50,810,914	44,424,967

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

8 Investments (continued)

Endowment fund investments - Charity

At valuation	Listed investments £	Deposit & other cash balances £	Freehold property £	Total £
At 1 April 2012	42,566,756	1,930,724	359,293	44,856,773
Additions in the year	20,013,227	-	-	20,013,227
Disposals/movement in the year	(19,240,698)	(439,796)	-	(19,680,494)
Realised losses in the year	(1,700,295)	-	-	(1,700,295)
Unrealised gains in the year	7,029,374	-	8,208	7,037,582
At 31 March 2013	48,668,364	1,490,928	367,501	50,526,793
At cost				
At 31 March 2013	38,436,075	1,490,928	273,001	40,200,004
At 31 March 2012	36,365,752	1,930,724	273,001	38,569,477

Other investments - Charity

At cost & valuation	Unlisted investments £
At 1 April 2012	100
At 31 March 2013	100

	2013 Market Value £	2012 Market Value £
Listed investments are detailed as follows		
UK Fixed Interest	4,559,572	4,077,302
UK Equities	21,391,247	19,855,656
Property	1,136,681	1,042,302
Overseas Fixed Interest	1,024,248	2,062,914
Overseas Equities	16,886,792	13,688,766
Collective Investment Schemes	2,057,048	-
Other	1,612,776	1,839,816
	48,668,364	42,566,756

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

8 Investments (continued)

Unlisted investments held by the charity relate to £100 (2012 £100) investment in the subsidiary company Tyne & Wear Foundation Limited at cost. At 31 March 2013, the charity owned all of the ordinary share capital, consisting of 100 ordinary shares, of Tyne & Wear Foundation Limited, a company registered in England and Wales which raises funds through fundraising events.

Realised gains and losses are calculated based on the market value brought forward plus any additions in the year. Total net realised gains calculated using historical cost was £1,517,227 for the full group (2012 £748,212).

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

9 Tangible fixed assets

Group and Charity	Furniture & equipment	Office improvements	Total
	£	£	£
Cost			
At 1 April 2012	85,899	20,269	106,168
Additions	5,227	-	5,227
Disposals	(23,183)	-	(23,183)
At 31 March 2013	67,943	20,269	88,212
Accumulated Depreciation			
At 1 April 2012	62,290	20,269	82,559
Charge for the year	8,148	-	8,148
Disposals	(23,181)	-	(23,181)
At 31 March 2013	47,257	20,269	67,526
Net book value			
At 31 March 2013	20,686	-	20,686
At 31 March 2012	23,609	-	23,609

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

10 Debtors

	Group 2013 £	Group 2012 £	Charity 2013 £	Charity 2012 £
Sundry debtors	10,221	5,191	10,221	5,191
Dividends and interest receivable	68,945	42,920	56,264	36,504
Amounts owed by subsidiary undertakings	-	-	7,385	-
Prepayments	19,609	17,484	19,609	17,484
	98,775	65,595	93,479	59,179

11 Creditors: amounts falling due within one year

	Group 2013 £	Group 2012 £	Charity 2013 £	Charity 2012 £
Sundry creditors and accruals	192,030	92,477	192,030	92,477
Grants payable	1,208,954	1,029,606	1,208,954	1,028,906
Amounts owed to subsidiary undertaking	-	-	30	30
Deferred income	-	5,500	-	5,500
	1,400,984	1,127,583	1,401,014	1,126,913

12 Taxation

As registered charities, the Community Foundation, Joseph Brough Charitable Trust and Tyne and Wear Foundation Trust are entitled to the exemptions from taxation in respect of income and capital gains received within categories covered by s505 Income and Corporation Taxes Act 1988 and s256 Taxation of Chargeable Gains Act 1992, to the extent that the income/gains received are applied for charitable purposes only. They are therefore not normally liable to UK Income Tax, Corporation Tax, or Capital Gains Tax.

	2013 £	2012 £
Corporation tax payable	-	-

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

13 Endowment fund

The expendable endowment fund is treated by the Directors as a long term capital fund to provide income for future grant-making. Endowment donations received are allocated between unrestricted and restricted funds in accordance with the policy for each income fund. Joseph Brough Charitable Trust and Tyne and Wear Foundation Trust both hold permanently endowed funds.

