

**Company No: 3670680**  
**Charity No: 1074655**

**The Community Foundation in Wales**  
**(A Company Limited by Guarantee)**

**Trustees' Annual Report**  
**and Consolidated Accounts**

**For the year ended 31 March 2010**

**The Community Foundation in Wales Y sefydliad Cymunedol yng Nghymru  
(Limited by guarantee without share capital) for the year ended 31 March 2010**

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## Report of the Trustees

### I. CHAIR'S INTRODUCTION

The Community Foundation in Wales is dedicated to strengthening local communities and promoting philanthropy, using our knowledge of needs to manage excellent grant programmes which make a sustainable impact. As a unique charity in the Principality, we perform a distinct role and benefit from being cause-neutral and independent, awarding grants on behalf of our clients and Fund holders which enable local people to achieve inspiring change in their communities.

This has been the most successful year ever for the Community Foundation in Wales. Building on the previous year's consolidation and development work, which was painful and liberating in equal measure, we can now show in the most tangible way how we are achieving our aspiration to be 'First for Philanthropy in Wales'.

Our organisational step-change is best evidenced by this year's 31% increase in grant-making, and the six-fold increase in the value of endowment funds under our stewardship in the financial year.

**Grants made: £1,600,802**  
**Value of endowment: £5,487,147**

These successes can be attributed to a variety of factors; however it is in connecting people who care with the causes that matter that fuels our success.

Our private clients, be they individuals, families, businesses or trusts, appreciate our core services: philanthropy advice, grant-making and investment management. They know that their valuable giving creates multiple impacts and brings much-needed resources to communities linked by geography and/or interest across Wales. Their confidence is earned by our grant-making track record and by our quality assured status.

Partnerships add value to our work and to our clients' philanthropy. Membership of the Community Foundation Network, acting as Agents for the Fair Share Trust and the Henry Smith Charity, and our relationship with the Charity Commission in Wales are excellent examples of how we work in partnership. Businesses such as Rathbones, Wales & West Utilities, and Coutts have supported our work, and the investments in our core costs by the Welsh Assembly Government and the Waterloo Foundation have also significantly underpinned our work of promoting philanthropy.

But as usual, it is the beneficiaries who best describe the value of our work. In the words of Mike Coombes, Director of the social enterprise bereavement charity 'Hold out a Hand':

**"Thank you for being there for us – we wouldn't have been able to achieve what we have without the Foundation. It's not just the grant: you visit, talk our plans through with us, have introduced me to the funder, and invited me to support you by talking at your Philanthropy Reception after the First Minister's speech - and now you're here holding a meeting and buying lunch from our social enterprise!"**

Antony Lewis  
14 July 2010

**The Community Foundation in Wales *Y sefydliad Cymunedol yng Nghymru*  
(Limited by guarantee without share capital) for the year ended 31 March 2009**

## **Report of the Trustees**

### **2. REFERENCE AND ADMINISTRATIVE DETAILS**

The charity's registered name is The Community Foundation in Wales. The charity is known in Welsh as Y Sefydliad Cymundol yng Nghymru

Company registration number: 3670680

Charity registration number: 1074655

The address of the principal and registered office is:  
9 Coopers Yard, Curran Road, Cardiff, CF10 5NB

The charity's Trustees at the date of approval of this report are:

The Hon. Antony Lewis (Chair)

Dr Caryl Cresswell

Mr Peter Davies (elected 14th July 2010)

Mr David Dudley

Mr Jonathan Hollins (elected 27th May 2009)

Ms Ilene Hoyle

Mr Drewe Lacey

Mr Frank Learner (Honorary Treasurer)

Mr Henry Robertson (elected 14th July 2010)

Mr Julian Smith

Mr Michael Westerman

The Trustees delegated the day to day management of the charity to the Chief Executive, Ms Liza Kellett, who also fulfils the role of Company Secretary

The charity's bankers are:

The Royal Bank of Scotland, South Wales Commercial Office, One Kingsway, Cardiff, CF10 3AQ

The charity's auditors are:

KTS Owens Thomas Ltd, The Counting House, Celtic Gateway, Cardiff, CF11 0SN

The charity's investment managers are:

UBS Wealth Management AG, 1 Curzon Street, London, W1J 5UB

Baring Asset Management Ltd, 155 Bishopsgate, London EC2M 3XY

JP Morgan Asset Management (UK) Ltd, Finsbury Dials, 20 Finsbury Street, London EC2Y 9AQ

### **3. GOVERNANCE, MANAGEMENT AND STRUCTURE**

#### **Governing Documents**

The Foundation is a charitable company limited by guarantee.

The company was established under a Memorandum of Association dated 19th November 1998 and is governed under its Articles of Association. In the event of the company being wound up, members are each required to contribute an amount not exceeding £1. Members comprise current, and some former, Trustees.

Having updated the governing documents in July 2008, they were reviewed once more in February 2010, with no amendments.

#### **Board Recruitment, Induction and Development**

The Directors of the company are also charity Trustees for the purpose of charity law and, under the company's Articles of Association, are known as members of the Board of Trustees.

A Board Committee, the Forward Planning Group, has a broad planning-for-growth remit, which includes ensuring that the charity has the appropriate Trustees to lead the Foundation's achievement of its Three Year

## **Report of the Trustees**

Strategic Plan and longer-term ambitions. Terms of office, clear roles and responsibilities, commitments, Committee terms of reference, and a Trustee Development Plan are all in place. The Trustee Recruitment and Induction processes, and Handbook, were also comprehensively updated this year.

The induction programme for new Trustees includes being allocated a Trustee mentor, visiting funded projects, staff briefings, and attendance at events and Foundation activities. Most Trustees also sit on a Board Committee.

In order to achieve our ambitions, the Foundation's Trustees are committed to learning from examples of best practice from across the Network and beyond. Each Board meeting is structured to include a 'learning hour', during which a workshop or presentation is given by someone who is an expert in the appropriate field. This year's learning hour presenters included: Rosemary Macdonald, Chief Executive of Swindon & Wiltshire Community Foundation who explained what they had learned from their review of grant-making structures and demonstrated their on-line grant decision-making tool; Clare Brooks, Philanthropy Director of the Community Foundation Network (CFN), who discussed the latest developments in the field of philanthropy with the Trustees; Colin Evans, Vice President of Manchester Community Foundation, who updated Trustees on our work to transfer dormant charitable trusts to our stewardship; and Julian Rathbone, a volunteer advisor to our Finance, Risk & Investment Committee who discussed with Trustees their responsibilities with regard to fund investment.

Four Board members attended a wide-range of workshops at the CFN Bi-ennial Conference in Nottingham: between them and the three staff who attended, we were able to absorb a large amount of information and advice to bring back to our work in Wales. This included: enhancing our donor care; opportunities in the management of windfarm community benefit funds; and achieving media profile for Fair Share Trust-funded projects. One of our Trustees, Ilene Hoyle, who attended in her capacity as a consultant trainer for the Institute of Fundraising, received an award for delivering the best workshop at the conference.

Board diversity is an important feature of an excellent Community Foundation, and our Board members live and work across the regions in Wales, and have professional and volunteering experience and expertise in the private, public and voluntary sectors. Our skills audit shows that we continue to have a strong breadth of skills which are brought to bear on decision-making and visioning. Our Three Year Strategic Plan includes the task of recruiting Trustees who speak Welsh as a first language, and more female Trustees. In addition to advertising to achieve these two objectives, we have an excellent source of potential Trustees who meet these, and other needs, in the Chief Executive's Advisory Group.

All of our Board members have a strong commitment to volunteering in addition to their role as a Trustee of the Foundation. Our Trustees are also Trustees of over 15 other charities and voluntary organisations in Wales which include: County Voluntary Councils; health charities, a homeless charity and those seeking to address rural and environmental issues. Our Trustees also appreciate their key role in leading by example in terms of business development and actively promoting our services. All trustees personally give financially to the Foundation in a variety of ways; these include: having a Fund at the Foundation, making donations to support our core work; and donated services.

The Board is particularly pleased to congratulate our Treasurer, Frank Learner, for winning a Wales Council for Voluntary Action Trustee of the Year Award 2010.

### **Wider Network Membership**

The Foundation is a member of the Community Foundation Network (CFN), the national association which connects all community foundations. The role of CFN includes: representing and raising the profile of community foundations across the UK; the negotiation and management of UK wide grant programmes; technical assistance; and the provision of a range of services including a national conference, formal and informal training, and enabling sharing and learning across the network. CFN underpins the work of the movement, and the Community Foundation in Wales is proud to be a member. We benefit enormously from CFN's work and services, and contribute to CFN's visioning, management and thinking through our Trustees' and staffs' involvement in its committees, working parties and forums.

## **Report of the Trustees**

### **Quality Accreditation**

A further significant benefit of being a member of the Community Foundation Network is the expectation that all community foundations maintain their quality accredited status. CFN was the first membership network in the UK to gain Charity Commission approval for its Quality Accreditation scheme (2006/7 to 2009/10). The second round's format and quality standards have recently been approved by the Charity Commission, with greater emphasis in this round on evidence of achievement against the five standards of: definition & governance; finance & risk; donor services & development; grant-making and community engagement & communications. Achieving excellence in these core standards, on an ongoing basis, is at the core of our Annual and Three Year Business Plans. Our stakeholders, Fund holders and clients appreciate our determination to learn, improve, and to have high standards and expectations of our Foundation. Achievement of the Quality Accreditation status, membership of the Fundraising Standards Board, and the fact that we are working towards Investors in People and the Green Dragon awards, confirm our stakeholders' trust in us.

