

Community Foundation
serving Tyne & Wear and Northumberland
(A company limited by guarantee)

**Annual financial statements
for the year ended 31 March 2015**

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 2015

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Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2015

Introduction

The Board present their report and the audited consolidated financial statements for the year ended 31 March 2015.

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 Philanthropy House, Woodbine Road, Gosforth, Newcastle upon Tyne, Tyne & Wear NE3 1DD.

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 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, registered charity number 1004630, which supports and promotes good practice between community foundations in the United Kingdom. The Chief Executive is an elected member of the UK Community Foundations board of trustees. The Community Foundation manages some funding 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 2015 (continued)

Advisers

Chartered Accountants and Statutory Auditors

PricewaterhouseCoopers LLP
5th and 6th Floors
Central Square South
Orchard Street
Newcastle upon Tyne
NE1 3AZ

Main Bankers

Barclays Bank PLC
Newcastle Corporate Services
Barclays House
5 St. Ann's Street
Quayside
Newcastle upon Tyne
NE1 3DX

Investment Managers

Rathbone Investment Management Limited
Earl Grey House
75-85 Grey Street
Newcastle upon Tyne
NE1 6EF

Investec Wealth & Investment
2 Gresham Street
London
EC2V 7QP

Brewin Dolphin
Time Central
Gallowgate
Newcastle upon Tyne
NE1 4SR

CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Solicitors

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

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2015 (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 meets the 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 2015 (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)
- Honorary Officers (Hon)
- Investment & Finance Committee (Inv)
- Philanthropy Committee (Phil)

Members of the Board who served during the year and up to date of signing of the financial statements, including committees on which they served are as follows:

Ashley Winter OBE – Chair elected October 2008	(Hon)
Chris Drinkwater CBE – Deputy Chair to October 2014 co-opted October 2006	(Hon, Phil)
Jo Curry – Deputy Chair from October 2014 co-opted October 2008, elected November 2010	(Phil)
Geoff Hodgson – Deputy Chair co-opted June 2013, elected October 2013	(Hon)
Colin Seccombe - Treasurer elected October 2007, co-opted December 2012	(Inv, Hon)
John Clough MBE co-opted November 2009, elected November 2010	(Inv)
Alastair Conn elected November 2009	(Inv, Hon)
Fiona Cruickshank OBE elected November 2011	(Phil)
Nick Hall appointed October 2013 to represent statutory authorities	(Audit)
Charles Harvey co-opted October 2008	(Phil, Audit)
Dean T. Huggins elected October 2008, retired October 2014	(Phil, Audit)
Daljit Lally appointed October 2014 to represent statutory authorities	(Phil)
Gev Pringle co-opted November 2009, elected October 2012, retired October 2014	(Phil, Audit)
Kate Roe appointed November 2010 to represent statutory authorities, retired October 2014	(Inv)
Sharon Spurling elected October 2014	(Phil)
Jane Robinson appointed March 2012 to represent statutory authorities	(Phil)
Rachel Turnbull co-opted December 2013, retired October 2014	(Inv)
Susan Winfield OBE appointed October 2006, co-opted December 2013	(Audit)
Sally Young elected October 2014	(Audit)

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2015 (continued)

Structure, governance and management (continued)

Jo Curry will retire by rotation at the 2015 Annual General Meeting and is eligible for re-election. John Clough, Chris Drinkwater and Sue Winfield will retire at the 2015 AGM.

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 June 2015. The current office holders are listed in the yearbook and on the Community Foundation's website.

The liability of the members for the debts and liabilities of the company is limited and in the event of the company being wound up would not exceed £1 per member.

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
Sonia Waugh	Chief Operating Officer
Lisa Cappleman	Director of Philanthropy Development
Adam Lopardo	Director of Partnerships
Derry Nugent	Director of Philanthropy Services
Mark Pierce	Director of Policy & Programmes

At the year-end there was a total of 20 staff (full time equivalent 17).

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 2013 based on the following theory of change:

If we grow our endowment and increase our revenue, make best use of our funding knowledge and voice, and enrich the giving experience for donors, whilst carefully stewarding all our resources, then we will better serve our area's communities now and for generations to come.

The strategy is set out under three aims: growth, impact and sustainability.

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2015 (continued)

Objectives and activities (continued)

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 Pen & Palette Club Fund within the North East Fund for the Arts only makes grants to organisations, groups and individuals for activities associated with literature, music and visual arts. 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.

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.

Plans for future periods

Plans for future periods are detailed on pages 8 and 9 of this report.

Strategic report

Achievements and performance

2014-15 was the second year of the Community Foundation's 2013-16 strategy. Achievements and performance against the annual business plan as reviewed by the Board in June 2015 are set out below. More detailed descriptions of activities and their impact are included in the Community Foundation's yearbook.

***Growth:** To have an endowment of £60m by the end of 2016 and to continue bringing in revenue and programme funds. This is so we can better serve our area's communities now and for generations to come with a growing, independent community asset and increased fund distribution.*

- 28 major prospective donors were engaged, 18 new funds established and 2 legacy notifications received.
- Endowment gifts totalled £5.23m, of which £3.28m was from new donors.
- Revenue and programme fund gifts totalled £4.87m, of which £1.01m was from new donors.
- Targets were exceeded for drawing down match from the Community First scheme.

***Impact:** To make the best use of all the tools we have – our funding, our knowledge and our voice – and to enrich the giving experience for our donors. This is so we can maximise the benefits of community philanthropy in our area.*

- During the year 1,433 grants (2014: 1,369) totalling £5.4m (2014: £5.2m) were awarded exceeding the target of £5.0m. Targets were also met for allocating funds across the area of benefit. 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 programmes run in partnership with other funders, including £1,077,200 on behalf of the Henry Smith Charity. The table below shows the breakdown by fund type.

Community Foundation

serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2015 (continued)

Strategic report (continued)

Achievements and performance (continued)

Fund type	No of grants	Total awards
Individual and family funds	412	1,174,980
Corporate funds	313	829,029
Charity and trust funds	214	410,522
Theme and affinity funds	246	356,321
Programme and partnership funds	224	1,818,555
Agency funds (benefiting a named organisation)	24	835,168
Total grants awarded by the full Group	1,433	£5,424,575

- An update to the *Vital Signs* reports for Tyne & Wear and Northumberland was published and activities commissioned around to demonstrate how philanthropy could have an impact around the themes of work and the local economy.