	Group	Charity
	£	£
At 1 April 2012	46,925,577	44,994,291
Transfers between funds		
Total returns endowment withdrawal	(1,093,311)	(1,093,311)
Transfers to endowment from income funds	37,646	37,646
Exceptional withdrawal from endowment funds	(532,272)	(532,272)
Net incoming resources before transfers	1,908,629	1,913,203
Gains & losses on investment assets	5,564,154	5,337,287
At 31 March 2013	52,810,423	50,656,844

The Community Foundation (Charity) operates a total returns investment strategy and withdraws income from the endowment funds at a rate of 6% per annum to credit income funds to pay for grants and running costs. The difference between the actual endowment income received on the investments and the total withdrawal figure was £1,093,311 and is shown as a transfer from the endowment fund. A withdrawal of £471,272 was made from South Tyne Valley Fund, £30,000 from the CNL Young People's Fund and £31,000 from the Evening Chronicle Sunshine Fund, all of which were used to cover grant-making commitments during the year.

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

14 Income funds - restricted

The Community Foundation receives income and donations both for general charitable purposes and also for more specific areas and issues. All grants are approved by the Philanthropy Committee in consultation with people and companies who have set up funds within the Community Foundation for grant-making. Funds are deemed to be restricted either if they have been donated for a specific purpose or appeal, or if the donor has made a request that they are applied in one area or field. Since the year end the funds in deficit at 31 March 2013 have received sufficient funds to return them to credit.

	At 1 April 2012	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2013
	£	£	£	£	£
The 43	28,191	-	26,089	2,102	-
Frank Acfield	2,841	811	-	-	3,652
Akzo Nobel International Paint	12,273	4,117	16,018	-	372
Amec Offshore	6,073	6,077	9,400	-	2,750
Arts	28,618	4,387	14,950	16,000	2,055
Asian	3,190	4,813	3,000	-	5,003
Asylum Seekers' Hardship	3,040	-	-	-	3,040
Stuart Ayre	-	483	480	-	3
Nancy Barbour Award	7,306	4,868	-	-	12,174
Barnes Grassroots	2,659	2,659	1,955	-	3,363
Sir Jeremy Beecham	(1,141)	1,267	-	-	126
Barbara & Chris Beith	360	205	175	-	390
Bellingham	483	2,248	1,500	-	1,231
Berwick Academy	3,093	7,750	7,470	-	3,373
Bird Family	269	786	275	-	780
Blackett Family Community					
First	-	2,000	-	-	2,000
Enid Blyton Fund for Seven					
Stories	-	34,048	34,048	-	-
Ron & Louise Bowey					
Grassroots	11,115	7,974	19,820	-	(731)
Canford Audio	1,046	345	-	-	1,391
Capacitybuilders CPP	5,458	-	-	-	5,458
Capacity Builders Regional	40	-	-	-	40
Capacity Builders Tyne & Wear	4	-	-	-	4
Change up - Regional	1,299	-	-	-	1,299
Chapman	1,402	20,985	22,328	-	59
CNL Young People's	30,818	10,117	45,271	(30,000)	25,664
Comic Relief	5,517	-	-	-	5,517
Comic Relief Community Cash	50,000	55,300	49,502	5,798	50,000
Comic Relief Local					
Communities	2,662	55,134	53,055	4,741	-
Comic Relief Large Grant	-	31,500	30,000	1,500	-
Community Ventures	23,808	-	-	12,790	11,018
Sir Tom Cowie	1,425	59,617	39,866	25,000	(3,824)
John D Grassroots	4,546	8,434	10,642	-	2,338
Duncan & Sarah Davidson	668	2,593	1,300	-	1,961
Pamela and Dorothy Denham	-	1,022	-	-	1,022
Pamela Denham Grassroots	-	297	-	-	297
Dicksons'	42	-	-	-	42
David Dockray's West End					
Young People's	7,372	37,875	45,581	-	(334)
Carried forward	244,477	367,712	432,725	37,931	141,533

