

# **The South Yorkshire Community Foundation**

Trustees' Report and Financial Statements

For the year ended 31 March 2010



Grant Thornton

**Charity no 517714**

## General information

**Charity number:** 517714

Established by a Declaration of Trust on 29 May 1986 by the Founder Trustees - Lieutenant Colonel James Hugh Neill, CBE, KCVO, TD, JP, The late Richard Aldred Lumley Earl of Scarborough DL and the late David Russell Brayshaw LTB.

**President:** David Moody Appointed June 2004  
Lord-Lieutenant of South Yorkshire

**President Emeritus:** Sir Hugh Neill KCVO CBE TD

**Vice Presidents:** Peter W Lee CBE Appointed 1997  
(formerly Trustee 1985 - 1997)  
Martin P W Lee MBE Appointed May 2007  
(formerly Trustee 1998 - 2006)

**Honorary Vice Presidents:** Lord (Roy) Mason of Barnsley PC DL  
Bishop of Doncaster, Rt Rev Cyril Ashton  
Bishop of Hallam, Rt Rev John Rawsthorne  
Bishop of Sheffield, Dr Steven J Croft  
High Sheriff of South Yorkshire  
Mayor of Barnsley  
Mayor of Doncaster  
Mayor of Rotherham  
Lord Mayor of Sheffield  
Chair of Methodist Church, Sheffield District  
Director of the Baptist Mission  
Master Cutler  
Chief Constable of South Yorkshire

**Chairman:** Jonathan Hunt OBE TD DL Appointed May 2005

## General information

<b>Permanent Trustees:</b>	Isadora Aiken OBE DL  Frank Carter Jackie Drayton Galen Ives  Christopher J Jewitt DL Michael J Mallett FCA Sue Scholey DL Maureen Shah Alan Sherriff MBE Lady R Sykes Peter Hollis FCA	November 2005 (Member Trustee 1994 - 2005) May 2007 May 2007 November 2007 (Member Trustee October 1998 - 2004, permanent from November 2008) August 1998 February 2003 July 2008 January 2004 July 2008 April 2003 July 2009
<b>Member Trustees:</b>	R Giles Bloomer OBE, DL, BSc, PhD, MICE Timothy M Greenacre Allan Jackson Jane Kemp Jane Marshall	November 2006  April 2003, re-elected 2006 July 2008 November 2006 November 2006
<b>Address of the Trustees:</b>	Unit 3 - G1 Building 6 Leeds Road SHEFFIELD S9 3TY	
<b>Senior Management Team:</b>	Pauline Grice MBE, CPFA, AIBA Sandra Mullins	Chief Executive Operations Manager
<b>Auditor:</b>	Grant Thornton UK LLP Chartered Accountants Registered Auditors 2 Broadfield Court SHEFFIELD S8 0XF	

## General information

**Bankers:**

HSBC Bank PLC  
50 Upper Hanover Street  
SHEFFIELD  
S3 7RL

CAF Bank Ltd  
25 Kings Hill Avenue  
West Malling  
KENT  
ME19 4JQ

Natwest PLC  
42 High Street  
SHEFFIELD  
S1 1QG

Yorkshire Bank PLC  
Fargate  
SHEFFIELD  
S1 1LL

**Investment Advisors:**

Rensburg Sheppards Investment Management  
61 Napier Street  
SHEFFIELD  
S11 8HA

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# Trustees' report

## Structure, Governance and Management

South Yorkshire Community Foundation is a registered charitable Trust established to inspire local giving by businesses, individuals, trusts and government, and to distribute funds to local voluntary and community groups across Barnsley, Doncaster, Rotherham and Sheffield. SYCF was created in 1986 by a Deed of Trust for and by the people of Barnsley, Doncaster, Rotherham and Sheffield.

The Foundation exists to distribute funds to local voluntary and community groups across South Yorkshire with two objectives in mind:

- To transform the lives of people facing hardship and other barriers by awarding grants to local groups across the region.
- To make communities across South Yorkshire better places in which to live and work.

Within the trust deed, the following are the stated objects of South Yorkshire Community Foundation:

**“The objects of the Foundation shall be the promotion of any charitable purposes (1) principally for the benefit of the community in the Area and (2) exceptional circumstances throughout the UK as a whole; and in particular (but without prejudice to the generality of the foregoing): the advancement of education, the promotion of good health and the relief of poverty and sickness.”**

SYCF is run by a Board of Trustees which is responsible for setting the strategic direction of the organisation, for establishing policy and for maintaining proper governance. It meets at least quarterly and comprises representatives of the public, private and voluntary sectors.

In furtherance of its aims, the Trustees delegate oversight of their interests to an **Executive Board** which is a sub-board of the Trustees under the Chairmanship of Jonathan Hunt, supported by the Chief Executive and the Operations Manager. This group meets every six weeks, and reports to the Trustees. Other boards from time to time may be set up under the control of the Executive Board, to look at specific aspects of the Foundation's development. Terms of reference and remit are adopted for each of these.

The Board delegates responsibility for the day-to-day operational management of the organisation to the Chief Executive. The post is directly responsible to the Board, and the Operations Manager acts as Company Secretary. Below the Chief Executive are a team of staff across the functions – Grantmaking, Development (which includes Marketing & Communications and Partnerships & Philanthropy) and Finance & Administration.

In addition the trustees delegate oversight of grant applications to grant panels as follows:

**Regular grant panels in Barnsley, Rotherham, Doncaster, Sheffield North and Sheffield South** attended by volunteer assessors from the local community and staff and on which the trustees are represented.

**Fairshare grant panels in Kimberworth Park, Stainforth and Monk Bretton** which is attended by volunteer assessors from the local community and staff and on which the trustees are represented.

**Special grant panels** meet to consider applications for new South Yorkshire-wide funds such as the ERDF Access fund, Modernisation Fund and Targeted Support Fund with appropriate trustee and staff representation as well as representation by SY communities.

# Trustees' report

## Trustees' recruitment and appointment

Permanent trustees are initially nominated and seconded by existing Trustees and are elected into post at a suitable meeting of the full Trustee Board. Member trustees are nominated by the members and approved by the Board of Trustees. Member Trustees serve a term of three years and can be re-elected twice. There are no entitlements to appoint trustees vested in the hands of any other organisation, however there are honorary Vice President posts which do not have voting rights, which are filled annually from particular positions of responsibility within the area. Trustees follow a personal induction programme and are given a Trustee Handbook on appointment. All of the trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustees' expenses are disclosed in note 4 to the financial statements.

The Foundation is also supported by a strong army of volunteers. These people give up their time to support the aims of the Foundation through fundraising, decision making and assessments for our grant-making panels and project work. Without their contributions, much of what we have achieved would simply not be possible.

## Network organisations

The organisation has a strong relationship with the Community Foundation Network (CFN), the network organisation that represents Community Foundations in the UK. An annual subscription is paid to them for support, and the Foundation attends the biennial CFN Conference to keep up to date with developments in the sector. Notwithstanding this, both SYCF and CFN are independent bodies. There is regular networking between Community Foundations and representatives of the organisation attend such forums as Northern Directors, Digits User Groups and Fair Share Programme Network. The Foundation supports the development of a strong Community Foundation presence throughout the UK, and subscribes to the Quality Standards agreed between CFN and the Charity Commission for Community Foundations, and currently holds Quality Accreditation via the Charity Commission obtained in September 2007 for 3 years.

## Key Partnerships

South Yorkshire Community Foundation maintains a relationship with Key Fund Yorkshire Ltd, which it launched eight years ago in conjunction with SCEDU and the Development Trusts Association.

All three parties hold 1/3 share of the Key Fund, and nominate 2 Directors each to serve on the board of Key Fund. The nominated directors for the Foundation are Jonathan Hunt and Alan Sherriff. Decisions are made by the directors and reported back to the trustees of SYCF regularly, and are made in accordance with an agreement drafted at the time which is still extant but currently under review.

The organisation has "non-donor" relationships with many key players. Examples include the local authorities and local strategic partnerships, Coutts Bank, Yorkshire Bank, The Charity Commission, local press and media organisations, the Councils for Voluntary Service in Barnsley, Doncaster, Rotherham and Sheffield, Chambers of Commerce, Central and Regional Government, South Yorkshire Police, South Yorkshire Fire and Rescue, South Yorkshire Probation Services, local health authorities and Third Sector organisations such as SYFAB, TfR and many others. During the last year, the organisation has expanded some of those relationships to include very specific development-related work, focussed on inward philanthropic investment and sharing intelligence of examples of excellence in investing in our communities to achieve strategic outcomes.

