

COMMUNITY FOUNDATION FOR LANCASHIRE (FORMER)
(Formerly known as COMMUNITY FOUNDATION FOR LANCASHIRE)

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

Company Number : 06383299

Charity Number : 1123229

COMMUNITY FOUNDATION FOR LANCASHIRE (FORMER)

YEAR ENDED 31 MARCH 2014

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COMPANY INFORMATION

Bankers:	Lloyds TSB Church Street Blackburn
	Santander Bridle Road Bootle L30 4GB
Solicitors:	Brabners LLP Horton House Exchange Flags Liverpool L2 3YL
Investment Managers:	Investec Wealth & Investment Ltd 100 Old Hall Street Liverpool L3 9AB
	CCLA Investment Management Ltd 80 Cheapside London EC2V 6DZ
Auditors:	Beever and Struthers Chartered Accountants Central Buildings Richmond Terrace Blackburn BB1 7AP
Registered office:	Community Foundation for Lancashire (Former) C/O Regenerate Pennine Lancashire The Globe Centre 1 St James Square Accrington BB5 0RE

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TRUSTEES' REPORT

The trustees (who are also directors for the purposes of company law) present their Report and the Financial Statements for the year ended 31 March 2014 for the Community Foundation for Lancashire (Former) (formerly known as Community Foundation for Lancashire) and hereafter referred to as Community Foundation for Lancashire.

REFERENCE AND ADMINISTRATIVE DETAILS

The charity, which is known as Community Foundation for Lancashire, is constituted as a company limited by guarantee and not having any share capital. The company is registered in England and Wales, Number 06383299, and its principal governing document is the company Memorandum and Articles of Association (as amended by special resolution on 19 December 2013). The charity is also registered with the Charity Commission Number 1123229.

The charity is constituted as a membership organisation. There were six members at the year end. Subsequent to the year end on 1 April 2014, these members were replaced by a sole member Community Foundations for Lancashire and Merseyside (formerly known as Community Foundation for Merseyside) and hereafter referred to as Community Foundation for Merseyside).

Details of the advisers to the company are shown on page 2.

Trustees and senior staff

The persons who have acted as Trustees during the year are:

A Roberts (Chairman)
PF Robinson (retired 19 December 2013)
P Butterfield (retired 19 December 2013)
T Hephrun (resigned 15 July 2014)
PG Barker (retired 31 March 2014)
WA Swift
EA Hall (retired 31 March 2014)
J Turton (retired 31 March 2014)
D McDonnell (appointed 17 July 2013)

The senior members of staff were:

C Elliott	Chief Executive
K Fitzgerald	Development Director

Summary of our Purpose & Aims

The Community Foundation for Lancashire is for donors, for communities and for Lancashire. As an independent registered charity we are part of a UK and international movement of community foundations that undertakes strategic social investment, including charitable community investment, particularly grant-making, facilitates and administers community philanthropy and contributes to achieving positive social change in Lancashire's communities.

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The Community Foundation connects donors with Lancashire's social sector to meet local needs, tackle social issues and support community aspirations. Community foundation grant-making has taken place in Lancashire since 2003, investing nearly £10 million in 2000 voluntary and community groups during that time with the administrative support of Community Foundation for Merseyside. Since the Community Foundation for Lancashire was set up as a Registered Charity in 2007, we have worked to encourage local philanthropy with many local companies, trusts and philanthropists.

- **Our Vision** is to enrich the lives of people in and around Lancashire and through them create united, thriving and prosperous communities.
- **Our Mission** is to invest funding strategically under charity law that meets the needs of local communities, placing us as the charity of choice for philanthropists and funding partners, and the primary funder for the county's social sector.
- **Our Strategy** is to understand the needs of local communities and philanthropists and, by creating partnerships and involving philanthropists, to ensure that these needs are met.
- **Our Theory of Change** is: *"We seek and work with philanthropists to empower them to engage in targeted social investment to contribute to enriching local people's lives and supporting the creation of united, prosperous and thriving communities."*

- We are a community investor, especially a charitable grant-maker;

- We are Lancashire's philanthropy centre, facilitating community philanthropy;

- We are a contributor to social change as a local community leader in Lancashire.

Our Values are: Pride, Transparency, Working Together and Community Leadership.

