

**Cumbria Community Foundation**  
**A Company Limited By Guarantee**

**Report of the Trustees and Consolidated Financial Statements**  
**for the year ended 31 March 2002**

**Charity Number: 1075120**  
**Company Number: 3713328**



# **Cumbria Community Foundation**

## **Index to the Consolidated Financial Statements for the year ended 31 March 2002**

	Page
Company Information	1
Trustees' Report	3
Report of the Auditors	7
Statement of Financial Activities	8
Group balance sheet	9
Company balance sheet	10
Notes to the Financial Statements	11

# Cumbria Community Foundation

## Consolidated Company Information for the year ended 31 March 2002

<b>PATRON:</b>	Viscountess Whitelaw
<b>PRESIDENT:</b>	Mr J Cropper FCA, HM Lord-Lieutenant of Cumbria
<b>VICE PRESIDENTS:</b>	The Right Reverend Graham Dow, Lord Bishop of Carlisle Bill Minto CBE DL Lord Inglewood MEP DL Lord Bragg of Wigton
<b>TRUSTEES:</b>	Mr J Cropper FCA, HM Lord-Lieutenant of Cumbria
Chair	Mr J Fryer-Spedding OBE DL
Vice-Chair	Mr A Sanderson OBE DL
Honorary Treasurer and Company Secretary	Mr I Brown FCA
Honorary Public Relations Consultant	Mr N Holmes
	Mr K Adamson (appointed 8.5.2002 )
	Mrs S Aglionby (appointed 6.10.2001 )
	Mrs K Braithwaite MBE (retired 25.06.2001 )
	Mr R Burgess DL
	Ms C Coombes
	Mr M Drulia (retired 10.06.2002 )
	Mr J Dunning CBE DL JP
	Mr M Elliot CMG
	Captain J Green
	Mr P Hensman FCA
	Mr M Hart
	Mr T. Knowles (retired 30.09.2001)
	Mr R Helmn (retired 31.03.2002 )
	Mrs S Markham (appointed 2.05.2002 )
	Mrs M Martindale
	Mr G Roberts FIA
	Dr J Stanforth BSc PhD MCIH
	Mr L Victory
	Mr R Mather (alternate to Mr L Victory )
<b>ASSOCIATE TRUSTEES:</b>	Mrs O Clarke OBE JP DL
	Mr M de Redder (retired 17.09.2001 )
	Mr W Swarbrick (retired 30.06.2001 )
<b>FOUNDATION DIRECTOR*</b>	Mr A Beeforth

\* not a Director for the purposes of Company Law

# **Cumbria Community Foundation**

## **Consolidated Company Information for the year ended 31 March 2002**

**REGISTERED OFFICE:** Warwick House  
Allenbrook Road  
Rosehill Estate  
Carlisle  
CA1 2UT

**TRADING OFFICE:** Unit 6B  
Lakeland Business Park  
Cockermouth  
Cumbria  
CA13 0QT

**CHARITY NUMBER:** 1075120

**COMPANY NUMBER:** 3713328

**AUDITORS:** Armstrong Watson  
Registered Auditor  
Chartered Accountants  
Fairview House  
Victoria Place  
Carlisle  
Cumbria  
CA1 1HP

**HONORARY  
ACCOUNTANTS:** Dodd & Co  
Chartered Accountants  
Warwick House  
Allenbrook Road  
Rosehill Estate  
Carlisle  
CA1 2UT

**BANKERS:** Lloyds TSB  
4 Main Street  
Keswick  
Cumbria  
CA12 5JA  
  
Standard Life Bank Ltd.  
Standard Life House  
30 Lothian Road  
Edinburgh  
EH1 2DH

**HONORARY  
SURVEYORS:** Edwin Thompson & Co  
42 St Johns Street  
Keswick  
CA12 5AF

**HONORARY  
SOLICITORS:** Messrs.Pattinson & Scott  
Stonecliffe  
Lake Road  
Windermere  
LA23 3AP

**INVESTMENT  
MANAGERS:** Morgan Stanley Quilter  
19th Floor  
St Helen's  
1 Undershaft  
London  
EC3A 8BB

# **Cumbria Community Foundation**

## **Report of the Trustees**

### **for the year ended**

### **31 March 2002**

The Trustees, who are the directors of the company for the purposes of company law, present their report together with the financial statements of the charity for the year ended 31 March 2002.

The accounts have been prepared under the provisions of the Companies Act 1985 and in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities 2000 (the Charities SORP).

#### **Constitution and objectives of the company**

The Foundation is constituted as a charitable company limited by guarantee. The company was incorporated on 15 February 1999 and registered as a charity on 15 April 1999. It commenced its operations in May 1999.

The Foundation is governed by its Memorandum and Articles of Association. It was 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, the protection or promotion of good health both physical and mental or any other charitable purpose for the benefit of the County of Cumbria and its immediate neighbourhood.

It achieves its objectives by obtaining donations to its endowment fund. It makes grants to carefully selected voluntary bodies from the income of its endowment and from flow through funds.

Another charity, the Cumbria Community Foundation Trust, (the Parallel Trust), exists alongside the Foundation. This separate trust is unincorporated and has objects identical to those of the main company. It exists to make secure particular endowment funds and at 31 March had funds of £399,847. Separate accounts are prepared for this charity.

#### **Review of the development, activities and achievements of the company**

The Community Foundation has experienced very significant growth during 2001/2 including the launch and management of the Cumbria Community Recovery Fund Appeal, endowment building activities and general grant making. As a result the Foundation has increased staffing levels and moved to new office premises.