### **Organisational Structure**

The Foundation is empowered to have a Board of three or more Trustees: in April 2010 we had nine Trustees, with a further two whose nominations were accepted pending formal appointment in July 2010.

The Company Secretary (our Chief Executive) attends Board meetings but has no voting rights.

The Foundation has a President (Captain Sir Norman Lloyd-Edwards) and eight Vice Presidents who are the eight Lord Lieutenants in Wales.

The Board's Committee Structure is reviewed each year, so ensuring that 'form follows function' and that the Foundation has an appropriate committee structure to enable it to deliver its objectives outlined in the Three Year Strategic Plan and the Annual Business Plan.

Committees operating in this financial year were:

1. **Grant-making**, which has undergone a comprehensive review of the range and depth of its function, which underpinned the staff's work in distributing a record £1.6 million in grants this year.
2. **Finance, Risk and Investment** - which has welcomed a new advisor in Julian Rathbone of investment management company Rathbones. The Committee's work oversaw the transfer of £4.2 million in endowment funds to our stewardship this year (see Related Party comment below about new subsidiary funds and thus group report/accounts), sextupling the size of the year-end Endowment.
3. **Forward Planning**, which has spearheaded the production of the new Three Year Strategic Plan and the induction of new Trustee Jon Hollins, plus the appointment of two others.
4. **HR**, which has evolved from the Select Committee on Pay thanks in no small measure to its role in overseeing the governance issues relating to the departure of staff and the appointment of a new team.

In addition, a Fund Development 'Pod' also operated which is now supporting the introduction of a new structure to underpin our Fund development work; and a Quality Accreditation Committee worked with the Chief Executive and all the Trustees and Committees to diligently prepare for the 2010 Quality Accreditation assessment.

The Board's Committees meet regularly (usually quarterly), with responsibility for the delivery of the Three Year Strategic Plan sitting at the heart of their work, and the monitoring of risk and the delivery of the Annual Business Plan as key tasks. Trustees' strategic perspective, oversight, expertise and input are key features of Committee work.

It is a testament to the culture of learning, transparency and collaboration which has been fostered by Chair Antony Lewis (elected January 2009) that all Trustees are welcome to attend, and input into, all Committee meetings: we often have 'extra' Trustees at Committee meetings, which, like Board meetings, take place throughout Wales. Committee meetings this year have taken place in Denbighshire, Shrewsbury, Wrexham, Powys, London, Cardiff, Swansea and Cwmbran.

The Chief Executive sits on all Board Committees. Where possible, all staff members attend the 'learning hour' at Board meetings, joining Trustees as appropriate at Committee meetings and workshops, office lunches and project visits. Staff will join the Trustees at our overnight 'Away Day' in September 2010.

## **Report of the Trustees**

With a reduction in the core team from five full-time equivalent members of staff to three this year, Trustees approved an 'Experts/Associates' budget, to enable the Chief Executive to appoint consultants and associates on a variety of contracts to underpin the achievement of the objectives in the Annual Business Plan. This has worked very well in keeping our ongoing core costs down whilst ensuring that the Foundation has the best technical expertise to draw upon. Experts/Associates have worked for us in the fields of: grant-making, HR, translation, Fund development structures, donor care, and in support of specific campaigns around trust transfers and professional advisors.

### **Risk Management**

We have identified the major risks that the Foundation faces, and have developed procedures to mitigate and manage them. This financial year saw a comprehensive review and update of the Risk Policy, Risk Register and our management and monitoring of risk, culminating in a Board workshop to ensure all Trustees are aware of the range of risks we face, the likelihood and the mitigating actions taken to reduce risks, and their role in monitoring the delivery of the Risk Policy. Operational risks, the mitigation of which we are currently prioritising, include:

- Staff capacity in terms of covering essential workload and maintaining morale following a reduction in our core staff numbers. This is being addressed through appointing Experts/Associates and investing in professional development and team-building activities.
- The non-renewal of Welsh Assembly Government grant and non-achievement of income. This is being addressed through the introduction of an income generating 'product' Foundation Partners, by investing extra resources in a campaign which has already proven to be successful, and by making new proposals to a range of funders.

### **Related Parties**

The Lord Merthyr Fund. This Fund was donated by the Merthyr Charitable Trust in 2004. A restriction attached to this donation is that the Lord Merthyr Fund gives priority to grants requested by the former trustees of the Merthyr Charitable Trust. One of these trustees, the Hon. Antony Lewis, is also a trustee of the Community Foundation in Wales, and was elected Chair in January 2009. The former trustees of the Merthyr Charitable Trust have roles with some of the organisations (detailed at Note 26) that receive grants under this restriction.

Subsidiary Charities. The Foundation's growth for 2009/10 has included assuming responsibility for several charities that must remain separately registered with the Charity Commission. For accounting purposes the Foundation is thus now a Group comprising several separate charities whose accounts and activities are consolidated within this Group report and accounts. These charities within the Group are:

- The Community Foundation in Wales which is a limited company and the parent/main operating charity.
- Montgomery District Trust Fund (registered charity number 513855): supports community initiatives which increase access to leisure and recreation for residents of Montgomeryshire. The Foundation is sole trustee.
- Montgomery Technical Education Fund (registered charity number 525726): provides bursaries to first year students at Aberystwyth University and who attended a Montgomeryshire High School. The Foundation is sole trustee.
- Stanley Bligh Memorial Fund (registered charity number 525314): provides assistance to individuals or groups in Powys pursuing studies or activities in technical and vocational subjects in the arts or sciences. The Foundation is sole trustee.
- Former Brecon Girls School Fund (registered charity number 1074498): for general education purposes for the residents of Brecknockshire. The Foundation is sole trustee.

Unless explicitly stated otherwise, the comments in this report apply to the Group.

Powys Welsh Church Act Fund. Note 24 gives details of the Foundation's involvement in the management of the Powys Welsh Church Act Fund, for which Powys County Council retains the trusteeship.

## Report of the Trustees

### 4. OBJECTIVES, ACTIVITIES AND PERFORMANCE

The Foundation's charitable objects, as outlined in our Memorandum of Association, are:

- The promotion of any charitable purpose for the benefit of the community in Wales including the advancement of education, the protection of good health both mental and physical, and the relief of poverty and sickness and other exclusively charitable purposes which are beneficial to the communities in Wales.
- Other exclusively charitable purposes in the United Kingdom and elsewhere which are in the opinion of the Trustees beneficial to the community with a preference for those in the area of benefit.

#### Our vision

A Wales with a thriving voluntary and community sector, where local people lead projects and have the financial resources to develop their own solutions based on need.

#### Our mission

To meet the needs of local communities across Wales, by brokering more support through working with clients to help them direct their funds effectively.

#### Our values

Knowledgeable, pro-active, innovative, creative, inclusive, professional, advocating, leading, collaborative, inspirational, sustainable and graceful.

#### Performance against Objectives

The Foundation's key objectives for the year are detailed in the Annual Business Plan, which dovetails with the Three Year Strategic Plan and Three Year Business Plan. The Chief Executive is responsible for the delivery of the Annual Business Plan, making quarterly written reports to the Board who are responsible for monitoring its achievement. The staff's annual objectives are aligned with the Foundation's, and a strong professional development commitment, and budget, ensure that the staff's skills, confidence and capacity set them up to succeed. This year, a grant and a consultant from the Welsh Assembly Government's 'Workforce Development Programme' helped to enhance the alignment of our staff performance and review programme with our business aims.

#### Key objectives for the year included:

Objective 2009/10	Achievement/Progress
1. To achieve unique positioning as a strategic grant-maker, a community leader, and a philanthropy expert	<b>ACHIEVED</b> This is an ongoing objective for our maturing Foundation, and achievements this year have helped to consolidate our positioning. Examples include: working in association with Coutts to hold a successful Philanthropy Forum; escalated progress in our strategic Fair Share Trust grants programme which devolves ownership to locally-convened panels; and our Annual Philanthropy Reception at which First Minister Rhodri Morgan presented awards to three outstanding charities.
2. To increase endowment by £4 million through our trust transfers campaign	<b>ACHIEVED</b> The value of endowment funds under our stewardship rose by £4.6m from £872,537 to £5,487,147 in this financial year.
3. To achieve an additional £40,000 in core costs support	<b>NOT ACHIEVED</b> Although we were unsuccessful in achieving extra grant support, our earned income to 'core' doubled - increasing by over £70,000. The launch of 'Foundation Partners' (delayed from last year) will support the achievement of this target, and we have two decisions still pending for investment in our core costs.
4. To strengthen local communities by distributing £1.3 million in grants	<b>ACHIEVED</b> £1,600,802 was invested on behalf of our Fund holders and clients in community groups, charities and projects which are making an impact in their neighbourhoods.
5. To establish 9 new Funds through our work to promote philanthropy in Wales	<b>ACHIEVED</b> 7 new Endowment Funds plus 6 new Immediate Impact Funds were established this year (including pledges which had been converted by end May 2010).
6. The establishment of a new 'Fund for Wales' (see Future Plans)	<b>IN PROGRESS</b> This concept has been tested and developed with various stakeholders throughout the year, and is set to be launched in 2010/11.