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

14 Income funds - restricted (continued)

	At 1 April 2012 £	Income & transfers £	Grants £	Other outgoings & transfers £	At 31 March 2013 £
Brought forward	244,477	367,712	432,725	37,931	141,533
Durham	500	2,048	2,548	-	-
Eaga Community	1	-	-	-	1
Robbie Elliot	333	57	87	300	3
ESF Community Grants	(87,275)	413,306	408,386	-	(82,355)
Evangelical	3,447	7,054	-	-	10,501
Evening Chronicle Sunshine	26	5,320	36,346	(31,000)	-
Express Enterprise	3,329	941	-	-	4,270
Fair Share - Blyth	(39,286)	95,828	55,070	6	1,466
Fair Share - Wansbeck	(73,271)	100,515	25,806	6	1,432
FARNE	29,725	20,092	10,897	-	38,920
Fergusons of Blyth	4,455	5,447	5,700	-	4,202
Fogo Grassroots	23,137	14,571	22,390	-	15,318
Give2 Gateshead	-	454	-	-	454
Give2 Newcastle	-	1,909	-	-	1,909
Give2 North Tyneside	-	11	-	-	11
Give2 Northumberland	-	1,895	-	-	1,895
Give2 South Tyneside	-	239	-	-	239
Give2 Sunderland	-	2,416	-	-	2,416
David Goldman Awards	418	24,143	24,445	-	116
Grassroots Newcastle	4	-	-	-	4
Grassroots North Tyneside	17	(49)	(49)	-	17
Allison Greenlees Continuation	1,244	5,004	5,000	-	1,248
The EDF Energy Green Rigg	-	-	-	-	-
Wind Farm Community Benefit	-	39,600	-	3,600	36,000
The EDF Energy Green Rigg	-	-	-	-	-
Wind Farm Community Benefit	-	-	-	-	-
Fund (Otterburn)	-	19,800	-	1,800	18,000
Green Scheme	113	860	-	172	801
Grounds Family	26	104	-	-	130
Jackie Haq Fund for Scotswood	1,490	1,233	2,305	-	418
Henry Smith Charity	275,700	704,900	674,400	-	306,200
Heyman Scholarships	11,392	4,220	10,468	137	5,007
Joy Higginson	4,398	1,264	3,200	-	2,462
High Sheriff of Northumberland	9,867	51,399	30,600	20,335	10,331
Homeless Young People	8,114	2,966	-	-	11,080
Hospital Visits	1,962	-	-	1,962	-
Hoult Family Grassroots Acorn	910	1,253	-	-	2,163
If only Grassroots	1,374	901	-	-	2,275
Josephs Family	500	500	1,000	-	-
JPMorgan	5,892	1,945	-	-	7,837
Pam Katirai Memorial	196	-	-	-	196
Kellett	212,889	298,602	173,588	-	337,903
Kerry Community First	-	40	-	-	40
Kerry Grassroots	2,885	4,722	1,980	150	5,477
Lady Grey Memorial	505	123	-	-	628
Latterford	336	459	600	-	195
Lendrum Community First	-	7,006	-	1,400	5,606
Local Environmental Action	13,090	156,158	164,706	(14,412)	18,954
Localgiving.com	646	10,067	9236	1,477	-
George Loggie	6,196	1,012	-	-	7,208
Carried forward	669,762	2,378,047	2,101,434	23,864	922,511