#### **Cumbria Community Recovery Fund Appeal**

For many 2001 will always be associated with the outbreak of Foot and Mouth Disease. The Foundation Trustees took the decision to launch a major public appeal to try and assist people and communities affected by the crisis. This was a major undertaking for a small organisation, and something that a UK community foundation had not done before.

The appeal was extraordinarily successful, raising over £2.1M. This was achieved with the generous support of individuals, families, and fund-raising by community organisations. In addition, we received donations from the Countryside Agency, the North West Development Agency and many charitable trusts. The Foundation is particularly grateful for the support of the Francis C. Scott Charitable Trust and the Frieda Scott Charitable Trust that made donations on the establishment of the Recovery Fund Appeal. An independent review of the Appeal identified that people appreciated the opportunity to contribute to a locally managed fund for Cumbria.

The Trustees are very grateful for the involvement of the many volunteers who made a significant contribution to the success of this Appeal.

Rural Cumbria is slowly recovering from the effects of Foot and Mouth Disease and the Foundation hopes to play a part in supporting the long-term recovery plans developed for the Rural Action Zone.

The Recovery Fund has shown how people value Cumbria's communities and that the Foundation is capable of ensuring that donors' money is well spent. Therefore we are hopeful that more people will choose to give to local communities through the Foundation.

# **Cumbria Community Foundation**

## **Report of the Trustees**

### **for the year ended**

### **31 March 2002**

#### **Endowment Building**

The Francis C. Scott Charitable Trust challenged the Foundation to raise a further £500,000 by the end of June 2001. This was achieved with six weeks to spare. We received a major donation from the Laing Foundation, an anonymous gift of shares, and the Viscount Whitelaw Fund established by Viscountess Whitelaw in memory of her late husband. These gifts resulted in a further grant of £70,000 to the Francis C. Scott Challenge Fund. The Foundation is grateful to the Francis C. Scott Trustees for this generous support. There is an ongoing commitment from BNFL to complete its donation of £1M by 2003.

The Cumbria Community Foundation is one of ten UK community foundations to receive support through the Esmeé Fairbairn Time for Growth programme. This funding has enabled the Foundation to appoint Penny Lees as part time Fund Development Officer and to support the development work undertaken by the Director and Accountant. The aim of the grant is to fund a concerted endowment-building programme. A task of building funds initially up to a £5M target has been set.

#### **Grant making**

In addition to the Recovery Fund, The Foundation's other grant making has grown substantially. The West Cumbria and Furness Key Fund was completed in December 2001 and was replaced by the Cumbria Key Fund. The independent evaluation of these schemes has demonstrated a high level of satisfaction amongst recipients and the funders of the scheme. The schemes have shown that it is possible to manage European funding in a sympathetic way whilst delivering significant community benefits. Details of numbers of grants analysed by different themes and funders are set out in the notes to the accounts, together with a list of grants over £5000.

The Key Fund concept relies on the availability of local match funding and we are most grateful to the Cumbria Learning and Skills Council and the local authorities that were able to contribute to the Fund. Subject to match funding the Cumbria Key Fund will continue until at least December 2003.

The quality of the Foundation's grant making has attracted other new funds to the Foundation. Government Office Northwest approached the Foundation to administer the Community Champions Scheme and Allerdale Borough Council asked us to develop proposals for a new fund to be managed on their behalf.

The Allerdale Community Fund is, as far as we know, unique. It is a true example of partnership working with a grants panel composed of voluntary sector representatives and local councillors. Local councillors contribute to the quality of grant making by writing reports on all applications that concern their wards. The Fund has been independently reviewed and has been renewed and enlarged for 2002/03 with the intention of developing a special panel involving young people.

The County Grants programme continues to be supported by income from long-term investment.

The role of the Foundation as a key intermediary between local businesses and voluntary groups was enhanced through the launch of the Business Buddies initiative. This pilot initiative is funded by the DTLR Special Grants Programme and involves matching professional volunteers with groups requiring assistance with specific issues such as financial management or publicity and promotion. The first placements were made in November 2001 and now over fifteen groups have been linked to volunteers. The initial review of the scheme has been very positive and year two funding has been approved.

#### **Staffing and Offices**

The increase in staff and volunteer numbers meant that the Foundation outgrew the offices at Derwent Mill. At the height of the Recovery Fund Appeal we had over 10 different volunteers mailing appeal material and dealing with the flood of donations. Cumbria County Council have been very generous to the Foundation, and have supported both the Foundation and the Recovery Fund Appeal with grants, but could no longer accommodate the growing team. Our new landlords are North West Development Agency who were hugely helpful when we put out a call for help and have generously waived the rent for eighteen months on the new premises. Our new offices on the Lakeland Business Park in Cockermouth are greatly appreciated and provide a professional home from which to serve the County.

# **Cumbria Community Foundation**

## **Report of the Trustees**

### **for the year ended**

### **31 March 2002**

The Trustees wish to place on record their appreciation and thanks to the Director, staff and volunteers who have helped the Foundation in this exceptionally busy year. They showed not only the greatest dedication and professional skill, but also a widely appreciated caring face and ear for the many people in Cumbria whose suffering has been so great.

#### **Future Development**

In the coming year the Foundation plans to build on the activity of earlier years, increasing awareness and understanding of the Foundation and its role among donors and potential donors. This will be supported by the continued efforts in building endowment funds and on-going development and management of revenue funds from a wide variety of sources. Quality grant-making is at the heart of the work of the Foundation. Further development and training of staff, control procedures and recruitment of members of constituent committees will continue over the next year.

