



Devon Community Foundation
(a charitable company limited by guarantee)
Registered charity number 1057923
Trustees' Report and Financial Statements
Year Ended 31 March 2013
Company registered number 3236918

Devon Community Foundation

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Devon Community Foundation

Trustees' report (incorporating the Directors' Report for the purposes of s.417 Companies Act 2006)

Year ended 31 March 2013

Correspondence address: The Factory
Leat Street
Tiverton
EX16 5LL

The charity's correspondent, Martha Wilkinson, can be contacted there.

Registered Office: c/o Bond Dickinson LLP
Ballard House
West Hoe Road
Plymouth
PL1 3AE

The charity's Company Secretary, Bond Law Secretaries Ltd, is based at the same address.

Bankers: Charities Aid Foundation
Kings Hill
West Malling
Kent
ME19 4TA

Investment Managers: Smith & Williamson Investment Management
25 Moorgate
London
EC2R 6AY

Ruffer LLP
80 Victoria Street
London
SW1E 5JL

Statutory Auditor: Francis Clark LLP
Vantage Point
Woodwater Park
Pynes Hill
Exeter
EX2 5FD

Solicitors: Bond Dickinson LLP
Ballard House
West Hoe Road
Plymouth
PL1 3AE

Devon Community Foundation

Trustees' report (continued)

Year ended 31 March 2013

Structure, Governance and Management

Statutory Information

The full name of the charity is Devon Community Foundation (hereafter referred to as 'the charity'). The charity's governing instrument is the Memorandum and Articles of Association, as amended by Resolution on 21 November 2006. The charity was incorporated on 12 August 1996 (Registered Company number 3236918) and is registered with the Charity Commission (Registered Charity Number 1057923).

Trustees

The Trustees of Devon Community Foundation are the members of the Board of Directors, and are listed below with their particular responsibilities.

Mr Mike Bull (Chair)	Chairman of Board, Resources and Management (R&M)
Mr Arthur Ainslie	R&M, Plymouth Drake Foundation representative
Mr Nigel Arnold	Chair Resources and Management
Dr Kate Gurney MA MRVCGP	Personnel and Devonian Funds
Mr Steve Hindley DL CBE (Vice Chair)	R&M
Mr Peter Keech	R&M, Finance and Investment
Mrs Caroline Marks	Lead on Grants, R&M
Mr John Glasby	Lead on Finance & Investment, R&M
Mr James Cross	Lead on Corporate engagement
Mrs Christine Allison (appt. September 2012)	Lead on microfinance and financial models
Mr Steve Pearce (appt. September 2012)	Plymouth Drake Foundation representative
Mr James Bullock (appt. March 2013)	
Mr Robin Barlow (appt. March 2013)	
Resigned	
Mr John Sutherland (December 2012)	

The Board meet every three months and the R&M between the Board meetings to ensure there is regular contact between Trustees and the operational team. In addition, Board members have taken on areas of specific responsibility and have put in place working groups to examine and address specific areas of work. Trustees are normally elected by the members of the organisation at the Annual General Meeting. Occasionally a new Trustee may be elected during the year at a Board Meeting. One third of the Trustees stand down or stand for re-election at each Annual General Meeting. A Trustee's term of office is three years. He/she may be re-elected for a further term.

The AGM was held on 14 September 2012. The President of the charity is Sir Eric Dancer, KCVO, CBE, JP, HM Lord Lieutenant of Devon.

Lord Morley, The Countess of Arran and Sir Ian Amory are patrons of the charity.

Devon Community Foundation

Trustees' report (continued)

Year ended 31 March 2013

Objectives and Activities

What the Charity does

Aims

The charity, which is both grant-making and fund-raising, is building endowment capital funds in Devon. The income from this endowment fund is used to make grants to relieve need and counter the effects of disadvantage in the county. The Foundation also manages flow-through grants for a variety of donors from the public, corporate and charitable sectors, as well as for individuals. It is seeking to expand this type of activity in addition to building its own endowment funds. A key aim of the Charity is to develop and encourage philanthropy in the county of Devon, facilitating people of all kinds to give money and other resources to build thriving local communities.

Our Vision

Thriving Devon communities challenging disadvantage and bringing about positive changes locally.

Our Mission

Connecting the voluntary sector, donors and partners in a way that supports them to identify and tackle local issues together.

The Foundation measures the impact of all its activities against our theory of change which is:

*If we support the voluntary sector, donors and partners in Devon to identify and build upon their strengths to tackle issues together **then** communities will be more resilient and inclusive with increased capacity to thrive.*

General Objectives

The charity's stated objectives, as amended by Special Resolution on 21 November 2006 and approved by the Charity Commission, are as follows:

"The Company is to be established for the support or promotion of any charitable purposes for the relief of poverty, the advancement of education (including training for employment or work), the advancement of religion or any other charitable purpose for the benefit of the community in the county of Devon, and, at the Trustees' discretion, the counties of Cornwall, Somerset and Dorset."

Public Benefit

The Foundation has met its objectives regarding Public Benefit through the management of grant programmes supporting voluntary and community groups which help disadvantaged people throughout the county. The full list of 222 grants is set out in note 17 to the financial statements. The majority of the funds used for grant making come through programmes managed on behalf of other organisations. The trustees have assessed the charity's activities with regard to the Charity Commission's guidance on public benefit.

Every aspect of the work and expenditure of the Foundation is wholly aimed at public benefit. The grant making programme is exclusively directed at supporting community groups across geographic Devon including Plymouth and Torbay. The growing endowment of the Foundation is invested so that the yield on the funds is distributed to community groups for the benefit of members of the public in Devon, to local community groups and organisations (and some individuals) that are working to address disadvantage and deprivation across the County.

