



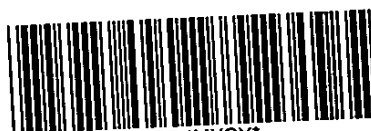
Amending

**Report of the Directors and
Financial Statements
for the Year Ended 31 March 2011**

for

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

**Charity Number: 1111600
Company No: 05442921**



A37

ACD4MXCY

07/09/2011

104

COMPANIES HOUSE

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

**Contents of the Financial Statements
for the Year Ended 31 March 2011**

	Page
Company Information	3
Report of the Trustees	4
Report of the Auditors	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12

**Surrey Community Foundation
(Limited by Guarantee)
Company Information
for the Year Ended 31 March 2011**

PATRON	Mrs S Goad JP, Lord Lieutenant of Surrey
VICE PRESIDENTS:	Sir Stephen Lamport KCVO DL, appointed January 2010 The Rt Rev'd Christopher Hill, appointed September 2010 The Honourable Mrs L Sealy MA, appointed September 2010
TRUSTEES:	Professor Patrick Dowling CBE DL FREng FRS – Chairman Mr Stephen Blunt BA LLM Solicitor - Secretary Mr Matthew Bowcock – Vice Chairman Mr Richard Edmondson FCA, retired September 2010 Dr Helen Bowcock Mr David Frank, appointed June 2010 Mr Peter Hampson CBE The Rt Rev'd Christopher Hill, resigned September 2010 Mr John Lavers, MBE, JP DL, resigned May 2010 Mr Gordon Lee-Steere DL Mr Jim McAllister Mrs Tracey Reddings The Honourable Mrs L Sealy MA, resigned June 2010 Mr Nick Sealy, FCA, appointed September 2010 Mr Andrew Wates DL Mr Richard Whittington, FCA, appointed September 2010 Mr Graham Williams, FCA, appointed September 2010
SECRETARY.	Mr Stephen Blunt BA LLM Solicitor
HON TREASURER	Mr Richard Whittington, FCA
REGISTERED OFFICE	1 Bishops Wharf Walnut Tree Close Guildford Surrey, GU1 4RA
REGISTERED CHARITY NO.	1111600
REGISTERED COMPANY NO:	05442921
AUDITORS:	Alliotts Chartered Accountants & Statutory Auditors Friary Court 13-21 High Street Guildford Surrey GU1 3DL
PRINCIPAL BANKERS:	National Westminster Bank Plc PO Box 113 Cavell House 2a Charing Cross Road London WC2H 0PD
SOLICITORS	Clyde & Co Stoke Road Guildford Surrey GU1 4HA

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

Report of the Trustees for the Year Ended 31 March 2011

Structure, Governance and Management

Governing Document

Surrey Community Foundation is registered as a charity with the Charity Commission and is a company limited by guarantee governed by its Memorandum and Articles of Association dated 26 April 2005. At the year ending 31 March 2011, there were thirteen Trustees, each of whom agrees to contribute a maximum of £10 in the event of the Charity winding up.

Appointment of Trustees

The Directors of the charitable company (the Charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

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

Trustees hold office until the third Annual General Meeting following their appointment when they then retire. A retiring Trustee is eligible for re-election for two further three year periods. The next retiring Trustees in September 2012 are Professor Patrick Dowling, Andrew Wates and Gordon Lee-Steere.

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

During the year ended 31 March 2011, the Community Foundation appointed four new Trustees. The number of retiring Trustees was four of whom two were re-appointed as Vice Presidents.

Trustee Induction and Training

New Trustees are provided with an induction pack and attend an induction session with Trustees and key employees of the Charity. The pack and training session includes the aims, objectives and key activities of the Charity and their legal obligations under charity and company law, including the Charity Commission booklet CC3, 'The Essential Trustee'. Other documents included are the governing document, the latest Trustees' annual report and accounts, current budget and policies, the structure of the Board and committees, the donor development plan and grant making programme.

The Board of Trustees' policy is to undertake on-going training and development including visiting other Community Foundations, organising relevant internal training sessions or attending appropriate external training sessions.

Organisation Structure

The Board of Trustees administers the Charity and meets quarterly. The Trustees during the year under review are shown on page three of this report. The Board has established four sub-committees which meet quarterly between Board meetings, except the Personnel Group which meets at least once a year to review staff pay and conditions and to oversee recruitment and annual staff performance appraisals. The sub-committees include at least three Trustees plus non-trustees appointed by majority vote of Trustees. The sub-committees are:

- Finance & Investment Group
- Donor Development Group
- Grants Policy Group
- Personnel Group

The Board of Trustees appointed an Executive Director to manage the day-to-day operations of the Charity with specific delegated authority approved by the Trustees for operational matters including staffing, finance, governance, fund development and the grants programme.

At the year ended 31 March 2011, the Community Foundation staff were Wendy Varcoe, Executive Director, Roger Williams, Finance Manager (part-time), Fran Everist, Development and Marketing Manager (part-time), Laura Thurlow, Programme Manager, Emma Wolfe, Grants Officer, Louise Phillips, Research and Administration Officer. There were no staff changes during the year. The staff structure has been developed with the Personnel Group to provide the resources to deliver the grant programmes, build donor funds and provide office support.