Sustainability: to maintain the real value of our endowment, cover our costs, invest strategically in our people and operations and maintain strong principles and high standards. This is so we can meet our growth and impact goals, whilst remaining effective and efficient.

- The Group endowment value at the year-end reached £67.1m against a year target of £62.8m
- The average total return on the main fund was 13% against a target of 6%.
- 79% of core costs were covered by fund contributions against a target of 71%.
- The former Northern Rock Foundation offices were transferred to the Community Foundation on a part-in-kind grant basis, with the remaining costs met by a gift from a private donor.

Financial review

Net assets at 31 March 2015 were £72.4m (2014: £60.9m). £67.1m of the assets related to endowment funds (2014: £57.9m). The total unrealised and realised gains on investments amounted to £5.5m (2014: £3.6m). There were new donations to the endowment funds during the year of £5.2m (2014: £3.2m), and fees and transfers out of endowment of £1.5m (2014: £1.6m). The expendable endowment fund (charity only), is treated by the Trustees as a long-term capital fund to provide income for future grant-making. Further details of performance of subsidiary undertakings are detailed in note 19. The investments were managed by Investec Asset Management, UBS Wealth Management, Rathbone Investment Management, CCLA Investment Management and Brewin Dolphin, to achieve maximum total returns and provide an agreed amount annually for grant-making. CCLA Investment Management Limited also 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 & Finance Committee monitors the managers' performance in relation to the WM Charity Benchmark and other relevant indices at its quarterly meetings and met with each of the managers at least annually, more regularly with Investec, UBS and Rathbones. The Board reviewed the management of part of the main fund and the ethical fund in October 2014, transferring funds to Rathbones and CCLA. After the year end Investec Asset Management stated that they could no longer manage the investments due to regulatory changes. As a result, the Board agreed to transfer some of the funds to Investec Wealth & Investment and transfer the balance to the funds held with Rathbones.

Annual report for the year ended 31 March 2015 (continued)

Strategic report (continued)

Financial review (continued)

Clear guidelines have been agreed in relation to asset allocation and these are also reviewed by the Investment & Finance Committee quarterly. The Board was satisfied with performance on the funds, the average return on the main fund being 12%, in line with the WM Benchmark. The Committee were content with performance on the other smaller funds.

Incoming resources for the year totalled £12.5m (2014: £7.9m). Grants from public bodies decreased by during £0.5m, due to the ESF Community Grants programme which ended in 2014, and Community First Match Challenge ending during this 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 £5.4m net (2014: £5.1m net). Fundraising events within the charity relates solely to an event held to raise funds for the Women's Fund.

Financial review - 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, less the property, Philanthropy House, for future grant-making and other direct charitable expenditure. The Unrestricted Funds balance at 31 March 2015 of £1,633,309 includes £1,017,829 set aside for designated funds which are solely for future grant-making, and the balance of £615,480 as a general reserve available to meet future administration and development expenditure.

The Board reviewed its reserve level and designated £100,000 of the general reserves to cover potential premises move costs/dilapidations in 2015, and £13,000 for potential grant claw back. The Board 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 and a minimum level based on the same scenario but adjusting some costs during the 12 months and reviews its policy annually. At the year end, the reserve level was the middle of this range.

Plans for future periods

In June 2013 the Board approved a strategy for 2013-16 under the connected aims of growth, impact and sustainability. The intended results the Board wants to achieve over those 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.

Annual report for the year ended 31 March 2015 (continued)

Strategic report (continued).

Plans for future periods (continued)

2015-16 is the last year of the current strategy period and the Board has scheduled an away day to work towards adopting a new strategy from April 2016. In 2015-16, the Board hopes to invest £5.5m in grant-making, with distribution from our endowment, revenue and programme funds. It is also beginning a programme of partnership work supported by Esmeé Fairbairn and Garfield Weston Foundations designed to lever in more resources to benefit the voluntary and community sector in North East England. The Community Foundation will publish *Tyne & Wear's Vital Signs* in autumn 2015 and mark the milestone of awarding £100m in grants since its inception.

Principal risks and uncertainties

The Board receives an annual assessment of risk prepared by the senior staff and agrees steps to manage risk. In December 2014 the Board reviewed its risk policy for determining, managing and reviewing the risks to which the Community Foundation is exposed. The Board will continue to review the risk policy every three years. The risk register is reviewed quarterly and any significant changes reported to the Board. Twice yearly the Audit & Risk Committee scrutinise the risk register. 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 2015 were:

- Stock market crash
- Unable to achieve 6% total return
- Unpopularity of contribution structure changes
- Increase in unmet social needs

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, the Strategic 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 adequate 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.

Community Foundation
serving Tyne & Wear and Northumberland

Annual report for the year ended 31 March 2015 (continued)

Strategic report (continued)

Statement of trustees' responsibilities (continued)

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.

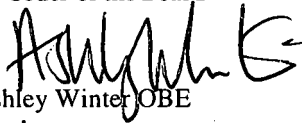
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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.

The Report of the Trustees and the Strategic Report were approved by the Board of Trustees.

By Order of the Board


Ashley Winter OBE
Chair

22 September 2015

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

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2015 and of the group's incoming resources and application of resources, including its income and expenditure and the 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The group financial statements and parent charitable company financial statements (the "financial statements"), which are prepared by Community Foundation serving Tyne & Wear and Northumberland, comprise:

- the group and parent charitable company balance sheet as at 31 March 2015;
- the consolidated statement of financial activities and the consolidated summary income and expenditure account for the year then ended;
- the consolidated cash flow statements for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include other explanatory information.

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).

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 the parent 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Independent Auditors' Report to the Members of Community Foundation
serving Tyne & Wear and Northumberland (continued)**

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Trustees' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of trustees' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

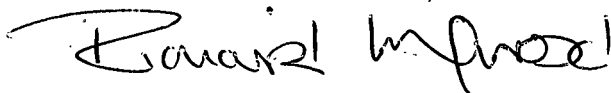
Responsibilities for the financial statements and the audit

Our responsibilities and those of the trustees

As explained more fully in the Statement of trustees' responsibilities, the trustees 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 ISAs (UK & 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 charity'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.