#### **Appointment of Trustees**

Trustees are nominated by the members. The maximum number of Trustees shall be twenty-two unless otherwise determined by the Company in General Meeting. The Memorandum and Articles of Association provide that Trustees will be elected from the following Groups: -

Group A - Not more than three members from any organisation with charitable objectives working wholly or partly in Cumbria;

Group B - Not more than three members who are any person, body of persons, grant-making charitable trust, company, partnership or other organisation (other than a business organisation) who subscribe money to the Company or who contribute other assets or services judged by the Trustees to be beneficial to the Company;

Group C - Not more than three members to be appointed annually from any local authority or other public body operating wholly or partly in Cumbria, of whom one appointee shall be the Chief executive for the time being of Cumbria County Council or such alternative Senior Officer as Cumbria County Council shall nominate;

Group D - Not more than five members from any business organisation which subscribes money to the Company or contributes assets or services thought by the Trustees to be beneficial to the Company.

In addition, the Trustees at any time may co-opt not more than seven persons having special expertise valuable to the work of the Trustees paying due regard to ensuring that so far as possible the Trustees reflect the county-wide remit of the Company.

One third of Trustees in each of the Groups A, B, C, and D and all those Trustees who have been co-opted retire at the Annual General Meeting and shall be eligible for re-election, re-nomination or re-co-option.

#### **Reserves policy and risk management**

It is essential that the Foundation keeps unallocated monies as a reserve against unexpected events. Currently the Trustees have set the minimum level as being equal to one year's core costs. This policy is reviewed annually by them.

The Trustees have commissioned an external review of the Foundation's internal financial systems and controls. This review indicated that basic controls are in place and that there is a process for development and review as the work of the Foundation grows.

#### **Investments**

The Trustees have absolute discretion in the investment of the funds of the Foundation and have agreed an investment strategy in conjunction with their appointed Investment Adviser. This adviser has been given discretionary powers within broad guidelines developed from the underlying strategy. Currently asset allocation is:

UK Government Gilt Edged Stocks	25%
UK Equities	60%
Overseas Equities	15% (via collective vehicles)

The basic asset allocation is kept under review by the Trustees.

**Cumbria Community Foundation**  
**Report of the Trustees**  
**for the year ended**  
**31 March 2002**

**Statement of trustees' responsibilities**

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year.

In preparing those financial statements, the trustees should follow best practice and;

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d) prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for ensuring that the charity has appropriate systems of controls financial and otherwise and for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with applicable law, accounting standards and the Charities SORP.

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 and to provide reasonable assurance that:

- a) the charity is operating efficiently and effectively;
- b) its assets are safeguarded against unauthorised use or disposition;
- c) proper records are maintained and financial information used within the charity or for publication is reliable; and
- d) the charity complies with relevant laws and regulations

**Auditors**

A resolution that Armstrong Watson be re-appointed as auditors for the charity for the ensuing year will be put to the Annual General Meeting in accordance with section 385 of the Companies Act 1985.

**SIGNED AS APPROVED BY THE TRUSTEES**



Mr I Brown FCA  
Honorary Treasurer and Company Secretary  
18 July 2002

**Cumbria Community Foundation – Consolidated Accounts**  
**Independent Auditors' report to the members**  
**for the year ended**  
**31 March 2002**

We have audited the financial statements for the year ended 31 March 2002 on pages 9 to 23, which comprise a Statement of Financial Activities, Balance Sheets and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 11 and 12.

**Respective responsibilities of trustees and auditors**

As described in the statement of trustees' responsibilities, the trustees (who also act as directors for the charitable activities of the company) are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards. Our responsibility, as independent auditors, is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the trustees' report is not consistent with the financial statements, if the trust has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read the trustees' report and consider the implications of our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an 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 directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit in order to obtain all 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 the information in the financial statements.

**Opinion**

In our opinion, the financial statements give a true and fair view of the state of the charity and of the group as at 31 March 2002, and of the group's incoming resources and application of resources including its income and expenditure, for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Armstrong Watson  
Chartered Accountants  
Registered Auditor  
Fairview House  
Victoria Place  
Carlisle  
Cumbria  
CA1 1HP



18 July 2002

# Cumbria Community Foundation - Consolidated Accounts

## Statement of Financial Activities

for the year ended

31 March 2002

		31 March 2002					31 March 2001
	Notes	Restricted	Unrestricted	Designated	Endowment	Total	Total Restated
		£	£	£	£	£	£
<b>Incoming resources</b>							
Donations	2	347,225	352,981	-	-	<b>700,206</b>	338,193
Activities in furtherance of the charity's objects:							
Grants receivable	3	2,305,531	168,740	-	216,959	<b>2,691,230</b>	563,296
Activities for generating of funds:							
Events		1,790	1,860	-	-	<b>3,650</b>	-
Investment income and interest	4	27,103	24,003	-	4,350	<b>55,456</b>	12,700
<b>Total incoming resources</b>		<b>2,681,649</b>	<b>547,584</b>	<b>-</b>	<b>221,309</b>	<b>3,450,542</b>	<b>914,189</b>
<b>Resources expended</b>	5						
<i>Cost of generating funds:</i>							
Fundraising and publicity		16,022	1,940	-	-	<b>17,962</b>	5,320
Events		266	-	-	-	<b>266</b>	-
<i>Charitable expenditure</i>							
Costs of activities in furtherance of the charity's objects							
Grants	8	2,195,697	22,748	-	1,412	<b>2,219,857</b>	222,086
Support Costs		102,614	2,410	-	50	<b>105,074</b>	41,342
Management and administration		98,553	14,997	-	-	<b>113,550</b>	36,360
<b>Total resources expended</b>		<b>2,413,152</b>	<b>42,095</b>	<b>-</b>	<b>1,462</b>	<b>2,456,709</b>	<b>305,108</b>
<b>Net incoming resources</b>		<b>268,497</b>	<b>505,489</b>	<b>-</b>	<b>219,847</b>	<b>993,833</b>	<b>609,081</b>
<b>Transfers between funds</b>	9	17,395	(537,995)	520,600	-	-	-
<b>Movements on investments</b>	11	(8,368)	-	(11,432)	-	<b>(19,800)</b>	<b>(45,116)</b>
<b>Net movement in funds</b>		<b>277,524</b>	<b>(32,506)</b>	<b>509,168</b>	<b>219,847</b>	<b>974,033</b>	<b>563,965</b>
<b>Total funds brought forward</b>		<b>243,506</b>	<b>79,041</b>	<b>350,702</b>	<b>180,000</b>	<b>853,249</b>	<b>289,284</b>
<b>Total funds carried forward</b>		<b>521,030</b>	<b>46,535</b>	<b>859,870</b>	<b>399,847</b>	<b>1,827,282</b>	<b>853,249</b>