## **Report of the Trustees**

Our new staff and Experts/Associates structure, the energised Board Committees and our galaxy of advocates, supporters and stakeholders have all underpinned our most successful year. The Trustees are particularly grateful to the following for their investment - in terms of money, partnership and energy - in our Foundation:

- Welsh Assembly Government, for its three year investment in our core costs, in recognition of our role in promoting philanthropy and encouraging private charitable giving
- The Waterloo Foundation, for one year's investment in our work
- The Henry Smith Charity, for its increased commitment to making strategic grants, through the Foundation, to excellent charities across Wales
- The Community Foundation Network, for championing the work of all community foundations and its commitment to supporting the growth of The Community Foundation in Wales
- Partners, allies and volunteers, including the Chief Executive's Advisory Group, the Charity Commission in Wales, and the Wales Council for Voluntary Action.

It is thanks to our clients and Fund holders, and their commitment to 'make a difference' by investing their money in people, projects and organisations, that we are able to demonstrate the impact of philanthropy in Wales. They benefit from our three key services: philanthropy advice, grant-making and investment management, in the knowledge that we will maximise the social, and financial, returns on their investment.

### **Delivery of Charitable Activities**

Promoting philanthropy and grant-making are the Foundation's principal charitable activities.

### **Promoting Philanthropy**

Encouraging charitable giving, through facilitating philanthropy and raising its profile, is an increasingly strong feature of our work. This year's activities have benefited greatly from our partnerships, and the 'in-kind' support by our new PR Agency, Freshbaked, has resulted in new awareness of our work and opportunities to give.

In September, we worked in partnership with Coutts & Co to hold a Philanthropy Forum, at which the Foundation's Chair and Chief Executive spoke alongside a Gwynedd-based philanthropist and the team from Coutts' Wealth Institute. Our role was to highlight needs in Wales and show the impact which philanthropy makes on helping to meet those needs.

Wales' First Minister, Rt. Hon Rhodri Morgan, was the keynote speaker at our Annual Philanthropy Reception this year, giving his support to our message that everyone can be a philanthropist and congratulating the Foundation and its supporters on raising the profile of charitable giving across Wales and beyond. On behalf of the Foundation, the First Minister presented awards to three Newport-based charity workers whose outstanding personal commitment had enabled their projects to thrive, and to Wales & West Utilities in honour of its commitment to corporate philanthropy and social responsibility.

Launching new Funds helps to introduce philanthropy to our target audiences: high profile events with broad guest lists and interesting key note speakers, showcasing excellent local projects. This year we held stunning Fund launches for two new Funds:

- **The Newport Community Endowment Fund** was established under the Newport Fund umbrella, with the transfer of Newport Council's charitable trusts. Speeches from the Leader of Newport Council and the Head of the Charity Commission in Wales were complemented by a moving description of their work by Mike Coombes, from beneficiary bereavement charity 'Hold out a Hand'. Certificates were presented to a range of community groups and charities which had benefited the Newport Fund, and guests enjoyed afternoon tea in the setting of the Victorian conservatory at Belle Vue Pavilion. Local press coverage of the event stimulated a local solicitor to transfer a £16,000 dormant trust to the Fund, and a corporate client has since committed to developing their Fund under the umbrella.
- **The Gwent High Sheriffs' Community Fund** is a new Fund which was created when the Trustees of the Gwent Shrievally Police Trust decided to transfer their endowment to the Foundation's stewardship. Former Trustees, comprising current, past and future High Sheriffs of Gwent, were delighted to be able to maintain a significant involvement in grant decision-making and in fundraising for their Fund, and they now form the Fund Panel. The Launch event, sponsored by Rathbones, was held at Monmouth School which kindly provided the venue for a drinks reception.

## Report of the Trustees

Stephen Hughes, the High Sheriff of Gwent, spoke about the significant work of the high sheriffs in supporting community groups and charities, and one of our guests was so moved by hearing about the work of Dyffryn Community Links in supporting young people, that she has since become a volunteer.

Community Leadership is also an increasingly important role for a maturing community foundation, and The Community Foundation in Wales continues to play a variety of roles in educating, advocating for, and representing the community and voluntary sector. Examples of our work in the field of community leaderships include being invited to join The Waterloo Foundation in convening a conference for UK grant-making Foundations. 'It's Time to Think About Wales' encouraged trusts to analyse their grant-making in Wales and promoted a greater understanding of Wales and its needs. As a judge on the 'Leading Wales Awards' not-for-profit/voluntary sector category, our Philanthropy & Business Manager represented the sector in selecting the category winner, Ansley Workman, the Chief Executive of Wales' only housing association that solely provides accommodation for people with learning disabilities and additional complex needs. We have also made presentations at a range of community events, special-interest groups, and funding fayres throughout the year, including a workshop for the Institute of Fundraising Cymru, and participating in the Gwent Association of Voluntary Organisations funding event.

### Grant-making

Strengthening local communities through grant-making on behalf of our clients and Fund holders is the cornerstone of our work. Grants fall under five broad charitable categories, and the values of the grants distributed under each of the charitable activities were as follows:

<b>Activity</b>	<b>2009-10</b>
Enabling young people and promoting education & life-long learning	£522,150
Building cohesion and confidence in communities	£426,685
Improving physical and mental health	£546,812
Nurturing heritage and culture	£33,420
Protecting our environment	£71,735
<b>Total value of grants made</b>	<b>£1,600,802</b>
Increase in total grants as a % of previous year	31%

#### i. Enabling young people and promoting education & life-long learning

This activity includes grants to organisations which build self-esteem, confidence and horizons for young people; support to charities which work with young people who are not in employment, education or training; student bursaries; and projects which develop skills and employability.

Our grant-making in this category considers a recent Joseph Rowntree Foundation Report which reviews the Welsh Assembly Government's commitment to eradicate child poverty by 2020. It is estimated that 32% of children in Wales are living in poverty and this is having a damaging effect on literacy, skills, self-worth and aspirations, perniciously undermining the life chances of many of today's children.

Whilst there is still a long way to go to meet these targets of eradicating poverty, the Foundation supports the recognition by the Welsh Assembly Government and UN's Convention on the Rights of the Child that reducing child poverty is more than just about raising incomes, it is about increasing opportunities for participation in activities and leisure, removing discrimination and providing better services for children and young people.

Making Music Changing Lives has benefitted from several grants from the Foundation in the last year, which has enabled this volunteer-led community group to bring music to the lives of children in two deprived areas of Cardiff. Built upon the model of the Simon Bolivar Orchestra which has been so successful at transforming the fortunes of street children in Venezuela, this group has been working in partnership with local schools and the Royal Welsh College of Music and Drama to provide lunchtime concerts, deliver free musical tuition and develop a community orchestra for the children of Ely and Caerau. Grants from the Skiathos Fund, the Sloman Family Fund for Ely and Sports Relief Community Cash have enabled this project to expand over the last year, purchasing new instruments and reaching out to 1,500 children, raising self-esteem and aspirations amongst the young people of these communities.

## **Report of the Trustees**

### **ii. Building cohesion and confidence in communities**

Grants under this heading include those to charities which work to empower people in financially and socially disadvantaged communities; organisations which support marginalised people including refugees, asylum seekers and gypsies and travellers; and investment in community facilities and events.

We recognise that cohesive communities, based upon shared values such as social justice, mutuality and tolerance of diversity, depend upon a vibrant civil society. This is underpinned by the social infrastructure to respond to local needs and the capacity to develop collaborative solutions to local issues based upon a shared sense of ownership.

Our grant-making also draws upon a recent Carnegie UK Trust report on the future for civil society in the UK, entitled 'Making Good Society', which emphasises the role of philanthropic organisations in developing civil society through:

“... investing scarce resources in some of the places where they may have the biggest strategic impact ... (and) supporting civil society leaders and organisations that have the skills to bridge different agendas and objectives”

One example of where we've been able to support an organisation with the capacity to bridge social divides is the Caia Park Partnership in Wrexham. The Partnership, which is also funded by our Fair Share Trust grants programme (which operates in Anglesey, Blaenau Gwent, Caerphilly, Neath Port Talbot and Wrexham), works with local people on a deprived estate which has suffered a number of social problems in its recent past, including racial disturbances. It provides activities, services and facilities that contribute to the regeneration of the community. A two-year grant from Comic Relief has funded a project empowering young people. This confronts existing prejudices and develops a peer education network that delivers training courses to schools and youth groups on the themes of diversity, tolerance and community cohesion. By tackling some of the myths and ignorance that so frequently undermines community relations, this project aims to deliver constructive solutions which reduce social tensions and enhance community cohesion.

### **iii. Improving physical and mental health**

This category includes grants awarded to organisations that increase access to sport and exercise; promote healthy living; tackle the social isolation of elderly and vulnerable people; improve access to services for people with disabilities; and enhance well-being through counselling, mediation and advice.