Devon Community Foundation

Trustees' report (continued)

Year ended 31 March 2013

Objectives for the Year 2012-13

In February 2010, the Board agreed a draft business plan for 2010-2013 with four key objectives: Fund development, Grant-making, Organisational Effectiveness and Developing a Philanthropic Culture in Devon. Progress against these objectives is detailed below.

Objective	Key Achievements
<p>Fund development – continue and increase the building of expendable endowment</p>	<ul style="list-style-type: none"> • Endowment Funds grown by 22% • Joint investment of endowment with Wiltshire and Somerset Community Foundations appointing new investment managers • Development of the Social Footprint Tool to encourage and support corporate giving • Promotion of the Community First Endowment Match Challenge 50% opportunity from the Office of Civil Society
<p>Grant Making – deliver excellent grant-making, develop and attract new programmes</p>	<ul style="list-style-type: none"> • Streamlining and simplifying application process for groups • Improved web-based resources • Development of Impact measurement for ourselves • Awards for 'development' to groups identified as excellent • Continuation of substantial grant funds going out to local community organisations
<p>Organisational Effectiveness – ensure the Foundation is cost efficient and effective</p>	<ul style="list-style-type: none"> • Grant-making costs represent 11% of grants awarded • Development of evidence-based impact framework to measure our achievements against our mission • Close partnership working with local agencies on the Transforming Local Infrastructure Project • Changes to staff structure with investment in new team members
<p>Developing a Philanthropic Culture in Devon – encourage more philanthropic activity and support donors</p>	<ul style="list-style-type: none"> • Volunteer of the Year Awards sponsored by Smith and Williamson, Mole Valley, DACVS, Kitsons LLP, High Sheriff of Devon, Anne Milmay-White, Sharpham Vineyard • Developing philanthropic strategies with Donors such as the development grants, and Philanthropy Fellowship programme • Surviving Winter campaign raising funds for older people • The Funding Network event sponsored by Rathbones • BBC Radio Devon Charity of the Year. 'Give a Gift' campaign to celebrate their 30th birthday

Devon Community Foundation

Trustees' report (continued)

Year ended 31 March 2013

Partnerships

The Foundation neither wants to nor does work in a vacuum. Partnerships and collaborations are vital to our success in our core objective of facilitating change in Devon. To deliver our objectives we have continued to work with:

- the six other Community Foundations in the South West region
- UK Community Foundations (UKCF formerly CFN)
- Devon County Council to build the microfinance initiative and other shared areas of work
- Heathcoat Fabrics Limited who provide invaluable office accommodation for the Foundation
- The Transforming Local Infrastructure partners
- UKCF to deliver three Comic Relief programmes – Red Nose Day Grants (Community Cash), standard and large grants programmes, and the Community First endowment match challenge from Office Civil Society
- the local media and other voluntary and community sector organisations to raise the profile of the Foundation in the County including the Western Morning News, The Plymouth Herald and Devon Life and holding events to attract and interest the wider business and professional community,
- The Plymouth Herald worked especially closely with ourselves and Plymouth Drake Foundation on developing and promoting the 'Pounds for People' public vote for grants
- www.localgiving.com to deliver online fundraising support to community groups in Devon

The Foundation benefits greatly from liaison with many local voluntary groups. Practical advice and support is provided by UKCF and by the neighbouring Community Foundations in the South West Region.

Policies

The Foundation has a wide range of policies and procedures which cover all aspects of the charity's work and are monitored, reviewed and updated as appropriate by the Trustees. The Foundation is accredited by the Community Foundation Network's Quality Assurance II standard which will be in place until 2013 when the Foundation will again seek re- accreditation. The process for this requires a full review of all policies and procedures as well as providing a detailed self-assessment and being visited by external assessors. All policies and procedures are on a regular review programme to ensure that they are always fit for purpose.

Related Parties

The Ripple Effect Foundation (Ripple) is a charity which supports a range of charitable causes over a number of years within Devon and the South West. Ripple have donated funds to the endowment to enable long term grant making for future years and make use of the effective and flexible donor-advised grant making service DCF delivers. Ms Caroline Marks is also a Trustee of Ripple.

Midas Group is one of the largest independent property services providers in the UK. Midas are members of the DCF Business Club which help towards creating a Business Club Endowment Fund and Grant-making Fund. Mr Steve Hindley is the Chairman of Midas.

Three of the Foundation's Trustees, Mr Arthur Ainslie and Mr Steve Pearce and Mr Nigel Arnold, are Chairman and Trustees of the Plymouth Drake Foundation respectively. The Plymouth Drake Foundation works closely with Devon Community Foundation on a number of Plymouth Based funds held by the Devon Community Foundation.

Devon Community Foundation

Trustees' report (continued)

Year ended 31 March 2013

Achievements and Performance

Financial Overview of the Devon Community Foundation Endowment Funds

DCF delivers grant programmes for others such as Comic Relief, and private and corporate donors. The other key function of a community foundation is to attract donations into an endowed fund, the income from which is used to make grants to local groups. Devon Community Foundation considers this a mission critical element of its work, since it is this fund that will enable the Foundation to continue supporting groups independent of other funding streams.

Total Fund Value March 2012	£3,049,970
Total Fund Value as at 31st March 2013	£3,738,468
Fund change in last 12 months*	22%

* Net change in funds includes the distribution of some capital in grant making and administration costs.

Where do donations come from?

Where a donor invests in excess of £25,000 with DCF they can choose to do this as a 'named fund' within DCF's endowment, giving them the option to specify geographic and/or issue based objectives for the grant making from their fund. This allows donors the personal freedom and pleasure of seeing their donation go to the causes closest to their hearts and homes whilst still benefiting from the professional services of DCF to ensure excellent grant-making based on good local knowledge and due diligence of the groups concerned.