Our 2013/14 Annual Review

As Community Foundation for Lancashire we delivered in 2013/14 in our roles as a community investor, the county's philanthropy centre and contributor to social change. We know that many people and organisations wish to ensure the people of Lancashire's lives are better, brighter, happier and healthier, and communities are kinder, greener, finer and richer. We already know that Lancashire is a good place to live, learn and work, though many local people believe that there are certain issues that could be tackled, specific local needs met or new aspirations supported to ensure that Lancashire is very much prosperous and thriving. As the community foundation for the county we aim to inspire, delight, surprise and perhaps even move those who wish to give, following in the footsteps of many centuries of Lancastrian philanthropists. We also know that there are many valuable community activities taking place in the county to meet local need, tackle social issues and support community aspirations that are led and delivered by passionate and committed people working in groups, community organisations, charities, social enterprises and Community Interest Companies. As a community foundation it is our role to connect philanthropists and communities, and this is embedded in our belief that your community makes you and you make your community.

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As a backdrop to our work, we were fully aware in 2013/14 that there was a continued transition from public sector funding and programmes for us which ended in 2011/12, through to a time of majority private funding experienced since 2012/13 within a changing policy and economic landscape. Via strategic changes and plans we made in 2012/13 to prepare for continued transition we were robust and resilient and provided a strong basis for our future plans for thriving communities. We especially continued our commitment since 2008 to endowment building for our own sustainability and to safe guard community funds for future generations, growing our endowment fund in collaboration with philanthropists from £2,768,172 to £2,845,384 in 2013/14.

Our Investment in Communities

We invested £397,971 in communities in 2013/14 via the social sector to support an array of community-led activities. In total we supported 89 community activities and projects via resident groups, community organisations, charities, social enterprises and Community Interest Companies in Lancashire in 2013/14.

Across the geography of Lancashire we especially invested funds in the following areas:

- Blackburn with Darwen £112,661
- Blackpool £5,124
- Burnley £46,635
- Chorley £7,765
- Clitheroe £24,437
- Hyndburn £3,500
- Lancaster & Morecambe £21,535
- Pendle £39,555
- Preston £14,850
- Rossendale £85,097
- West Lancashire £12,900

We continued to maximise the social impact of funds and resources through our extended local and UK networks, accessible funding programmes and efficient, cost and time effective processes as a growing community foundation.

Our Community Leadership

We remained committed to our strategic view in 2013/14 to understand the needs of local communities and donors and, by creating partnerships and involving donors, ensure that these needs are met via a social change agenda. However, this year saw a significant development in our community leadership work via the launch of Lancashire's Vital Signs on 1 October 2013.

Lancashire's Vital Signs is the county's first giving guide for charitably-minded people and businesses as well as philanthropists and charitable trusts of all kinds who have in common a passion for Lancashire. Our Vital Signs is a combination of national and local data, social intelligence and the results of community consultations to provide a voice for local communities on their concerns and aspirations to guide philanthropists' giving. Reported on a tri-annual basis Lancashire's Vital Signs provides a guide by 12 social themes linked to UK

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Vital Signs and the 14 distinct geographical areas of Lancashire. We are delighted with the positive response Vital Signs has received since October 2013 with nearly 400 community leaders responding to our consultation, the local media disseminating our report for their local communities, and local philanthropists, our donors and Fellows embracing the guide for their continuing giving plans, including via an event in December at Blackpool Tower, hosted by Philanthropy Fellow Norman Tenray. We thank Lancashire County Council, Community Foundations of Canada (CFC) and UK Community Foundations (UKCFs) for their support of this important initiative's development.

We have been involved in UK Vital Signs since 2010/11 and have worked with Community Foundation for Tyne & Wear and Northumberland and six other community foundations since 2011 to develop a UK version of the Community Foundations of Canada (CFC) Vital Signs to create a giving guide approach for community foundations in the UK. We are proud to be one of innovators in our UK movement to significantly establish a community foundation's leadership role in its locality and we have made a commitment to the initiative for the long-term, including as a member of the UK Vital Signs Working Group.