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

14 Income funds - restricted (continued)

	At 1 April 2012 £	Income & transfers £	Grants £	Other outgoings & transfers £	At 31 March 2013 £
Brought forward	669,762	2,378,047	2,101,434	23,864	922,511
Maudslay Family Grassroots	791	1,149	-	-	1,940
Alan Morse Grassroots	7	-	-	-	7
Muckle LLP Grassroots	2,410	6,033	5,840	-	2,603
NEF Grassroots	1,971	1,428	2,000	-	1,399
Northern Angel	6,081	30,500	21,400	3,133	12,048
North Tyneside	35	1,192	1,227	-	-
North Tyneside Women's Aid	40,000	-	10,450	-	29,550
Northumberland Group	50,789	27,594	12,148	-	66,235
Out & About	91,539	4,374	69,754	(962)	27,121
P&G Grassroots	(834)	3,392	1,272	-	1,286
Patch	16,255	12,695	11,200	-	17,750
Percy Family	2,119	3,919	2,119	-	3,919
Play your part	22,450	4,500	23,000	3,950	-
Port of Tyne	(922)	67,546	60,624	3,000	3,000
Prime Grassroots	3,923	13,585	14,067	-	3,441
Owen Pugh	-	16,500	15,000	1,500	-
Queen's Diamond Jubilee Fund for Tyne & Wear	39,230	20,563	32,332	-	27,461
Readman Family Grassroots	2,851	47,773	40,814	-	9,810
Readman Foundation	327,274	5,521	10,281	42,363	280,151
Carrie Reay	107	-	-	-	107
Carrie Reay Grassroots	2,453	3,135	2,825	-	2,763
Reeds Grassroots	13,304	10,094	12,400	-	10,998
Riding Grange Grassroots	6,161	2,683	7,980	-	864
Rio Tinto Alcan	278	10,000	4,121	750	5,407
Jane Robertson Alnwick	580	590	580	-	590
Brian Roycroft	12,420	4,830	10,081	407	6,762
Sage Gateshead	9,158	579,939	587,181	-	1,916
Sammy Johnson Memorial	14,498	9,654	24,071	81	-
Santander SEDA	-	303,612	285,197	18,112	303
Share Family	191	-	-	-	191
Shears Grassroots	2,466	5,302	6,718	-	1,050
Smail Family	2,518	1,914	4,000	-	432
SMD	881	809	1,690	-	-
South Tyne Valley	21,163	21,026	513,461	(471,272)	-
Sponsors Club	69,086	66,998	-	60,129	75,955
Sport Relief	5,616	-	-	-	5,616
Sunderland Industrial & Reformatory School	1,399	1,095	2,196	-	298
Surviving Winter	4,544	16,963	17,965	973	2,569
Surviving Winter SAGA	4,601	2,927	6,561	-	967
Suz Grassroots	1,832	1,415	2,000	-	1,247
Taylor	8,827	17,179	19,138	-	6,868
Thornton Family Grassroots	7,643	3,310	5,550	-	5,403
Three Valleys	8	1,719	1,500	-	227
Three Valleys Grassroots	405	6,360	5,500	-	1,265
Tiny Lives	117,074	339,614	171,702	112,535	172,451
Treeline Grassroots	1,440	652	600	-	1,492
Trevelyan	6	-	-	-	6
Trusthouse	-	2,500	2,500	-	-
Carried forward	1,584,390	4,060,631	4,130,479	(201,437)	1,715,979

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

14 Income funds -restricted (continued)

	At 1 April 2012	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2013
	£	£	£	£	£
Brought forward	1,584,390	4,060,631	4,130,479	(201,437)	1,715,979
Tyne & Wear High Sheriff Awards	911	32,519	24,950	1,386	7,094
Ted Weekes	6,904	6,828	6,904	8	6,820
Tyne & Wear Grassroots	3	644	647	-	-
UK Land Estates	7,501	-	6,074	750	677
Vicky Grassroots	1,476	1,127	1,200	-	1,403
Winter Family Grassroots	3,366	6,287	6,463	-	3,190
CH Wood	2,870	4,194	4,500	-	2,564
Women's	11,680	32,542	28,370	8,542	7,310
Young Musician's	2,077	5,298	6,583	-	792
Total Community Foundation	1,621,178	4,150,070	4,216,170	(190,751)	1,745,829
Joseph Brough Charitable Trust	14,482	29,541	20,000	30	23,993
Tyne and Wear Foundation Trust	14,766	5,316	7,035	-	13,047
Tyne & Wear Foundation Ltd	(30)	-	-	-	(30)
Total Group	1,650,396	4,184,927	4,243,205	(190,721)	1,782,839

Income and transfers include credits of £693,111 transferred from the endowment fund to distribute as income on a total returns basis. Other outgoings include credit transfers between funds of £431,316, less staff costs of £114,109 and other fund expenses and fundraising event costs of £126,486. The Women's Fund includes income from People of Ward Hadaway in memory of Sue Watts fund and Brian Roycroft fund includes income from the Tessa Hide fund.

15 Income funds - unrestricted

As well as a general administrative unrestricted fund (included below for completeness) the Community Foundation holds the following designated funds which the Directors regard as unrestricted because they are used for general charitable purposes in the Community Foundation's area of benefit although grants may still be made on recommendations from the donor. The funds are to be used for grant-making and grants are awarded throughout the year when committees meet and make recommendations to the Board. Since the year end the funds in deficit at 31 March 2013 have received sufficient funds to return them to credit.