Our grant-making in this category is informed by the knowledge that increasing access to physical activity not only reduces the risk of developing health problems, it also can also raise self-esteem, decrease incidences of depression and reduce the social isolation of marginalised groups. Drawing upon a recent Young Foundation Report into Britain's unmet needs, entitled 'Sinking and Swimming', we also understand the importance of considering psychological needs as well as material ones. Developing a sense of well-being in individuals and communities is a key aim of the Foundation and, on behalf of our clients and Fund holders, we look to support projects which target individuals who feel isolated and excluded from society, who, in the words of the report, “... have no-one to turn to and no-one who appreciates them”.

Powys Carers Service (PCS) is a charity supported in the last year which appreciates the need to support some of the most vulnerable members of society. A registered charity that provides information and practical support to young and adult carers, it has benefitted from a grant from the Henry Smith Charity which has enabled it to expand a project targeting young adult carers in Powys. An identified lack of support services for young adult carers leaves many isolated and alone, with a disproportionately high number suffering from mental health problems and substance misuse. Building on a successful pilot initiative in the north of the county, the grant has funded an outreach worker to provide advice and support to young adult carers and oversee the development of a peer support network.

### **iv. Nurturing heritage and culture**

The arts, Welsh language & culture, and buildings & facilities of historic significance benefit from grants made under this category. Preserving, celebrating and promoting the cultural, spiritual and artistic elements of our lives and preserving our heritage is vital in developing confident and engaged communities where people have a shared sense of place and identity.

## **Report of the Trustees**

The importance of heritage conservation is highlighted in a joint 2007 report by the Welsh and UK governments on the future of heritage in the 21st Century. The report notes that in Wales:

“The historic environment can contribute significantly to ... wider strategic objectives ... It can help generate environmental and economic benefits, aid sustainability, enhance skills, strengthen Wales' cultural identity and support lifelong learning and community development.”

We too recognise these wider benefits and our grant-making in this category is based on the awareness of the broader impact that promoting heritage, culture and the arts can have on communities.

The Cliff Railway in Aberystwyth has been transporting visitors to the summit of Constitution Hill, which overlooks the town, since 1896. It is the longest electric cliff railway in the UK and is a key part of the town's heritage and identity. A grant from Eaga to Constitution Hill Ltd (the charity which operates the railway) has enabled the charity to modernise the train carriages by installing solar panel units which will power lighting in the carriages. This will allow the charity to expand the hours the trains can operate (including the winter months), increasing visitor numbers and securing a sustainable future for this much-loved landmark.

### **v. Protecting our environment**

In this charitable category, the Foundation makes grants to organizations that support environmental sustainability, conservation, and research and innovation.

Promoting environmental sustainability is a key goal of the Foundation and its clients, as also articulated in the report, 'Wales: A Better Country':

“... we seek to value and improve the biodiversity and quality of our environment not only for its own sake, but also as an essential part of delivering a sustainable future for local economies and communities.”

The Foundation embraces this view and, moreover, we have also observed how environmental issues, be they local or global, are bringing people together to tackle these problems collectively, strengthening communities in the process and providing a foundation for a more environmentally engaged society.

A grant made to RSPB Cymru's nature reserve on Ramsey Island in the last year also demonstrates how charities primarily focussed on conservation are also embracing the need for energy efficiency as a way of increasing their sustainability.

Home to the largest concentration of Atlantic grey seals in southern Britain and a nesting place to birds including, auks, kittiwakes and shearwaters, as well as a resting ground for migrating birds, Ramsey Island is a renowned nature reserve and an important habitat that requires careful protection. Due to the remoteness of the island there is no electric power supply, and for years the island staff have depended upon the use of a diesel generator. A grant from Eaga has helped the charity move away from its dependency on oil and install renewable energy technology, including solar panels and a wind-turbine. This will enable the staff to work on the island year-round, whilst ensuring that the island is more sustainable, both environmentally and economically. The RSPB will also use the project to educate and inform visitors to the island about the benefits of renewable energy.

### **Investment Performance**

The Foundation's Finance, Risk and Investment Committee has delegated responsibility from the Board of Trustees for overseeing all financial, investment and risk management aspects of the Foundation, including monitoring the investment strategy and evaluating investment managers' performance.

During the middle of the financial year, the Foundation took over responsibility for investments worth £3.6m that came with the transferred endowments: leading to a five-fold increase in the year-end value of the portfolio. We made the strategic decision that this exceptional step-change in portfolio size gave the opportunity for investment manager diversification - and thus offers an extra layer of assurance to donors. The inherited pooled funds were a close match with our investment strategy and so our portfolio with a year-end value of £4.8m is split approximately equally between 3 investment managers (JP Morgan and Barings now sit

## **Report of the Trustees**

alongside our continuing relationship with UBS). Charity and subsidiary holdings are invested in the same relative proportion with each investment manager.

2009/10 was a good year for total return, but this needs to be seen in the context of the previous year's significant decline. This decline impacted on our 2009/10 investment income; like-for-like income was significantly down, as it was across the industry. The five-fold increase in funds and spread of previously-held endowment across 3 investment managers complicates performance assessment for the year. For the last quarter, when the new investment structure was fully established, the total return for the portfolio was 4.6% - which outperformed the composite benchmark return of 4.3%. Had the new structure been in place for a whole year, then a total return of 31.1% would have been declared and an outperformance on the benchmark return of 28.5%.

### **5. PUBLIC BENEFIT**

The Trustees reviewed the Charity Commission's guidance on public benefit at a Board workshop in February 2010, and agreed that the Foundation demonstrates public benefit in a number of ways:

- Our aims cover permitted charitable purposes
- Our key charitable objectives (promoting philanthropy and grant-making) benefit the grant recipients and their communities through financial support to deliver a range of activities which strengthen local communities of need, interest and geography
- Grant-making is collaborative (eg through working with local panels to make decisions on which projects to fund), and inclusive (eg through our grants policy which outlines our transparent, straightforward and clear grant criteria)
- The impact of our grants is demonstrated through monitoring and reporting, as some of the examples featured here show
- Raising the profile of philanthropy, and of our work, changes the perception of deprived communities and encourages and celebrates civil society
- Initiatives such as the 'Manifesto for Community Philanthropy', 'It's Time to Think About Wales' and philanthropy receptions and forums, promote charitable giving.

### **6. FINANCIAL REVIEW**

2009/10 has seen a six-fold increase in the Foundation's endowment; with this increase comes greater security of income. As the result of the increase in endowment management fees to £80,736 (2008/9: £10,668), earned income now forms 60% of unrestricted income (2008/9: 29%). Furthermore we have taken a leaner approach to unrestricted costs, including outsourcing appropriate functions to relevant experts. Part of this leaner approach has been a reduction in staff numbers; the necessary one-off restructuring cost of £44,572 has thus both increased governance costs and caused the unrestricted deficit of £11,892. Charitable activity represents 90.3% (2008/9: 89.8%) of total resources expended. We are grateful to the Welsh Assembly Government for its core funding grant of £61,500 as investment in the Foundation's heart.

#### **Reserves Policy**

The Foundation has established a reserves policy whereby the unrestricted funds should be between 3 and 6 months of annual budgeted unrestricted routine expenditure. The reserves are needed to meet the working capital requirements of the group and the Foundation is confident that, at this level, it would be able to sustain its current activities for the short term in the event of a significant drop in income. The reported reserves available to the Foundation of £56,203 fall within the target range. The cash flow forecast is monitored monthly against the reserves target.

Restricted funds are held in separate bank accounts; expenditure (almost entirely grants) is not committed until the covering funds have been received.

#### **Investments**

To offer an endowment fund grant making capability that increases with inflation, the Foundation's investment strategy is to maintain the real value of both its capital and the funds available for charitable purposes over an economic cycle through a diversified portfolio of securities with a moderate risk profile. Further diversification is achieved by spreading the investments across 3 investment managers; we have continued our segregated

## **Report of the Trustees**

portfolio with UBS and have common investment fund holdings with JP Morgan and Barings. Each endowment fund has a percentage share of the combined manager portfolios that is adjusted every time capital is added or withdrawn. The charity currently has a neutral ethical investment policy.

Note 17 shows 2 investment properties. The former Llanfyllin school is due for disposal at auction and negotiations are continuing with Powys County Council to agree a 25 year lease (with appropriate back rental provision) for the Council's current use of the former Newtown school.

### **7. PLANS FOR THE FUTURE**

The Foundation's purpose is to connect people who care with the causes that matter, creating grant-funding opportunities for community groups, charities and projects which are working to meet needs in their communities. Our long-term ambition is to be the 'First for Philanthropy in Wales', promoting, researching and facilitating philanthropy in the Principality.

Strong grant-making on behalf of our Fund holders: grant-making which shows the impact of the grants invested, which leverages-in additional support and which demonstrates its success, is the key to promoting philanthropy and showing the value of investing in communities generally and through The Community Foundation in Wales. We will build on this year's strategic review of our grant-making and develop our monitoring and evaluation tools, employing grant-making concepts such as precision-funding, strategic grant-making and tactical funding to show the impact and diversity of our grants.

In addition to our key Fund development work with individual clients, and the expansion of our successful campaign to liberate under-achieving grant-making trusts, we will develop our range of work with professional advisors because relationships with them will underpin the achievements of these campaigns.

In launching our 'Fund for Wales' in 2010/11 we will show that everyone can be a philanthropist. This new Endowment Fund will receive donations of any value from those who wish to show their support for Welsh charities and who appreciate the leverage and added-value which doing so through the Foundation affords.