There were no gains or losses in the year to 31 March 2002 other than those included above.

All the above results are derived from continuing activities.

The surplus for the year for Companies Act purposes comprises the net incoming resources for the year of £993,833 plus realised gains on investments of £2,458, totaling £996,291 (2001: £609,081).

The notes form part of these financial statements

# Cumbria Community Foundation - Consolidated Accounts

## Balance Sheet

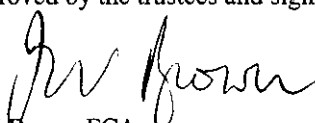
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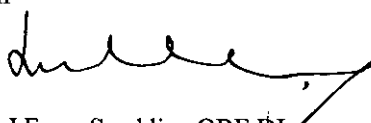
31 March 2002

	Notes	£	31 March 2002 £	31 March 2001 £
<b>Fixed Assets</b>				
Tangible fixed assets	10		15,695	2,950
Investments	11		926,309	389,322
			<hr/>	<hr/>
			942,004	392,272
<b>Current Assets</b>				
Debtors	12	94,060		75,949
Cash at bank and in hand		946,632		439,028
		<hr/>	<hr/>	
		1,040,692		514,977
<b>Creditors: amounts falling due within one year</b>				
Creditors and accruals	13	155,414		54,000
		<hr/>	<hr/>	
<b>Net Current Assets</b>			885,278	460,977
			<hr/>	<hr/>
<b>Total Assets less Current Liabilities</b>			1,827,282	853,249
			<hr/>	<hr/>
<b>Funds</b>				
Restricted funds	14		521,030	243,506
Unrestricted funds			46,535	79,041
Designated funds	15		859,870	350,702
Endowment funds	16		399,847	180,000
			<hr/>	<hr/>
			1,827,282	853,249
			<hr/>	<hr/>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the trustees and signed on their behalf

  
Mr I Brown FCA

  
Mr J Fryer-Spedding OBE DL

18 July 2002

The notes form part of these financial statements

# Cumbria Community Foundation Company

## Balance Sheet

as at


31 March 2002

	Notes	£	31 March 2002 £	31 March 2001 £
<b>Fixed Assets</b>				
Tangible fixed assets	10		15,695	2,950
Investments	11		926,309	389,322
			<hr/>	<hr/>
			942,004	392,272
<b>Current Assets</b>				
Debtors	12	95,052		75,949
Cash at bank and in hand		695,002		439,028
		<hr/>	<hr/>	
		790,054		514,977
<b>Creditors: amounts falling due within one year</b>				
Creditors and accruals	13	304,623		234,000
		<hr/>	<hr/>	
<b>Net Current Assets</b>			485,431	280,977
			<hr/>	<hr/>
<b>Total Assets less Current Liabilities</b>			1,427,435	673,249
			<hr/>	<hr/>
<b>Funds</b>				
Restricted funds	14		521,030	243,506
Unrestricted funds			46,535	79,041
Designated funds	15		859,870	350,702
			<hr/>	<hr/>
			1,427,435	673,249
			<hr/>	<hr/>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the trustees and signed on their behalf

  
Mr I Brown FCA

  
Mr J Fryer-Spedding OBE DL

18 July 2002

The notes form part of these financial statements

**Cumbria Community Foundation**  
**Notes to the Financial Statements**  
**for the year ended**  
**31 March 2002**

**1 Accounting Policies**

**General**

The accounts have been prepared under the provisions of Part VI of the Charities Act 1993 (as amended) and the regulations made under Part VI. The accounts are also in accordance with the S5 Statement of Recommended Practice: Accounting by Charities (the Charities SORP).

They include the results of the charity's operations, which are described in the Trustees' Report.

They have been prepared under the historical cost convention.

The statement of financial activities and the balance sheet consolidate the financial statements of the charity and its parallel trust. The results of the parallel trust are consolidated on a line by line basis.

The charity has availed itself of Paragraph 3 (3) of schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate statement of financial activities has been presented for the charity alone as permitted by Section 230 of the Companies Act 1985 and paragraph 304 of the SORP.

**Cash Flow Statement**

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

**Tangible Fixed Assets and Depreciation**

Assets used for charitable purposes, with an expected useful life exceeding one year, are capitalised in the balance sheet. Depreciation is provided at the following annual rates in order to write off each asset over its expected useful life:

Computer equipment	Written off over three years on a straight line basis
Other equipment	25% on a reducing balance

**Income**

Income arises from a number of sources, accounted for as follows:

**- Donations and gifts**

These represent cash and share donations receivable in respect of the year. No amount has been included in respect of services provided free of charge, since, in the opinion of the Trustees, it would be impossible to place a value on this.