# Trustees' report

## Risk Review

The Board of Trustees and senior staff undertake a detailed review of the risks that the organisation faces on an annual basis. All risks have been identified and mitigated as far as possible. No unidentified risks remain unaddressed. One major piece of work currently in hand which addresses a previously identified risk involves changing the structure of the organisation to a company limited by guarantee. This will take place over the financial year 2010/11 with the new incorporated organisation being expected to be born on 1<sup>st</sup> January 2011, and the formal transfer of commitments to the new body taking place at the end of the financial year, after 31<sup>st</sup> March 2011. The residual endowment of the organisation will remain within the present Trust Deed and will be managed in accordance with the original gift.

The Executive Board maintains a watching brief on the finance and operations of the organisation, and support the Chief Executive's drive to grow and develop South Yorkshire Community Foundation into its true role at the centre of Philanthropy in South Yorkshire – helping to create the necessary social change within the area through connecting people who care with causes that matter. This transformation into becoming the “hub”, between businesses, trusts, philanthropists, statutory bodies and the voluntary sector of South Yorkshire continues to increase the profile and effectiveness of the Foundation. As it seeks to establish new and growing funds, each new fund is evaluated by and approved by the Exec on behalf of the Trustees as being in concert with its overall aims. Associated risks are addressed as part of this approval process and this helps to strengthen its performance. We are delighted that the Board continues to be a strong and effective body, representative of the local community.

During the current year, the Foundation continued to feel the impact of the Credit Crunch on both the value and the returns from the Foundation's endowments. Whilst we are satisfied with the performance, the fluctuation in current income and the fluctuation in underlying value is a risk that the Investment Committee have been keeping a very close eye on. We thank Rensburg Sheppards for their help and advice in minimising both the risks and the exposure from this activity, leaving us in the strongest position from which to grow the Foundation's investments when interest rates begin to pick up. The organisation's reserves are not yet as strong as the Board would wish them to be, and the Board have taken the decision to work towards building the reserves over the next few years through a combination of reducing costs, generating efficiency savings and maximising income realised, to improve resilience and development potential. As Grassroots Grants comes to an end in March 2011, the Board will take whatever steps are necessary to maintain this momentum.

## Objectives and Activities

The Community Foundation exists and operates for the public benefit. Through its grantmaking it works to improve the community, in particular, but not exclusively, in South Yorkshire. The Board of 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 grantmaking.

The Charity's vision is “to be sustainable, to be the biggest funder of the voluntary sector in South Yorkshire and to have a substantial endowment.”

The Charity's mission is “to bring donors and communities together in South Yorkshire through effective grantmaking to provide a valuable and sustainable resource for now and for future generations.”

The Community Foundation's three aims are:

- To help local people and businesses manage their charitable giving
- To build stronger communities and enrich lives through awarding grants
- To influence the critical issues affecting our communities

The Foundation's key long term goal is “to secure long term sustainability”. Its short term goal is “to address the future loss of Grassroots Grants”

## Trustees' report

### Objectives and Activities (continued)

Its key objective in any year is to link people who care with causes that matter. In order to do this, we have established and maintained a credible link within our communities and created a significant intelligence base of needs to be able to discuss these matters knowledgeably with potential funders, be they from the public, private or voluntary sector. SYCF's credentials over the last 24 years of grant delivery have evolved to enable us to become the most significant grant maker throughout South Yorkshire, delivering community based grants which directly support the areas of greatest need.

The funds we distributed in the last year are as follows:

Grassroots Grants in Rotherham, Barnsley and Sheffield  
Fairshare (Big Lottery Funds) in Barnsley, Rotherham and Doncaster  
Keepmoat National Funds in South Yorkshire and in the rest of England via local Community Foundations  
Comic Relief Funds & Sports Relief Funds  
Targeted Support Fund in Barnsley and Rotherham  
Modernisation Bursaries in Barnsley, Doncaster, Rotherham and Sheffield  
Core Funds from philanthropists and businesses and transferred trusts  
ERDF Access Fund in South Yorkshire and in the rest of Yorkshire via local Community Foundations  
Trust Funds - Deakin & Withers, Samuel Osborn, Arthur Lee, James Neill, Marjorie Coote and South Yorkshire Outdoor Pursuits.

During 2008/9 we concluded the closure of the South Yorkshire Flood Disaster Relief Fund. Although no grant making was done in 2008/9, the final reports and evaluations were completed, and the learning points included in a report now available on our website. A small balance remained in the fund to provide a seed fund to kickstart a local emergency fund should it be needed in future. During 2009/10 some grants we had made in previous years were returned to us as unspent by the applicants, boosting the balance on this residual fund.

2009/10 continued the transition begun by the Foundation in 2008/9 – in developing a varied portfolio of funds and positioning itself at the hub of grantmaking delivery and connection between businesses, philanthropists and trusts, the statutory sector and our communities of need. During the year the charity's main objectives were fivefold:

- Generating New Flow Through Funds to replace those that had come to an end
- Developing Named Flow Through Funds from Philanthropists, Businesses and Trusts
- Generating Unrestricted income
- Building Endowment
- Building Partnerships and relationships which will deal innovatively with the financial challenges faced locally, delivering great value and maximising the impact of social investments

We have continued to work with partners in the public, private and voluntary sector with the explicit intention of accelerating their progress on the "Ladder of Engagement" with the Community Foundation. The intention is always to make others more aware of the good that is achieved in the area by the Foundation, and how their contributions could add value and impact to these outcomes. We are pleased that a number of these organisations see us as a key ally in their development plans, with our ability to harness greater results from the ever-dwindling funds available within the sector in recent times.

We continue to bring a variety of Trusts into management by the Foundation and are open to further development of this activity, where the Foundation delivers grant making economically and efficiently, supporting Trusts which are struggling with delivery. In the current year, we have brought into management the Wilkinson Institution.

## Trustees' report

### Objectives and Activities (continued)

Having been successful with the Grassroots Grants Endowment Challenge (“the Challenge”) bid to the Office of Civil Society (previously the Office of the Third Sector), we are also working steadfastly with those interested in supporting future endowments into the Foundation through major gifts, legacies, trust transfers and creation of named funds, so that a permanent legacy can be left to the area from which grants can be made in perpetuity. This direction has been assisted immeasurably by the attractive offer of matched funding through the Challenge. The Challenge will bring in an estimated £2.5m in endowments in the period from August 2008 to March 2011. We are absolutely thrilled to report that as the Foundation successfully achieved ALL the targets of the Endowment Challenge in Barnsley, Doncaster, Rotherham and Sheffield for the year 2008/9 it received an additional match allocation for the years 2009/10 and for 2010/11. Notwithstanding this, the Foundation fully achieved this stretched target for 2009/10 and is making extremely good progress towards achieving the stretched target for the final financial year. The outcome of the additional funds offered will mean that over the life of the challenge, almost £3.4m will be added to endowments to support our communities in perpetuity.

The ambitions of the Foundation and the significant changes it has encountered in the last year have created challenges to be overcome through sudden and considerable increase in workload. Staff are to be commended for the support and dedication they continue to show to achieve all the objectives, and the independent volunteer grant panellists have to be thanked in particular for their hard work and endurance in trying to support us in ensuring that our high standards of grant assessment and delivery are maintained despite this enormous pressure of additional work.

**We would like to take this opportunity to thank most sincerely those people who have contributed their time selflessly in the past as panellists, assessors and as trustees. Without their contribution, the Foundation would not be in its present healthy state.**

In particular we would acknowledge the following, whose involvement with the Foundation came to an end this year, for many of them after many years service as a volunteer.

Panellists and volunteers: Katy Anderson, Sue Bell, Nick Gillott, Luke Handley, Judith Handley  
Staff: Theresa Jones, Nicola Redfearn.  
Trustee: Michael Mallet.