We will also be launching 'Localgiving.com', a movement-wide initiative to facilitate and promote charitable giving through online giving.

Our successful pilots in creating 'Area Funds' will be rolled-out, with new Funds (and associated Fund development activities) launched in Powys and Wrexham this year, with two other Area Funds in the pipeline. In sharing the stories of the people, neighbourhoods and broader communities which are celebrated and supported through our grant-making investment, we will attract new Funds and new philanthropists.

#### **Our targets for the next three-year period include:**

- i. Distributing £1.7 million in grants to strengthen local communities each year
- ii. Holding five philanthropy promotion events, including the launch of three Area Funds and our Annual Philanthropy Reception
- iii. Increasing our endowment by £1 million
- vi. Achieving core investment support of £60,000
- vii. Launching the 'Fund for Wales' and localgiving.com
- viii. Creating ten new Funds

## Report of the Trustees

### 8. STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Community Foundation in Wales for the purposes of company law) are responsible for preparing the Report of the Trustees 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

### STATEMENTS AS TO DISCLOSURE OF INFORMATION TO AUDITORS

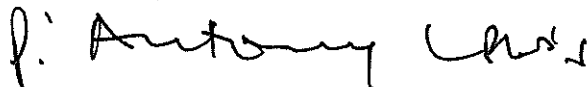
So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

### AUDITORS

The auditors, KTS Owens Thomas Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Directors on <sup>14 July 2010</sup> ..... and signed on its behalf.



Antony Lewis  
Trustee



Frank Learner  
Trustee

We have audited the financial statements of The Community Foundation in Wales for the year ended 31 March 2010 on pages sixteen to thirty-two. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable 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 charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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

The trustees' (who are also the directors of the charitable company for the purposes of company law) responsibilities for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under the Companies Act 2006 and Section 43 of the Charities Act 1993 and report to you in accordance with these Acts.

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

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006 and the Charities Act 1993... We also report to you whether, in our opinion the information given in the Report of the Trustees is consistent with those financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

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

#### **Basis of audit opinion**

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

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

**Report of the Independent Auditors to the Members of  
The Community Foundation in Wales**  
*Y sefydliad Cymunedol yng Nghymru*



**Opinion**

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2010 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006 and the Charities Act 1993; and
- the information given in the Report of the Trustees is consistent with the financial statements.

Gareth Lynn (Senior Statutory Auditor)  
for and on behalf of KTS OWENS THOMAS LIMITED  
Chartered Accountants and Registered Auditor  
The Counting House  
Celtic Gateway  
Cardiff  
CF11 0SN

*July 14<sup>th</sup> 2010*

**The Community Foundation in Wales Y sefydliad Cymunedol yng Nghymru**  
**(Limited by guarantee without share capital) for the year ended 31 March 2010**

**Consolidated Statement of Financial Activities (including the income and expenditure account)**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2010 £	2009 £
<b>Incoming resources</b>						
<i>Incoming resources from generated funds</i>						
Core grants	2	62,500	-	-	62,500	131,000
Management fees	3	121,874	-	-	121,874	70,001
Investment income	4	3,199	40,546	-	43,745	53,600
Donations	5	15,705	43,198	2,005,373	2,064,276	156,469
Other income		-	15,216	-	15,216	1,921
Premises-related income		54	-	-	54	14,344
<i>Incoming resources from charitable activities</i>	7	-	1,374,387	-	1,374,387	1,600,689
<b>Total incoming resources</b>		<b>203,332</b>	<b>1,473,347</b>	<b>2,005,373</b>	<b>3,682,052</b>	<b>2,028,024</b>
<b>Resources expended</b>						
<i>Costs of generating funds</i>						
Core grants		3,344	-	-	3,344	6,163
Management fees		21,303	-	-	21,303	21,798
Investment income		1,991	-	14,801	16,792	1,595
Funds/Donations		38,984	-	-	38,984	4,511
Other income		2,125	5,528	-	7,653	752
Premises-related income		-	-	-	-	13,016
<i>Charitable activities:</i>						
Grant making		47,810	1,602,572	-	1,650,382	1,299,488
Developing philanthropy		36,292	-	-	36,292	33,469
<i>Governance costs</i>	9	91,350	-	-	91,350	65,611
<b>Total resources expended</b>		<b>243,199</b>	<b>1,608,100</b>	<b>14,801</b>	<b>1,866,100</b>	<b>1,446,403</b>
<b>Net (outgoing)/incoming resources before transfers</b>	13	<b>(39,867)</b>	<b>(134,753)</b>	<b>1,990,572</b>	<b>1,815,952</b>	<b>581,621</b>
Transfers between funds (gross)	14	10,235	40,488	(50,723)	-	-
<b>Net (outgoing)/incoming resources after expenditure</b>		<b>(29,632)</b>	<b>(94,265)</b>	<b>1,939,849</b>	<b>1,815,952</b>	<b>581,621</b>
Gain/(losses) on investment assets		-	-	479,616	479,616	(162,134)
Subsidiary assets transferred into group		17,740	50,903	2,195,145	2,263,788	-
<b>Net movement in funds</b>		<b>(11,892)</b>	<b>(43,362)</b>	<b>4,614,610</b>	<b>4,559,356</b>	<b>419,487</b>
Opening funds on the 1 April 2009		72,122	753,227	872,537	1,697,886	1,278,399
Closing funds on the 31 March 2010		<b>60,230</b>	<b>709,865</b>	<b>5,487,147</b>	<b>6,257,242</b>	<b>1,697,886</b>

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

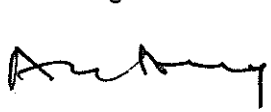

**The Community Foundation in Wales Y sefydliad Cymunedol yng Nghymru**  
**(Limited by guarantee without share capital) for the year ended 31 March 2010**

**Balance Sheets**

	Notes	Group		Charity	
		2010	2009	2010	2009
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Fixed assets	16	4,027	-	4,027	-
Investment property	17	585,000	-	-	-
Investment	18	4,835,034	730,174	3,167,973	730,174
		<u>5,424,061</u>	<u>730,174</u>	<u>3,172,000</u>	<u>730,174</u>
<b>Current Assets</b>					
Debtors	19	19,785	22,265	19,785	22,265
Bank and cash in hand		838,584	970,987	802,117	970,987
		<u>858,369</u>	<u>993,252</u>	<u>821,902</u>	<u>993,252</u>
<b>Creditors: amounts falling due within one year</b>	20	<u>(25,188)</u>	<u>(25,540)</u>	<u>(15,476)</u>	<u>(25,540)</u>
<b>Net Current Assets</b>		<u>833,181</u>	<u>967,712</u>	<u>806,426</u>	<u>967,712</u>
<b>Net Assets</b>		<u>6,257,242</u>	<u>1,697,886</u>	<u>3,978,426</u>	<u>1,697,886</u>
<b>Represented by:</b>					
Unrestricted funds:					
General fund	22	60,230	72,122	60,230	72,122
Restricted income funds	23	709,865	753,227	683,236	753,227
Endowment fund	24	5,487,147	872,537	3,234,960	872,537
		<u>6,257,242</u>	<u>1,697,886</u>	<u>3,978,426</u>	<u>1,697,886</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 14 July 2010 and were signed on its behalf by:

Antony Lewis  
Director

Frank Learner  
Director

## **Notes to the accounts**

### **I. Accounting policies**

**Accounting convention.** The financial statements have been prepared under the historical cost convention, with the exception of investments and investment properties which are included at market value, and in accordance with the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities (revised 2005). The principal accounting policies of the Group and Charity are set out below:

**Basis of consolidation.** The Group financial statements consolidate those of The Community Foundation in Wales and its subsidiary undertaking from the date they were acquired (see note 29). Subsidiaries are consolidated on a line by line basis.

**Financial Reporting Standard Number 1.** Exemption has been taken from preparing a cash flow statement on the grounds that the charitable group qualifies as a small charitable group.

**Grants Receivable.** These are of two types:

- All grants received from the public sector in the year reported are for core funding and are thus shown under core grant income.
- A substantial part of the group's business is acting as an intermediary for the distribution of grants – taking responsibility for the charitable application of these funds. The funds received for these grants are shown under incoming resources from charitable activities.

**Management Fees.** The group charges management fees as negotiated with donors for its endowment management and grant making work. Management fees comprise initial set-up costs and annual management charges, and are calculated in line with, and benchmarked against, management fees charged by community foundations across the UK.

**Income from Charitable Activities.** Such income is recognised on receipt due to the multiplicity of arrangements with our various donors and the frequent reliance on beneficiary compliance with donor-required conditions.

**Other Resources Expended.** Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular heading they are allocated to activities by the percentage of time spent on each activity. Governance costs include items such as external audit and legal costs relating to the governance of the group, as well as costs associated with the group's strategic management.

**Grants Payable.** These are payments made to third parties in the furtherance of the charitable objectives of the group. The expenditure is recognised when the commitment is communicated to the recipient.

**Depreciation.** The cost of fixed assets is depreciated by equal annual instalments over the expected life of the assets as follows:

Computer equipment	33.33%
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**Taxation.** As registered charities, the Community Foundation in Wales and subsidiaries are entitled to the exemptions from taxation in respect of income and capital gains received within Section 505 of the Taxes Act 1988 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only. No tax charges have arisen in the group.