**Surrey Community Foundation
(Limited by Guarantee)
Report of the Trustees for the Year Ended 31 March 2011**

Risk Management

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

Quality Accreditation

In July 2007, the Charity was awarded the Community Foundation Network Quality Accreditation to standards endorsed by the Charity Commission. In July 2010, the Charity achieved its second Community Foundation Network Quality Accreditation. The Charity has full membership of the Community Foundation Network.

Core Costs

Up until September 2008, the Community Foundation invested the fees earned from managing funds together with bank interest earned to support future core costs. Since September 2008, the Community Foundation's policy has been to use the fees and the income earned to contribute to its core costs. Whilst the Community Foundation relies on grants to support its core costs and enable it to carry out its charitable activities, it is now able to make a contribution to meeting its core costs from fees charged by managing the funds. The Community Foundation's policy is that this proportion will increase each year to enable the Community Foundation to work towards becoming self-financing. At the year ended 31 March 2011, the Community Foundation contributed 35% (30% year ended 31 March 2010) towards its core costs. The remaining costs have been generously supported by Henry Smith Charity, Wates Foundation, Wates Family Enterprise Trust, Surrey County Council, The Evelyn Charitable Settlement and others. Office costs have been provided as a Gift in Kind by Smith & Williamson and the payroll service has been provided as a Gift in Kind by Roffe Swayne.

Public Benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities of the Community Foundation.

The benefits of the Community Foundation are clearly set out below in the Objectives and Activities and in the achievements and performance sections. The Trustees review the activities of the Community Foundation against its aims on an ongoing basis and are satisfied that all the activities continue to focus on achieving its aims. No specific issues of detriment or harm have been identified.

Objectives and Activities

Surrey Community Foundation's overall aim is to improve the lives of Surrey people by building community funds to support the needs of voluntary groups, charities and communities across the County. The Community Foundation aims to build invested funds as well as flow-through funds (Immediate Impact Funds) to ensure continuing funding as a permanent resource to support the needs in Surrey.

The Community Foundation awards grants to local voluntary groups and charities that make a difference to the quality of life in their communities. These grants are allocated from a growing programme of charitable funds established by individuals, families, companies, trusts and other organisations.

Surrey Community Foundation aims to raise the level of giving from private donors, companies and trusts to meet the needs of communities and voluntary groups in Surrey.

The Charity's specific objectives are to

- Provide a comprehensive service to donors through opportunities to give effectively and creatively,
- Manage an efficient and effective community grants programme, and
- Build permanent community funds which generate income year after year to make grants to communities.

Achievements and Performance

The Foundation became operational in September 2005 and during its fifth year of operation the following key activities were achieved.

Donor Development

A total of 6 new funds have been established during 2010-11 resulting in a total of 49 community funds managed by the Charity. Funds include across a range of geographic areas over Surrey including both Flow-through Funds (Immediate Impact Funds) and Endowment Funds (Permanent Funds) where the income generated is used each year to award grants.

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

Report of the Directors for the Year Ended 31 March 2011

The Community Foundation has built its permanent endowment funds to support community needs with donations of cash and shares. A total of £640,649 was received for permanent funds during 2010-11 resulting in a total value of permanent funds of £4,058,217 as at 31 March 2011.

Grants Programme

Surrey Community Foundation awards grants to community and voluntary groups that make a genuine difference to the lives of people in Surrey. To ensure transparent guidelines and advice to community groups, the Community Foundation awards grants within a clear grants policy approved by the Grants Policy Group and Board of Trustees. Grants are assessed against a standard checklist and against the criteria established by donors for each fund.

During 2010-11

- The Charity awarded 225 grants to community and voluntary groups during 2010-11 totalling £590,297. Additional Grassroots Grant payments of £137,008 to community and voluntary groups which had been pre-awarded were also paid out. Since it was established in September 2005, the Charity has awarded 757 grants to voluntary and community groups totalling £2,172,972.
- The grants ranged from £230 to £25,000 supporting a wide range of community needs and types of beneficiaries.
- Grants were awarded to support a range of beneficiaries including children, young people, the elderly, disabled, families and local communities. Projects included community development work, youth projects, community arts events, sports facilities, improving services for elderly and disabled people, equipment for community centres and projects to support parents and children.

Grassroots Programme

Surrey Community Foundation was awarded the Grassroots Grants Programme funding from the Government's Office of the Third Sector (OTS) in July 2008, following a detailed bid in April 2008. Managed nationally by the Community Development Foundation (CDF), a total of £1 million was awarded to Surrey Community Foundation to support small voluntary and community groups in Surrey over 3 years up until March 2011.

A Grassroots Grants Community Panel was established in August 2008 and has been fully operational with monthly panel meetings awarding grants to meet each month's targets. The 3 year programme ended on 31 March 2011.

In addition to the £1 million funding to award Grassroots grants a further £1 million has been awarded for a match challenge to build new endowment funds. The match was on a 1:1 basis with the Grassroots programme funding giving £1 for every £1 donated to new permanent endowment funds. The Community Foundation has successfully met the challenge with the full allocation for the third and final year being claimed in 2010-11.