Richard Lingwood (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne

22 September 2015

**Consolidated statement of financial activities
for the year ended 31 March 2015**

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total 2015	Total 2014
		£	£	£	£	£
Incoming resources						
Incoming resources from generated funds:						
Voluntary income:						
Donations		1,227,781	4,131,286	4,735,566	10,094,633	5,507,017
Grants from public bodies		-	-	487,138	487,138	1,025,181
Activities for generating funds:						
Fundraising events		-	13,717	3,449	17,166	18,716
Investment income	1	718,122	1,197,318	-	1,915,440	1,328,238
Other incoming resources		27,208	-	-	27,208	25,400
Total incoming resources		1,973,111	5,342,321	5,226,153	12,541,585	7,904,552
Resources expended						
Costs of generating funds:						
Costs of generating voluntary income	3	207,634	8,404	-	216,038	226,152
Costs of fundraising events	4	3,628	8,715	-	12,343	12,693
Investment management costs		-	-	175,614	175,614	215,807
Charitable activities	5	1,805,899	4,196,921	-	6,002,820	5,930,427
Governance costs	6	114,798	370	-	115,168	96,059
Other resources expended		27,208	-	-	27,208	25,400
Total resources expended		2,159,167	4,214,410	175,614	6,549,191	6,506,538
Net (outgoing)/incoming resources before transfers		(186,056)	1,127,911	5,050,539	5,992,394	1,398,014
Transfers	13-15	539,254	809,379	(1,348,633)	-	-
Net incoming resources before taxation		353,198	1,937,290	3,701,906	5,992,394	1,398,014

Community Foundation
serving Tyne & Wear and Northumberland

**Consolidated statement of financial activities
for the year ended 31 March 2015 (continued)**

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total 2015	Total 2014
		£	£	£	£	£
Net incoming resources before taxation		353,198	1,937,290	3,701,906	5,992,394	1,398,014
Taxation	12	-	-	-	-	-
Net incoming resources before other recognised gains/losses		353,198	1,937,290	3,701,906	5,992,394	1,398,014
Other recognised gains/losses:						
(Losses)/gains on investment assets	8	-	(21,053)	5,511,360	5,490,307	3,638,900
Net movement in funds		353,198	1,916,237	9,213,266	11,482,701	5,036,914
Fund balances brought forward at 1 April 2014		1,280,111	1,746,421	57,857,323	60,883,855	55,846,941
Fund balances carried forward at 31 March 2015		1,633,309	3,662,658	67,070,589	72,366,556	60,883,855

All of the above results are derived from continuing operations. All gains and losses which were incurred in the current year and prior year are included above. There is no difference between the net incoming/(outgoing) 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 2015**

	Notes	2015 £	2014 £
Income - continuing operations			
Donations		5,359,067	3,243,023
Grants from public bodies		-	82,876
Fundraising events		13,717	13,001
Investment income	1	1,915,440	1,328,238
Other income		27,208	25,400
		7,315,432	4,692,538
Expenditure - continuing operations			
Grants	5	5,398,155	5,130,231
Staff costs	7	640,838	619,561
Other costs		334,584	540,939
		6,373,577	6,290,731
Net surplus/(deficit) for the year before transfers, investment asset disposals and taxation		941,855	(1,598,193)
Transfer from endowment fund		1,348,633	1,588,207
Losses on investments		(21,053)	-
Taxation	12	-	-
Net surplus/(deficit) for the year		2,269,435	(9,986)

The total income of £7,315,432 comprises £1,973,111 for unrestricted funds and £5,342,321 for restricted funds as shown in the statement of financial activities. The total expenditure of £6,373,577 comprises £2,159,167 for unrestricted funds and £4,214,410 for restricted funds as shown in the statement of financial activities.

Community Foundation
serving Tyne & Wear and Northumberland

Balance sheets as at 31 March 2015

Registered company number 2273708

	Notes	Group 2015 £	Group 2014 £	Charity 2015 £	Charity 2014 £
Fixed assets					
Endowment fund investments	8	66,898,861	57,658,320	64,373,918	55,380,237
Investments	8	-	-	100	100
Tangible assets	9	755,934	16,060	755,934	16,060
Total fixed assets		67,654,795	57,674,380	65,129,952	55,396,397
Current assets					
Debtors	10	474,264	113,779	465,510	114,735
Cash on short term deposit		2,623,205	2,029,829	2,623,205	2,029,829
Cash at bank and in hand		2,817,810	2,478,870	2,765,975	2,411,867
Total current assets		5,915,279	4,622,478	5,854,690	4,556,431
Creditors: amounts falling due within one year	11	(1,203,518)	(1,413,003)	(1,192,948)	(1,403,253)
Net current assets		4,711,761	3,209,475	4,661,742	3,153,178
Total assets less current liabilities		72,366,556	60,883,855	69,791,694	58,549,575
The funds of the charity:					
Endowment funds	13	67,070,589	57,857,323	64,542,902	55,551,569
Restricted income funds	14	3,662,658	1,746,421	3,615,483	1,717,895
Unrestricted income funds	15	1,633,309	1,280,111	1,633,309	1,280,111
Total charity funds		72,366,556	60,883,855	69,791,694	58,549,575

The financial statements on pages 13 to 41 were approved by the Board on 22 September 2015 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 2015

	Notes	Group 2015 £	Group 2014 £
Net incoming resources before revaluations and taxation		5,992,394	1,398,014
Investment income		(1,875,940)	(1,293,242)
Interest receivable		(39,500)	(34,996)
Receipts of endowment funds		(5,226,153)	(3,212,014)
Depreciation		11,929	7,491
Loss on disposal of investments		(21,053)	-
Increase in debtors		(360,485)	(15,004)
(Increase)/decrease in creditors		(209,485)	12,019
Net cash outflow from operating activities		(1,728,293)	(3,137,732)
Returns on investments and servicing of finance			
Investment income		1,875,940	1,293,242
Interest receivable		39,500	34,996
		1,915,440	1,328,238
Taxation			
Tax paid		-	-
Capital expenditure and financial investment			
Payments to acquire fixed assets		(751,803)	(2,865)
Purchase of investments		(23,105,812)	(22,758,856)
Proceeds from sale of investments		19,376,631	21,408,779
		(4,480,984)	(1,352,942)
Management of liquid resources			
(Increase)/decrease in short term deposits	21	(593,376)	1,315,891
Financing			
Receipts of Endowment Funds		5,226,153	3,212,014
Increase in cash in year	21	338,940	1,365,469

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, 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. All donations are derived from the UK.