	At 1 April 2012	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2013
	£	£	£	£	£
Adderstone	5,416	10,313	2,500	-	13,229
Anonymous	48	-	-	-	48
Anonymous	2,709	2,734	3,400	-	2,043
Anonymous M	28,500	-	14,250	-	14,250
Bank of England	1,000	-	-	200	800
Barnes	4,768	1,823	6,914	-	(323)
Peter & Angela Barratt	116	12,500	-	-	12,616
John Bell	392	30,142	24,500	-	6,034
Bellway	1,339	1,305	950	-	1,694
Benfield Motors	6,758	4,171	9,280	-	1,649
BNS Telecom	162	-	162	-	-
Bonas Machine Company	1,282	810	1,000	-	1,092
Carried forward	52,490	63,798	62,956	200	53,132

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

15 Income funds - unrestricted (continued)

	At 1 April 2012 £	Income & transfers £	Grants £	Other outgoings & transfers £	At 31 March 2013 £
Brought forward	52,490	63,798	62,956	200	53,132
Ron and Louise Bowey	26,586	32,244	42,801	-	16,029
The Muriel Campbell	1,750	1,022	2,772	-	-
Carr-Ellison Charitable Trust	1,923	21,288	20,900	500	1,811
Chrysalis	257	969	980	-	246
Roland Cookson	13,536	39,323	45,045	276	7,538
Crozier	5,540	18,750	-	2,250	22,040
John D	12,376	-	12,375	-	1
Death of a Nightingale	1,591	850	-	-	2,441
Dulverton	(34,557)	90,000	51,344	9,000	(4,901)
Fogo	7,001	4,892	9,176	-	2,717
Funding Network	-	50	-	-	50
Gateshead Housing Company					
Community	15,370	45,000	49,055	7,500	3,815
George & Peggy	2,981	3,884	3,974	-	2,891
Michael & Christine Heppell	3,449	2,670	950	-	5,169
The Hokey Cokey (that's what it's all about)	-	1,141	-	(440)	1,581
Hugonin Family	3,450	2,500	5,700	250	-
I'Anson Family	688	2,369	-	-	3,057
If only	616	405	-	-	1,021
RWE Npower Renewables Kiln					
Pit Hill Wind Farm Community	-	16,500	15,000	1,500	-
John Laing	12,386	2,369	14,500	-	255
Abdul Latif, Lord of Harpole, Memorial	1,656	-	-	-	1,656
William Leech Charity	24,693	18,984	10,000	10,000	23,677
Leech Challenge	2,411	2,812	3,500	-	1,723
Linden Family	2,539	40,013	42,379	-	173
Helen McArdle	-	70,000	56,000	2,625	11,375
Lily Matthews	100,000	90,000	162,980	5,000	22,020
David Mattu	1,250	-	-	-	1,250
Maudslay Family	2	451	-	-	453
G S May Family	5,104	5,505	9,941	-	668
Middleton Community					
Enterprises	208	-	-	-	208
Muckle LLP	8,346	41,785	36,930	3,089	10,112
Newcastle Brown Ale	11	22,353	14,527	2,000	5,837
Newcastle Building Society					
Community	2,678	7,709	5,900	300	4,187
Emma Newton	2,148	3,429	4,924	-	653
North 150	-	20,000	18,000	2,000	-
North East Brewers	2,163	5,265	5,000	-	2,428
Northern Powergrid	1,427	8,149	8,879	-	697
Northumbrian Water	24	5,025	4,835	-	214
PricewaterhouseCoopers	3,807	1,598	-	-	5,405
Prime	6,872	10,626	13,577	-	3,921
P&G	976	34,556	15,384	7,500	12,648
Guy Readman	332	-	-	-	332
Ridley Family	24,136	43,000	40,285	5,500	21,351
Ringtons	7,916	25,715	23,967	-	9,664
Carried forward	326,132	806,999	814,536	59,050	259,545