**Operating leases.** Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the resources expended element of the SOFA as incurred.

## Notes to the accounts

### 1. Accounting policies (continued)

**Investment property.** Investment property is valued at open market value. Any gains or losses on investment assets are included under the gains and losses on the revaluation and disposal of investment assets in the SOFA and taken to the revaluation reserve.

**Listed Investments.** Listed investments are included in the balance sheet at market value. Any gain or loss on disposal or revaluation is charged or credited to the SOFA.

**Investments.** Listed investments are included in the balance sheet at market value. Any gain or loss on disposal or revaluation is charged or credited to the SOFA.

#### Fund accounting

Funds held by the group are:

**Unrestricted Funds.** These cover the operating costs and reserves of the group; there are no designated funds.

**Restricted Funds.** These are given the following classifications:

**Immediate Impact.** These are funds where the money for grants payable originates from other organisations or individuals, but the originator has delegated all or part of the work of researching, recommending and/or choosing suitable beneficiaries, managing grant applications, controlling the grant payments, and project monitoring/reporting. Examples may include situations where the group is acting as the local agent for national bodies, and where organisations or individuals have decided to out-source their grant making.

**Endowment Fund Income.** These funds are used for the payment of grants out of the investment income (and occasionally part of the capital) from endowment funds with specified purposes.

**Fundraising Activity.** Income and costs from events held to raise funds for specified purposes.

**Endowment Funds.** The endowment funds held at the balance sheet date are all to be used for specific purposes.

### 2. Core grant income

	Unrestricted Funds	Restricted Funds	Endowment Funds	2010 Total	2009 Total
	£	£	£	£	£
Weish Assembly Government	61,500	-	-	61,500	60,000
Charities	1,000	-	-	1,000	71,000
	<u>62,500</u>	<u>-</u>	<u>-</u>	<u>62,500</u>	<u>131,000</u>

**The Community Foundation in Wales *Y sefydliad Cymunedol yng Nghymru***  
**(Limited by guarantee without share capital) for the year ended 31 March 2010**

**Notes to the accounts**

**3. Management fee income**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2010 Total</b>	<b>Restated 2009 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Charities/organisation	60,088	-	-	<b>60,088</b>	48,500
Corporate donors	4,985	-	-	<b>4,985</b>	5,833
Individuals	-	-	-	-	5,000
Endowment*#	56,801	-	-	<b>56,801</b>	10,668
	<b>121,874</b>	-	-	<b>121,874</b>	70,001

# £17,740 has been additionally externally transferred, see note 29.

\*£5,835 has been additionally internally transferred – see lines 3 / 4 of note 14.

Prior year management fee income figures have been restated to better reflect the nature of the income.

**4. Investment income**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2010 Total</b>	<b>2009 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Dividends	-	38,311	-	<b>38,311</b>	35,394
Bank interest	3,199	2,235	-	<b>5,434</b>	18,206
	<b>3,199</b>	<b>40,546</b>	-	<b>43,745</b>	53,600

Total dividend income received is £76,198 (2009: £41,485) and £38,311 (2009: £35,394), shown in this note, is for beneficiaries; balance of £37,887 (2009: £6,091) is included in management fee income in note 3.

**5. Funds/Donations**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2010 Total</b>	<b>2009 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Grantmaking trusts#	-	6,190	1,721,189	<b>1,727,379</b>	143,668
Other charities/organisations	1,500	36,508	279,334	<b>317,342</b>	100
Corporate donors*	8,631	-	-	<b>8,631</b>	-
Individuals	1,074	-	4,850	<b>5,924</b>	7,701
Foundation partner	4,500	500	-	<b>5,000</b>	5,000
	<b>15,705</b>	<b>43,198</b>	<b>2,005,373</b>	<b>2,064,276</b>	156,469

# £2,246,047 (Restricted £50,903 and Endowment £2,125,144) has been additionally externally transferred: see note 29.

\* Includes £7,631 for in-kind PR services.

**6. Income from Fundraising events**

During the 2009/10 the Foundation acquired the Gwent High Sheriffs' Fund (see notes 23 & 24); this fund is continuing its fundraising activities (events such as the High Sheriff's Ball and Golf Days) – now with support from the Foundation as detailed in the Fund agreement.

**The Community Foundation in Wales *Y sefydliad Cymunedol yng Nghymru***  
**(Limited by guarantee without share capital) for the year ended 31 March 2010**

**Notes to the accounts**

**7. Incoming resources from charitable activities**

	Unrestricted Funds	Restricted Funds	Endowment Funds	2010 Total	2009 Total
	£	£	£	£	£
Charities/organisations	-	1,328,868	-	1,328,868	1,481,751
Corporate donors	-	45,519	-	45,519	52,300
Individuals	-	-	-	-	66,638
	-	1,374,387	-	1,374,387	1,600,689

**8. Resources expended**

	Grants	Staff- related	Other Direct	Office Overheads	2010 Total	2009 Total
	£	£	£	£	£	£
Cost of Generating Funds						
Core Grants	-	3,044	-	300	3,344	6,163
Management Fees	-	14,922	3,987	2,394	21,303	21,798
Investment income	-	1,392	14,801	599	16,792	1,595
Donations	-	24,620	13,284	1,080	38,984	4,511
Other Income	-	1,826	5,528	299	7,653	752
Premises-related income	-	-	-	-	-	13,016
Charitable Activities:						
Grant making:						
Community Cohesion	426,685					
Improving Physical and Mental Health	546,812					
Enabling Youth	522,150					
Nurturing heritage and Culture	33,420					
Environment and Heritage	71,735					
Total	1,600,802	29,926	5,286	14,368	1,650,382	1,299,488
Developing Philanthropy - Corporate etc	-	22,685	7,898	5,709	36,292	33,469
Governance	-	18,704	67,463	5,183	91,350	65,611
Total Resources expended	1,600,802	117,119	118,247	29,932	1,866,100	1,446,403

Grants totalling £1,559,553 have been made to institutions, and £41,249 to individuals. The directors do not believe any particular institution received a material grant in the context of grant making.

Costs have been attributed on a basis consistent with the use of resources. Where costs cannot be allocated, they are apportioned by the estimated percentage of time spent on each activity. Office Overheads equate to support costs - being premises and office-related costs.

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Notes to the accounts

9. Governance Costs

	Unrestricted Funds	Restricted Funds	Endowment Funds	2010 Total	2009 Total
	£	£	£	£	£
Meeting costs	2,273	-	-	2,273	2,892
Trustee expenses	6,586	-	-	6,586	7,645
Subscriptions	4,099	-	-	4,099	3,133
Bi-ennial Community Foundation Network conference	2,869	-	-	2,869	-
Staff restructuring/settlement costs	44,572	-	-	44,572	-
Professional fees	6,580	-	-	6,580	1,970
Other	484	-	-	484	983
Staff-related costs	18,704	-	-	18,704	44,892
Office overheads	5,183	-	-	5,183	4,096
	<u>91,350</u>	<u>-</u>	<u>-</u>	<u>91,350</u>	<u>65,611</u>

10. Staff Costs

	2010 £	2009 £
Salaries	94,196	129,687
Social security costs	8,885	12,751
Pension costs	4,032	6,356
	<u>107,113</u>	<u>148,794</u>

The average number of full-time employees during the year, analysed into category was:

	2010 No	2009 No
Direct charitable	2	3
Fundraising and publicity	0.5	1
Governance	1	1
	<u>3.5</u>	<u>5</u>

There were no employees whose emoluments (excluding pension contributions) exceeded £60,000 in the year.

11. Trustees

One trustee was remunerated for services during the year by order of the Charity Commission; see note 26.

During the year, 8 (2009: 8) trustees were reimbursed for expenses amounting to £6,586 (2009 - £7,645).

12. Net incoming/(outgoing) resources before transfers

The net incoming/ (outgoing) resources before transfers is stated after charging/ (crediting):

	2010 £	2009 £
Auditors' remuneration	3,000	1,955
Depreciation of owned assets	2,013	378
Operating lease rentals- plant and machinery	<u>1,590</u>	<u>1,711</u>

**The Community Foundation in Wales Y sefydliad Cymunedol yng Nghymru  
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**Notes to the accounts**

**13. Analysis of operations**

	2010		Total £
	Continuing £	Acquisitions £	
Total incoming resources	3,663,356	18,696	3,682,052
Cost of generating funds	(62,042)	(26,034)	(88,076)
Charitable activities	(1,631,581)	(55,093)	(1,686,674)
Governance costs	(77,786)	(13,564)	(91,350)
Total resources expended	(1,771,409)	(94,691)	(1,866,100)
	<b>1,891,947</b>	<b>(75,995)</b>	<b>1,815,952</b>

	2009		Total £
	Continuing £	Acquisitions £	
Total incoming resources	2,028,024	-	2,028,024
Cost of generating funds	(47,835)	-	(47,835)
Charitable activities	(1,332,957)	-	(1,332,957)
Governance costs	(65,611)	-	(65,611)
Total resources expended	(1,446,403)	-	(1,446,403)
	<b>581,621</b>	<b>-</b>	<b>581,621</b>