**- Grants receivable**

These are accounted for once their receipt is reasonably assured.

**- Other income**

Other income is accounted for on a receivable basis. Where income is received for a specific project or purpose, as defined by the donor, this income is classed as restricted. Income received towards the general objects of the charity is classed as unrestricted.

**Cumbria Community Foundation**  
**Notes to the Financial Statements**  
**for the year ended**  
**31 March 2002**

**1 Accounting Policies (continued)**

**Expenditure**

Expenditure is accounted for on an accruals basis. Where it relates to a specific project, it is allocated to that project as restricted expenditure.

Costs incurred are charged to Fundraising and Publicity, Support and Management and Administration as appropriate, some costs are allocated across several headings on the basis of activity.

Grants and donations to individuals and other charities are made at the discretion of the Trustees.

Grants payables in tranches are accounted for on an accruals basis.

**Funds**

General funds are those where no restrictions have been placed by the donor upon the specific spending of such funds.

Unrestricted funds that the Trustees have earmarked for long-term investment are designated funds.

Restricted funds are those funds where the income is received for a specific purpose, as set out by the donor.

Endowment funds are held by the Parallel Trust as the Company is limited by guarantee.

**Investment**

Funds intended for the growth of capital are invested by Morgan Stanley Quilter.

**Reserves**

The accumulated reserves of the Trust are held towards the long term operations of the charity, and can be used for the payment of grants and donations under the terms of the Trust deed.

**Pensions**

The company does not operate a pension scheme. Contributions of 7.5% of employees' earnings to personal pension schemes have been provided in the accounts.

**Taxation**

The company, as a non-trading registered charity, is exempt from income and capital gains taxation and from registration for VAT. All costs include the relevant VAT charge.

# Cumbria Community Foundation - Consolidated Accounts

## Notes to the Financial Statements for the year ended 31 March 2002

	Restricted	Unrestricted	Endowment	Total 31 March 2002	Total 31 March 2001
	£	£	£	£	£
<b>2 Donations and Gifts</b>					Restated
Individuals and Groups	295,721	26,775	-	322,496	6,733
Membership	-	3,269	-	3,269	-
Companies	18,043	255,000	-	273,043	279,800
Shares	-	56,750	-	56,750	34,438
Gifts in kind	8,772	4,137	-	12,909	15,000
Sponsorship	-	-	-	-	763
Taxation Recoverable	24,689	7,050	-	31,739	1,459
	<u>347,225</u>	<u>352,981</u>	<u>-</u>	<u>700,206</u>	<u>338,193</u>

Gifts in kind included as a separate note in the accounts to 31 March 2001 have been included in Donations.

	Restricted	Unrestricted	Endowment	Total 31 March 2002	Total 31 March 2001
	£	£	£	£	£
<b>3 Grants Receivable</b>					Restated
Local Authorities	347,710	18,500	-	366,210	98,500
Government and European co-funders	1,370,627	-	146,959	1,517,586	131,768
Charitable Trusts	587,194	150,240	70,000	807,434	333,028
	<u>2,305,531</u>	<u>168,740</u>	<u>216,959</u>	<u>2,691,230</u>	<u>563,296</u>

### Prior year adjustment

The Trustees now consider that amounts of £101,410 receivable from Charitable Trusts included in Donations and Gifts in the accounts to 31 March 2001 should be included as Grants Receivable and the comparative figures have been altered accordingly. This adjustment has had no effect on the net assets of the Foundation as at 31 March 2001 or on the retained surplus for the period then ended.

	Restricted	Unrestricted	Endowment	Total 31 March 2002	Total 31 March 2001
	£	£	£	£	£
<b>4 Investment income</b>					Restated
Interest on cash deposits	22,537	4,751	4,350	31,638	11,873
Dividends	-	5,665	-	5,665	827
Stock Market Portfolio	4,566	13,587	-	18,153	-
	<u>27,103</u>	<u>24,003</u>	<u>4,350</u>	<u>55,456</u>	<u>12,700</u>

# Cumbria Community Foundation - Consolidated Accounts

## Notes to the Financial Statements for the year ended 31 March 2002

5 Resources expended	Staff Costs £	Other £	Total 31 March 2002 £	Total 31 March 2001 £
Fundraising and publicity	10,620	7,342	17,962	5,320
Events	-	266	266	-
Grants	-	2,219,857	2,219,857	222,086
Support Costs	78,750	26,324	105,074	41,342
Management and administration	33,817	79,733	113,550	36,360
	<u>123,187</u>	<u>2,333,522</u>	<u>2,456,709</u>	<u>305,108</u>

### Running costs

The Foundation receives funding from several support funders for specific development projects. Costs are allocated as appropriate under the headings above and are treated as restricted funds. Income from designated funds is transferred to unrestricted funds to support grant-making.

Costs are allocated to the following activities according to staff time and usage of resources:

### Fundraising and publicity

Development of funding to be designated for long-term investment to generate income to support grant-making and promote the Foundation's services as an effective vehicle to manage local charitable giving. Raising awareness of the Foundation's grant-making and fund management services and the needs of local communities. In particular, launching the Cumbria Community Recovery Fund Appeal in response to the crisis of Foot and Mouth Disease.

### Grants

Policy on grant making is set out at note 8.

### Support Costs

These include staff time spent in assessing, allocating and monitoring grants made together with the necessary administrative backing.

### Management and administration

Administrative costs of 4.6 % of resources expended relate to strategic planning, internal communications, premises, financial and information management, legal and professional fees relating to mandatory reviews of various restricted funds and ensuring the Foundation complies with relevant legislation.