The Foundation has continued to attract donations for core operations, into endowment and for grant making programmes from individuals, corporations, other charitable trusts and foundations. Donations this year came to £553,434 ranging in size from £5 to £300,000 clearly demonstrating an increased interest in local philanthropy and supporting local communities from a wide range of people. Every gift is vital and makes a real difference, what we cannot achieve alone comes within reach when we work together.

Legacies are also a very important source of funds and we know that many people want to donate to charities in their will but find it hard to identify the local projects that they might like to give to. A legacy to Devon Community Foundation reduces the estate's liability to inheritance tax and will make a huge difference to the community, so it's a very effective way of giving back.

Financial Overview of DCF Investments

This year Devon Community Foundation linked with Wiltshire & Swindon Community Foundation and Somerset Community Foundation to work together on appointing investment managers and negotiating a collective agreement with those suppliers. The result of this collaboration has been the appointment of two investment managers: Smith & Williamson Investment Managers and Ruffer LLP. This necessitated moving the funds from our previous investments and reinvesting with our new managers and brought about significantly reduced fees for investment management and the formation of a joint Investment Committee with representatives from all three Foundations carrying out scrutiny of our investment performance. The trustees are pleased to see that this transition brought about a much improved return on investment this year.

In addition, Community First Funds which have attracted the 50% matched funds are managed by CCLA Investment Management Ltd.

Devon Community Foundation

Trustees' report (continued)

Year ended 31 March 2013

Grant Making and the difference it makes

From April 2012 to March 2013 Devon Community Foundation distributed £425,048 in a total of 222 grants to local voluntary and community groups helping people in need in Devon, an average grant of £1,914.

This year 324 requests were received for a total of £1,149,547, over two and a half times what we had available to give. We have tried to make the funds stretch as far as possible funding nearly 69% of applications and almost 37% of value. In many cases we do this by awarding part of what is requested to offer some help at least, even if we cannot give the whole amount. Programmes which offer grants between £5,000 and £10,000 are significantly oversubscribed with requests for funding at the top end of the scale.

85% of charitable donations in the UK go to the largest 5% of charities. The majority of charities are very small, local volunteer-run organisations with less than £10,000 a year coming in and their survival is dependent on the generosity of individuals.

As these hard times persist, more local people are out of work, more are suffering from depression, finding themselves unexpectedly homeless, or with broken relationships. Groups are increasingly in need of funds to respond to their beneficiaries in a climate where there is significantly less support for these vulnerable individuals. As a result we have seen an increased demand for funds whilst having less to give.

According to a recent poll "One in six charities believes they could face closure amid public spending cuts and falling donations and nearly a quarter have had to cut frontline services. Eight out of ten charities said the sector is in crisis just at the time when the need for their help is increasing daily." The Trustees are committed to a vision of building the Foundation's endowment to the point where it can begin to replace the lost public sector grant funds and support and sustain our much needed local groups and communities.

The groups we have supported with grants have told us that they have held out a helping hand to over 75,000 people this year: amazing local people and organisations who are working to build and sustain the thriving communities that we all want to see across Devon, Plymouth and Torbay.

Neighbourhoods, towns and villages that feel great to be a part of: places where local people have work, homes and opportunities that enrich their lives whatever their personal circumstances or if they live in a town or remote rural area. Communities where everyone brings what they can to support neighbours facing extra challenges or to give a flying start to the next generation. Where people come together to sort out any conflicts, and think up great new ideas for how to make things better for everyone.

Places where older people aren't left alone, fearful or cold and can lead healthy, happy, independent lives. Where young people aren't left without hope of fulfilled lives, even if they have somehow slipped off the rails and need a second chance.

Devon Community Foundation

Trustees' report (continued)

Year ended 31 March 2013

Grant Making and the difference it makes

Number of people helped	Beneficiary group
23,441	People on low incomes
21,828	Adults in need
16,190	Families in crisis
4,305	Children and Young people given new opportunities
3,320	Disabled People
2,109	Older people in need of extra support
2,100	Black and Minority Ethnic People
1,180	Young people needing encouragement to remain in education or training
1,053	People with health problems
835	People in Rural areas
235	People caring for others
30	People with drug and alcohol addictions
76,626	Total Beneficiaries

Sustainability and Resilience

We are extremely grateful for the in-kind support we receive to help us remain cost effective. Heathcoat Fabrics continued to provide office accommodation for the Foundation at their premises in Tiverton. Meeting rooms were provided by Ashfords and the Hartnoll Hotel.

The events we hold are only possible through the generosity of our sponsors: THANK YOU

Smith & Williamson
Kitsons Solicitors
Mole Valley Farmers
High Sheriff of Devon

Rathbones
Sharpham Vineyard
DACVS
Anne Mildmay-White

The Foundation continues to face challenges in an era of substantially reduced public sector grants programmes. The Foundation continues to succeed in its strategy of building a diversified income for the coming years, both attracting new grant making funds and also support for the core costs and development work of the Foundation.

The Trustees and team have worked hard to replace income that was formerly from the administration of public funded grant programmes with new and diverse sources with considerable success. Good financial husbandry leaves the Foundation in a position to build a long term, sustainable future built upon our excellence of service to donors, programme funders and our local community.

Devon Community Foundation

Trustees' report (continued)

Year ended 31 March 2013

Reserves policy

The Foundation believes that it is appropriate to maintain a reserve of unrestricted funds in order to ensure:

- the smooth operation of the Foundation in the event of long-term illness of a member of staff
- the continuation of activities in the short term if sources of flow-through grant-making ceased or diminished
- the financing of obligations, residual liabilities and redundancies should the Foundation cease to operate

To this end the Foundation has a sum of £60,000 in a designated reserve fund.