Their contribution has been significant over the years and they will all be very sadly missed. We would like to welcome new recruits to the Foundation:

Panellists and volunteers: Mazher Iqbal, Rob Malyan, John Wood, Edmund Greenwood, Sarah Pilkington, Andrew Richardson, Tchad Western, Eleise Finnigan, Sarah Davies, David Orr, Jack Scott, Mark Wilde, Linda Darwent, Denise Hicks.  
Staff: Alison Wade, Chris Grice

Notwithstanding this, the Foundation does face ongoing challenges in future, and whilst it has more than enough in endowments to maintain a grant making service, it will continue to require some flow through funding in future years to maintain the economies of scale necessary to ensure effective and efficient grant delivery. Work continues in maintaining and developing every opportunity in this vein, in the full realisation that it is likely that the South Yorkshire Community Foundation will continue on its path of continuous improvement towards a leaner and much more specialised organisation, focussed on delivering what donors and communities need for the area in a very targeted way.

The general grant policy of the Foundation is that all applications are assessed professionally by staff for eligibility and then taken to various independent panels (consisting of local people who have an understanding about their community and knowledge of the local priorities across South Yorkshire) for decisions to be made.

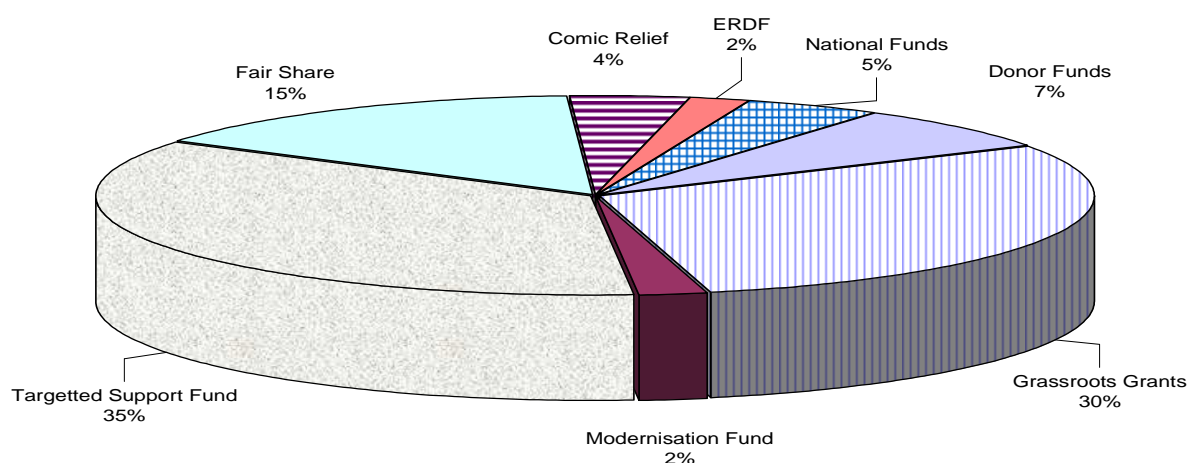
The Foundation does make considerable use of volunteers in the course of undertaking its charitable or income generating activities. All of the trustees provide their time on a voluntary basis, as do all of our grant panel members. In addition, administrative workers who have worked voluntarily in support of the Foundation have helped from time to time. In terms of hours or staff equivalents, it probably amounts to at least 5 full time equivalent staff, and perhaps more.

## Trustees' report

### Achievements and Performance

Overall, the Foundation was involved with delivering £1,937,619 in grant support to community groups and individuals during the year. Of this, £369,692 came from National Sources (Lottery and Comic Relief – 5 funds), £1,346,662 came from National, Regional and Local Government funds (8 funds) and £221,265 came from funds from businesses, philanthropists and trusts (34 funds). In total, grants were made from 47 funds, a further 9 funds made no grants in the current year at the request of the donors, and a further 16 funds were managed whose grantmaking is deferred until 2011, under the Grassroots Grants Endowment Challenge, making a total of 72 funds under management in 2009/10. The Foundation's grantmaking can be complicated – the undernoted charts will help to simplify what has been paid out, from where, and where it is accounted for in the annual accounts.

### Grants Analysis



Grants Analysis	£	
Grassroots Grants	576,049	30%
Modernisation	44,845	2%
Targetted Support	691,377	35%
Fair Share	292,702	15%
Comic Relief	76,990	4%
ERDF	34,391	2%
National	90,424	5%
Donor	130,841	7%
<b>Total</b>	<b>1,937,619</b>	

Grants awarded and paid 2009-10	£	£
Awarded and paid	1,783,271	
Awarded 2009/10 to be paid 2010/11	39,202	
See note 12 for further details		1,822,473
Fair Share awarded not yet drawn down	46,657	
Grassroots Year 3 (2010/11)	68,489	
		115,146
<b>TOTAL</b>		<b>1,937,619</b>

# Trustees' report

## Achievements and Performance (continued)

During the year, the Foundation successfully spent up ALL of its allocation of Fair Share monies, Sports Relief monies, Comic Relief monies and Grassroots Grants monies in Barnsley, Rotherham and Sheffield, achieving and exceeding all the required outcomes and outputs from these funding streams.

In addition, it obtained additional allocations for Targeted Support Fund in Rotherham and in Barnsley due to the volume of applications generated, and a 100% increase in the Modernisation Funds bursaries for the area, again due to the volume of applications generated through our networks. This is an exceptional performance when marked against national standards, and is an indication of both the ongoing needs within South Yorkshire, and also the strength of the penetration into those communities that the Foundation has achieved over the years. It is symptomatic of the high calibre of staff and high quality of service for which the Foundation is renowned. It augurs well for the Foundation's ability to deliver on time and to schedule any further monies so entrusted to them. It is able to achieve these standards through retaining a nucleus of highly qualified and experienced staff, a dedicated pool of volunteer assessors and panellists, and a strong and vibrant relationship with local communities through the groups it has previously funded, and the networks on which those relationships are based. In addition, the trustees have been selected for their breadth of expertise and connections throughout South Yorkshire, and are specifically recruited to fill any perceived gaps in networks that may arise. Our length of tenure as trustees stands as testimony to the faith we have in the organisation, its management, its staff and its ethos; our commitment to strengthening the Foundation's base is unwavering.

## Investments

The endowment funds of the Foundation are held as cash and investments and the overall investment policy was reviewed within the last financial year to create a better balance between high yield (for distribution as grants) and long term growth of the individual endowment funds. A report of the performance of the investments over the last year is included within these accounts.

## Financial Review

### Income

The total income for the year is £3,815,433 compared to £2,067,596 last year. Last year's total income included £502,313 of Endowment income.

This Year's endowment income was £1,504,354 predominantly due to the beneficial effect of Year 2 of the Grassroots Grants Endowment Challenge. In addition, the Foundation received £406,516 unrestricted income to fund its general charitable activities.

## Trustees' report

### Financial review (continued)

#### Expenditure

Of the £2,253,151 expenditure: £1,774,730 was paid out in grants in the year (see note 2). Of these, the following represents the amounts attributable to examples of the main priorities of the Foundation's grantmaking. Some grants support dual or multiple purposes.

	£	Detail £
<b>Disability and Access</b>	167,196	
Arts Culture & Heritage		86,590
Voluntary Sector		76,606
Human Rights		4,000
<b>Education and Training</b>	352,519	
Economic Development & Employment		26,341
Education and Training		326,178
<b>Health &amp; Wellbeing</b>	508,407	
Environment		24,727
Health & Wellbeing		286,487
Sport & Recreation		197,193
<b>Poverty &amp; Disadvantage</b>	697,249	
Community Development		410,723
Combating Disadvantage		286,526
<b>Other</b>	49,359	
Other		49,359
	<b>1,774,730</b>	<b>1,774,730</b>

### Plans for Future Periods

The Community Foundation revised its business plan in 2008/9 to take account of lower investment income and short term interest following the severe fall in market values. The Board agreed to be prepared to draw on reserves in a controlled way during the year 2009/10 to support additional development costs and to review the position again during 2010/11. In the meantime it is expected that during 2010/11 and 2011/12 the organisation will aim to continue to increase income and produce efficiency savings that will ensure that the reserves of the organisation are able to be grown in accordance with the Board's wish for greater resilience.

We have sufficient funds to maintain future distribution at a basic level, and there is no danger of cessation, but to ensure decent and ongoing efficiency and effectiveness we will seek ongoing distribution funds whilst our endowments build up.

Our rising influence within the sector in terms of funding exemplifies how we plan to build our reputation in order to gain more distribution funds from businesses, philanthropists, trusts and from statutory sources. We aim to be the charity of choice for South Yorkshire, the charity that donors will look to, to provide the advice and information they need to make informed giving choices, and to foster intelligent giving in new donors.