Promotional

- A promotional programme has been completed including re-designing the website and achieving Surrey-wide press and radio coverage. Key events and activities have been organised and attended to raise the profile of the Community Foundation including evening receptions, exhibitions and presentations.
- Contact with community groups across Surrey has been developed and a database of contacts built using a data management system.

Royal visit

The Community Foundation's achievements were recognised by a visit in February 2011 from His Royal Highness Prince Edward. The Prince visited the Community Foundation's offices and met the Foundation's Chairman, Patron, a Vice President, Trustees, Staff and a number of groups who have benefited from the Community Foundation's support.

Training

- The Charity has developed the range of expertise of staff and Trustees including visits to and from other Community Foundations and attending grant making, financial, media and data-management training.
- The Charity has learned from best practice across the UK by taking part in and contributing to meetings and activities relating to the Community Foundation Network both regionally and nationally.

**Surrey Community Foundation
(Limited by Guarantee)
Report of the Trustees for the Year Ended 31 March 2011**

Financial Review

Investment Powers and Policy

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

During 2010-11, the Charity has built funds both to cover the operational costs of running the Charity, to fund the grant-making programme from donor contributions and to build its permanent community funds. The Trustees have considered a number of options for ensuring maximum returns on these funds and have an approved investment policy which is reviewed annually.

- Funds derived from revenue donations for grants (Flow-Through Funds) and core costs are retained in bank accounts. Monies not immediately required are held in instant access savings accounts (Special Interest Bearing Accounts) and transferred to the current account as required.
- Permanent Funds (Endowment Funds) are invested with Newton Investment Management's Global Growth and Income Fund for Charities (a Collective Investment Fund) and the M & G Charibond. The Board of Trustees monitors the investment managers' performance annually and considers the investment returns, the general service provided and the comparative performance against other investment managers. The investment management appointment will be re-tendered every 5 years, the next due in January 2012.
- In March 2008, the Challice Trust merged with Surrey Community Foundation to create the Haslemere Challice Community Fund. Since the merger, the investments previously held by the Challice Trust have remained with Rensburg Sheppards who previously managed the investments on behalf of the Challice Trust. Rensburg Sheppards also manage two bonds acquired in May 2009 for the Kaye Family Fund - a Fidelity bond and an M & G Corporate bond. During 2010-11, the Haslemere Challice Fund and the Kaye Family Fund bonds have been transferred to the Newton Investment Management's Global Growth & Income Fund and the M & G Charibond.
- In addition to the Funds invested with Newton Investment Management and M & G, Funds were also held in a Charity bond at National Westminster Bank Plc for the Bexington Community Fund at the request of the donors. During 2010-11, this bond matured and the Funds transferred to Newton Investment Management's Global Growth & Income Fund and the M & G Charibond. The Charity also invested for the Kaye Family Fund in March 2009 with CCLA COIF Charities Fixed Interest Fund.

Reserves Policy

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

For staffing and support costs, the Community Foundation aims to build an administrative endowment fund and reserves to cover 6 months staffing and support costs.

Plans for Future Periods

In 2011-12, Surrey Community Foundation plans to build on the success of its first 5 years by significantly increasing both the level of funds available for grant making during the year and building endowment funds to generate yearly income for future grant awards. It will develop separate charitable funds with individual donors as well as develop strategic grant programmes and unrestricted funding.

Donated Services and Volunteers

Surrey Community Foundation has benefited from a number of services and support provided as Gifts in Kind. These include:

- Office accommodation, including telephone, stationery, photocopying, postage and other office facilities from Smith & Williamson in Guildford from December 2008.
- Legal information and advice on personnel, charitable trust and governance issues from the Guildford office of Clyde & Co.
- Accountancy advice and provision of the payroll service from Roffe Swayne in Godalming.

**Surrey Community Foundation
(Limited by Guarantee)
Report of the Trustees for the Year Ended 31 March 2011**

Trustees' responsibilities in relation to the financial statements

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

- Select suitable accounting policies and then apply them consistently,
- Make sound judgements and estimates that are reasonable and prudent, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

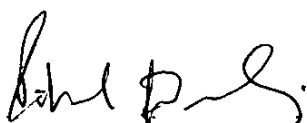
The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets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

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

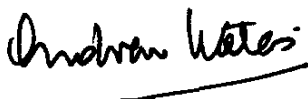
Auditors

A resolution for the reappointment of Alliotts will be proposed at the forthcoming annual general meeting.

By order of the Trustees



Professor Patrick Dowling
Chairman



Andrew Wates
Trustee and
Chairman of Finance and Investment Committee

**Surrey Community Foundation
(Limited by Guarantee)
Independent Auditors' Report
to the Members of Surrey Community Foundation**

We have audited the financial statements of Surrey Community Foundation for the year ended 31 March 2011 which comprise the Statement of Financial Activities, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement, 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 of Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standard for Auditors.

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 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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006.