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 £ 1,313,610 (2014: £1,531,050) in excess of investment income, was transferred from the endowment fund to restricted (£818,900) and unrestricted (£494,710) funds in the year. A separate agreement operates for Community First funds and any gain above indexed adjusted value is withdrawn from the funds. A total of £1,163 indexed gain was withdrawn during 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 investment properties were fully revalued by property consultants in March 2015 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:

Land and buildings	-	Over 50 years
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 cash flow 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 2015

1 Investment income

	2015	2014
	£	£
Dividends & interest from endowment fund assets	1,875,940	1,293,242
Interest receivable on cash deposits	39,500	34,996
	1,915,440	1,328,238

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 2015 £	Total 2014 £
Staff costs	31,885	747	106,949	11,250	150,831	151,891
Overhead costs	51,879	929	144,971	21,624	219,403	207,496
	83,764	1,676	251,920	32,874	370,234	359,387

Included in overhead costs are the following:	2015	2014
	£	£
Operating lease rentals - land and buildings	69,470	69,470
Loss on disposal of fixed assets	-	-
Depreciation	11,929	7,491

3 Costs of generating voluntary income

	2015	2014
	£	£
Staff costs	119,643	110,333
Direct costs	12,631	37,892
Support costs	83,764	77,927
	216,038	226,152

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

4 Costs of fundraising events

	2015	2014
	£	£
Staff costs	1,968	2,112
Direct costs	8,699	8,766
Support costs	1,676	1,815
	12,343	12,693

5 Charitable activities

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

	2015	2014
	£	£
Grants payable	5,398,155	5,130,231
Staff costs	316,485	304,818
Direct costs	36,260	247,205
Support costs	251,920	248,173
	6,002,820	5,930,427

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

	2015 £	2015 Number	2014 £	2014 Number
Grants approved for payment:				
Other charities & voluntary organisations	5,369,932	1,297	5,107,561	1,198
Individuals	54,643	136	80,346	171
Total new grants awarded in the year	5,424,575	1,433	5,187,907	1,369
Grants cancelled	(26,420)		(57,676)	
Total grant expenditure	5,398,155	1,433	5,130,231	1,369

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 for the year ended 31 March 2015
(continued)

6 Governance costs

	2015	2014
	£	£
Staff costs	51,911	50,407
Auditors' remuneration:		
- Audit services	8,000	7,800
Legal & professional	18,941	2,535
Direct costs	3,442	3,845
Support costs	32,874	31,472
	115,168	96,059

7 Staff costs

Staff costs comprise the following:	2015	2014
	£	£
Wages and salaries	559,816	540,211
Social security costs	51,638	52,514
Other pension costs	29,384	26,836
	640,838	619,561

The average number of employees, excluding Company Directors, employed by the Group during the year was 20 (2014: 21), full time equivalent 16.93 (2014: 17.6). The ratio of the highest salary to the median salary was 2.4:1 (2014: 2.4:1).

None of the Directors received any remuneration during the year (2014: Nil). Three of the Directors received reimbursements for expenses during the year totalling £413 (2014: £393).

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

	2015	2014
	Number	Number
£70,000 to £80,000	1	1

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

8 Investments

Endowment fund investments - Group

At valuation	Listed investments £	Deposit & other cash balances £	Freehold property £	Total £
At 1 April 2014	55,310,811	1,980,008	367,501	57,658,320
Additions/movement in the year	23,318,095	(224,783)	12,500	23,105,812
Disposals in the year	(19,376,631)	-	-	(19,376,631)
Realised gains in the year	(173,127)	-	(1)	(173,128)
Unrealised gains in the year	5,662,088	-	22,400	5,684,488
At 31 March 2015	64,741,236	1,755,225	402,400	66,898,861
At cost				
At 31 March 2015	52,281,793	1,755,225	285,500	54,322,518
At 31 March 2014	45,822,273	1,980,008	273,001	48,075,282
Listed investments are detailed as follows:			2015 Market Value £	2014 Market Value £
UK Fixed Interest			3,641,279	5,420,427
UK Equities			23,787,365	20,650,426
Property			2,319,927	1,585,165
Overseas Fixed Interest			1,072,197	851,329
Overseas Equities			6,557,569	19,943,577
Collective Investment Schemes			26,846,128	4,871,300
Other			516,771	1,988,587
			64,741,236	55,310,811

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

8 Investments (continued)

Endowment fund investments - Charity

At valuation	Listed investments £	Deposit & other cash balances £	Freehold property £	Total £
At 1 April 2014	53,032,728	1,980,008	367,501	55,380,237
Additions/movement in the year	22,916,693	(224,783)	12,500	22,704,410
Disposals in the year	(18,991,836)	-	-	(18,991,836)
Realised losses in the year	(147,460)	-	(1)	(147,461)
Unrealised gains in the year	5,406,168	-	22,400	5,428,568
At 31 March 2015	62,216,293	1,755,225	402,400	64,373,918
At cost				
At 31 March 2015	50,255,636	1,755,225	285,500	52,296,361
At 31 March 2014	43,851,614	1,980,008	273,001	46,104,623

	2015 Market Value £	2014 Market Value £
Listed investments are detailed as follows:		
UK Fixed Interest	3,485,614	5,195,997
UK Equities	23,181,611	19,688,319
Property	2,259,354	1,537,205
Overseas Fixed Interest	1,054,095	695,027
Overseas Equities	6,189,359	19,071,666
Collective Investment Schemes	25,561,798	4,871,300
Other	484,462	1,973,214
	62,216,293	53,032,728

Other investments - Charity

At cost & valuation	Unlisted investments £
At 1 April 2014	100
At 31 March 2015	100

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

8 Investments (continued)

Unlisted investments held by the charity relate to £100 (2014: £100) investment in the subsidiary company Tyne & Wear Foundation Limited at cost. At 31 March 2015, 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 £2,252,744 for the full group (2014: £4,629,998).

The Directors believe that the carrying value of the investments is supported by their underlying net assets. No single investment accounts for more than 5% of the endowment fund investments.