### The Deakin and Withers Fund

In March 2008, the Trustees of The Deakin and Withers Fund, with the approval of the Charity Commission, transferred the management of the fund to the Trustees of South Yorkshire Community Foundation. These funds are held separately and are reported within the financial statements of The Deakin and Withers Fund (charity number 221932).

## Trustees' report

### Reserve Funds

The Foundation aims to maintain unrestricted reserves to cover at least six months operations and all contingent liabilities including redundancy payments and rent which amount to £295,097. The unrestricted reserves are as shown below and represent 3.5 months plus. Our aim is therefore to build the reserves further and we acknowledge that this will be a challenge in the current financial climate.

	Total as at 1 April 2009 £	Incoming resources £	Expenditure £	Transfer	Total as at 31 March 2010 £
Revenue Reserve Fund	60,436	406,516	(434,813)	123,778	155,917
Capital Reserve Fund (note 13)	113,946	10,116	(284)	(123,778)	-
	<u>174,382</u>	<u>416,632</u>	<u>(435,097)</u>	<u>-</u>	<u>155,917</u>

### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Report) Regulations and the provisions of the Trust Deed. 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.

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

ON BEHALF OF THE TRUSTEES

Jonathan Hunt  
Chairman  
9 September 2010

## Annual Investment Report

The financial year was, once again, a remarkable one. The modest recovery in equity markets, seen right at the end of the previous financial year, continued with rises in equity markets in each of the four quarters of this financial year.

The initial belief that the surge in equities from February 2009 through to early summer was yet another short term rally in the continuing bear market was gradually replaced, over the summer and early autumn period, by a genuine conviction that markets were not only rebounding from low points, but also making headway on the back of an underlying recovery taking place in the world economies, brought about by the huge support provided to the financial system, by governments. With the increase in investors' willingness to accept risk, lower risk assets were less in demand and, as a result, saw modest falls in valuations.

Over the year to March 2010, the UK equity market, as measured by the FTSE All Share Index, rose by 46.7%, whilst overseas equity markets, as measured by the FT World (ex UK) Index, rose by 43.1%. UK bond markets, as measured by the FTA UK Government All Stocks Index, saw a decline of 3.7% over this period.

The sharp rebounds seen in equity markets were not evenly spread - there were wide variations in the movement from different shares, as more growth oriented, cyclical and risky businesses saw much of the strongest performance. The performance of more defensive, income-oriented UK shares was significantly lower than benchmark, which was particularly apparent from the 15% underperformance from the high yielding UK equities held within the advisory portfolio. This resulted in an overall underperformance, for the UK equity element of the combined portfolio, of 7.8%. The measure of underperformance from overseas equities was smaller, at just 1.9% for the combined portfolio. By contrast, we saw outperformance approaching nearly 9% from the fixed interest element of the portfolios, these being up 5% overall.

With their emphasis on delivering income, the Foundation's investments lagged the benchmark indices, which were driven by strong performance from more growth oriented assets, albeit that, the combined portfolio still saw a total return of just under 27% over this period. The total return seen from the discretionary portfolio came to 30.7%, an underperformance against the APCIMS Balanced Portfolio Index of 1.8%, whereas the advisory portfolio saw a total return of 19.5%, an underperformance of 7.1% against the APCIMS Income Portfolio Index, reflecting the high UK equity income content in this portfolio.

### **Principal Change in the Year**

The principal change in the year has been a significant increase in the value of the combined investments, arising from the investment of cash of about £0.5m, as well as the rise in the underlying value of the equity element of the portfolio.

At the end of the financial year, the proportion of the Foundation's investments, invested in less risky assets, including cash and fixed interest, amounted to about 35%, with less than 5% of this amount being in cash. Just over 45% was invested in UK equities, with the remainder (just under 20% of the total) invested broadly as to one third in property and two thirds in overseas equities.

Peter Nolan  
Rensburg Sheppards Investment Management  
23 September 2010

# Independent auditor's report to the Trustees of The South Yorkshire Community Foundation

We have audited the financial statements of The South Yorkshire Community Foundation for the year ended 31 March 2010 which comprise the principal accounting policies, the statement of financial activities, the balance sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under Section 44 of that Act. Our audit work has been undertaken so that we might state to the members and the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of trustees and auditors**

The trustees' responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under Section 43 of the Charities Act 1993 and report to you in accordance with regulations made under that Act.

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

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and are prepared in accordance with the Charities Act 1993. We also report to you, if in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements, the charity has not kept sufficient accounting records, if the charity's financial statements are not in agreement with these accounting records, or if we have not received all the information and explanations we require for our audit.

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

## **Basis of audit opinion**

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

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



# Independent auditor's report to the Trustees of The South Yorkshire Community Foundation

## **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charity as at 31 March 2010 and its incoming resources and application of resources for the year then ended; and
- the financial statements have been prepared in accordance with the Charities Act 1993.

GRANT THORNTON UK LLP  
STATUTORY AUDITOR  
CHARTERED ACCOUNTANTS

SHEFFIELD  
24 September 2010

## Principal accounting policies

### Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and follow the recommendations of the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005). They have been prepared under historical cost convention except that:

- investments are valued at market value

The principal accounting policies of the Charity are set out below. The policies have remained unchanged from the previous year.

### Charity status

The Foundation was established by a Declaration of Trust dated 29 May 1986 and is a registered Charity, number 517714.

### INCOMING RESOURCES

#### Endowment Funds

There are two types of endowment funding received by the Foundation; Expendable Endowment and Permanent Endowment. The endowment funds are combined in a unitised investment portfolio.

#### Expendable Endowment Funds

- i Funds arise from legacies and donations where the donor has made no specific condition that the Funds are to be held as Permanent Endowment Funds, referred to below.
- ii The Capital Reserve Fund was built up from unrestricted gifts and legacies, the administrative fees charged by the Foundation on income and dividends from the Permanent Endowment Funds, referred to below.

#### Permanent Endowment Funds

- i Individuals and organisations donate funds to the Foundation and the investments represented by such funds generate income and dividends, which, after the costs of administration have been deducted, are distributed as grants in accordance with the wishes of the individual donors. The capital is not distributed.
- ii Individual funds may be set up for amounts in excess of £25,000. The General Endowment Fund includes legacies and donations where the donor has not specifically requested a named fund together with smaller donations.

### Grants Receivable

Revenue grants are credited as incoming resources when they are receivable. If they relate to a specified future period, they are deferred.

### Grant Administration Income

Administration income relating to grants is recognised when the organisation is entitled to receive such income, when the grants have been approved.

## Principal accounting policies

### Development income

Development income is recognised as and when received. Where grants received require an obligation in the future that is incapable of valuation, an attempt to match income with expenditure is made.

### Investment Income

Assets held for investment purposes are valued at market value at the balance sheet date. Net gains and losses arising on revaluations and disposals during the year are included in the statement of financial activities.

### RESOURCES EXPENDED

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly to the fulfilment of the Charity's objectives (direct charitable);
- expenditure incurred in the governance of the Charity;
- expenditure incurred in the pursuit of generating funds.

### Grants Payable

Grants approved but not paid at the year end are accrued with the exception of Fair Share and Grassroots Year 3. Fair Share priorities are agreed at the beginning of a three year period. However the funding for these grants is held by the Community Foundation Network and is "called off" by the South Yorkshire Community Foundation as the different projects are ready to be implemented. Grassroots Year 3 monies are held by the Community Development Foundation and will be shown in the accounts for the year ended 31 March 2011.

### Fund Accounting

Unrestricted funds are income which can be used for the general objectives of the Charity including administration.

Restricted funds are to be used for the specific purposes as laid down by the donor and are distributed in the form of grants.

Endowment funds represent those assets which are held long term on trust by the Charity for the benefit of the Charity.

### Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost, net of depreciation. Depreciation is calculated to write down the cost of tangible fixed assets by equal annual instalments over their estimated useful economic lives. The rates generally applicable are:

Computer equipment	-	25% straight line
Office equipment	-	25% straight line
Marketing equipment	-	25% straight line

## Principal accounting policies

### **Capital items**

The Trustees have agreed that a single item or a collection of related items totalling £1,000 (eg a computer network) or that passes a longevity test of three or four years be considered as a capital item.

### **Operating leases**

Leases regarded as operating leases and the payments made under them are charged to the statement of financial activities on a straight line basis over the term of the lease.

