

## Community Foundation Network

### Notes to the financial statements

For the year ended 31 March 2007

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#### 8. Cost of generating funds

	Restricted £'000	Unrestricted £'000	2007 £'000	2006 £'000
Fundraising & publicity				
Salaries and pension costs		7	7	7
Investment management fees	80		80	121
	<u>80</u>	<u>7</u>	<u>87</u>	<u>128</u>

#### 9. Staff costs and numbers

	2007 £'000	2006 £'000
Salaries and wages	397	342
Social Security Costs	40	38
Pension contributions	44	28
Other staff costs, including recruitment	89	171
	<u>570</u>	<u>579</u>

No employee earned more than £60,000 in 2007. In 2006, one employee earned between £60,001 and £70,000 and the pension cost of this individual was £5,449.

The average number of employees was as follows:

	2007 No.	2006 No.
Direct charitable expenditure	9.75	9.50
Fundraising and publicity	0.25	0.25
Governance	0.25	0.25
	<u>10.3</u>	<u>10.0</u>

#### 10. Net incoming resources for the year

This is stated after charging:

	2007 £'000	2006 £'000
Depreciation	5	7
Operating lease rentals	44	44
Auditors' remuneration:		
▪ Audit	11	13
▪ Other Services	3	-
	<u>63</u>	<u>64</u>

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11. Tangible fixed assets		Furniture & Office Equipment
The group and charity		£'000
<b>Cost</b>		
At the start of the year		59
Additions in year		4
Disposals in year		-
At the end of the year		<u>63</u>
<b>Depreciation</b>		
At the start of the year		49
Charge for the year		5
Disposals in year		-
At the end of the year		<u>54</u>
<b>Net book value</b>	<b>At the end of the year</b>	<u><u>9</u></u>
	At the start of the year	<u><u>10</u></u>

12. Fixed asset investments

	The group		The charity	
	2007	2006	2007	2006
	£'000	£'000	£'000	£'000
<i>Listed Investments and CAF funds</i>				
Market value at the start of the year	46,618	48,542	50	159
Additions at historic cost	37,404	59,831	-	-
Disposals at book value	(67,709)	(63,036)	-	(120)
Net unrealised gain / (loss)	539	1,281	3	11
Market value at the end of the year	<u>16,852</u>	46,618	<u>53</u>	50
Accrued interest on portfolio	1	440	-	-
Cash held in investment portfolio	32	43	-	-
Total value at the end of the year	<u><u>16,885</u></u>	47,101	<u><u>53</u></u>	50
Historic cost at the year end	<u><u>14,322</u></u>	44,750	<u><u>55</u></u>	55
Investments comprise:				
UK Common investment funds	7,832	11,158	-	-
CAF Charittrak units	53	50	53	50
Fixed Income Investments	9,000	35,410	-	-
	<u><u>16,885</u></u>	46,618	<u><u>53</u></u>	50

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Investments representing over 5% by value of the portfolio comprise:

UK Treasury Bonds	-	9,538
CAF 1 year deposit	<b>9,000</b>	-
BGI Sterling Liquidity First Fund	<b>267</b>	4,128
BGI Charitrak UK Equity Index Fund	<b>7,565</b>	7,030
ML Inst Liquidity Fund	-	8,053
	<b>9,000</b>	<b>28,749</b>

#### 13. Debtors

	The group		The charity	
	2007	2006	2007	2006
	£'000	£'000	£'000	£'000
Sundry debtors	<b>129</b>	101	<b>129</b>	101
Due from subsidiary undertaking	-	-	-	63
	<b>129</b>	<b>101</b>	<b>129</b>	<b>164</b>

#### 14. Creditors : Amounts falling due within one year

	The group		The charity	
	2007	2006	2007	2006
	£'000	£'000	£'000	£'000
Trade creditors	<b>72</b>	64	<b>71</b>	32
Other creditors	<b>45</b>	-	<b>45</b>	-
Accruals	<b>35</b>	17	<b>35</b>	17
Social security and other taxes	<b>10</b>	13	<b>10</b>	13
Due to subsidiary undertaking	-	-	<b>20</b>	-
	<b>162</b>	<b>94</b>	<b>181</b>	<b>62</b>

The outstanding pension contributions at 31 March 2007 were £16,395 (2006 - £2,536).

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**For the year ended 31 March 2007**

**15. Trustee remuneration**

7 members of the board (2006 - 7) received:

	<b>2007</b>	2006
	£'000	£'000
Reimbursement of travel expenses	<b>4</b>	7

No trustee received any remuneration.