Financial Position

The financial position of the Foundation is reviewed on a regular basis by Trustees and by the Resources & Management Committee which reports to the full Board of Trustees on a quarterly basis. The level of financial reserves in the designated fund will be adjusted appropriately.

Whilst the charity has total funds of £4,100,852 at 31 March 2013, of this sum £3,738,468 is represented by endowment funds, which are used to generate income for grant-making activities. Of total funds £238,518 are restricted funds, which can only be applied for specific purposes. Unrestricted funds amounted to £123,866 (2012: £149,842) and, within this total, undesignated funds amount to £63,866 (see note 12 to the financial statements).

The Trustees have reviewed the major risks to which the charity is exposed and recognise that this work must be ongoing. They are confident that review systems have been established to mitigate identified risks. The Resources and Management Committee oversee the financial controls and prudent financial management of the Foundation.

Comments on the Financial Statements

This year the Foundation has been fortunate to work with 11 partners on the delivery of the Transforming Local Infrastructure project. The funding received from this source has supported the development of our brand new Corporate Social Responsibility product - The Social Footprint Tool - and other innovation. This funding source runs until September 2013.

In addition, specific funding was attracted to support our engagement with the EU SEEING project, looking into how the public, private and third sectors can work together to implement the Social Value Act 2012 and support social enterprise across the county. Partners in this project are Devon County Council, Peninsula Enterprise and Well UK locally and similar organisations in Belgium and Denmark.

It is confirmed that the accounts comply with current statutory requirements, with the Statement of Recommended Practice for charity accounting, the Charities Act 2011 and with the requirements of the Memorandum and Articles of Association.

Auditors

Francis Clark LLP has indicated its willingness to continue in office and a resolution to re-appoint them was proposed and agreed at the Foundation's AGM.

Devon Community Foundation

Trustees' report (continued)

Year ended 31 March 2013

Principal Income Sources

Principal sources of income in 2012-13 were:

- The Ripple Effect Foundation
- Devon County Council
- Viscount Amory Trust
- Transforming Local Infrastructure
- Rental Income
- Core cost contribution from endowment income
- Comic & Sport Relief
- 29th May 1961
- Dulverton Trust
- The Funding Network

These funds have provided income to support the Foundation's grant-making activity and associated management fees have supported the Foundation's core costs. Publicity for grants made has helped to raise the profile of the Foundation in the local community. In relation to fund development, grants have been secured from various sources to support Fund development work to continue to build endowment funds and secure the future of Devon's communities.

Devon Community Foundation

Trustees' report (continued)

Year ended 31 March 2013

Statement of Trustees' Responsibilities

The trustees (who are also directors of Devon Community Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

By Order of the Board

M Bull

Chairman of the Board

Devon Community Foundation

Independent Auditor's Report to the Members

We have audited the financial statements of Devon Community Foundation for the year ended 31 March 2013 which comprise the Statement of Financial Activities, Income & Expenditure Account, Statement of Total Recognised Gains and Losses, 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 company'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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by trustees; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

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

Devon Community Foundation

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 and the Charities Act 2011 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; or
- the company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

SEAN GRINSTED (Senior Statutory Auditor)
For and on behalf of
FRANCIS CLARK LLP
Chartered Accountants & Statutory Auditor
Vantage Point
Woodwater Park
Pynes Hill
Exeter
EX2 5FD

2013

Devon Community Foundation

Statement of Financial Activities

For the year ended 31 March 2013

	Note	Unrestricted funds (note 12) £	Restricted funds (note 13) £	Endowment funds (note 14) £	2013 £	2012 £
Incoming Resources						
<i>Incoming resources from generated funds</i>						
<i>Voluntary income</i>						
Donations & Gifts		132,892	84,450	322,733	540,075	133,576
Income Tax refunded		187	7,683	5,489	13,359	21,252
Investment Income		64	20	68,456	68,540	55,426
Interest receivable		4,781	-	9,784	14,565	15,128
Other income – CCLA match		-	-	158,823	158,823	-
<i>Incoming resources from charitable activities</i>						
Grants		-	354,106	-	354,106	469,350
Total incoming resources		137,924	446,259	565,285	1,149,468	694,732
Resources Expended						
<i>Cost of Generating Funds</i>						
Costs of generating voluntary income	3	111,182	55,091	-	166,273	78,576
<i>Charitable Activities</i>						
Grants Payable	17	-	425,048	-	425,048	605,120
Administration of grant making activities	4	46,113	1,500	29,520	77,133	90,196
<i>Governance Costs</i>						
Investment management costs	5	6,605	-	-	6,605	6,314
		-	-	9,922	9,922	10,409
Total resources expended		163,900	481,639	39,442	684,981	790,615
Net incoming / (outgoing) resources for the year		(25,976)	(35,380)	525,843	464,487	(95,883)
Transfers		-	89,338	(89,338)	-	-
Other recognised gains and losses:						
Unrealised gain / (loss) on investments		-	-	256,386	256,386	(18,311)
Realised loss on investments		-	-	(4,393)	(4,393)	(4,025)
Net movement in funds		(25,976)	53,958	688,498	716,480	(118,219)
Fund balances brought forward		149,842	184,560	3,049,970	3,384,372	3,502,591
Fund balances carried forward		123,866	238,518	3,738,468	4,100,852	3,384,372