9 Tangible fixed assets

Group and Charity

	Land & Buildings £	Furniture & equipment £	Office improvements £	Total £
Cost				
At 1 April 2014	-	70,808	20,269	91,077
Additions	750,000	1,803	-	751,803
At 31 March 2015	750,000	72,611	20,269	842,880
Accumulated Depreciation				
At 1 April 2014	-	54,748	20,269	75,017
Charge for the year	3,750	8,179	-	11,929
At 31 March 2015	3,750	62,927	20,269	86,946
Net book value				
At 31 March 2015	746,250	9,684	-	755,934
At 31 March 2014	-	16,060	-	16,060

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

10 Debtors

	Group 2015 £	Group 2014 £	Charity 2015 £	Charity 2014 £
Amounts owed by group undertakings	-	-	1,111	7,200
Other debtors	356,777	2,820	356,777	2,820
Dividends and interest receivable	95,286	91,339	85,421	85,095
Prepayments and accrued income	22,201	19,620	22,201	19,620
	474,264	113,779	465,510	114,735

11 Creditors: amounts falling due within one year

	Group 2015 £	Group 2014 £	Charity 2015 £	Charity 2014 £
Amounts owed to group undertakings	-	-	30	-
Other creditors and accruals	49,381	65,721	49,381	65,721
Grants payable	1,154,137	1,341,782	1,143,537	1,332,032
Deferred income	-	5,500	-	5,500
	1,203,518	1,413,003	1,192,948	1,403,253

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.

	2015 £	2014 £
Corporation tax payable	-	-

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

13 Endowment funds

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 2014	57,857,323	55,551,569
Transfers between funds:		
Total returns endowment withdrawal	(1,314,773)	(1,314,773)
Transfers to endowment from income funds	42,159	42,159
Exceptional withdrawal from endowment funds	(76,019)	(76,019)
Net incoming resources before transfers	5,050,539	5,058,859
Gains & losses on investment assets	5,511,360	5,281,107
At 31 March 2015	67,070,589	64,542,902

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 £1,314,773 (including Community First indexed gain) and is shown as a transfer from the endowment fund. A withdrawal of £55,099 was made from the CNL Young People's Fund, £14,126 from the Durham Fund, £5,817 from the Lady Grey Memorial Fund and £977 from WheelchairSteve 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 for the year ended 31 March 2015
(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 2015 have received sufficient funds to return them to credit.

	At 1 April 2014 £	Income & transfers £	Grants £	Other outgoings & transfers £	At 31 March 2015 £
Frank Acfield	755	930	-	-	1,685
Akzo Nobel International Paint	13,276	4,196	17,330	1,300	(1,158)
Allendale Willow	117	-	117	-	-
Amec Foster Wheeler	2,503	6,950	3,500	-	5,953
Asian	6,853	5,505	4,988	-	7,370
Asylum Seekers' Hardship	3,040	-	3,040	-	-
Stuart Ayre	-	1,770	1,770	-	-
Nancy Barbour Award	17,586	5,272	20,000	-	2,858
Barnes Grassroots	3,157	3,041	1,650	-	4,548
Sir Jeremy Beecham	(668)	1,448	1,500	-	(720)
Barbara & Chris Beith	468	233	50	-	651
Bellingham	33	2,489	2,278	-	244
Berwick Academy	7,850	9,007	2,300	-	14,557
Bird Family	200	-	200	-	-
Blackett Family Community First	3,270	3,974	6,648	-	596
Enid Blyton Fund for Seven Stories	-	39,502	39,502	-	-
Bowey Community First	2	-	-	-	2
Ron & Louise Bowey Grassroots	4,860	11,500	15,103	-	1,257
Lawrence Campbell Community First	-	2,859	1,000	-	1,859
Canford Audio	1,780	417	2,089	-	108
Capacitybuilders CPP	5,458	-	-	-	5,458
Chapman	(912)	23,781	22,823	-	46
CNL Young People's	9,350	7,848	64,400	(55,099)	7,897
Comic Relief	5,517	-	-	-	5,517
Comic Relief Community Cash	50,000	72,475	50,000	7,475	65,000
Comic Relief Local Communities	-	54,404	49,234	5,170	-
Comic Relief Large Grant	-	46,933	44,568	2,376	(11)
Community Ventures	431	-	-	199	232
Sir Tom Cowie	10,779	68,848	46,180	-	33,447
Culture Partnerships	53,922	14,989	-	5,820	63,091
John D Grassroots	330	9,650	8,759	-	1,221
Duncan & Sarah Davidson	3,401	3,085	4,500	500	1,486
Pamela and Dorothy Denham	1,172	1,659	1,871	-	960
Pamela Denham Grassroots	741	455	-	-	1,196
Carried forward	205,271	403,220	415,400	(32,259)	225,350

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

14 Income funds - restricted (continued)

	At 1 April 2014 £	Income & transfers £	Grants £	Other outgoings & transfers £	At 31 March 2015 £
Brought forward	205,271	403,220	415,400	(32,259)	225,350
Dicksons'	42	-	-	42	-
David Dockray's West End					
Young People's	3,907	43,080	55,042	-	(8,055)
Do a lotto good - Big Lottery					
Fund Sunderland Echo					
Campaign	-	(4,641)	(4,641)	-	-
Durham	-	1,174	15,300	(14,126)	-
ESF Community Grants	-	-	(280)	-	280
Evangelical	4,092	8,005	11,605	-	492
Evening Chronicle Sunshine	-	5,683	5,683	-	-
Express Enterprise	5,313	1,074	-	-	6,387
Esmée Fairbairn North East	39,230	151,941	146,554	11,550	33,067
FARNE	40,202	22,649	20,544	-	42,307
Fergusons of Blyth	2,821	6,780	9,500	-	101
Fogo Grassroots	12	16,096	9,528	-	6,580
Fourteen	-	20,714	-	3,214	17,500
Give2 Gateshead	650	1,857	1,200	-	1,307
Give2 Newcastle	(553)	5,704	5,073	-	78
Give2 North Tyneside	118	931	-	-	1,049
Give2 Northumberland	663	1,001	950	-	714
Give2 South Tyneside	640	1,457	1,500	-	597
Give2 Sunderland	4,917	7,003	10,934	-	986
David Goldman Awards	948	27,615	28,091	-	472
Allison Greenlees Continuation	-	5,722	3,000	2,722	-
The EDF Energy Green Rigg					
Wind Farm Community Benefit	27,600	39,600	38,000	3,600	25,600
Green Scheme	489	860	-	172	1,177
Lady Grey Memorial	193	146	6,156	(5,817)	-
Grounds Family	247	118	-	365	-
Jackie Haq Fund for Scotswood	539	1,416	1,836	119	-
Heyman Scholarships	6,577	5,023	-	-	11,600
Joy Higginson	3,896	1,515	4,000	-	1,411
High Sheriff of Northumberland	9,198	50,203	37,400	1,142	20,859
Hoult Family Grassroots Acorn	26	1,596	1,700	-	(78)
The HunterPemberton					
Community First	521	2,568	500	-	2,589
If only... Grassroots	2,517	1,030	-	-	3,547
Josephs Family	-	278	250	28	-
JPMorgan	10,000	2,225	-	-	12,225
Pam Katirai Memorial	196	-	196	-	-
Kellett	344,832	341,534	176,173	-	510,193
Kerry Community First	55	-	-	-	55
Kerry Grassroots	5,969	4,131	5,461	-	4,639
June King	-	1,967	1,967	-	-
Latterford	206	539	-	-	745
Lendrum Community First	5,163	1,821	4,575	-	2,409
Carried forward	726,497	1,183,635	1,013,197	(29,248)	926,183