**14. Transfers**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £
Grant from Lord Methyr fund for office relocation	4,400	(4,400)	-
Release of capital from Lord Merthyr Fund	-	31,543	(31,543)
Release of capital from Montgomery Technical Education Fund	5,528	13,652	(19,180)
Transfer of part-management fee for Llandrindod High School Fund	307	(307)	-
	<b>10,235</b>	<b>40,488</b>	<b>(50,723)</b>

**15. Charity results**

The Charity has taken advantage of section 408 of the Companies Act 2006 and has not included its own income and expenditure account in these financial statements. The results of the Community Foundation in Wales are summarised below:

	2010 £	2009 £
Total incoming resources	3,665,540	2,028,024
Total expenses expended	(1,808,276)	(1,446,403)
Net incoming resources	1,857,264	581,621
Net investment gains/(losses)	388,593	(162,134)
Subsidiary assets transferred to Group	34,683	-
Net movement in funds	<b>2,280,540</b>	<b>419,487</b>

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Notes to the accounts

16. Tangible Fixed Assets

	Group and Charity	
	Computer equipment £	Total £
Cost		
At 1 April 2009	-	-
Additions	6,040	6,040
	<u>6,040</u>	<u>6,040</u>
Depreciation		
At 1 April 2009	-	-
Provided in year	2,013	2,013
At 31 March 2010	<u>2,013</u>	<u>2,013</u>
<b>Net book value</b>		
At 1 April 2009	-	-
At 31 March 2010	<u>4,027</u>	<u>4,027</u>

17. Investment- properties

	Group		Charity	
	2010 £	2009 £	2010 £	2009 £
At 1 April 2009	-	-	-	-
Transfers into group	585,000	-	-	-
At 31 March 2010	<u>585,000</u>	-	-	-
Properties comprised:				
Former county intermediate school in Llanfyllin	85,000	-	-	-
Former county school at Newtown	500,000	-	-	-
	<u>585,000</u>	-	-	-

Both properties are part of the Montgomery Technical Education Fund endowment. As investments were acquired in the year, the directors are of the opinion the market value at the year end will not be materially different to the value of the acquisition.

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**18. Investments**

	Group		Charity	
	2010	2009	2010	2009
	£	£	£	£
At 1 April 2009	730,174	892,308	730,174	892,308
Subsidiary transfers to group	1,610,144	-	-	-
Additions in the year	2,137,846	180,125	2,137,846	180,125
Disposal proceeds	(122,746)	(180,125)	(88,640)	(180,125)
Gain or loss on revaluation	479,616	(162,134)	388,953	(162,134)
At 31 March 2010	<b>4,835,034</b>	<b>730,174</b>	<b>3,167,973</b>	<b>730,174</b>

	Group		Charity	
	2010	2009	2010	2009
	£	£	£	£
UK Listed investments	4,803,803	669,769	3,147,510	669,769
Portfolio cash float	31,231	60,405	20,463	60,405
	<b>4,835,034</b>	<b>730,174</b>	<b>3,167,973</b>	<b>730,174</b>

**Material Investments**

	Group		Charity	
	2010	2009	2010	2009
	£	£	£	£
JP Morgan Bond Fund	492,297	-	322,559	-
JP Morgan UK Equity fund	1,060,319	-	694,734	-
Barind Targeted Return Fund	1,809,886	-	1,185,859	-
Segregated portfolio holdings	1,441,302	669,769	944,358	669,769
	<b>4,803,803</b>	<b>669,769</b>	<b>3,147,510</b>	<b>669,769</b>

Investments have a historic cost of £4,351,032 (2009: £783,807). During the year the Foundation became Corporate Trustee to four separate unincorporated charities. The Foundation controls these entities. The assets of the charities have been transferred into the consolidated financial statements at fair value on the date control was assumed: see note 29.

**19. Debtors**

	Group		Charity	
	2010	2009	2010	2009
	£	£	£	£
Trade debtors	8,735	3,004	8,735	3,004
Other debtors	7,814	17,615	7,814	17,615
Prepayments and accrued income	3,236	1,646	3,236	1,646
	<b>19,785</b>	<b>22,265</b>	<b>19,785</b>	<b>22,265</b>

**The Community Foundation in Wales Y sefydliad Cymunedol yng Nghymru  
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**Notes to the accounts**

**20. Creditors – amounts due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	<b>862</b>	<b>8,474</b>	<b>862</b>	<b>8,474</b>
Accruals and deferred income	<b>24,326</b>	<b>17,066</b>	<b>14,614</b>	<b>17,066</b>
	<b>25,188</b>	<b>25,540</b>	<b>15,476</b>	<b>25,540</b>

**21. Financial commitments**

At 31 March 2010, there were annual commitments under non-cancellable operating leases as follows:

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Expiring between two and five years	<b>-</b>	<b>1,580</b>

**22. Movement in unrestricted funds**

	<b>Group and the Charity</b>				<b>At 31 March 2010</b>
	<b>At 1 April 2009</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unrestricted general fund	<b>72,122</b>	<b>221,072</b>	<b>(243,199)</b>	<b>10,235</b>	<b>60,230</b>

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**Notes to the accounts**

**23. Movement in restricted funds**

	At 1 April 2009 £	Income £	Grants paid £	Other £	At 31 March 2010 £
<b>Fundraising Activity</b>					
Gwent High Sheriff's Community Fund	-	15,216	-	(5,528)	9,688
<b>Immediate Impact Funds</b>					
Henry Smith	463,607	669,000	667,950	-	464,657
Entrust (Rhondda Waste Disposal)	1,865	7	-	-	1,872
Sport/Comic Relief	-	116,112	113,395	-	2,717
Solutia	1,187	-	1,187	-	-
Memory Lane	40	-	-	-	40
The Fair Share Trust	153,767	532,616	591,232	(104)	95,047
Rowecord	2,541	-	2,541	-	-
Castleoak	479	-	-	-	479
Denbeighshire Foyer	500	-	-	-	-
Wales & West Utilities	-	20,000	2,000	-	18,000
General Pass Through	-	340	-	-	340
RWE Npower Renewables	21,906	14,629	8,691	-	27,844
Eaga	9,000	9,890	18,890	-	-
The Skiathos Fund	66,123	189	57,800	-	8,512
Anne Duchess of Westminster Charity	14,500	10,800	24,890	-	410
Allianz	-	1,000	980	-	20
Foundation Partner	500	500	750	-	250
<b>Endowment Fund</b>					
<b>Income</b>					
Lord Merthyr Fund	468	53,568	51,773	-	2,263
General Grants	3,153	328	1,004	-	2,477
CFIW Schools Fund	8,434	2,172	4,275	-	6,331
Martyn Groves Travel	2,098	334	820	-	1,612
Slovan Family Fund for Ely	120	202	261	-	61
Former Powys Foundation	216	380	-	-	596
Newport Community Fund	2,723	4,402	2,580	-	4,545
Llandrindod High School Charity Fund*	-	-	328	(1,579)	(1,907)
Powys Welsh Church Act	-	2,052	-	-	2,052
Gwent High Sheriff's Community Fund	-	38,022	3,192	-	34,830
<b>Total Charity Funds</b>	<b>753,227</b>	<b>1,491,759</b>	<b>1,554,539</b>	<b>(7,211)</b>	<b>683,236</b>
Montgomery Technical Education Fund	-	30,235	30,000	(235)	-
Montgomery District Trust Fund	-	9,148	138	(59)	8,951
Stanley Bligh Memorial Fund	-	31,688	16,632	(725)	14,331
Former Brecon Girls School Fund	-	7,828	3,893	(588)	3,347
<b>Total Group Funds</b>	<b>753,227</b>	<b>1,570,658</b>	<b>1,605,202</b>	<b>(8,818)</b>	<b>709,865</b>

\*Llandrindod Fund deficit is due to cash deficit on transfer; Bligh fund is covering this end-of-year deficit. The deficit will be eliminated by 2012 from future Llandrindod investment income.

Figures include internal and external transfers, and thus only the opening and closing totals match the SOFA.

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**24. Movement in endowment funds**

	At 1 April 2009	Receipts	Grants & transfers	Market Value Change	At 31 March 2010
	£	£	£	£	£
Lord Merthyr Fund	631,700	-	(31,543)	196,291	796,448
CFIW Schools Fund	67,761	-	-	22,015	89,776
General Grants	4,230	-	-	1,374	5,604
Martyn Groves Adventure/ Travel Fund	9,588	-	-	3,115	12,703
The Sloman Family Fund for Ely	5,160	4,850	-	1,863	11,873
Newport Community Fund	142,240	16,352	-	46,212	204,804
Former Powys Foundation Fund	11,858	-	-	3,853	15,711
Llandridod High School Charity Fund	-	61,074	-	3,453	64,527
Powys Welsh Church Act Fund #	-	1,643,763	-	92,924	1,736,687
Gwent High Sheriff's Community Fund	-	279,334	-	17,493	296,827
<b>Total Charity Funds</b>	<b>872,537</b>	<b>2,005,373</b>	<b>(31,543)</b>	<b>388,593</b>	<b>3,234,960</b>
Montgomery Technical Education Fund	-	1,021,571	(33,981)	24,680	1,012,270
Montgomery District Trust Fund	-	281,388	-	15,907	297,295
Stanley Bligh Memorial Fund	-	722,186	-	40,826	763,012
Former Brecon Girls School Fund	-	170,000	-	9,610	179,610
<b>Total Group Funds</b>	<b>872,537</b>	<b>4,200,518</b>	<b>(65,524)</b>	<b>479,616</b>	<b>5,487,147</b>
<b>Funds</b>					

# Powys County Council retains the trusteeship of the Powys Welsh Church Act Fund but has delegated, to the Foundation, the management of the Fund's non-property investments. The Foundation manages these charitable investments on behalf of Powys County Council as part of the Foundation's investment portfolio according to the Foundation's investment strategy. After deducting management fees, the Foundation will make bi-annual transfers of the accumulated investment income for charitable application by Powys County Council. As at 31 March 2010:

- The market value of the Fund's share of the Foundation's investment portfolio was £1,736,687.
- The amount of gross income earned by the Fund since transfer on 1 September 2009 is £20,506.
- The amount of annual management fee (payable in advance) deducted was £20,586.
- The amount of untransferred investment income \* held by the Foundation was £2,052.