All the above activities are continuing

Devon Community Foundation

Income and Expenditure Account

For the year ended 31 March 2013

	2013 £	2012 £
Income	907,540	624,178
Expenditure	(684,981)	(790,615)
Operating surplus / (deficit)	222,559	(166,437)
Interest receivable	14,565	15,128
Other investment income and CCLA match	227,363	55,426
Realised loss on investments	(4,393)	(4,025)
Surplus / (deficit) on ordinary activities	460,094	(99,908)

Statement of Total Recognised Gains and Losses

For the year ended 31 March 2013

	2013 £	2012 £
Surplus / (deficit) on ordinary activities	460,094	(99,908)
Unrealised gain / (loss) on investments	256,386	(18,311)
Total gains and losses recognised in the year	716,480	(118,219)

Devon Community Foundation

Balance Sheet

31 March 2013

	Note	£	2013 £	£	2012 £
Fixed Assets					
Tangible fixed assets	6		61,200		62,995
Investments	7		3,590,071		2,407,356
			<u>3,651,271</u>		<u>2,470,351</u>
Current Assets					
Debtors	8	26,914		7,133	
Cash in bank and in hand	9	440,970		921,679	
		<u>467,884</u>		<u>928,812</u>	
Creditors:					
Amounts falling due within one year	10	(18,303)		(14,791)	
		<u>(18,303)</u>		<u>(14,791)</u>	
Net current assets			449,581		914,021
Net assets	15		<u>4,100,852</u>		<u>3,394,372</u>
The funds of the charity					
Endowment funds	14		3,738,468		3,049,970
Restricted funds	13		238,518		184,560
Unrestricted funds	12		123,866		149,842
Total charity funds	11		<u>4,100,852</u>		<u>3,384,372</u>

These financial statements were approved by the board of trustees on signed on their behalf by

2013 and were

M BULL Chair of Trustees

Company registration number: 3236918

Devon Community Foundation

Cash Flow Statement

For the year ended 31 March 2013

	2013		2012	
	£	£	£	£
Net cash inflow / (outflow) from operating activities (note below)		368,243		(68,101)
Returns on investments and servicing of finance				
Interest receivable		83,105		70,554
Capital expenditure and financial investment				
Net payments to acquire investments		(930,722)		(893,621)
Payments to acquire tangible fixed assets		(1,335)		(948)
		<hr/>		<hr/>
Decrease in cash in the year		(480,709)		(892,116)
Net cash resources at 1 April 2012		921,679		1,813,795
		<hr/>		<hr/>
Net cash resources at 31 March 2013		440,970		921,679
		<hr/> <hr/>		<hr/> <hr/>

Note

Net cash inflow / (outflow) from operating activities

Net movement in funds for the year	716,480	(118,219)
Depreciation	3,130	2,678
Gains / (losses) on investments	(251,993)	22,336
Investment income	(83,105)	(70,554)
Increase in creditors	3,512	3,400
(Increase) / decrease in debtors	(19,781)	92,258
	<hr/>	<hr/>

Net cash inflow / (outflow) from operating activities

	<hr/>	<hr/>
	368,243	(68,101)
	<hr/> <hr/>	<hr/> <hr/>

Devon Community Foundation

Notes to the financial statements

Year ended 31 March 2013

1. Accounting Policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and in accordance with applicable accounting standards and the Charities Act 2011. In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

Incoming resources

Donations are recognised when the charity is entitled to receipt.

Grants received are credited to revenue at the time the charity becomes entitled to the income. Where a corresponding obligation to make a grant arises, provision is made at the same time. Grants are allocated to restricted funds where the donor has specified a particular purpose for the grant.

Resources expended

Expenditure is recognised on an accruals basis when a liability is incurred. Grant payments are recognised when a constructive obligation arises which results in the payment being unavoidable.

Costs of generating funds are those associated with generating voluntary income.

Charitable expenditure comprises those costs incurred by the charity in carrying out its grant-making activities.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include costs linked to the strategic management of the charity.

Investment management costs are shown separately within Resources Expended.

Expenditure is allocated between the above headings in the Statement of Financial Activities on a direct basis apart from staff costs, which are allocated based upon the amount of time staff work on each area.

Taxation

Devon Community Foundation has charitable status and uses its funds for charitable purposes. Therefore, no taxation is included in these financial statements. The charity is not registered for Value Added Tax, and expenditure therefore includes VAT where appropriate.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised, and are included at cost. Depreciation is provided to write off the cost of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Computer and office equipment - straight line over 3 years.

The remaining lease on the property at 59 Wonford Road, Exeter is depreciated on a straight line basis over 44 years at £1,500 per year since the asset was transferred in 1 April 2009.

Devon Community Foundation

Notes to the financial statements (continued)

Year ended 31 March 2013

Funds

- Unrestricted funds represent incoming resources receivable or generated for the objects of the charity without further specific purpose, and are available for use at the discretion of the Trustees (see note 12).
- The charity has a number of restricted funds to account for situations where a donor or grant-making body requires that a donation or grant must be spent on a particular purpose (see note 13).
- Expendable endowment funds represent funds where there is power to convert capital into income (see note 14).

2. Staff numbers and costs

The charity had 5 (FTE) employees during the year (2012:4). The emoluments of these employees were:

	2013	2012
	£	£
Salaries	135,945	89,601
Employer's national insurance	10,770	6,984
	146,715	96,585

There were no employees with emoluments above £60,000.