Our Governance Developments

The Community Foundation for Lancashire agreed with Community Foundation for Merseyside to enhance and finesse its governance in 2013/14 against a community leadership and philanthropy development agenda for cost and time efficiencies which resulted in the agreement in April 2013 to merge the two community foundations in April 2014. This decision was built on a close collaboration that has developed especially since 2009. This was approved at each community foundation's Annual General Meeting in December 2013 with plans finalised by 31 March 2014, working with our solicitors Brabners and auditors Beever & Struthers. (Although documents regarding the merger were filed in January 2014, the merger did not take effect until 1 April 2014). Our Chairman Arthur Roberts will serve as Chair of the newly merged charity until October 2014 and the Board is working together to plan for the medium to long-term against a new agenda for a new era. We are proud of our achievements in restructuring our governance model, aligned to our organisational structure, for a community leadership and philanthropy development agenda, being previously one of the very few close collaborations and now very few mergers in the UK movement for public benefit.

Our Philanthropy Centre Activities

As a community foundation we seek and work with philanthropists to empower them to engage in targeted social investment to contribute to enriching local people's lives and supporting the creation of united, prosperous and thriving communities. We administered 19 funds and foundations in 2013/14 working in collaboration with philanthropists, trusts and companies who are committed to improving lives in Lancashire.

Our continued work with philanthropists and funding partners to support communities via the local social sector achieved their giving aims and supported vital projects and activities in the county for the benefit of local neighbourhoods and families. Major programmes and funds delivered in collaboration with funders and philanthropists in 2013/14 included:

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- Developing social entrepreneurship and the growth of social enterprises with Santander and their Social Enterprise Development Awards (SEDA) for the third year
- Supporting start-up community activities and organisations in transition at this time, especially linked to education, employment, poverty relief and disability, with the WO Street Foundation
- Developing activities in Clitheroe for young people in collaboration with the Lancaster Foundation
- Investing in grassroots activities across Lancashire via the distribution of Comic Relief funds
- Committing to bringing real improvements to communities and the lives of people most in need rolling out grants to health, education, environment and charitable causes with the Lancashire Telegraph Big Local

Our new Philanthropy Fellowship North West and activities of our Development Advisory Group (DAG) particularly supported our aims in 2013/14 to develop, encourage and celebrate philanthropy in the Lancashire; we particularly thank our DAG Chair and Philanthropy Fellow Dennis Mendoros for his continued support of our philanthropy development work. We became a second tier partner for the new Philanthropy Fellowship North West in 2012, working with Community Foundation for Merseyside, supported by UKCFs and pilot funded by Esmée Fairbairn Foundation. The initiative led in the North West by Community Foundation for Merseyside with Community Foundation for Cheshire as a third tier partner, aims to bring together 35 Fellows from across the North West by December 2015. We are delighted to be continually involved in this initiative to educate, inform, inspire and bring together philanthropists from across Lancashire and the region, and thank Lord Shuttleworth, our President for his support. This work builds on our activities in being Lancashire's Philanthropy Centre.

Towards the end of 2013/14 we also announced our role as the administrator of Cuadrilla's potential Pilot Community Benefits Funds in Lancashire, after planning permission. Our role in this potential work will be to maximise any funds available for communities for public benefit under charity law. This Pilot work links with UKCFs' partnership with the shale gas industry body, UKOOG launched in January 2014.

Our Financial Management & Growth

Our 2013/14 financial year was a continued year of transition for the organisation from public to private funding. In 2010/11 we administered public funding in the majority with only 25% of our funding from private sources at an overall level of £0.5 million. In 2011/12 this proportion switched with 25% of our funding being from public sources and 75% from private. Our funding for 2013/14 broke down to 90% from private sources and 10% from public sources to invest in Lancashire's communities. We welcomed our third financial year operating with sustainable, committed, majority private funds, working proactively way as an increasing number of community foundations do so in the UK and North America.

As stated the sustainability of the charity increased in 2013/14 with 3% growth in our endowment, standing at £2,844,884 in value by March 2014. The incentive of central Government's Community First Endowment Challenge (2011 – 2015) that we operate for

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Lancashire has supported this growth with the offer of 50% match to any donors setting up or growing endowment funds with us.

Having made reductions in our resources in 2012/13 due to a major ten year public programme ending as expected, we began 2013/14 with a new staff team from 1 April 2013 with a refreshed aim for growth via philanthropy development, especially working with the private sector, to achieve our mission to have positive social impact in Lancashire's communities. We continued in 2013/14 to be part of the pilot to install the DIGITS2 database across UK community foundations, reaping the benefits of increasingly efficient systems for our operations.