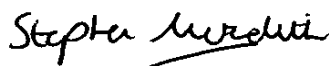
Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



Stephen Meredith FCA
Senior Statutory Auditor
For and on behalf of
Alliotts
Statutory Auditors & Chartered Accountants
Friary Court
13-21 High Street
Guildford, Surrey GU1 3DL
Date

Surrey Community Foundation
(Limited by Guarantee)
Statement of Financial Activities (including income
and expenditure account) for the Year Ended 31 March 2011

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2011 £	Total Funds 2010 £
Incoming Resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income						
Grants and donations	2	106,686	353,940	394,700	855,326	934,094
Grassroots income		74,983	397,717	245,949	718,649	1,033,560
Investment Income	3	4,492	194,685	-	199,177	128,057
Total incoming resources		186,161	946,342	640,649	1,773,152	2,095,711
Resources Expended						
<i>Costs of generating funds:</i>						
Fundraising costs of grants and donations	4	69,062	-	-	69,062	59,510
Investment management fees	4 & 15 1	344	21,126	-	21,470	14,613
<i>Charitable activities</i>						
Grant making & donor development	4	153,133	-	-	153,133	144,260
Grants - General	15 1	-	297,300	-	297,300	218,316
- Grassroots	15 1	-	399,280	-	399,280	400,446
Governance costs	4 & 5	4,320	-	-	4,320	4,113
Total resources expended		226,859	717,706	-	944,565	841,258
Net incoming (outgoing) resources before transfers		(40,698)	228,636	640,649	828,587	1,254,453
Gross transfers between funds	16	80,099	(68,689)	(11,410)	-	-
Other recognised gains and losses						
Realised gains (losses) on investments		36		(22,024)	(21,988)	-
<i>Net income for the year</i>		<i>39,437</i>	<i>159,947</i>		<i>199,384</i>	<i>42,135</i>
Unrealised gains (losses) on investments	11	1,400	-	139,984	141,384	342,683
Net movement in funds		40,837	159,947	747,199	947,983	1,597,136
Fund balances brought forward at 1 April 2010		146,452	136,747	3,311,018	3,594,217	1,997,081
Fund balances carried forward at 31 March 2011	15	187,289	296,694	4,058,217	4,542,200	3,594,217

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

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

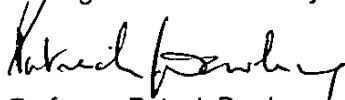
**Balance Sheet as at
31 March 2011**

	Note	2011		2010	
		£	£	£	£
Fixed assets:					
Tangible assets	10		1,076		1,635
Investments	11		4,514,565		3,147,270
			<u>4,515,641</u>		<u>3,148,905</u>
Current assets:					
Debtors	12	89,836		318,863	
Cash at bank		4,177		143,598	
		<u>94,013</u>		<u>462,461</u>	
Creditors: Amounts falling due within one year	13	(67,454)		(17,149)	
Net current assets			<u>26,559</u>		<u>445,312</u>
Net Assets:			<u><u>4,542,200</u></u>		<u><u>3,594,217</u></u>
Represented by					
Unrestricted Fund			187,289		146,452
Restricted Fund			296,694		136,747
Endowment Funds			4,058,217		3,311,018
Total Funds	14		<u><u>4,542,200</u></u>		<u><u>3,594,217</u></u>

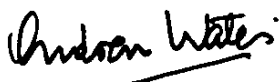
These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The notes at pages 12 to 21 form part of these accounts

The accounts were approved and authorised for issue by the Board on 15 June 2011 and signed on its behalf by



Professor Patrick Dowling
Chairman



Andrew Wates
Trustee and
Chairman of Finance and Investment Committee

**Surrey Community Foundation
(Limited by Guarantee)
Notes to the Financial Statements
for the Year Ended 31 March 2011**

1 ACCOUNTING POLICIES

a) Basis of Preparation

The accounts have been prepared under the historical cost convention, subject to the revaluation of fixed asset investments

The financial statements comply with the Companies Act 2006 and in all material aspects also comply with the Charities SORP 2005, and amendments or variations to it, and the FRSE (April 2008)

b) Company Status

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

c) Fund Accounting

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

Restricted Funds: Flow-through Funds - The aim and use of each restricted fund is set out in note 15.3 to the financial statements. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund.

Restricted Funds: Endowment Funds represent those assets which must be held permanently by the Charity, principally investments. Income arising on the endowment funds can be used in accordance with the objects of the Charity and in line with the relevant Fund Agreement. Any capital gains or losses form part of each fund. Investment management charges relating to the fund are charged against the relevant fund.

d) Incoming Resources

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

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

e) Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in complying with statutory and legal requirements.