The surplus of income over expenditure for the year is stated after charging:

	31 March 2002 £	31 March 2001 £
Depreciation	8,280	1,917
Auditors' remuneration		
- as auditors	1,175	588
- certification of flow-through projects as required by funders	2,350	-
- other services	1,175	-

## 6 Trustee remuneration and expenses

There was no remuneration paid to the Trustees during the year (2001: £Nil). There were no expenses paid to Trustees in the year (2001: £Nil).

There were no related party transactions during the year.

# Cumbria Community Foundation - Consolidated Accounts

## Notes to the Financial Statements for the year ended 31 March 2002

### 7 Employee Information

	2002	2001
Average number of employees	6	3
	<b>Total</b>	<b>Total</b>
	<b>31 March 2002</b>	<b>31 March 2001</b>
	<b>£</b>	<b>£</b>
<b>Staff costs</b>		
Wages and salaries	97,536	42,248
Social security	7,429	3,648
Pensions	7,182	1,890
Recruitment	3,109	2,410
Externally funded staff	7,931	-
	<b>123,187</b>	<b>50,196</b>

The Foundation does not operate a pension scheme. Contributions of 7.5% of employees' earnings to personal pension schemes have been provided in these accounts.

No employee received remuneration greater than £50,000 in either 2002 or 2001.

### 8 Grants payable

	Unrestricted Funds	Restricted Funds	<b>Total</b> <b>2002</b>	<b>Total</b> <b>2001</b>
	£	£	£	£
Foundation county grants programme	22,746	1,412	24,158	14,643
Flow-through projects	-	353,567	353,567	207,443
Cumbria Community Recovery Fund Appeal	-	1,842,132	1,842,132	-
	<b>22,746</b>	<b>2,197,111</b>	<b>2,219,857</b>	<b>222,086</b>

The Foundation provides support by way of the County Grants programme which is financed by unrestricted funds and income from designated investment.

In addition, the Foundation acts as a local agent for various government and European project funds - securing and organising matched-funding from other sources and managing flow-through projects for grant making charitable trust flow-through monies.

The Cumbria Community Recovery Fund Appeal was launched in 2001 to provide relief from the effects of Foot and Mouth Disease. This is a flow-through fund and most funds received have been distributed during the year.

# Cumbria Community Foundation - Consolidated Accounts

## Notes to the Financial Statements for the year ended 31 March 2002

### 8 Grants (continued)

Field of interest	Grants: 2002		Grants: 2001	
	Number	£	Number	£
Disabilities	20	41,525	4	9,079
Children under 14	48	44,152	16	22,929
Young people 14 - 25	46	58,794	19	34,899
Elderly	10	6,845	-	-
Homelessness	1	4,841	2	5,430
Community action	75	131,272	54	86,805
Local Residents	25	51,174	9	24,281
Visitors and Tourism	10	20,193	10	37,873
Local Economy	8	17,517	3	4,790
Francis C. Scott Challenge	1	1,412	-	-
Relief of hardship and community recovery from effects of Foot and Mouth Disease:				
Community Groups	313	782,603	-	-
Individuals	1,077	1,059,529	-	-
	<b>1,634</b>	<b>2,219,857</b>	<b>117</b>	<b>226,086</b>

A list of all grants made to individuals for relief of personal distress or hardship as a result of the effects of Foot and Mouth Disease has been sent to the Charity Commission.

A list of all grants to groups of £5000 or more is set out at note 21.

### 9 Transfers between funds

	Restricted £	Unrestricted £	Designated £	Total £
Designation of income for long-term investment	-	(512,422)	512,422	-
Recovery Fund Appeal	20,000	(15,000)	(5,000)	-
Income from designated investments	-	18,622	(18,622)	-
Investment portfolio costs	(3,755)	1,555	2,200	-
Reallocation of funds	-	(29,600)	29,600	-
Project match-funding	1,150	(1,150)	-	-
	<b>17,395</b>	<b>(537,995)</b>	<b>520,600</b>	<b>-</b>

# Cumbria Community Foundation - Consolidated Accounts

## Notes to the Financial Statements for the year ended 31 March 2002

### 10 Tangible Fixed Assets Group and Company

	Office equipment £	Computer equipment £	Total £
<b>Cost</b>			
Brought forward	135	5,669	5,804
Additions	7,612	13,413	21,025
	<u>7,747</u>	<u>19,082</u>	<u>26,829</u>
<b>Depreciation</b>			
Brought forward	59	2,795	2,854
Charge	1,922	6,358	8,280
	<u>1,981</u>	<u>9,153</u>	<u>11,134</u>
<b>Net Book Value 31 March 2002</b>	<u><b>5,766</b></u>	<u><b>9,929</b></u>	<u><b>15,695</b></u>
31 March 2001	<u>76</u>	<u>2,874</u>	<u>2,950</u>

All fixed assets are used for management and administration of the charity.