Most trustees are also either trustees or employees of our member organisations but all members, whether represented on the board or not, are dealt with on the same basis as each other.

**16. Operating lease commitments**

	<b>2007</b>	2006
	Land and buildings	
	£'000	£'000
Less than 1 year	<b>44</b>	44

**17. Restricted Funds**

	At 1 April 2006	Incoming Resources	Outgoing Resources	Investment Gains & Losses	<b>At 31 March 2007</b>
	£'000	£'000	£'000	£'000	£'000
<b>Charity</b>					
Henry Smith Foundation	5	-	5	-	-
Time for Growth	1	-	1	-	-
Wings	59	12	71	-	-
Conference 2005/2007	2	-	-	-	<b>2</b>
Capacity Builders	-	50	6	-	<b>44</b>
Coutts	2	-	2	-	-
Sport Relief	-	2,238	2,235	-	<b>3</b>
Barings	7	-	7	-	-
<b>Total charity funds</b>	<b>76</b>	<b>2,300</b>	<b>2,327</b>	<b>-</b>	<b>49</b>
<b>Group</b>					
Fair Share - Investment	49,907	1,973	9,613	136	<b>42,402</b>
	<b>49,983</b>	<b>4,273</b>	<b>11,941</b>	<b>136</b>	<b>42,451</b>

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**For the year ended 31 March 2007**

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#### Purposes of restricted funds

Henry Smith Foundation	The Henry Smith Foundation made a grant to assist with establishing community foundations in the West Midlands. The work programme started in April 2004.
Time for Growth	Esmée Fairbairn Foundation previously gave a grant of £1million to be used towards specific development in 10 community foundations over a three year period.
Fair Share	The Fair Share Trust Fund ("Fair Share") was established with money from the New Opportunities Fund, (now the Big Lottery Fund) to help some of the most deprived communities in the UK improve their quality of life.
WINGS Fund	The CS Mott Foundation has made a grant to support the WINGS (Worldwide Initiative for Grantmaker Support) Fund, by funding the salary of the WINGS Director and associated costs. In 2006-7 the European Foundation Centre made a grant of £13,381 to cover the final part of the programme.
Capacity Builders	As part of their learning and innovations stream of activity, Capacitybuilders made a grant to enable 9 community foundations to undertake the work required to develop capacity building grant making programmes.
Conference 2005/2007	The CFN conference in May 2005 was specifically sponsored by a number of organisations. Their sponsorship, and the conference costs, were treated as a restricted fund and the small balance will be carried forward to the next conference, in September 2007..
Sport Relief	Comic Relief awarded a grant to CFN in January 2007 to manage the national programme across the United Kingdom on their behalf for 2007 and 2008.
Coutts Fund	Coutts & Co funded a secondee to work for five months on the development of a Community Foundation Advisory product for use by Coutts private bankers. This was a joint initiative by Coutts and CFN.
Barings Fund	The Baring Foundation awarded us a grant to assist with the establishment of DIGITS beacon community foundations.

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**For the year ended 31 March 2007**

**18. Unrestricted Funds**

	At 1 April 2006	Incoming Resources	Outgoing Resources	Investment Gains & Losses	At 31 March 2007
	£'000	£'000	£'000	£'000	£'000
<b>CS Mott expendable fund</b>	170	-	-	3	<b>173</b>
<b>General unrestricted</b>	<u>101</u>	<u>435</u>	<u>357</u>	<u>-</u>	<u><b>179</b></u>
<b>Total funds</b>	<u><u>271</u></u>	<u><u>435</u></u>	<u><u>357</u></u>	<u><u>3</u></u>	<u><u><b>352</b></u></u>

**CS Mott expendable fund**

This fund was originally established from accumulated income arising from the CAF/Mott Endowment Challenge Grant Programme to be treated as a reserve and used only by agreement with the donors on the long term development of Community Foundation Network, and to create investment income in the short term. It was reclassified as an Unrestricted Fund in 2005 with the agreement of the CS Mott Foundation.

**19. Analysis of group net assets between funds**

	Restricted funds	Unrestricted funds	Total funds
	£'000	£'000	£'000
Tangible fixed assets	-	9	<b>9</b>
Fixed asset investments	16,885	-	<b>16,885</b>
Net Current Assets	<u>25,566</u>	<u>343</u>	<u><b>25,909</b></u>
<b>Net assets at 31 March 2007</b>	<u><u><b>42,451</b></u></u>	<u><u><b>352</b></u></u>	<u><u><b>42,803</b></u></u>