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

14 Income funds - restricted (continued)

	At 1 April 2014	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2015
	£	£	£	£	£
Brought forward	726,497	1,183,635	1,013,197	(29,248)	926,183
Local Environmental Action	28,458	154,928	162,680	(8,141)	28,847
Fausta and Rosemary					
Community First	-	(789)	-	(789)	-
George Loggie	8,333	1,158	-	-	9,491
Lady Betty Martin Fund within the North East Fund for the Arts	2,500	5,179	3,400	2,500	1,779
Maudslay Family Grassroots	550	1,317	1,598	-	269
Grigor McClelland Community First	-	835	-	31	804
Grigor McClelland Memorial	1,242	5,269	6,211	300	-
Muckle LLP Grassroots	2,408	6,900	7,092	-	2,216
NEF Grassroots	426	1,621	2,000	-	47
Newcastle Culture Investment	(134,920)	157,620	-	22,500	200
North East Fund for the Arts	7,469	6,161	10,924	(4,800)	7,506
Northern Angel	18,010	30,758	27,241	3,000	18,527
Northern Powergrid Community Energy Seed	-	57,500	50,000	7,500	-
North Tyneside	689	1,420	2,109	-	-
North Tyneside Women's Aid	21,550	-	5,000	-	16,550
Northumberland Group	37,482	31,561	56,725	-	12,318
Out & About	51,984	467,503	212,039	18,797	288,651
P&G Grassroots	(1)	3,804	3,803	-	-
Partnership programme	-	218,500	-	-	218,500
Patch	22,437	13,895	11,000	10,000	15,332
Pea Green Boat Community First	7,630	29,540	25,300	-	11,870
Pen & Palette Club Fund within the North East Fund for the Arts	-	3,415	2,200	-	1,215
Percy Family	2,195	4,665	800	-	6,060
Philanthropy House	-	753,765	-	3,872	749,893
Platten Family Community First	-	18,892	-	-	18,892
Port of Tyne Community Action	3,000	31,214	57,900	6,100	(29,786)
Prime Grassroots	(1)	15,380	9,780	-	5,599
Prudhoe League of Friends	-	3,478	2,600	-	878
Owen Pugh	-	27,500	25,000	2,500	-
Readman Family Grassroots	25,720	64,574	38,958	-	51,336
Readman Foundation	280,555	2,206	11,000	-	271,761
Carrie Reay	107	-	-	107	-
Carrie Reay Grassroots	905	3,589	3,152	(107)	1,449
REEDS Community First	1	(375)	-	(374)	-
REEDS Grassroots	14,286	13,501	14,540	-	13,247
Riddell Family Community First	5,302	15,930	20,280	-	952
Riding Grange Grassroots	821	3,069	369	-	3,521
Jane Robertson Alnwick	677	700	670	-	707
Brian Roycroft	2,182	5,836	9,072	(5,000)	3,946
RWE Innogy UK Middlemoor					
Wind Farm Community	34,093	91,348	64,568	9,135	51,738
Sage Gateshead	11,883	663,326	667,751	-	7,458
Carried forward	1,184,470	4,100,328	2,528,959	37,883	2,717,956

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

14 Income funds -restricted (continued)

	At 1 April 2014 £	Income & transfers £	Grants £	Other outgoings & transfers £	At 31 March 2015 £
Brought forward	1,184,470	4,100,328	2,528,959	37,883	2,717,956
Sammy Johnson Memorial	-	11,737	11,737	-	-
Share Family	191	-	-	-	191
Shears Grassroots	(1)	6,157	7,404	-	(1,248)
Smail Family	1,103	2,279	1,500	-	1,882
Henry Smith Charity	443,100	1,395,000	1,076,600	-	761,500
Sport Relief	5,616	-	-	-	5,616
Sunderland Industrial & Reformatory School	1,034	1,226	1,150	-	1,110
Surviving Winter	346	20,421	15,960	3,017	1,790
Suz Grassroots	941	1,608	2,500	-	49
Taylor	1,181	19,023	15,487	-	4,717
Thornton Family Grassroots	2,582	3,786	4,250	-	2,118
Three Valleys	146	2,014	1,150	-	1,010
Three Valleys Grassroots	1,105	7,275	4,000	-	4,380
Tiny Lives	-	82,404	82,404	-	-
Treeline Grassroots	197	744	-	-	941
Tyne & Wear High Sheriff Awards	13,154	43,364	30,250	2,675	23,593
Tyne & Wear Grassroots	212	793	1,005	-	-
UK Land Estates	2	-	-	-	2
Virgin Money	3,378	3,395	4,200	2,573	-
Virgin Money Community	-	150,000	74,359	12,427	63,214
Vicky Grassroots	705	1,348	2,050	-	3
Ted Weekes	8,743	12,560	21,298	13	(8)
The Wellesley Trust	-	-	-	-	-
Community First	32,500	182,447	162,536	37,500	14,911
Winter Family Grassroots	3,729	7,578	9,165	-	2,142
CH Wood	2,726	4,798	9,000	-	(1,476)
Women's	9,746	42,561	29,958	12,699	9,650
Young Musician's	989	5,233	4,782	-	1,440
Total Community Foundation	1,717,895	6,108,079	4,101,704	108,787	3,615,483
Joseph Brough Charitable Trust	17,525	36,960	25,610	30	28,845
Tyne and Wear Foundation Trust	11,031	16,182	8,853	-	18,360
Tyne & Wear Foundation Limited	(30)	-	-	-	(30)
Total Group	1,746,421	6,161,221	4,136,167	108,817	3,662,658