### **Pension contributions**

The pension costs charged in the statement of financial activities are the contributions payable to the scheme in respect of the accounting period. The Charity's defined contribution is 7%. Further details of this scheme are given in note 3 to the accounts.

## Statement of financial activities

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2010 £	Restated Total 2009 £
<b>Incoming resources</b>						
<b>Incoming resources from generated funds:</b>						
Voluntary income		10,674	-	1,504,212	<b>1,514,886</b>	514,066
Investment income		9,455	24,691	142	<b>34,288</b>	101,901
<b>Incoming resources from charitable activities</b>						
		321,500	1,879,872	-	<b>2,201,372</b>	1,426,314
<b>Other incoming resources</b>		64,887	-	-	<b>64,887</b>	25,315
<b>Total incoming resources</b>	1	<u>406,516</u>	<u>1,904,563</u>	<u>1,504,354</u>	<b><u>3,815,433</u></b>	<u>2,067,596</u>
<b>Resources expended</b>						
<b>Cost of generating funds:</b>						
Cost of generating voluntary income		(141,097)	-	-	<b>(141,097)</b>	(118,246)
Investment management costs		-	-	(8,874)	<b>(8,874)</b>	(7,745)
<b>Charitable activities</b>		(228,491)	(1,774,730)	(34,734)	<b>(2,037,955)</b>	(1,846,710)
<b>Governance costs</b>		(65,225)	-	-	<b>(65,225)</b>	(56,659)
<b>Total resources expended</b>	2	<u>(434,813)</u>	<u>(1,774,730)</u>	<u>(43,608)</u>	<b><u>(2,253,151)</u></b>	<u>(2,029,360)</u>
<b>Net incoming resources before transfers</b>		(28,297)	129,833	1,460,746	<b>1,562,282</b>	38,236
<b>Transfers between funds</b>	13	123,778	-	(123,778)	-	-
<b>Net incoming resources and surplus of income over expenditure before other recognised gains and losses</b>		95,481	129,833	1,336,968	<b>1,562,282</b>	38,236
<b>Gains/(losses) on investment assets</b>						
Realised gains/(losses)	6	-	-	31,011	<b>31,011</b>	(7,962)
Unrealised gains/(losses)	6	-	449	344,133	<b>344,582</b>	(326,248)
<b>Net movement in funds</b>		95,481	130,282	1,712,112	<b>1,937,875</b>	(295,974)
<b>Reconciliation of funds:</b>						
<b>Total funds brought forward</b>		60,436	144,034	2,002,208	<b>2,206,678</b>	2,502,652
<b>Total funds carried forward</b>		<u>155,917</u>	<u>274,316</u>	<u>3,714,320</u>	<b><u>4,144,553</u></b>	<u>2,206,678</u>

All activities are classed as continuing.

The accompanying accounting policies and notes form an integral part of these financial statements

## Balance sheet

	Note	2010 £	2009 £
<b>Fixed assets</b>			
Tangible assets	5	3,885	5,710
Investments			
General endowment investments	6	2,256,839	1,383,963
Short term deposits awaiting investments	6	847,592	415,918
		<u>3,108,316</u>	<u>1,805,591</u>
<b>Current assets</b>			
Debtors	7	780,777	228,905
Cash at bank and in hand		377,214	210,324
		<u>1,157,991</u>	<u>439,229</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(121,754)</u>	<u>(38,142)</u>
<b>Net current assets</b>		<u>1,036,237</u>	<u>401,087</u>
		<u>4,144,553</u>	<u>2,206,678</u>
<b>Endowment funds</b>			
Permanent endowments (restricted)		3,306,148	1,543,970
Expendable endowments (restricted)		408,172	344,292
Capital reserve fund (unrestricted endowment)		-	113,946
	13	<u>3,714,320</u>	<u>2,002,208</u>
<b>Income funds</b>			
<b>Restricted funds</b>			
General funds		164,412	118,277
Government funds		4,909	11,361
Lottery funds		79,929	4,989
Flood fund		25,066	9,407
	12	<u>274,316</u>	<u>144,034</u>
<b>Unrestricted funds</b>			
Revenue Reserve fund		155,917	60,436
		<u>155,917</u>	<u>60,436</u>
		<u>4,144,553</u>	<u>2,206,678</u>

All activities are classed as continuing.

The financial statements were approved by the Trustees of The South Yorkshire Community Foundation on 9 September 2010.

Jonathan Hunt

Trustees

Peter Hollis

The accompanying accounting policies and notes form an integral part of these financial statements.

## Notes to the financial statements

### 1 Total incoming resources

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2010 £	Restated Total 2009 £
<b>INCOMING RESOURCES FROM GENERATED FUNDS</b>					
<b>Voluntary income</b>					
Friends and members schemes	2,366	-	-	2,366	2,515
Donations, legacies and similar	6,762	-	688,426	695,188	254,627
Gift aid tax reclaimable	1,546	-	53,900	55,446	2,134
OCS Match funding	-	-	761,886	761,886	254,790
	<u>10,674</u>	<u>-</u>	<u>1,504,212</u>	<u>1,514,886</u>	<u>514,066</u>
<b>Investment income</b>					
Investment income	8,227	24,428	142	32,797	97,128
Bank interest	1,228	263	-	1,491	4,773
	<u>9,455</u>	<u>24,691</u>	<u>142</u>	<u>34,288</u>	<u>101,901</u>
<b>INCOMING RESOURCES FROM CHARITABLE ACTIVITIES</b>					
<b>Funds for distribution as grants</b>					
Statutory	-	1,257,293	-	1,257,293	457,982
Lottery	-	389,032	-	389,032	404,776
Individual and corporate	-	233,547	-	233,547	240,235
Other	-	-	-	-	22,693
	<u>-</u>	<u>1,879,872</u>	<u>-</u>	<u>1,879,872</u>	<u>1,125,686</u>
<b>Management fees</b>					
Statutory	175,682	-	-	175,682	134,525
Lottery	48,010	-	-	48,010	39,041
Individual and corporate	21,522	-	-	21,522	113,561
Grassroots endowment - CDF	67,786	-	-	67,786	-
Other trusts managed by the Foundation	8,500	-	-	8,500	13,501
	<u>321,500</u>	<u>-</u>	<u>-</u>	<u>321,500</u>	<u>300,628</u>
	<u>321,500</u>	<u>1,879,872</u>	<u>-</u>	<u>2,201,372</u>	<u>1,426,314</u>
<b>OTHER INCOMING RESOURCES</b>					
Grant income	64,500	-	-	64,500	-
Rent income	-	-	-	-	4,942
Miscellaneous	387	-	-	387	20,373
	<u>64,887</u>	<u>-</u>	<u>-</u>	<u>64,887</u>	<u>25,315</u>
	<u>406,516</u>	<u>1,904,563</u>	<u>1,504,354</u>	<u>3,815,433</u>	<u>2,067,596</u>

During the year certain incoming resource and outgoing resource categories have been amended to more accurately reflect the transactions that took place in the prior year. There was no effect on the overall results of the charity.

## Notes to the financial statements

### 2 Total resources expended

	Cost of generating funds £	Governance £	Cost of charitable activities £	Investment costs £	Total 2010 £	Restated Total 2009 £
<b>Cost allocated directly</b>						
Salaries and associated costs	84,975	40,933	156,338	-	282,246	254,652
Office costs	3,833	3,212	13,860	-	20,905	46,095
Activity expenses	34,164	1,218	15,111	-	50,493	38,550
Professional fees	2,582	13,530	5,560	-	21,672	14,219
<b>Apportioned support costs</b>						
Salaries and associated costs	10,863	4,426	24,946	-	40,235	52,295
Office costs	1,503	612	3,451	-	5,566	13,188
Activity expenses	2,739	1,116	6,289	-	10,144	2,886
Professional fees	438	178	1,006	-	1,622	2,002
	141,097	65,225	226,561	-	432,883	423,887
Depreciation	-	-	1,930	-	1,930	1,903
<b>Total unrestricted costs</b>	141,097	65,225	228,491	-	434,813	425,790
Grant distributed	-	-	1,774,730	-	1,774,730	1,595,825
Investment management fees	-	-	-	8,874	8,874	7,745
Grassroots endowment management fees	-	-	34,734	-	34,734	-
	141,097	65,225	2,037,955	8,874	2,253,151	2,029,360

### Support Costs

Support costs represent expenditure by the Foundation, other than grants, in direct support of its charitable objects and have been allocated based on expenditure that can be directly attributed and on staff hours. Cost of Generating Funds - 27%, Governance - 11%, Cost of Charitable Activities - 62%.