3. Cost of generating voluntary income

	Unrestricted Funds	Restricted Funds	2013	2012
	£	£	£	£
Office & stationery costs	12,186	743	12,929	9,112
Publicity	31,275	689	31,964	7,644
Staff costs	61,784	51,152	112,936	57,028
Training	3,647	130	3,777	742
Travel	2,290	2,344	4,634	3,468
Sundries	-	33	33	582
	111,182	55,091	166,273	78,576

Devon Community Foundation

Notes to the financial statements (continued)

Year ended 31 March 2013

4. Administration costs of grant making activities

	Unrestricted Funds	Restricted Funds	2013	2012
	£	£	£	£
Staff costs	33,317	-	33,317	39,143
Travel	1,868	-	1,868	632
Staff training	2,810	-	2,810	463
Outreach	-	-	-	3,000
Publicity	4,016	-	4,016	2,577
Events	250	-	250	3,488
Telephone and office costs	1,910	-	1,910	7,422
Postage and stationery	312	-	312	788
Sundries	-	-	-	376
Depreciation	1,630	1,500	3,130	2,678
	46,113	1,500	47,613	60,567

5. Governance Costs

	Unrestricted Funds	Restricted Funds	2013	2012
	£	£	£	£
Staff costs	2,210	-	2,210	2,146
Trustees' training	495	-	-	-
Trustees' expenses	3,900	-	495	308
Audit	-	-	3,900	3,860
	6,605	-	6,605	6,314

Trustees received no remuneration (2012: £nil). During the year ended 31 March 2013, the company paid trustees' indemnity insurance of £1,299 (2012: £1,268), and trustees' meeting cost expenses amounting to £495 (2012: £308).

Devon Community Foundation

Notes to the financial statements (continued)

Year ended 31 March 2013

6. Tangible fixed assets

Cost	Property £	Computer £	Other £	Total £
At 1 April 2012	66,000	2,587	948	69,535
Additions	-	1,335	-	1,335
Disposals	-	-	-	-
At 31 March 2013	66,000	3,922	948	70,870
Depreciation				
At 1 April 2012	4,500	1,724	316	6,540
Charge for the year	1,500	1,314	316	3,130
Disposals	-	-	-	-
At 31 March 2013	6,000	3,038	632	9,670
Net book values				
At 31 March 2013	60,000	884	316	61,200
At 31 March 2012	61,500	863	632	62,995

7. Investments

Market value	Investment to support core costs £	Endowment Investments £	2013 £	2012 £
At 1 April 2012	1,872	2,405,484	2,407,356	1,536,071
Additions	-	3,184,951	3,184,951	1,147,586
Disposals	-	(2,244,307)	(2,244,307)	(243,556)
Unrealised gains / (losses)	231	256,155	256,386	(18,311)
Realised (losses)/gains	-	(4,393)	(4,393)	(4,025)
Investment management charges	-	(9,922)	(9,922)	(10,409)
At 31 March 2013	2,103	3,587,968	3,590,071	2,407,356

The investments held to support core costs are income shares with COIF (Charities Investment Fund), and are investment assets in the UK. The investments held for Endowment are investment assets in the UK and overseas.

Devon Community Foundation

Notes to the financial statements (continued)

Year ended 31 March 2013

8. Debtors: amounts due within one year

	2013	2012
	£	£
Publicity	560	-
Mobile Telephone	16	107
Gift Aid	8,838	7,026
Exeter Council For Voluntary Service	17,500	-
	<u>26,914</u>	<u>7,133</u>

9. Cash in bank and in hand

Revenue accounts:	2013	2012
	£	£
CAF Current Account	65,225	70,985
Arbuthnot Latham Account	69,227	606,451
CAF Current Gold Account	69,414	34,146
Arbuthnot Latham BBC Account	791	-
Bank of Scotland	-	1,942
CAF Gold Account	94,219	70,533
Secure Trust 120 Account	142,094	137,622
	<u>440,970</u>	<u>921,679</u>

10. Creditors: amounts fall due within one year

	2013	2012
	£	£
Other creditors - HMRC		
Accruals	3,701	1,568
	<u>14,602</u>	<u>13,223</u>
	<u>18,303</u>	<u>14,791</u>

11. Reserves

	Income and expenditure account
	£
At 1 April 2012	3,384,372
Surplus for the year	716,480
	<u>4,100,852</u>
At 31 March 2013	<u>4,100,852</u>

Devon Community Foundation

Notes to the financial statements (continued)

Year ended 31 March 2013

12. Unrestricted funds

	General Fund £	Designated Reserve Fund £	Total 2013 £
Fund balances brought forward	89,842	60,000	149,842
Incoming resources	137,924	-	137,924
Outgoing resources	(163,900)	-	(163,900)
Transfer between funds	-	-	-
Fund balances carried forward	63,866	60,000	123,866

The Designated Reserve Fund is being held to ensure the smooth operation of the Foundation in the event of long-term illness of a member of staff, for the continuation of activities in the short - term if sources of grant making income ceased or diminished, and for redundancy payments.

Devon Community Foundation

Notes to the financial statements (continued)

Year ended 31 March 2013

13. Restricted funds

	Brought Forward £	Incoming resources & transfers £	Expenditure £	31 March 2013 £
Devon Community*	8,654	20,879	28,177	1,356
Activistock	-	1,801	900	901
Arnold Family	-	752	750	2
Blundells	-	769	-	769
Mumme Ackford	-	884	-	884
Greg Matthews	-	3,644	1,500	2,144
Radio BBC Devon	-	903	-	903
Drake Fund*	49	39,716	36,074	3,691
Comic & Sport Relief	72,494	164,610	166,757	70,347
Exeter Positive Steps	965	10,297	10,297	965
Philip J Milton & Co Plc	608	808	250	1,166
PDF Trinity House	5,125	-	-	5,125
Ripple Fund	1,761	27,738	11,550	17,949
L Connor	330	763	-	1,093
PDF Royal Mail	247	-	-	247
Dulverton Trust	-	90,500	90,371	129
Devon 100 Club	2	1,401	-	1,403
High Sheriff	-	13,154	250	12,904
Local Giving	2,823	2,322	5,145	-
The Funding Network	5,690	14,261	5,542	14,409
North Devon Relief	343	3,596	3,918	21
Surviving Winter Appeal	3,582	16,499	12,999	7,082
Rural	-	3,687	3,687	-
Mildmay White Family	243	777	250	770
Ray Miles	-	1,008	-	1,008
Police Property	504	7,281	7,145	640
Devonian	17,582	15,661	23,373	9,870
Devonian Leased Property	61,500	-	1,500	60,000
Kitson Hutchings	631	938	250	1,319
Speller	1,427	5,000	6,427	-
Fredericks	-	10,043	9,437	606
TLI	-	70,000	49,186	20,814
EU Seeing Project	-	5,904	5,904	-
	184,560	535,597	481,639	238,518