11 Investments	Treasury & Unit Trusts £	UK Listed Investments £	UK Unlisted Investments £	Total 2002 £	Total 2001 £
Market value 1 April	45,669	195,321	148,333	<b>389,323</b>	-
Acquisitions at cost	334,339	293,397	-	<b>627,736</b>	434,438
Sale proceeds from disposals	(13,604)	(10,365)	(46,981)	<b>(70,950)</b>	-
Net gain/(loss) in year	1,585	(21,385)	-	<b>(19,800)</b>	(45,116)
<b>Market value 31 March</b>	<u><b>367,989</b></u>	<u><b>456,968</b></u>	<u><b>101,352</b></u>	<u><b>926,309</b></u>	<u><b>389,322</b></u>
<b>Cost at 31 March</b>	<u><b>375,630</b></u>	<u><b>516,699</b></u>	<u><b>101,352</b></u>	<u><b>993,681</b></u>	<u><b>434,438</b></u>

31 March 2002

Investments comprising more than 5% of market value:	£
6.75% Treasury Stock 2004	63,664
5% Treasury Stock 2012	58,841
Broker's deposit account	101,352
SPDR Unit Trust	71,783

Investments include quoted shares donated by an anonymous donor valued at £71,600

# Cumbria Community Foundation - Consolidated Accounts

## Notes to the Financial Statements for the year ended 31 March 2002

### 12 Debtors

	Group		Company	
	31 March 2002	31 March 2001	31 March 2002	31 March 2001
	£	£	£	£
Other debtors	-	77	-	77
Prepayments and accrued income	60,654	74,987	60,654	74,987
Tax recoverable	33,406	885	32,986	885
Due from Cumbria Community Foundation Trust	-	-	1,412	-
	<b>94,060</b>	<b>75,949</b>	<b>95,052</b>	<b>75,949</b>

### 13 Creditors: amounts falling due within one year

	Group		Company	
	31 March 2002	31 March 2001	31 March 2002	31 March 2001
	£	£	£	£
Trade Creditors	148,513	32,331	148,513	32,331
Accruals	4,264	588	4,264	588
Deferred income	-	21,081	-	21,081
Other taxes and social security	2,637	-	2,637	-
Funds held on behalf of Cumbria Community Foundation Trust	-	-	149,209	180,000
	<b>155,414</b>	<b>54,000</b>	<b>304,623</b>	<b>234,000</b>

### 14 Restricted Funds

Group and Company	Total 31 March 2001 £	Incoming Resources £	Outgoing Resources £	Transfers £	(Loss) on investments £	Total 31 March 2002 £
Support Funding	13,233	92,263	(52,237)	-	-	53,259
Long Term Investment	221,350	6,843	-	(3,755)	(8,368)	216,070
Flow Through Projects	8,022	434,816	(427,038)	1,150	-	16,950
Cumbria Community Recovery Fund Appeal	901	2,147,723	(1,933,873)	20,000	-	234,751
	<b>243,506</b>	<b>2,681,645</b>	<b>(2,413,148)</b>	<b>17,395</b>	<b>(8,368)</b>	<b>521,030</b>

**Notes to the Financial Statements**  
**for the year ended**  
**31 March 2002**

**14 Restricted Funds (continued)**

<b>Restricted Funds analysed by category</b>	<b>31 March 2002</b>	<b>31 March 2001</b>
	<b>£</b>	<b>£</b>
Support Funding:		
Community Fund	8,547	8,892
- supporting grants development officer, administrator and some office costs for an initial period to establish the Foundation.		
Esmee Fairbairn Foundation	25,980	-
- 'Time For Growth' programme supporting fund-development officer and activities for endowment building.		
Lloyds-TSB Foundation	16,469	-
- Funding of Foundation Director.		
Office Fund	2,263	4,341
- Grant from Community Foundation Network for office equipment		
<b>Total Support</b>	<b>53,259</b>	<b>13,233</b>
Long Term Investment:		
The Relief of Poverty and Welfare of Children	38,628	40,000
The Welfare of the Aged	77,258	80,000
The Cumbrian Newspaper Group Fund	100,184	101,350
<b>Total Long Term Investment</b>	<b>216,070</b>	<b>221,350</b>
Flow Through Projects:		
These funds all target poverty and disadvantage at local community level.		
West Cumbria and Furness Key Fund	496	4,288
- to achieve progress to employment within the area.		
Coalfields Regeneration Fund	2,963	2,239
- former mining areas around Maryport, Workington and Whitehaven.		
Allerdale Community Fund	2,451	-
- Borough of Allerdale.		
Allerdale Neighbourhood Renewal Community Chest	542	-
- areas of specific deprivation in the Allerdale area		
Community Resource Fund	1,495	1,495
- Alston and Millom areas.		
Workington Community Resource Fund	1,841	-
- Workington area.		
Business Buddies	1,151	-
- provision of support for community groups through volunteers.		
Community Champions	6,011	-
- support for individuals with key community roles.		
<b>Total Flow Through Projects</b>	<b>16,950</b>	<b>8,022</b>
Cumbria Community Recovery Fund Appeal:		
- balance of funds raised for the relief of hardship and distress due to the effects of Foot and Mouth Disease.	234,751	901

# Cumbria Community Foundation - Consolidated Accounts

## Notes to the Financial Statements for the year ended 31 March 2002

### 15 Designated Funds Group and Company

	31 March 2002	31 March 2001
	£	£
Foundation	<u>859,870</u>	<u>350,702</u>

The Trustees have designated various large donations for long term investment. These amounts are transferred to designated funds from unrestricted income. Some donations are held as shares as donated, others are invested by Morgan Stanley Quilter. Income attributable to these funds is deemed by the Trustees to be for on-going support of the Foundation, and as such is transferred to unrestricted funds.

### 16 Endowment Funds Group and Company

	Total 31 March 2001	Incoming Resources	Outgoing Resources	Total 31 March 2002
	£	£	£	£
Endowment funds held by Cumbria Community Foundation Trust	<u>180,000</u>	<u>221,309</u>	<u>(1,462)</u>	<u>399,847</u>

31 March 2002	31 March 2001
£	£

#### Endowment Funds:

#### The Francis C. Scott Challenge Fund

252,888      180,000

- If the Foundation for any reason should cease to function or in the opinion of the Trustees of Cumbria Community Foundation Trust cease to be capable of carrying out its objects effectively the Trustee shall forthwith return to the Trustees for the time being of the Francis C. Scott Charitable Trust the sum of £250,000 or such lesser sum as shall for the time being represent the Francis C. Scott Challenge Fund.