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

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

**Surrey Community Foundation
(Limited by Guarantee)
Notes to the Financial Statements
for the Year Ended 31 March 2011**

f) Donated goods and services

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

Where services are provided to the Charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the Charity. Donated services and facilities are detailed on page 7

g) Pension Contributions

The Charity contributes to individual personal pension schemes for the benefit of its employees. The cost of contributions is charged in the statement of financial activities as they accrue

h) Leases

Surrey Community Foundation has no operating leases

i) Tangible Fixed Assets

Individual fixed assets costing £200 or more are capitalised at cost

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

Office Furniture – Over 3 years on a straight line basis
Computer Equipment – Over 3 years on a straight line basis

2 Donations Received

Analysis of donations received

Source	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2011 £	Total 2010 £
Public Sector	27,753	330	67	28,150	60,825
Individuals	91	188,371	344,216	532,678	367,909
Charitable foundations	50,500	124,555	28,837	203,892	415,000
Corporate donors	5,150	40,684	21,580	67,414	67,650
Gifts in Kind	23,192	-	-	23,192	22,710
	<u>106,686</u>	<u>353,940</u>	<u>394,700</u>	<u>855,326</u>	<u>934,094</u>

3 Investment income

	2011 £	2010 £
Interest receivable	2,061	2,390
Dividends receivable	197,117	125,667
	<u>199,177</u>	<u>128,057</u>

**Surrey Community Foundation
(Limited by Guarantee)
Notes to the Financial Statements
for the Year Ended 31 March 2011**

4 Resources Expended – Unrestricted Funds

	Fund Raising	Grant making & Donor Development	Governance Costs	Total 2011	Total 2010
	£	£	£	£	£
Salaries and Social Security (note 6)	48,676	117,358	-	166,034	147,362
Travel	1,026	3,077	-	4,103	3,368
Recruitment Costs	1,398	1,399	-	2,797	7,534
Training	261	781	-	1,042	1,529
Marketing	8,539	2,846	-	11,385	8,773
Printing and Stationery	171	512	-	683	4,495
Computer costs	1,110	3,332	-	4,442	3,779
Insurance	216	649	-	865	640
Fees and Subscriptions	1,110	3,329	-	4,439	1,592
Depreciation (note 5)	356	1,069	-	1,425	1,256
Miscellaneous	401	1,731	-	2,132	732
Audit fee (note 5)	-	-	4,320	4,320	4,113
	<u>63,264</u>	<u>136,083</u>	<u>4,320</u>	<u>203,667</u>	<u>185,173</u>
Gifts in Kind	5,798	17,394	-	23,192	22,710
Total	69,062	153,477	4,320	226,859	207,883

5 Net Incoming/(Outgoing) Resources

These are stated after charging:

	2011 £	2010 £
Auditors' Remuneration	4,320	4,113
Depreciation on owned assets	<u>1,425</u>	<u>1,256</u>

6 Analysis of staff costs

	2011 £	2010 £
Salaries	143,520	127,880
Social security costs	13,995	12,303
Pension costs	8,519	7,179
	<u>166,034</u>	<u>147,362</u>

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

7 Staff numbers

The average number of full-time equivalent employees during the year was as follows

	2011	2010
Fund-raising	1 45	1 22
Administration and management of the Charity	3 50	3 37
	<u>4 95</u>	<u>4 59</u>

**Surrey Community Foundation
(Limited by Guarantee)
Notes to the Financial Statements
for the Year Ended 31 March 2011**

8 Trustees' Remuneration

The Trustees neither received nor waived any emoluments during the year (2010 – nil)

No out of pocket expenses were paid to any Trustees during the period (2010 – nil)

9 Taxation

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

10 Tangible Fixed Assets

	Computer Equipment £	Office Furniture £	Total 2011 £
Cost:			
At 1 April 2010	6,569	4,405	10,974
Additions	866	-	866
At 31 March 2011	7,435	4,405	11,840
Depreciation:			
At 1 April 2010	4,934	4,405	9,339
Charge for year	<u>1,425</u>	<u>-</u>	<u>1,425</u>
At 31 March 2011	<u>6,359</u>	<u>4,405</u>	<u>10,764</u>
Net Book Value:			
At 31 March 2011	<u>1,076</u>	<u>-</u>	<u>1,076</u>
At 31 March 2010	<u>1,635</u>	<u>-</u>	<u>1,635</u>

All tangible fixed assets were used for charitable purposes

11 Investments

	Bank Balances £	Investment Funds £	Total £
At 1 April 2010	215,884	2,931,386	3,147,270
Additions at cost	204,862	2,041,100	2,245,962
Disposals at cost	-	(1,020,051)	(1,020,051)
Surplus on revaluation to market value	<u>-</u>	<u>141,384</u>	<u>141,384</u>
At 31 March 2011	<u>420,746</u>	<u>4,093,819</u>	<u>4,514,565</u>
		2011 £	2010 £

Investment funds are held and managed by

Newton Investment Management Ltd – Global Growth & Income Fund for Charities

3,462,441

1,476,444

M & G Securities Ltd – Charibond Fixed Interest Common Investment Fund

403,906

734,972

Rensburg Sheppards Investment Management Ltd

172,792

617,630

CCLA Investment Management Limited

49,199

49,870

National Westminster Bank Plc – Bank deposits

420,746

262,873

Miscellaneous equities

5,481

5,481

4,514,565

3,147,270

Analysis of investments

	£
UK Equities	1,741,608
Non UK Equities	1,128,756
Government	696,862
Other Fixed Interest Investments	253,810
Cash	557,034
Other investments	136,495
Total	<u>4,514,565</u>