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

14 Income funds -restricted (continued)

Income and transfers include credits of £818,900 transferred from the endowment fund to distribute as income on a total returns basis. Other outgoings include transfers between funds of £9,521, realised loss on sale of investment of £21,053, staff costs of £54,320 and other fund expenses and fundraising event costs of £23,923. The Women's Fund includes income from People of Ward Hadaway in memory of Sue Watts fund and Fausta and Rosemary Community First fund, Brian Roycroft fund includes income from the Tessa Hide fund and Tiny Lives fund includes income from the Moor 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 2015 have received sufficient funds to return them to credit.

	At 1 April 2014	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2015
	£	£	£	£	£
Adderstone	10,651	11,796	-	10,000	12,447
Anonymous	2,314	11,852	8,300	-	5,866
Anonymous	2,332	3,127	3,000	-	2,459
Appletree	-	3,375	1,963	-	1,412
Bank of England	800	-	800	-	-
Barley Hill	-	943	-	-	943
Barnes	703	2,084	2,470	-	317
Peter & Angela Barratt	11,615	-	8,218	-	3,397
John Bell	8,452	36,229	35,500	-	9,181
Bellway	1,815	1,554	2,600	-	769
Benfield Motors	4,151	2,625	5,000	-	1,776
Bonas Machine Company	1,009	964	1,200	-	773
Ron and Louise Bowey	31,315	36,880	60,049	-	8,146
The Muriel Campbell	-	1,216	1,100	-	116
Carr-Ellison Charitable Trust	2,538	17,128	17,375	500	1,791
Chrysalis	575	1,111	1,300	-	386
Roland Cookson	14,187	46,808	38,285	3,636	19,074
Coquet	-	10,000	-	1,000	9,000
Crozier	22,040	-	-	22,040	-
John D	-	13,750	12,375	1,375	-
Death of a Nightingale	2,442	-	-	-	2,442
Dickon Trust	-	27,548	9,182	-	18,366
Dulverton	5,277	90,000	86,277	9,000	-
The EDF Energy Renewables	-	66,000	-	6,000	60,000
Barmoor Windfarm					
Community Benefit					
Fogo	1,390	6,576	6,998	-	968
Gateshead Housing					
Company Community	(218)	54,219	44,967	9,000	34
George & Peggy	7,138	4,290	10,654	-	774
Michael & Christine Heppell	7,637	3,054	500	-	10,191
Carried forward	138,163	453,129	358,113	62,551	170,628

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

15 Income funds - unrestricted (continued)

	At 1 April 2014	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2015
	£	£	£	£	£
Brought forward	138,163	453,129	358,113	62,551	170,628
The Hokey Cokey (that's what it's all about)	3,174	1,953	2,000	-	3,127
I'Anson Family	2,378	2,709	3,700	-	1,387
If only...	228	462	-	-	690
RWE Innogy UK Kiln Pit					
Hill Wind Farm Community	291	17,306	15,867	1,730	-
Sir James Knott	-	991	991	-	-
John Laing	(60)	3,887	2,500	-	1,327
Abdul Latif, Lord of Harpole, Memorial	1,056	-	1,056	-	-
William Leech Charity	35,418	21,855	28,088	-	29,185
Leech Challenge	4,847	3,215	2,500	-	5,562
Linden Family	13,033	59,066	71,620	-	479
Helen McArdle	2,750	-	-	-	2,750
Grigor McClelland	22,424	11,969	7,920	19,969	6,504
Daisy Marr	-	14,366	-	-	14,366
Lily Matthews	12,770	-	-	-	12,770
David Mattu	1,250	-	-	-	1,250
Maudslay Family	134	540	402	-	272
G S May Family	1,481	5,924	2,000	-	5,405
Medics for the Community	-	6,250	-	-	6,250
Middleton Community					
Enterprises	207	-	207	-	-
Muckle LLP	11,811	35,353	28,101	2,769	16,294
Newcastle Brown Ale	6,531	24,376	28,907	2,000	-
Newcastle Building Society					
Community	4,274	8,682	2,000	300	10,656
Emma Newton	981	4,747	4,528	-	1,200
North 150	18,000	30,198	18,263	3,000	26,935
North East Brewers	3,982	6,023	11,935	-	(1,930)
Northern Powergrid	488	11,401	11,889	-	-
Northumbrian Water	2,396	5,803	8,200	-	(1)
Platten Family	-	500,000	37,306	12,500	450,194
PricewaterhouseCoopers	2,180	1,826	4,000	-	6
Prime	-	12,031	11,920	-	111
P&G	(963)	52,714	51,751	-	-
Ringtons	21,409	35,039	46,015	-	10,433
Rolls-Royce	987	1,307	-	-	2,294
St Cuthbert's	1,515	1,107	-	-	2,622
Sage Community	33,524	45,000	45,773	5,693	27,058
Henry Smith Charity North					
East Grants	7,500	149,589	224,575	7,500	(74,986)
Johnnie & Tricia Smith	5,976	2,081	5,190	-	2,867
Barry & Faga Speker	2,968	1,215	1,850	-	2,333
Spriggs Family	234	428	-	-	662
Star	(1,670)	9,647	7,250	250	477
Survive to Thrive	41,972	-	41,972	-	-
Carried forward	403,639	1,542,189	1,088,389	118,262	739,177