\* Including a residual balance of £2,132 transferred from Powys County Council in January 2010.

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**Notes to the accounts**

**25. Analysis of net assets between funds**

	Unrestricted funds	Restricted funds	Group Endowment funds	2010 Total	2009 Total
	£	£	£	£	£
Tangible fixed assets	4,027	-	-	4,027	-
Investment property	-	-	585,000	585,000	-
Investments	-	-	4,835,034	4,835,034	730,174
Current assets excluding cash at bank and in hand	3,996	15,789	-	19,785	22,265
Cash at bank and in hand	62,706	708,765	67,113	838,584	970,987
Creditors: amounts falling due within one year	(10,499)	(14,689)	-	(25,188)	(25,540)
	<b>60,230</b>	<b>709,865</b>	<b>5,487,147</b>	<b>6,257,242</b>	<b>1,697,886</b>

	Unrestricted funds	Restricted funds	Charity Endowment funds	2010 Total	2009 Total
	£	£	£	£	£
Tangible fixed assets	4,027	-	-	4,027	-
Investments	-	-	3,167,973	3,167,973	730,174
Current assets excluding cash at bank and in hand	3,996	15,789	-	19,785	22,265
Cash at bank and in hand	62,706	672,424	66,987	802,117	970,987
Creditors: amounts falling due within one year	(10,499)	(4,977)	-	(15,476)	(25,540)
	<b>60,230</b>	<b>683,236</b>	<b>3,234,960</b>	<b>3,978,426</b>	<b>1,697,886</b>

**26. Related Party Transactions**

During the year and with permission from the Charity Commission, the treasurer (Mr Frank Learner) was paid £6,070 for services and £64 for expenses to complete a forensic audit of, and create a strategic financial planning system for, the grant making programme for the Fair Share Trust.

The Hon. Antony Lewis (A) and his brothers (Mr Trevor Lewis (T) and the Hon. Robin Lewis (R)) are connected with the following organisations which have received grants from the Community Foundation in Wales.

Organisations	Connection	2010	2009
		£	£
SSAFA Dyfed Branch	R- President, T-Vice President	750	1,750
Mid Wales Food & Land Trust	A- Director	31,543	6,177

The Foundation is exempt from disclosing transactions under FRS 8 with its subsidiaries as they are 100% controlled by the Charity.

**27. Pension Schemes**

The charity contributes to individual staff-selected stakeholder pensions as requested by staff, and accordingly contributions to these schemes are accounted for on the basis of a defined contribution scheme. During the year ended 31 March 2010, the total employer contributions charged for these schemes amounted to £4,032 (2009 - £6,356).

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**Notes to the accounts**

**28. Company Limited by Guarantee**

The charity is limited by guarantee; the members' liability is limited to £1 on the winding up of the charity.

**29. Subsidiary Charities**

The Charity is sole trustee of, and therefore controls, the following charities:

<b>Name</b>	<b>Charity Number</b>
Montgomery District Trust Fund	513855
Montgomery Technical Education Fund	5257256
Stanley Bligh Memorial Fund	525314
Former Brecon Girls School Fund	1074498

The trusteeship of the above charities was acquired on 31 August 2009.

These charities perform similar activities to the Foundation and have coterminous year ends. The assets at the date the Foundation took control have been transferred into the group at fair value. At the year end they have been consolidated on a line by line basis.

**Montgomery District Trust Fund**

	Pre-acq	Post-acq	2010 Total	2009 Total
	£	£	£	£
Investment income	6,107	3,390	9,497	13,055
Cost of generating funds	(59)	(368)	(427)	(2,120)
Charitable activities	(4,807)	(3,066)	(7,873)	(149)
Governance	(1,409)	(2,699)	(4,108)	-
Investment Gains and Losses	36,097	15,907	52,004	(69,069)
<b>Net Movement in Funds</b>	<b>35,929</b>	<b>13,164</b>	<b>49,093</b>	<b>(58,283)</b>

	31 Aug 2009	31 March 2010	31 March 2009
	£	£	£
Assets	294,432	306,443	257,153
Liabilities	(1,350)	(197)	-
<b>Funds</b>	<b>293,082</b>	<b>306,246</b>	<b>257,153</b>

	31 Aug 2009	31 March 2010	31 March 2009
	£	£	£
Represented by:			
Unrestricted Funds a*	5,421	-	-
Unrestricted Funds b#	6,273	8,951	11,862
Endowment Funds#	281,388	297,295	245,291
<b>Funds</b>	<b>293,082</b>	<b>306,246</b>	<b>257,153</b>

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**Montgomery Technical Education Fund**

	Pre-acq	Post-acq	2010 Total	2009 Total
	£	£	£	£
Investment income	10,384	5,446	15,830	22,871
Cost of generating funds	(469)	(19,284)	(19,753)	(2,589)
Charitable activities	-	(32,242)	(32,242)	(22,948)
Governance	(1,528)	(4,484)	(6,012)	(903)
Investment Gains and Losses	61,975	24,680	86,655	(443,591)
<b>Net Movement in Funds</b>	<b>70,362</b>	<b>(25,884)</b>	<b>44,478</b>	<b>(447,160)</b>

	31 Aug 2009	31 March 2010	31 March 2009
	£	£	£
Assets	1,039,212	1,012,505	967,792
Liabilities	(1,058)	(235)	-
<b>Funds</b>	<b>1,038,154</b>	<b>1,012,270</b>	<b>967,792</b>
Represented by:	31 Aug 2009	31 March 2010	31 March 2009
	£	£	£
Unrestricted Funds a*	-	-	-
Unrestricted Funds b#	16,583	-	8,196
Endowment Funds#	1,021,571	1,012,270	959,596
<b>Funds</b>	<b>1,038,154</b>	<b>1,012,270</b>	<b>967,792</b>

**Stanley Bligh Memorial Fund**

	Pre-acq	Post-acq	2010 Total	2009 Total
	£	£	£	£
Investment Income	16,291	8,690	24,981	34,487
Cost of generating funds	(725)	(5,053)	(5,778)	(2,020)
Charitable activities	(5,226)	(16,013)	(21,239)	(28,893)
Governance	(1,737)	(5,053)	(6,790)	(2,525)
Investment Gains and Losses	98,148	40,826	138,974	(184,492)
<b>Net Movement in Funds</b>	<b>106,751</b>	<b>23,397</b>	<b>130,148</b>	<b>(183,443)</b>

	31 Aug 2009	31 March 2010	31 March 2009
	£	£	£
Assets	762,313	784,012	647,195
Liabilities	(8,367)	(6,669)	-
<b>Funds</b>	<b>753,946</b>	<b>777,343</b>	<b>647,195</b>
Represented by:	31 Aug 2009	31 March 2010	31 March 2009
	£	£	£
Unrestricted Funds a*	9,897	-	-
Unrestricted Funds b#	21,863	14,331	23,157
Endowment Funds#	722,186	763,012	624,038
<b>Funds</b>	<b>753,946</b>	<b>777,343</b>	<b>647,195</b>

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**Notes to the accounts**

**Former Brecon Girls School Fund**

	Pre-acq	Post-acq	2010 Total	2009 Total
	£	£	£	£
Investment Income	304	1,170	1,474	7,121
Cost of generating funds	(588)	(1,329)	(1,917)	(374)
Charitable activities	(1,869)	(3,772)	(5,641)	(10,839)
Governance	(956)	(1,328)	(2,284)	(932)
Investment Gains and Losses	-	9,610	9,610	-
<b>Net Movement in Funds</b>	<b>(3,109)</b>	<b>4,351</b>	<b>1,242</b>	<b>(5,024)</b>

	31 Aug 2009	31 March 2010	31 March 2009
	£	£	£
Assets	180,867	185,568	181,715
Liabilities	(2,261)	(2,611)	-

<b>Funds</b>	<b>178,606</b>	<b>182,957</b>	<b>181,715</b>
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	31 Aug 2009	31 March 2010	31 March 2009
	£	£	£
Represented by:			
Unrestricted Funds a*	2,422		
Unrestricted Funds b#	6,184	3,347	11,715
Endowment Funds#	170,000	179,610	170,000
<b>Funds</b>	<b>178,606</b>	<b>182,957</b>	<b>181,715</b>

\* See linked footnote at Note 3; total = £17,740

#See linked footnote at Note 5; refs respectively total £50,903 and £2,195,144.