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

**Notes to the Financial Statements
for the Year Ended 31 March 2011**

12 Debtors

	2011	2010
	£	£
Income tax recoverable	29,989	4,066
Prepayments	2,276	2,547
Accrued income	42,595	312,250
Miscellaneous Debtors	14,976	-
	<u>89,836</u>	<u>318,863</u>

Accrued income included £nil (2010 - £287,478) Grassroots Match and £42,595 (2010 – £24,772) investment income

13 Creditors: amounts falling due within one year

	2011	2010
	£	£
Trade Creditors	5,179	5,539
Other creditors	22,306	4,269
Grants payable	16,283	2,280
Accruals	5,686	5,061
Deferred Income	18,000	-
	<u>67,454</u>	<u>17,149</u>

14 Analysis of Net Assets between Funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2011 £	Total 2010 £
Fund balances at 31 March are represented by					
Tangible fixed assets	1,076	-	-	1,076	1,635
Investments	214,940	241,928	4,057,697	4,514,565	3,147,270
Current assets	4,614	88,879	520	94,013	462,461
Creditors	(33,341)	(34,113)	-	(67,454)	(17,149)
	<u>187,289</u>	<u>296,694</u>	<u>4,058,217</u>	<u>4,542,200</u>	<u>3,594,217</u>

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

Notes to the Financial Statements for the Year Ended 31 March 2011

15 Analysis of Funds
15.1 Restricted Funds

	At 1 April 2010 £	Incoming Resources £	Resources Expended £	Transfers (note 16) £	At 31 March 2011 £
Veolia Three Valleys Water Fund	102	-	(102)	-	-
Dunsfold Park Fund	1,624	10,000	(4,000)	(750)	6,874
Hazelhurst Fund	3,319	83,909	(65,473)	(6,769)	14,986
Surrey Community Fund	2,016	4,493	(5,521)	(719)	269
Birtley House Fund	2,640	1,816	-	(136)	4,320
Surrey Sports Fund	2,339	17,100	(13,745)	(1,283)	4,411
East Court Fund	2,506	15,000	(12,400)	(1,125)	3,981
Village Developments Community Fund	6	-	-	-	6
Ockley Grants Fund	3,535	3,859	-	(1,278)	6,116
Surrey Community Foundation Arts Fund	730	4,483	(3,300)	712	2,625
Bexington Grants Fund	3,284	974	(3,945)	(159)	154
Peaslake Village Community Fund	401	1,135	(614)	(409)	513
Sealy Fund	1,010	-	-	(1,010)	-
Rake Community Fund	8,859	-	(7,096)	-	1,763
Surrey Chambers of Commerce Community Fund	1,323	6,412	(6,310)	(481)	944
Clyde & Co Fund	-	16,256	(15,000)	(1,019)	237
The Kaye Family Fund	6,409	34,624	(31,869)	(7,009)	2,155
Horley Edmonds Community Fund	3,504	4,679	(2,000)	(2,825)	3,358
Hamilton Community Fund	511	15,000	(11,140)	(1,125)	3,246
Electronic Arts Educational Fund	7,550	-	(1,280)	-	6,270
Haslemere Challice Community Fund	3,595	19,612	(11,730)	(4,403)	7,074
Chiddingfold Community Fund	-	1,183	(915)	-	268
Comic Relief Fund	1,247	36,000	(33,299)	(3,816)	132
The Orchid Trust Fund	26,572	-	(15,814)	-	10,758
Electronic Arts Youth Fund	9,250	-	(1,000)	-	8,250
Horsleys Community Fund	4,750	1,282	-	(64)	5,968
Hidden Surrey Fund	-	52	(20)	-	32
Sanofi-aventis Fund	-	7,000	(2,640)	(525)	3,835
Dancer Fund	-	128,205	(13,773)	(9,615)	104,817
Travers Cox Fund	-	10,000	-	(750)	9,250
GRASSROOTS					
Grassroots Grants – OTS via CDF	1,564	397,716	(399,280)	-	-
Electronic Arts Grassroots Education Fund	360	1,654	-	(504)	1,510
Hazelhurst Grassroots Fund	4,187	6,502	-	(1,784)	8,905
Haslemere Grassroots Fund	3,116	3,901	(1,000)	(1,070)	4,947
Tandridge Grassroots Fund	558	2,184	(800)	(675)	1,267
Hambledon Grassroots Fund	1,335	2,656	(1,855)	(781)	1,354
NIBS Grassroots Fund	722	9,977	(6,074)	(2,689)	1,935
Surrey Arts Grassroots Fund	415	983	-	(271)	1,127
Hamilton Grassroots Fund	616	1,458	-	(403)	1,671
Bexington Grassroots Fund	762	2,722	(2,712)	(772)	-
Runnymede Grassroots Fund	301	4,564	(2,300)	(1,551)	1,014
Chiddingfold Community Grassroots Fund	364	3,295	-	(1,080)	2,579
The Orchid Trust Grassroots Fund	519	7,904	-	(2,530)	5,893
The Bryn Sirol Grassroots Fund	728	14,433	(9,950)	(3,137)	2,074
Surrey Community Grassroots Fund	-	733	(489)	(244)	-
Electronic Arts Youth Grassroots Fund	-	1,280	-	(443)	837
Mamie Mollan Grassroots Fund	-	6,905	(3,900)	(2,509)	496
Lawther Grassroots Fund	-	7,921	(5,234)	(1,791)	897
Horsleys Grassroots Fund	-	1,004	-	(353)	651
East Court Grassroots Fund	-	6,572	-	(1,544)	5,028
Sub total	112,629	907,438	(696,580)	(68,689)	254,798
Investment management fees	-	21,126	(21,126)	-	-
Accrued income	24,118	17,778	-	-	41,896
Sub total	24,118	38,904	(21,126)	-	41,896
TOTAL	136,747	946,342	(717,706)	(68,689)	296,694