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

15 Income funds - unrestricted (continued)

	At 1 April 2012 £	Income & transfers £	Grants £	Other outgoings & transfers £	At 31 March 2013 £
Brought forward	326,132	806,999	814,536	59,050	259,545
Rolls-Royce	645	1,098	1,000	-	743
Joseph Rowntree Charitable Trust	40,408	11,171	15,500	10,000	26,079
St Cuthbert's	9,529	931	-	-	10,460
Sage Community	27,036	45,000	35,297	4,500	32,239
Johnnie & Tricia Smith	2,250	1,746	-	-	3,996
Specials Laboratory	2,500	-	2,500	-	-
Barry & Faga Speker	783	2,500	350	550	2,383
Star	4,371	8,434	9,950	1,000	1,855
Roy Stewart	927	354	0	-	1,281
Survive to Thrive	130,158	850	113,654	(60,886)	78,240
TESS	1,798	2,114	1,600	-	2,312
Treeline	1,060	2,207	2,740	-	527
Vaux	1,193	6,997	8,190	-	-
Ward Hadaway	3,892	859	200	-	4,551
Watkin Family	9,494	24,731	27,250	-	6,975
Watson Family	10,226	-	6,500	-	3,726
Willis Charitable	1,199	642	650	-	1,191
Winfield	-	440	-	440	-
Winter Family	2,600	4,020	4,862	-	1,758
Nigel Wright Consultancy	11,000	-	10,000	1,000	-
Other general grant-making funds	299,751	132,052	41,409	99,615	290,779
Total designated funds	886,952	1,053,145	1,096,188	115,269	728,640
Administrative fund	479,964	701,589	-	656,514	525,039
Total Community Foundation	1,366,916	1,754,734	1,096,188	771,783	1,253,679
Total Group	1,366,916	1,754,734	1,096,188	771,783	1,253,679

Income and transfers include £400,200 transferred from the endowment fund to distribute as income on a total returns basis. Other outgoings and transfers consist of credits of £63,310 transferred between funds, less £526,138 staff costs, £651 designated fund expenses and other administrative costs of £308,304.

A number of funds contribute to the Community Foundation's general unrestricted grant fund, including Ian and Jane Gregg, Greggs plc, Sir James Knott Trust, Mitford, Templeton, Tolent, Tyne Tees Television, and two anonymous funds. In addition to the funds listed in restricted and unrestricted funds there are 35 acorn funds, a number of which currently donate their income to other funds. A full listing of acorn funds can be found on our website, www.communityfoundation.org.uk and they will appear in the above analysis once they reach maturity.

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

16 Analysis of Group net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	2013 Total
	£	£	£	£
Investments	-	-	52,669,343	52,669,343
Tangible fixed assets	20,686	-	-	20,686
Current assets	1,464,823	2,826,643	266,430	4,557,896
Current liabilities	(231,830)	(1,043,804)	(125,350)	(1,400,984)
Total net assets	1,253,679	1,782,839	52,810,423	55,846,941

17 Financial commitments

At 31 March 2013 the group had annual commitments under non-cancellable operating leases as follows

	Land & buildings 2013 £	Land & buildings 2012 £
Expiry date		
Within one year	-	-
Within two to five years	69,470	69,470
Over five years	-	-
	69,470	69,470

18 Pensions

The Community Foundation contributes to a number of defined contribution pension schemes. The assets of the schemes are held separately from those of the Community Foundation in independently administered funds. The pension charge represents contributions by the Community Foundation to the funds and amounted to £27,992 (2012 £27,979). Outstanding contributions at 31 March 2013 were £901 (2012 £454).

Community Foundation

serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

19 Subsidiary company and charities

These financial statements are consolidated to include the financial transactions of the following as required under the Statement of Recommended Practice

Tyne & Wear Foundation Limited - wholly owned subsidiary

The Joseph Brough Charitable Trust - sole trustee

Tyne and Wear Foundation Trust - sole trustee

As permitted by section 230 of the Companies Act 1985, and by paragraph 422 of the Statement of Recommended Practice 2005, no separate company Statement of Financial Activities has been presented for the Community Foundation serving Tyne and Wear and Northumberland within these financial statements. The Company's gross income for the year was £6,902,546 (2012 £5,219,753) and its net incoming resources for the year were £336,680 (2012 £447,981 outgoing)

The company made gains on investments of £5,337,287 (2012 £522,827 loss). The company's net increase in funds was £5,673,967 (2012 £970,808 decrease)

The Community Foundation owns the whole of the issued share capital of Tyne & Wear Foundation Limited, a company registered in England. The subsidiary is used to carry out larger fundraising events on behalf of the charity. The company was inactive during the year and therefore the amount gift aided to the Community Foundation was nil (2012 inactive). A summary of results of the subsidiary company is shown below

	Total 2013 £	Total 2012 £
Turnover	-	-
Cost of sales	-	-
Operating profit	-	-
Administrative costs	-	-
Net profit	-	-

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

19 Subsidiary company and charities (continued)

The aggregate of the assets and liabilities was	Total 2013 £	Total 2012 £
Assets	70	70
Liabilities	-	-
Net assets	70	70

The Community Foundation is sole trustee of The Joseph Brough Charitable Trust, a registered charity. All activities of the charity have been consolidated on a line by line basis in the SOFA. A summary of the results of The Joseph Brough Charitable Trust is shown below.