*The Devon Community Fund includes the following funds Tiverton Religious, Grassroots, Clare Milne Trust, Throwleigh, Bristol & West, Peter Yeo, HSBC and Whitestuff.

*The Plymouth Drake Fund includes the following funds Grassroots, Tamar Science Park, Plymstock School and Drake Foundation.

Devon Community Foundation

Notes to the financial statements (continued)

Year ended 31 March 2013

Explanation of major restricted funds

Restricted Funds are funds held by the Foundation for specific activities. They include the yield from the Endowment Fund which is restricted for grant making and grant programmes managed by the Foundation on behalf of other organisations. Administration costs are charged to restricted funds as agreed with donors.

This year the Foundation has continued to manage grant programmes for both Comic Relief and the Dulverton Trust. In both cases the donors are keen to access smaller community based groups in Devon and come to the Foundation to enable them to give small grants at a local level accessing the local knowledge and expertise of the Foundation to do so.

Transfers of £89,338, as shown in the Statement of Financial Activities on page 16, represents the percentage of expendable endowment investments available for the purpose of grant making.

Devon Community Foundation

Notes to the financial statements (continued)

Year ended 31 March 2013

14. Expendable Endowment Funds

	1 April 2012 £	Incoming Resources £	Realised & unrealised Investment profits/ (losses) £	Transfers & Outgoing Resources £	31 March 2013 £
The Endowment Funds include:					
Rural Fund	122,270	-	-	(2,349)	119,921
General Funds *	100,927	-	-	(2,454)	98,473
Devon Community Funds *	1,353,499	485,878	-	(24,189)	1,815,188
Plymouth Drake Funds *	1,214,081	1,600	-	(7,601)	1,208,080
North Devon Relief Fund	120,180	-	-	(2,278)	117,902
Police Property Fund	115,000	-	-	(2,180)	112,820
Investment Portfolio	22,141	68,023	251,762	(77,945)	263,981
Investment Interest	-	9,784	-	(9,784)	-
Investment shares to support administration	1,872	-	231	-	2,103
	3,049,970	565,285	251,993	(128,780)	3,738,468

*These funds include elements of named funds.

A named fund must have a minimum value of £25,000. The donor may advise the Foundation about the allocation of grants made from the interest earned on the fund.

15. Analysis of net assets between funds

	Tangible Assets £	Investments £	Net Current Assets £	Total £
Restricted funds	60,000	-	178,519	238,518
Endowment funds	-	3,590,071	148,396	3,738,468
Unrestricted funds	1,200	-	122,666	123,866
	61,200	3,590,071	449,581	4,100,852

16. Capital commitments

There were no capital commitments at the year end.

Devon Community Foundation

Notes to the financial statements (continued)

Year ended 31 March 2013

17. Restricted Fund Grants made by the Foundation 2012-13

	<u>£</u>	<u>£</u>
<u>Community Grants</u>		
South West Media Group	10,000	
Torbay Food Bank	5,000	
Stories Connect	2,500	
Plymouth Street Pastors	2,300	
Samaritans (South Devon)	1,282	
South Hams Lifestyles	1,000	
Sixteen Grants Payments Under £1000	<u>1,743</u>	
		23,825
<u>Exeter Positive Steps</u>		
Exeter YMCA	<u>10,297</u>	
		10,297
<u>Comic Relief</u>		
Cool Recovery	15,000	
Jeremiah's Journey	15,000	
Plymouth Foodbank	15,000	
Zone	15,000	
Plymouth Communities Befriending Consortium	14,700	
Operation Emotion 2 CIC	7,800	
Age Concern Okehampton & Torridge	5,000	
North Devon Sunrise	4,875	
Relate Exeter & District	4,800	
Plymouth Sports Academy	3,620	
HomeStart Exeter	3,000	
Teignbridge Citizens Advice Bureau	3,000	
Home Start South Hams	3,000	
GO NORTH DEVON	1,955	
Tawstock Pre-School	1,000	
South Brent Recreation Association	1,000	
Woodend Project	1,000	
Bishops Nympton Little Owls	<u>598</u>	
		115,348