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

15 Income funds - unrestricted (continued)

	At 1 April 2014 £	Income & transfers £	Grants £	Other outgoings & transfers £	At 31 March 2015 £
Brought forward	403,639	1,542,189	1,088,389	118,262	739,177
TESS	3,662	2,418	5,000	-	1,080
Treeline	731	2,634	2,290	-	1,075
Vaux	468	8,002	8,674	-	(204)
Ward Hadaway	2,570	1,227	2,800	-	997
Watkin Family	8,263	28,013	34,400	-	1,876
Watson Family	3,226	31,250	12,000	3,000	19,476
Weelchair Steve	-	-	977	(977)	-
Willis Charitable	1,661	765	1,000	-	1,426
Winter Family	2,808	6,134	7,050	-	1,892
Robert Wood Trust	5,000	4,327	9,327	-	-
Other general grant-making funds	276,805	137,381	90,081	73,071	251,034
Total designated funds	708,833	1,764,340	1,261,988	193,356	1,017,829
Administrative fund	571,278	703,481	-	659,279	615,480
Total Community Foundation	1,280,111	2,467,821	1,261,988	852,635	1,633,309
Total Group	1,280,111	2,467,821	1,261,988	852,635	1,633,309

Income and transfers include £494,710 transferred from the endowment fund to distribute as income on a total returns basis. Other outgoing and transfers consist of credits of £44,544 transferred between funds, less £586,518 staff costs, £14,472 designated fund expenses and other net administrative costs of £296,189.

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 29 acorn funds at the year end, 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.

16 Analysis of net assets between funds

Group

	Unrestricted funds £	Restricted funds £	Endowment funds £	2015 Total £
Investments	-	-	66,898,861	66,898,861
Tangible fixed assets	9,684	746,250	-	755,934
Current assets	1,875,506	3,863,531	176,242	5,915,279
Current liabilities	(251,881)	(947,123)	(4,514)	(1,203,518)
Total net assets	1,633,309	3,662,658	67,070,589	72,366,556

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

16 Analysis of net assets between funds (continued)

Charity

	Unrestricted funds	Restricted funds	Endowment funds	2015 Total
	£	£	£	£
Investments	-	100	64,373,918	64,374,018
Tangible fixed assets	9,684	746,250	-	755,934
Current assets	1,875,506	3,805,686	173,498	5,854,690
Current liabilities	(251,881)	(936,553)	(4,514)	(1,192,948)
Total net assets	1,633,309	3,615,483	64,542,902	69,791,694

17 Financial commitments

At 31 March 2015 the group had annual commitments under non-cancellable operating leases as follows:

	Land & buildings 2015 £	Land & buildings 2014 £
Expiry date:		
Within one year	42,452	-
Within two to five years	-	69,470
	42,452	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 £29,384 (2014: £26,836). Outstanding contributions at 31 March 2015 were £425 (2014: £249).

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(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

Joseph Brough Charitable Trust - sole trustee

Tyne and Wear Foundation Trust - sole trustee

As permitted by section 408 of the Companies Act 2006, 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 £12,488,443 (2014: £7,882,576) and its net incoming resources for the year were £5,982,065 (2014: £1,412,748).

The company made gains on investments of £5,260,054 (2014: £3,480,475). The company's net increase in funds was £11,242,119 (2014: £4,893,223).

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 (2014: inactive). A summary of results of the subsidiary company is shown below:

	Total 2015 £	Total 2014 £
Turnover	-	-
Cost of sales	-	-
Operating profit	-	-
Administrative costs	-	-
Net profit	-	-

The aggregate of the assets and liabilities was:	Total 2015 £	Total 2014 £
Assets	70	70
Liabilities	-	-
Net assets	70	70

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

19 Subsidiary company and charities (continued)

The Community Foundation is sole trustee of 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 Joseph Brough Charitable Trust is shown below:

	Total	Total
	2015	2014
	£	£
Investment income	41,960	16,532
Charitable expenditure	(30,640)	(23,000)
Investment management costs	(1,290)	(1,359)
Gains on investments	168,501	127,175
Net movement in funds	178,531	119,348

The aggregate of the assets, liabilities and funds was:

	Total	Total
	2015	2014
	£	£
Assets	1,763,820	1,583,689
Liabilities	(6,600)	(5,000)
Funds	1,757,220	1,578,689

Represented by:

	Total	Total
	2015	2014
	£	£
Permanent endowment fund	1,728,375	1,561,164
Restricted funds	28,845	17,525
Funds	1,757,220	1,578,689

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

19 Subsidiary company and charities (continued)

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
	2015	2014
	£	£
Investment income	23,885	18,597
Investment management costs	(7,030)	(4,891)
Charitable expenditure	(16,556)	(20,613)
Gains on investments	61,752	31,250
Net movement in funds	62,051	24,343

The aggregate of the assets, liabilities and funds was:

	Total	Total
	2015	2014
	£	£
Assets	822,783	767,571
Liabilities	(5,111)	(11,950)
Funds	817,672	755,621

Represented by:

	Total	Total
	2015	2014
	£	£
Permanent endowment fund	799,312	744,590
Restricted funds	18,360	11,031
Funds	817,672	755,621

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

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 £235,259 to Community Foundation during the year, (2014: £60,336) to named endowment and revenue funds. Jo Curry was an employee of VONNE during the year, which sublet part of Community Foundation offices and during the year paid £18,012 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	2,500
Carers Northumberland	Sharon Spurling	Employee	7,630
Changing Lives	Jo Curry	Trustee, now employee	57,745
Headstrong Productions T/A Headway Arts	Colin Seccombe	Trustee	2,290
Newcastle University	Charles Harvey	Employee	32,044
North Music Trust	Jane Robinson/Fiona Cruickshank OBE	Trustees	702,612
NTC Touring Theatre	John Clough MBE	Trustee	2,100
VONNE	Jo Curry	Employee	2,839
Young Asian Voices	Dean T. Huggins	Trustee	19,260

Community Foundation
serving Tyne & Wear and Northumberland

Notes to the financial statements for the year ended 31 March 2015
(continued)

21 Cash flow information for the Group

Reconciliation of net cash flow to movement in net funds

	2015 £	2014 £
Increase in cash in the year	338,940	1,365,469
Increase/ (Decrease) in short term deposits	593,376	(1,315,891)
Movement in net funds in the year	932,316	49,578
Net funds at 1 April 2014	4,508,699	4,459,121
Net funds at 31 March 2015	5,441,015	4,508,699

Analysis of net funds

	1 April 2014 £	Cash flow £	31 March 2015 £
Cash at bank and building society	2,478,870	338,940	2,817,810
Short term deposits	2,029,829	593,376	2,623,205
Net funds	4,508,699	932,316	5,441,015

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.