	Total 2013 £	Total 2012 £
Investment income	34,541	33,623
Charitable expenditure	(25,030)	(31,120)
Investment management costs	(730)	(818)
Gains and losses on investments	156,643	(14,432)
Net movement in funds	165,424	(12,747)

The aggregate of the assets, liabilities and funds was

	Total 2013 £	Total 2012 £
Assets	1,459,341	1,293,917
Liabilities	-	-
Funds	1,459,341	1,293,917

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

19 Subsidiary company and charities (continued)

Represented by

	Total	Total
	2013	2012
	£	£
Permanent endowment fund	1,435,348	1,279,435
Restricted funds	23,993	14,482
Funds	1,459,341	1,293,917

The Community Foundation is also sole trustee of Tyne and Wear Foundation Trust, a registered charity. All activities of the charity have been consolidated on a line by line basis in the SOFA. A summary of the results of Tyne and Wear Foundation Trust is shown below.

	Total	Total
	2013	2012
	£	£
Investment income	18,135	21,042
Donations	-	107,495
Investment management costs	(3,844)	(3,105)
Charitable expenditure	(19,854)	(17,961)
Gains and losses on investments	70,224	(10,319)
Net movement in funds	64,661	97,152

The aggregate of the assets, liabilities and funds was

	Total	Total
	2013	2012
	£	£
Assets	738,663	667,317
Liabilities	(7,385)	(700)
Funds	731,278	666,617

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

19 Subsidiary company and charities (continued)

Represented by

	Total	Total
	2013	2012
	£	£
Permanent endowment fund	718,231	651,851
Restricted funds	13,047	14,766
Funds	731,278	666,617

20 Related party transactions

In the ordinary course of the Community Foundation's activities, it has awarded grants to other charities or organisations that have common Trustees/Directors, or whose employees are Directors of the Community Foundation. All grants have been awarded using the same guidelines as any other grant. Directors are always required to declare their interest in any organisation being considered for a grant and do not take part in any such decisions.

Directors and their associated companies donated a total of £82,537 to Community Foundation during the year, (2012 £39,644) to named endowment and revenue funds. Jo Curry is an employee of VONNE, which sublet part of Community Foundation offices and during the year paid £16,221 to cover rent and other office services.

Full details are given below of grants awarded during the year to related charities and organisations.

Organisation	Director involved	Relationship	Total grants
			£
Calvert Trust	Fiona Cruickshank OBE	Trustee	3,116
The Cyrenians	Jo Curry	Trustee	55,298
North Music Trust	Jane Robinson/Fiona Cruickshank OBE	Trustees	612,106
NTC Touring Theatre	John Clough MBE	Director	14,600
Theatre Royal	Colin Seccombe	Committee Member	1,000

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements (continued)

21 Cash flow information for the Group

Reconciliation of net cash flow to movement in net funds

	2013 £
Decrease in cash in the year	(2,143,383)
Increase in short term deposits	2,336,220
Movement in net funds in the year	192,837
Net funds at 1 April 2012	4,266,284
Net funds at 31 March 2013	4,459,121

Analysis of net funds

	1 April 2012 £	Cash flow £	31 March 2013 £
Cash at bank and building society	3,256,784	(2,143,383)	1,113,401
Short term deposits	1,009,500	2,336,220	3,345,720
Net funds	4,266,284	192,837	4,459,121

22 Ultimate controlling party

The Directors do not consider that the Community Foundation (Charity) has an ultimate controlling party because the Community Foundation has a large and wide ranging membership who elect the Board and would be required to agree any changes to the Memorandum and Articles. Due to the structure of the Community Foundation (Charity) the group also does not have an ultimate controlling party.