Weekly staff hours analysis	Generating funds	Governance	Charitable activities	Total
Staff hours	89	35	196	320
Support hours	18	7	41	66
	107	42	237	386

### 3 Staff costs

	2010 £	2009 £
Gross salary	284,423	269,818
National insurance	26,999	24,318
Employers Pension 7%	11,059	12,811
	322,481	306,947

No employees earned over £60,000 in the year (2009: £nil).

## Notes to the financial statements

### 3 Staff costs (continued)

The average number of employees during the year were as follows:

	2010 Number	2009 Number
Employees	13	13
Full time equivalents	<u>10</u>	<u>10</u>

Following a change in legislation in September 2005 there is a potential debt on employers that participate in multi-employer pension schemes. The Foundation operates the Pension Trust Growth plan and has one ex-employee that falls within the category affected. The Scheme Actuary has advised that the debt to 30 September 2009 is £13,895 (2009: £15,041), with employer debt on withdrawal at 31 March 2010 estimated to have decreased by 38% from 30 September 2009. The Trustees do not consider that the debt will crystallise in the foreseeable future and, therefore, no provision has been included in these accounts.

New legislation that came into effect from 6 April 2008 states that the debt on withdrawal will now crystallise as soon as the last active member leaves the scheme.

### 4 Trustees' remuneration

No member of the Board of Trustees received any remuneration for their services during the year (2009: £nil). £61 of expenses incurred in the performance of their duties were reimbursed in the year (2009: £45).

### 5 Tangible fixed assets

	Computer equipment £	Office equipment £	Marketing equipment £	Total £
<b>Cost</b>				
At 1 April 2009	25,251	3,016	1,454	29,721
Additions	105	-	-	105
At 31 March 2010	<u>25,356</u>	<u>3,016</u>	<u>1,454</u>	<u>29,826</u>
<b>Depreciation</b>				
At 1 April 2009	20,387	2,170	1,454	24,011
Charge for the year	1,648	282	-	1,930
At 31 March 2010	<u>22,035</u>	<u>2,452</u>	<u>1,454</u>	<u>25,941</u>
<b>Net book value</b>				
At 31 March 2010	<u>3,321</u>	<u>564</u>	<u>-</u>	<u>3,885</u>
At 31 March 2009	<u>4,864</u>	<u>846</u>	<u>-</u>	<u>5,710</u>

The Foundation's office and computer equipment is used at its offices to support the work of its staff. Tangible assets are depreciated using a 25% straight line basis.

## Notes to the financial statements

### 6 Fixed asset investments

#### Listed investments

	Stock exchange investments £
Market value at 1 April 2009	1,799,881
Less: Disposals at market value	(238,432)
Additions at cost	647,462
Gift of shares at market value	88,252
Realised gains	31,011
Cash movement	431,675
Unrealised gains	344,582
Market value investments at 31 March 2010	<u><u>3,104,431</u></u>
Cash awaiting investment	847,592
Investments	2,256,839
Market value at 31 March 2010	<u><u>3,104,431</u></u>
Historical cost at 31 March 2010	<u><u>2,171,245</u></u>

At 31 March 2010 the investments which the Charity holds 5% or more of the value of the total holdings were as follows:

	£	%
M&G Charibond	196,070	9.03
M&G Charifund	172,101	7.93

### 7 Debtors

	2010 £	2009 £
Grant claims match funding received post March	597,665	203,316
Gift Aid tax reclaimable (unrestricted)	1,155	2,173
Gift Aid tax reclaimable Distribution funds	297	282
Gift Aid tax reclaimable Endowment	47,615	1,949
Other debtors	86,389	16,384
Prepayments (unrestricted)	5,156	4,801
Other debtors (restricted)	42,500	-
	<u><u>780,777</u></u>	<u><u>228,905</u></u>

## Notes to the financial statements

### 8 Creditors

	2010 £	2009 £
Grants, approved but not yet paid	39,202	17,073
Accruals	24,560	11,113
Trade creditors	9,848	78
PAYE	-	(87)
Other creditors including deferred income	48,144	9,965
	<u>121,754</u>	<u>38,142</u>

### 9 Analysis of net assets

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
<b>Fund balances at 31 March 2010 are represented by:</b>				
Fixed assets	3,885	-	-	3,885
Investments	-	11,616	3,092,815	3,104,431
Current assets	210,810	301,902	645,279	1,157,991
Current liabilities	(82,556)	(39,202)	4	(121,754)
Total assets	<u>132,139</u>	<u>274,316</u>	<u>3,738,098</u>	<u>4,144,553</u>

### 10 Derivatives

The Charity had no financial derivatives during the year.

### 11 Leasing commitments

Operating lease payments amounting to £1,294 (2009: £1,397) are due within one year. The leases to which these payments relate expire as follows:

	2010 £	2009 £
Between two and five years	<u>1,294</u>	<u>1,397</u>

## Notes to the financial statements

### 12 Restricted funds

The restricted funds of the Foundation are distributed as grants throughout South Yorkshire and comprise the following unexpended balances of donations and investment income held on trust to be applied for a specific purpose.

General funds	Total as at 1 April 2009 £	Incoming resources			Expenditure, gains, losses and transfers			Total as at 31 March 2010 £
		Invest- ment income £	Donations and grants £	Returned grants £	Grants £	Invest- ment move- ment £	Tran- sfers/ Other £	
<b>Funds with permanent endowments:</b>								
Arthur Lee Charitable Fund Barnsley (York & Lancaster) Fund	5,845	856	-	-	(2,000)	-	-	4,701
Doncaster Fund	6,538	2,288	-	-	(8,825)	-	-	1
General Fund	321	79	-	-	(300)	-	-	100
Henry Boot Fund	4,990	1,412	-	-	(2,570)	-	(2,500)	1,332
Hepworth Fund	1,522	382	-	-	(1,804)	-	-	100
Hepworth Fund	1,158	427	-	-	(1,578)	-	-	7
High Sheriff Fund	769	146	-	-	(414)	-	-	501
Hugh & Ruby Sykes Fund	898	413	-	-	-	-	-	1,311
J P Morgan Fleming Fund	1,331	485	-	1,050	(2,314)	-	-	552
Keepmoat Fund	1,193	334	-	-	(1,354)	-	-	173
Laing Fund	2,444	813	-	-	(3,257)	-	-	-
Lowe Fund	13,365	2,247	-	-	(6,950)	-	-	8,662
Rensburg Sheppard Fund	730	263	-	-	(732)	-	-	261
Rotherham Community Fund	1,715	667	-	-	(2,350)	-	-	32
Samuel Osborn Fund	3,824	3,131	-	-	(5,116)	-	-	1,839
SYOPT Fund	3,939	1,341	-	-	(4,431)	-	-	849
Tinsley Relief of Sickness Fund	2,035	936	-	-	(2,970)	-	-	1
	<u>52,617</u>	<u>16,220</u>	<u>-</u>	<u>1,050</u>	<u>(46,965)</u>	<u>-</u>	<u>(2,500)</u>	<u>20,422</u>