**Surrey Community Foundation
(Limited by Guarantee)
Notes to the Financial Statements
for the Year Ended 31 March 2011**

15.1 Restricted Funds continued

The Charity is required to disclose management fees charged by investment managers. These charges are deducted on a percentage basis prior to the payment of dividends and are shown as a total at the bottom of the schedule of funds.

The Charity is also required to accrue for dividends payable at the balance sheet date but not received until after. This is shown at the bottom of the schedule of funds.

Resources expended comprise grants made of £696,580 (2010 - £618,762) all of which were made to charities and voluntary groups.

15.2 Endowment Funds

	At 1 April 2010	Incoming Resources	Gains/ (Losses) on Investments	Transfers (Note 16)	At 31 March 2011
	£	£	£	£	£
Hazelhurst Endowment Fund	42,282	-	1,444	-	43,726
Surrey Community Endowment Fund	33,989	-	1,161	-	35,150
Surrey Community Arts Fund	22,730	10,307	260	-	33,297
Ockley Fund	87,832	-	2,999	-	90,831
Peaslake Village Community Fund	27,813	-	1,068	-	28,881
Bexington Endowment Fund	40,582	-	1,174	-	41,756
The Kaye Family Fund	706,732	-	7,000	-	713,732
Haslemere Challice Community Fund	446,238	-	23,556	-	469,794
Horley Edmonds Community Fund	102,491	-	580	-	103,071

GRASSROOTS

Hambledon Grassroots Fund	56,006	9,295	1,073	-	66,374
Hazelhurst Grassroots Fund	141,755	-	56	-	141,811
Haslemere Grassroots Fund	85,053	-	34	-	85,087
Tandridge Grassroots Fund	42,518	21,651	1,780	-	65,949
NIBS Grassroots Fund	216,934	-	(547)	-	216,387
Electronic Arts Educational Grassroots Fund	41,864	-	1,268	-	43,132
Hamilton Grassroots Fund	31,822	-	50	-	31,872
Surrey Grassroots Arts Fund	21,443	-	32	-	21,475
Bexington Grassroots Fund	59,640	-	353	-	59,993
Runnymede Grassroots Fund	67,151	62,401	6,263	-	135,815
Surrey Community Grassroots Fund	17,821	-	443	-	18,264
Chiddingfold Comm Grassroots Fund	55,435	59,869	3,573	-	118,877
The Orchid Trust Grassroots Fund	175,957	-	4,989	-	180,946
The Bryn Sirol Grassroots Fund	252,601	201,778	19,766	(5,000)	469,145
Electronic Arts Youth Grassroots Fund	39,890	-	1,583	-	41,473
Mamie Mollan Grassroots Fund	194,320	-	7,814	-	202,134
Lawther Grassroots Fund	265,200	3,693	10,244	-	279,137
Horsleys Community Grassroots Fund	34,919	15,245	1,924	-	52,088
East Court Grassroots Fund	-	256,410	18,020	(6,410)	268,020
	3,311,018	640,649	117,960	(11,410)	4,058,217

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

**Notes to the Financial Statements
for the Year Ended 31 March 2011**

15.3 Description of Funds

Specific Funds

Name of Fund	Description, nature and purpose of fund
Bexington Community Funds	A Permanent Fund for young people and building capacity and skills in Elmbridge and N E Surrey A further Permanent Fund was established in February 2009 under the Grassroots programme
Birtley House Fund	Established to support communities in North and South West areas of Surrey including older people, training and development, inter-generational projects and environmental projects
Bryn Sirol Grassroots Community Fund	A Permanent Fund established under the Grassroots Endowment programme to support communities in East Surrey
Chiddingfold Grassroots Community Fund	A Flow-through Fund to support communities in Chiddingfold A Permanent Fund was also established under the Grassroots Endowment programme to support communities in Chiddingfold
Clyde & Co Fund	A Flow-through Fund to support communities in Guildford and the surrounding area
Comic Relief Fund	A funding programme to address social disadvantage across Surrey
Dancer Fund	A Flow-through Fund to support providing support to disadvantaged people of all ages across Surrey
Dunsfold Park Fund	A Flow-through Fund established by Dunsfold Park Limited to support communities in Cranleigh and surrounding villages including children, young people, education and leisure projects
East Court Fund	A Flow-through Fund to support young people, skills and older people in the Leatherhead and surrounding areas A Permanent Fund was also established under the Grassroots Endowment programme
Electronic Arts Educational Fund	A Flow-through Fund to support educational programmes for children and young people up to 18 years old in the Guildford and surrounding area A further permanent fund was established under the Grassroots Endowment programme
Electronic Arts Youth Fund	A Flow-through Fund to support young people in Guildford A Permanent Fund to support young people in Guildford was also established under the Grassroots Endowment programme
Esher Neighbourhood Fund	A permanent Fund to support communities in Esher The Fund is supported under the Neighbourhood Challenge programme funded by NESTA and Big Lottery
Grassroots Grant Programme	Part of a national grants programme to support small, voluntary-led community groups to build stronger, more active communities The programme is funded by the Office of the Third Sector and is managed nationally by the Community Development Foundation The Grassroots Programme came to an end on 31 st March 2011
Hambledon Grassroots Community Fund	A Permanent Fund to support community projects in Hambledon under the Grassroots Endowment programme
Hamilton Community Fund	A Flow-through Fund to support disadvantaged children, educational projects and communities in Guildford, Camberley, Elmbridge and surrounding areas A further permanent fund was established in February 2010 under the Grassroots programme
Haslemere Challice Community Fund	A Permanent Fund to benefit communities in Haslemere and the surrounding area