#### The Barrow Development Trust

146,959

- The sum of £146,959 represents the original endowment which is returnable to Barrow Borough Council if objectives are not met during the timespan of the project.

#### Total Endowment Funds

399,847      180,000

### 17 Net assets by fund Group

	Restricted £	Unrestricted £	Designated £	Endowment £	Total £
Tangible	4,604	11,091	-	-	15,695
Investments	209,422	-	716,887	-	926,309
Current Assets	433,576	62,874	142,983	401,259	1,040,692
Creditors falling due within one year	(126,572)	(27,430)	-	(1,412)	(155,414)
<b>Total net assets</b>	<u>521,030</u>	<u>46,535</u>	<u>859,870</u>	<u>399,847</u>	<u>1,827,282</u>

# Cumbria Community Foundation - Consolidated Accounts

## Notes to the Financial Statements for the year ended 31 March 2002

### 17 Net assets by fund (continued)

Net Assets by fund Company	Restricted £	Unrestricted £	Designated £	Endowment £	Total £
Tangible	4,604	11,091	-	-	15,695
Investments	209,422	-	716,887	-	926,309
Current Assets	584,197	62,874	142,983	-	790,054
Creditors falling due within one year	(277,193)	(27,430)	-	-	(304,623)
<b>Total net assets</b>	<b>521,030</b>	<b>46,535</b>	<b>859,870</b>	<b>-</b>	<b>1,427,435</b>

### 18 Surplus attributable to the parent charity

As permitted by Section 230 of the Companies Act 1985, the income and expenditure account of the parent charity is not presented as part of these financial statements. The parent charity's surplus of income over expenditure for the financial year amounted to £773,986 (2001 £429,081 ).

### 19 Ultimate controlling party

The Foundation is controlled by the board of directors, who are also Trustees, whose membership is set out on page 1.

### 20 Members' liability

The liability of the members is limited. Every member of the charity undertakes to contribute to the assets of the charity, in the event of the organisation being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the charity contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, but not exceeding £1.

### 21 Grants of, or greater than, £5000

	£
Disabilities:	
Copeland Occupational SC	6,000
Barrow Disability Sports Association	6,100
Self Injury Support	6,000
Young people 14 - 25:	
Cockermouth Youth Action	5,000
Seaton Club for Young People	5,000
Northside Speedway Training	5,000
Groundwork	6,000
Groundwork	5,000

# Cumbria Community Foundation - Consolidated Accounts

## Notes to the Financial Statements for the year ended 31 March 2002

### 21 Grants of, or greater than, £5000 (continued)

	£
Community Action:	
Salterbeck Residents	5,000
Workington Playgoers Club	5,000
Ewanrigg & Netherton Community Group	5,000
Home Appliances	5,000
Haig Pit Restoration Group	8,500
Cumbria Alcohol & Drug Advisory	6,000
Southfield Tech	5,516
WC Women to Women	5,810
Disability Action	5,450
Local Residents:	
Port Carlisle Village Hall	5,000
West Cumbria Credit Union	6,000
Visitors & Tourism:	
Curwen Heritage Theatre	5,000
Florence Mine Heritage	6,000
Local Economy:	
Cumbria Organics	5,930
Cumbria Community Recovery Appeal:	
Arthuret Parish Council	5,126
Cumbria Crisis Alliance	5,000
Pentalk	10,000
Pentalk	10,000
Herdwick Sheep Breeders	5,000
Voluntary Action Cumbria	5,000
Cumbria Federation of YFCs	5,000
Cumbria Federation of YFCs	20,000
Age Concern Eden	14,110
Age Concern Eden	5,000
Age Concern North West Cumbria	13,390
Age Concern Carlisle and District	14,063
Voluntary Action Cumbria	10,000
Cumbria Organics	10,000
Carlisle Youth Centre	6,000
Alston Moor Cyber Partnership	10,000
Impact Housing Association	10,000
Kirklington with Hethersgill PCC	6,110
Solway Rural Initiative	10,000
Voluntary Action CART	5,000
Marie Curie	5,000
Appleby Chamber of Commerce	5,000

## Cumbria Community Foundation - Consolidated Accounts

### Notes to the Financial Statements for the year ended 31 March 2002

#### 21 Grants of, or greater than, £5000 (continued)

	£
Appleby Alliance	5,000
North Lakeland Hospice st Home	12,000
Longtown Community Network	6,500
Rydal Hall	6,000
Penrith and Eden CAB	20,000
Millom and District CAB	5,000
Whitehaven CAB	14,000
Carlisle CAB	20,000
Ulverston and North Lonsdale CAB	10,000
Kendal and District CAB	14,000
Cumbria Rural CAB	17,000
East Cumbria Family Support	10,500
CADAS	8,634
North Pennines Heritage Trust	8,250
Alston Business Association	10,000
Centre for Complimentary Care	7,200
Farming and Wildlife Advisory Group	5,000
Farming and Wildlife Advisory Group	10,000
Eden Forum Against Domestic Violence	9,740
Lake District Search and Rescue	5,000
Pre-School Learning	6,800
Womens' Aid Impact Housing	10,000
Ambleside Farmers' Fair	6,000
Rural Womens' Unit	10,000
Prince's Trust	10,000
Countryside Agency Match Funding:	
Bampton Trust	62,950
Jane Ramsay Trust	5,692
Matterdale Community Fund	9,850