## Notes to the financial statements

### 12 Restricted funds (continued)

General funds	Total as at 1 April 2009 £	Incoming resources			Expenditure, gains, losses and transfers			Total as at 31 March 2010 £
		Invest- ment income £	Donations and grants £	Returned grants £	Grants £	Invest- ment move- ment £	Tran- sfers/ Other £	
<b>Funds without permanent endowment:</b>								
AESSEAL Charitable Trust Discretionary Fund	-	-	25,000	-	(8,700)	-	-	16,300
Allvac % Club Fund	63	-	4,253	-	(4,280)	-	-	36
ASD Lighting Fund	15	-	-	-	-	-	-	15
Ashton Morton Slack Fund	210	-	-	-	(210)	-	-	-
Atkinson Smith Fund	6,508	-	-	-	(650)	-	-	5,858
Bounceback Fund	273	-	-	-	(273)	-	-	-
eaga Community Fund	9,000	-	9,000	-	(9,439)	-	-	8,561
First Group Fund	194	-	-	-	-	-	-	194
Grant Thornton Fund	359	-	-	-	(359)	-	-	-
Hugh and Ruby Sykes Fund	7,851	-	4,250	-	(12,015)	-	-	86
James Neill Trust Fund	1,600	-	1,600	500	(3,255)	-	-	445
Keepmoat Fund	-	-	7,084	8,334	(15,418)	-	-	-
Keepmoat National Fund	-	-	83,340	7,084	(90,424)	-	-	-
Marjorie Coote Fund	2,416	-	4,000	-	(5,901)	-	-	515
One Song Imprest Fund	-	-	10,060	-	-	-	(10,004)	56
One Song Foundation Fund	-	-	16,460	-	(4,486)	-	-	11,974
Rotherham Chamber Fund	7,751	-	-	-	(3,780)	-	-	3,971
SCIPA Fund	12,378	-	-	-	-	-	-	12,378
Shah Fund	4,503	-	-	1,500	(5,883)	-	-	120
Sheffield Employment Bond Fund	3,280	-	-	-	(3,279)	-	-	1
Sunnybank Fund	1,020	-	-	-	(1,020)	-	-	-
SYOF Fund	-	-	60,000	-	-	-	-	60,000
T C Harrison Fund	2,650	-	-	-	-	-	-	2,650
UK Steel Enterprises	2,631	-	8,500	-	(4,417)	-	-	6,714
Volunteer Fund	-	-	-	-	-	-	2,500	2,500
<b>Total non Government funds</b>	<b>62,702</b>	<b>-</b>	<b>233,547</b>	<b>17,418</b>	<b>(173,789)</b>	<b>-</b>	<b>(7,504)</b>	<b>132,374</b>

## Notes to the financial statements

### 12 Restricted funds (continued)

General funds continued	Total as at 1 April 2009 £	Incoming resources			Expenditure, gains, losses and transfers			Total as at 31 March 2010 £
		Invest- ment income £	Donations and grants £	Returned grants £	Grants £	Invest- ment move- ment £	Tran- sfers/ Other £	
<b>Funds with Grassroots Endowment</b>								
GRE Cllr J Drayton Fund	-	177	-	-	-	12	-	189
GRE Cutlers Fund	-	1,588	-	-	-	110	-	1,698
GRE Grant Thornton Fund	-	215	-	-	-	15	-	230
GRE Great Barnsley Fund	-	40	-	-	-	3	-	43
GRE Great Doncaster Fund	45	99	-	-	-	5	-	149
GRE Great Rotherham Fund	24	144	-	-	-	9	-	177
GRE Great Sheffield Fund	21	191	-	-	-	12	-	224
GRE Hallam Rotary Fund	-	224	-	-	-	16	-	240
GRE Henry Boot Fund	554	279	-	-	-	(2)	-	831
GRE Rensburg Sheppards Fund	1,172	592	-	-	-	(7)	-	1,757
GRE Senta Fund	-	676	-	-	-	47	-	723
GRE South Yorkshire Fund	-	15	-	-	-	1	-	16
GRE SYOF Fund	-	2,612	-	-	-	181	-	2,793
GRE Tally Fund	-	385	-	-	-	27	-	412
GRE Trustees and Supporters Fund	35	411	-	-	-	27	-	473
GRE UK Steel Enterprise Fund	1,107	560	-	-	-	(6)	-	1,661
	2,958	8,208	-	-	-	450	-	11,616
<b>Total general funds</b>	<b>118,277</b>	<b>24,428</b>	<b>233,547</b>	<b>18,468</b>	<b>(220,754)</b>	<b>450</b>	<b>(10,004)</b>	<b>164,412</b>
<b>Government Funds</b>								
ERDF	-	-	38,301	-	(34,391)	-	-	3,910
Grassroots Barnsley	-	-	112,756	655	(113,203)	-	-	208
Grassroots Rotherham Year 1	10,851	-	-	-	-	-	(10,851)	-
Grassroots Rotherham Year 2	-	-	110,173	10,144	(131,166)	-	10,851	2
Grassroots Sheffield	-	-	260,840	3,140	(263,191)	-	-	789
Targeted Support Barnsley	-	-	338,940	-	(338,940)	-	-	-
Targeted Support Rotherham Modernisation	-	-	352,438	-	(352,438)	-	-	-
Neighbourhood Renewal CC	510	-	43,845	1,000	(44,845)	-	-	-
	510	-	-	-	(510)	-	-	-
<b>Total Government Funds</b>	<b>11,361</b>	<b>-</b>	<b>1,257,293</b>	<b>14,939</b>	<b>(1,278,684)</b>	<b>-</b>	<b>-</b>	<b>4,909</b>

## Notes to the financial statements

### 12 Restricted funds (continued)

	Total as at 1 April 2009 £	Incoming resources			Expenditure, gains, losses and transfers			Total as at 31 March 2010 £
		Invest- ment income £	Donations and grants £	Returned grants £	Grants £	Invest- ment move- ment £	Tran- sfers/ Other £	
<b>Lottery funds</b>								
Comic Relief	-	-	75,990	-	(75,990)	-	-	-
Fair Share Barnsley (Monk Bretton)	972	-	104,026	84	(88,041)	-	-	17,041
Fair Share Doncaster (Stainforth)	1,633	-	83,160	7,500	(70,467)	-	-	21,826
Fair Share Rotherham (Kimberworth Park)	2,384	-	125,855	360	(87,537)	-	-	41,062
Sports Relief	-	-	-	1,000	(1,000)	-	-	-
<b>Total Lottery Funds</b>	<b>4,989</b>	<b>-</b>	<b>389,031</b>	<b>8,944</b>	<b>(323,035)</b>	<b>-</b>	<b>-</b>	<b>79,929</b>
<b>Disaster funds</b>								
Flood Fund	9,407	263	-	15,396	-	-	-	25,066
<b>Total restricted funds</b>	<b>144,034</b>	<b>24,691</b>	<b>1,879,871</b>	<b>57,747</b>	<b>(1,822,473)</b>	<b>450</b>	<b>(10,004)</b>	<b>274,316</b>

#### Analysis of grants distributed by area

	£
Barnsley	577,319
Doncaster	111,080
Rotherham	585,914
Sheffield	417,027
National	83,390
	<b>1,774,730</b>
Grants allocated both paid and not	1,822,473
Returned grants	(57,747)
One song invoices	10,004
	<b>1,774,730</b>

Grants may be awarded in financial year but not physically paid until the following year. The independent assessment panel may attach conditions to the grant that have to be met before payment is made.

Grassroots grants funded by the Office of Civil Society (formally known as Office of the Third Sector) are delivered in Doncaster by another provider.

#### General Funds - with Permanent Endowment

General Funds are restricted funds comprising donations from individuals, corporations and trusts that are held as permanent endowment funds that are invested with Rensburg Sheppard. The income generated is shown as Investment Income above and is distributed in accordance with the wishes of the donor.

#### General Funds - without Permanent Endowment

These funds comprise donations from individuals, corporations and trusts specifically for distribution to community groups within South Yorkshire.

## Notes to the financial statements

### 12 Restricted funds (continued)

#### General Funds - One Song Fund

The One Song Imprest Fund is an administration fund set up by a donor to cover the initial set up costs of the One Song Foundation. The £10,004 transfer represents invoices paid as part of the set up costs.

#### Grassroots Endowment Funds

The income generated by the Grassroots Endowment Funds is invested with Rensburg Sheppard and will be distributed from 1st April 2011 in accordance with the criteria set for the Grassroots Distribution Funds as set by the Office of Civil Society (previously Office of the Third Sector).

#### Government Funds

The Targeted Support Fund and the Modernisation Fund were part of the Office of the Third Sector Real Help for Communities programme set up as a direct response to the challenges facing third sector organisation and communities across England as a result of the recession.

The Grassroots Funds for Barnsley, Rotherham and Sheffield are part of the Office of the Third Sector three year national £130 million "Grassroots Grants" scheme. The fund is being delivered by another provider in Doncaster.

European Regional Development Fund (ERDF) Access Fund through Yorkshire Forward is intended for third sector organisations/groups to assist them with bidding for ERDF funding under the Yorkshire and Humber ERDF Operation programme 2007-13.

#### Disaster Funds

The Flood Fund was set up in 2007 following unprecedented flooding throughout South Yorkshire. At the end of the last financial year a balance of £9,407 was held to kick start an appeal next time there is a disaster caused by flooding. The fund was closed for applications but there were a number that were approved but not paid and these were reflected in the balance available. However, since that time a number of applications have been cancelled or withdrawn and this has resulted in a further £15,396 being added back into the fund.