Devon Community Foundation

Comic Relief - Community Cash

Street factory community interest company	1,000
Plymouth Trophyman Football Club	1,000
All Stars Theatre Group	1,000
BETWABU Association	1,000
Wheelfever Projects CIC	1,000
Scoot-A-Long	1,000
Plymouth Deaf Childrens Society	1,000
Plymouth Pregnancy Crisis Centre	1,000
Time Out For All	1,000
Simply Counselling	1,000
Plymouth Musical Activities Club	1,000
Railway Beacon Youth Football Club	1,000
Cruse Bereavement Care Plymouth	1,000
National Autistic Society - Plymouth Branch	1,000
Friends of Freedom Fields Park Plymouth	1,000
Community Regeneration Outreach Projects	1,000
Ford Youth and CommunityCentre	1,000
Whitleigh Open Spaces Project (W.O.S.P)	1,000
Horizons Plymouth	1,000
50+ Carers Support & Social Group	1,000
Courtlands Special School	1,000
Keyham Kolts Youth FC	1,000
Plymouth & Liskeard Branch of MS Society	1,000
CafeVISION	1,000
Belliver Boys under 11s	1,000
Plymouth Senior Citizens Forum	1,000
Plymouth Pisces	1,000
St. Budeaux Church Friday Fellowship	1,000
Plymouth Hope Football Club	1,000
St Budeaux Youth Club	1,000
FOTONOW (Community Interest Company)	1,000
Stonehouse Action	1,000
Sunshine Marina Association	1,000
Eggbuckland (community) Forum c/o PLYMFED	1,000
Efford Community Vision	1,000
Plymouth and Devon Schools Sailing Association	1,000
Mutley Greenbank Trust	1,000
Plympton Amateur Boxing Club	1,000
Tamerton Young Leisure Group	1,000
HOPE (Plymouth) Credit Union Ltd	1,000
Friends & Families Of Special Children	1,000
Strictly Collaborative	1,000
St Barnabas Tenants Association	1,000
Plymouth Vineyard	1,000
Shout It Out Learning Project	1,000
Plymouth Focus Advice Centre	1,000
City of Plymouth Credit Union	1,000
Six Grant Payment Under £1000	4,409
	<hr/>

51,409

Devon Community Foundation

Dulverton Trust

Cornwall Community Foundation	45,000	
YMCA South Devon	5,000	
Surf Life Saving Devon	5,000	
Crossroads Care (Torbay)	5,000	
About Time	4,986	
Homestart Teignbridge	4,020	
TTVS	3,980	
The Island Trust	2,720	
Ottery St Mary Scout Group	2,500	
Seize the Moment	2,155	
Plymouth Communities Befriending Consortium	2,000	
Bideford & District Sea Cadet Corps	2,000	
Horticultural Therapy Trust	2,000	
St Sidwells Centre	1,760	
Organic Arts	1,250	
Running Deer C.I.C.	1,000	
	<hr/>	90,371

Surviving Winter

CAB Devon	5,000	
Plymouth CAB	2,500	
Friends of Southernhay House Surgery	1,000	
Holsworthy Luncheon Club	1,000	
Harbour (Bideford)	1,000	
Three Grant Payments Under £1000	2,499	
	<hr/>	12,999

The Funding Network

Grow@Jigsaw (Grant Payment)	4,101	
Changing Tunes	642	
Dartington Hall Trust	288	
Amigos	511	
	<hr/>	5,542

Bristol & West

Clarity (North Devon Mental Health Service Users Forum)	1,000	
The Woodend Bikers Youth Project	655	
	<hr/>	1,655

Police Property

Cornwall Community Foundation	3,021	
Seven Grant Payments Under £1000	4,124	
	<hr/>	7,145

Ripple

Re-Branch	4,800	
Work Skills South West	4,800	
Chagford Education & Leisure Trust (CELT)	1,000	
Exeter YMCA	950	
	<hr/>	11,550

Devon Community Foundation

North Devon Relief

Five Grants Payments Under £1000	<u>3,918</u>	3,918
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Rural

Homestart Teignbridge	<u>3,687</u>	3,687
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Devonian

Wheelfever Projects CIC	9,600	
Accessible Coach Holidays	2,500	
Tiverton Rowing Club	2,000	
JP:Devonian	2,000	
Multiple Sclerosis Society South Devon	2,000	
Exeter Community Transport Association	1,000	
Pathfield Activity Club	1,000	
Ifracombe & District Community Transport Association	1,000	
Five grants under £1000	<u>2,273</u>	
		23,373

Clare Milne

Two Grant Under £1000	<u>1,195</u>	1,195
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Mildmay White Family

One Grant Under £1000	<u>250</u>	250
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Kitson Hutching

One Grant Under £1000	<u>250</u>	250
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Phillip J Milton & Co Plc

One Grant Under £1000	<u>250</u>	250
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Throwleigh

Med Theatre	<u>1,000</u>	1,000
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Activistock

Two Grants Under £1000	<u>900</u>	900
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Arnold Family

One Grant Under £1000	<u>750</u>	750
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Greg Matthews

Unlimited Dance Company	<u>1,500</u>	
		1,500

Devon Community Foundation

Millfields PDF

Plymouth Sports Academy	<u>1,000</u>	1,000
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Plymouth Drake Foundation

South West Media Group (Pounds for People)	10,000	
Plymouth Herald Readers choosing their favourite projects		
Three Grants Under £1,000	<u>1,600</u>	
		11,600

Plymouth University PDF

Whiz Kids	1,500	
Food is Fun CIC	<u>1,500</u>	
		3,000

Royal British Legion PDF

Her Majesty's Schools Heroes	5,000	
Naval Area Community Organisation	3,304	
Friends & Families of Deployed Units (FAFDU)	<u>2,940</u>	
		11,244

Trinity PDF

Horizons Plymouth	5,000	
Morvargh Sailing Project	<u>3,000</u>	
		8,000

South West Water PDF

Horizons Plymouth	<u>1,230</u>	
		1,230

Speller

Grow 4 Good South West Ltd	<u>6,427</u>	
		6,427

High Sheriff's Fund

One Grant Under £1,000	<u>250</u>	
		250

Fredericks Foundation

Fredericks M/Finance	<u>9,437</u>	
		9,438

Volunteer of the Year

Two Awards Under £1,000	<u>500</u>	
		500

LocalGiving.com

Thirty Six Grants Under £1,000	<u>5,145</u>	
		5,145

Total		425,048
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