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

**Notes to the Financial Statements
for the Year Ended 31 March 2011**

Name of Fund	Description, nature and purpose of fund
Haslemere Grassroots Community Fund Hazelhurst Funds	A Permanent Fund established under the Grassroots Endowment programme to support communities in Haslemere A Flow-through and Permanent Fund established by the Hazelhurst Trust to support local communities in Haslemere, Farnham and Godalming including rural, education, environment, leisure and disability projects A further permanent Fund was established in September 2009 under the Grassroots Programme
Hidden Surrey Fund Horley Edmonds Community Fund	A Flow-through Fund to support disadvantaged people in Surrey A Permanent Fund to support community projects in Horley
The Horsleys Grassroots Community Fund	Established as a permanent Fund under the Grassroots Endowment programme to support communities in East and West Horsley
The Kaye Family Fund	Established as a permanent Fund to support young people, sports and recreation
Lawther Grassroots Community Fund	Established as a permanent Fund under the Grassroots Endowment programme to support communities in Surrey
Mamie Mollan Grassroots Community Fund	Established as a permanent Fund under the Grassroots Endowment programme to support people at a time of need or crisis in SW Surrey
Neighbourhood Challenge Programme NIBS Grassroots Fund	A programme to support innovative community development in Lower Green in Esher, funded by NESTA and Big Lottery Established as a permanent Fund under the Grassroots Endowment programme to support projects that improve the health of communities in Surrey
Ockley Fund	Established as a permanent Fund to support rural and village community projects in Ockley including youth, education, church, disabled, medical, facilities & social projects from the income generated
The Orchid Trust Grassroots Fund	A Flow-through Fund to support environmental projects A Permanent Fund was also established under the Grassroots Endowment programme to support environmental projects
Peaslake Village Community Fund Rake Community Fund	A Permanent Fund established to support community benefit in Peaslake A Flow-through Fund to support environmental and community projects in the Godalming, Guildford and surrounding area
Runnymede Grassroots Community Fund	A Permanent Fund established under the Grassroots Endowment programme to support communities in Runnymede
Sanofi-aventis Community Fund	A Flow-through Fund to support health in the community and to help children and young people in the Guildford area and across Surrey
The Sealy Fund	A Flow-through Fund to support communities in Surrey This fund was closed by 31 st March 2011
Surrey Community Arts Fund	A Permanent Fund to support Community Arts across Surrey
Surrey Grassroots Arts Fund	A Permanent Fund established under the Grassroots Endowment programme to support Arts projects that benefit communities in Surrey

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

**Notes to the Financial Statements
for the Year Ended 31 March 2011**

Name of Fund	Description, nature and purpose of fund
Surrey Chambers of Commerce Community Fund	A Flow-through Fund to support young people to retain or gain employment and to develop capacity and skills within communities in Surrey
Surrey Sports Fund	A Flow-through Fund to support Sport in Surrey
Tandridge Grassroots Community Fund	A Permanent Fund established under the Grassroots Endowment programme to support communities in Tandridge
Travers Cox Fund	A Flow-through Fund to support young people in Surrey
Veolia Three Valleys Water Fund	The Fund will prioritise environmental projects which conserve or improve the wildlife value of Surrey and which improve community access to and awareness of the environment in North West areas of Surrey. This Fund was closed by 31 st March 2011
Village Developments Community Fund	A Flow-through Fund established for East Surrey, areas of benefit are health, sport & recreation and community facilities
General Funds	
Surrey Community Endowment Fund	A Permanent Fund to support communities across Surrey
Surrey Community Fund	A Flow-through Fund to support communities across Surrey
Surrey Community Grassroots Fund	A Permanent Fund established under the Grassroots Endowment programme to support communities across Surrey
Surrey Community Foundation Core Costs Fund	A Permanent Fund to support the core costs of the Community Foundation

16 Transfers between funds

£80,099 (2010 - £62,000) was transferred from the restricted and endowment funds in favour of the unrestricted fund to reflect management charges for maintaining the funds in accordance with the donor agreements