#### Lottery Funds - Fair Share

The Community Foundation Network is the Trustee of a £50 million UK-wide programme funded by the New Opportunities Fund, aimed at building social capital, community capacity and improving the environment in disadvantaged areas that have not received their fair share of Lottery Funding in the past. The South Yorkshire Community Foundation is contracted to deliver the fund in Monk Bretton, Kimberworth Park and Stainforth over a ten year programme which is due to be completed in 2012.

Applications to the value shown below have been approved in principal as meeting the Priorities Document for the three areas of the Fair Share Programme but have not been provided for in the accounts:

	Grants agreed in principal £
Fair Share Barnsley (Monk Bretton)	-
Fair Share Doncaster (Stainforth)	30,360
Fair Share Rotherham (Kimberworth Park)	16,297
	<hr/> <u>46,657</u>

#### Lottery Funds - Comic Relief

Delivered on behalf of the Comic Relief Charity through the Community Foundation Network, the programme runs 2009-11 and is intended to support work where there is clear evidence of a sustained beneficial impact on people's lives who are excluded or disadvantaged through low income, rural or social isolation, age, disabilities, race, sexuality or gender.

## Notes to the financial statements

### 13 Endowment funds

	Total as at 1 April 2009 £	Income £	Investment income £	Gift Aid £	Match Funding £	Transfer £	Investment Management Fees £	SYCF Management GRE Fees includes 2008/09 and 2009/10 £	Net movement in market value of investment £	Total as at 31 March 2010 £
<b>Permanent endowment</b>										
Acorn Fund	5,558	-	77	-	-	-	(24)	-	1,047	6,658
Doncaster Fund	5,707	-	-	-	-	-	(25)	-	1,071	6,753
General Fund	344,408	-	-	-	-	-	(1,518)	-	64,650	407,540
GRE AESSEAL	-	100,000	-	28,205	128,205	-	(51)	-	3,305	259,664
GRE Cllr Jackie Drayton Lord Mayor Fund	9,962	210	-	56	269	-	(48)	(333)	1,721	11,837
GRE Cutlers Company Fund	97,125	47,500	-	-	50,000	-	(427)	(4,667)	17,845	207,376
GRE Employment Bond Fund	-	178,566	-	-	187,964	-	-	(5,611)	4,099	365,018
GRE Grant Thornton Fund	12,522	4,750	-	1,269	6,410	-	(58)	(619)	3,663	27,937
GRE Great Barnsley Fund	2,277	2,227	-	472	2,687	-	(12)	(157)	451	7,945
GRE Great Doncaster Fund	4,438	2,586	-	231	2,965	-	(30)	(235)	840	10,795
GRE Great Rotherham Fund	5,614	4,503	-	1,825	5,895	-	(37)	(377)	1,538	18,961
GRE Great Sheffield Fund	8,135	6,329	-	779	7,544	-	(60)	(493)	1,590	23,824
GRE Henry Boot Fund	17,079	9,500	-	-	10,000	-	(75)	(857)	3,212	38,859
GRE HSBC Fund	-	9,500	-	-	10,000	-	-	(299)	218	19,419
GRE Loscar Fund	-	27,109	-	-	27,109	-	-	(830)	636	54,024
GRE Neil & Julie MacDonald Fund	-	47,500	-	13,397	64,103	-	-	(1,905)	836	123,931
GRE P&A Partnership Fund	-	9,500	-	2,679	12,821	-	-	(381)	168	24,787
GRE Rensburg Sheppards Fund	36,153	-	-	-	-	-	(159)	(1,183)	6,335	41,146
GRE Rotary Club of Hallam Fund	9,961	4,625	-	-	4,875	-	(60)	(468)	1,664	20,597
GRE Senta Fund	41,376	-	-	-	-	-	(182)	(1,352)	7,137	46,979
GRE South Yorkshire Fund	755	1,430	-	253	1,481	-	(5)	(70)	(38)	3,806
GRE South Yorkshire Open Forum Fund	159,760	118,750	-	-	125,000	-	(783)	(8,953)	30,367	424,141
GRE Tally Fund	22,235	-	-	2,679	-	-	(103)	(769)	3,994	28,036
Carried forward	783,065	574,585	77	51,845	647,328	-	(3,657)	(29,559)	156,349	2,180,033

## Notes to the financial statements

### 13 Endowment funds (continued)

	Total as at 1 April 2009	Income	Investment income	Gift aid	Match Funding	Transfer	Investment Management Fees	SYCF Management GRE Fees includes 2008/09 and 2009/10	Net movement in market value of investment	Total as at 31 March 2010
	£	£	£	£	£	£	£	£	£	£
Brought forward	783,065	574,585	77	51,845	647,328	-	(3,657)	(29,559)	156,349	2,180,033
GRE Trustees and Supporters Fund	19,052	4,365	-	1,336	4,583	-	(115)	(774)	2,942	31,389
GRE UK Steel Enterprises Fund	34,158	19,000	-	-	20,000	-	(163)	(1,715)	6,436	77,716
GRE Wilkinson Trust Fund	-	85,476	-	-	89,975	-	-	(2,686)	1,963	174,728
Henry Boot Fund	27,407	-	-	-	-	-	(121)	-	5,145	32,431
Hepworth Fund	30,629	-	-	-	-	-	(135)	-	5,749	36,243
J P Morgan Fleming Fund	32,908	-	-	-	-	-	(145)	-	6,178	38,941
Keepmoat Fund	24,010	-	-	-	-	-	(106)	-	4,507	28,411
Laing Fund	55,119	-	-	-	-	-	(243)	-	10,347	65,223
Lowe Fund	161,308	-	-	-	-	-	(711)	-	30,279	190,876
Rensburg Sheppard Fund	18,908	-	-	-	-	-	(83)	-	3,549	22,374
Sunnybank Fund	3,969	-	65	-	-	-	(17)	-	748	4,765
Sykes Fund	25,634	5,000	-	-	-	-	(131)	-	4,625	35,128
SY Outdoor Pursuit Trust Fund	96,288	-	-	-	-	-	(424)	-	18,074	113,938
Tinsley Relief of Sickness Fund	67,205	-	-	-	-	-	(296)	-	12,615	79,524
York & Lancaster Fund	164,310	-	-	-	-	-	(724)	-	30,842	194,428
Capital permanent funds	1,543,970	688,426	142	53,181	761,886	-	(7,071)	(34,734)	300,348	3,306,148
<b>Expendable endowment</b>										
Arthur Lee Charitable Fund	61,452	-	-	-	-	-	(271)	-	11,536	72,717
High Sheriff Fund	10,164	-	-	719	-	-	(46)	-	1,960	12,797
Rotherham Community Fund	47,869	-	-	-	-	-	(211)	-	8,985	56,643
Samuel Osborn Fund	224,807	-	-	-	-	-	(991)	-	42,199	266,015
Capital expendable funds	344,292	-	-	719	-	-	(1,519)	-	64,680	408,172
<b>Total endowment funds</b>	1,888,262	688,426	142	53,900	761,886	-	(8,590)	(34,734)	365,028	3,714,320
Capital Reserve Fund	113,946	-	-	-	-	(123,778)	(284)	-	10,116	-
<b>Capital funds total</b>	2,002,208	688,426	142	53,900	761,886	(123,778)	(8,874)	(34,734)	375,144	3,714,320

## Notes to the financial statements

### 13 Endowment funds (continued)

These funds are represented by fixed asset investments and short term deposits awaiting investment by the Trustees. To assist with the allocation of income earned on these assets each fund is allocated a unit share of these assets based on the value of the investments when donations are made. Unless agreed otherwise 85% of the investment income of the permanent endowment funds is allocated to relevant restricted (distribution) fund for grants (see note 12) and the remainder to the administration fund (see note 1).

For full details of the funds, please see our website [www.sycf.org.uk](http://www.sycf.org.uk).

**Capital Reserves Fund** was previously shown in the accounts as the Administration Endowment Fund. This fund was built up over the years with unrestricted legacies and donations to support the sustainability of the Foundation.

The year 2009/10 was considered by the trustees to be part of the transition following the completion of the Local Network Funding and during the year £123,778 was transferred from the Capital Reserve Fund to the Revenue Reserve Fund to assist the cashflow during the year.