We continued to achieve cost and time efficiencies to ensure we maximise all funds donated for communities, and our approach has been increasingly business-like in a registered charity setting.

Our Organisational Development

As mentioned we began 2013/14 with a revised staff team of 13 people (equivalent to ten full-time) in collaboration with Community Foundation for Merseyside, and we committed support to all staff involved in this new version of the organisation. We particularly took a strategic decision to combine donor care & community engagement with new business & marketing, reflecting a need for a holistic approach to connecting philanthropists with communities. This new organisational approach has proven successful, especially due to the commitment and passion of our staff team and Board.

We were delighted to pass the tri-annual UKCF and Charity Commission Quality Accreditation 3 Audit in November 2013, having passed for the first time in May 2010. Working in collaboration with Community Foundation for Merseyside, we were described via this Audit as one of the 'most influential community foundations in this country' which we were delighted to hear in light of our proactive work and strategy for a new era.

The activities that will achieve our vision and aims are, as in previous years, set out in a series of key strategic documents, developed by the Board, staff and other stakeholders. Foremost among these is the Business Plan which was revised and set for 2013 – 2016 during this year. Our Business Plan includes priority goals in terms of our growth, investing successfully in communities, philanthropy facilitation, stakeholder engagement, effective governance and sustainability. The Plan sets out key priorities and goals, alongside a financial plan for the next three years, and will be reviewed annually. This work in 2013/14 was jointly undertaken with Community Foundation for Merseyside in close collaboration.

Key Partnerships

The Community Foundation has 'non-donor' relationships with many key players. Examples include Lancashire County Council, Lancashire's local borough authorities, especially Wyre, Central Government and local business groups, including Pennine Lancashire and the Lancashire Enterprise Partnership. Also included are our professional advisors Brabners, Investec Wealth and Investment and Beever & Struthers who have all been appointed due to

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their expertise, commitment to philanthropy or corporate social responsibility and being based in the region.

We also work with other infrastructure charities to work together to strengthen the social sector, especially at this time of public sector funding and policy changes, including Councils for Voluntary Services, Wyre Together, alongside specialists such as Age UK.

Contribution of Volunteers

We are grateful for the contribution made by the volunteers who are champions and ambassadors for our work, including panel members who recommend our community funding distribution. All of our panel volunteers are inducted and trained, and generally contribute up to four or five days a year to the organisation. Their contribution of knowledge and expertise is a crucial ingredient in the success of our community investment and in terms of ensuring local ownership and accountability.

The Board particularly wish to note their appreciation for the support of volunteers that have advised them on the development of the Community Foundation, such as members of our Development Advisory Group, including the Group's Chair Dennis Mendoros. The Board wish to especially thank Peter Robinson for his time and contribution during his six years of service as a Trustee and three years from 2007 to 2010 as Chairman with the Community Foundation as well as Pam Barker and Peter Butterfield for their six years service as Trustees and Jo Turton for her three years service as a Trustee. Also thanks are extended to the Community Foundation's Patrons and our President, Lord Charles Shuttleworth for their commitment to the work of the charity.

Our Donations In-Kind

The Community Foundation has been afforded use of an office by Regenerate Pennine Lancashire at The Globe Centre, St James Square, Accrington on an in-kind basis.

Factors Out of Our Control in 2013/14

The changed economic and political landscape during 2009 to now has had a delayed knock-on effect for the social sector. We have worked hard to ensure that we are continually fit-for-purpose, robust and relevant to Lancashire as well as supporting our funding recipients at this time as they experience change. Factors out of our control in 2013/14 included:

- Greater competition in our market from other private sector intermediaries - We continue to work hard and more creatively to work with philanthropists in collaboration, differentiating ourselves, and ensuring that existing donors and funders remain loyal by providing value for money and social impact in their philanthropy, being part of our greater community foundation movement locally and nationally.
- Decrease in public funding to the social sector and therefore increased demand on our community funding - We have become more efficient in our practices to tackle over-subscription and using local social needs information to enhance our strategy in community funding, especially via Vital Signs, as well as sign-posting applicants effectively to other

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funders.

- The coalition Government's 'Big Society' agenda encouraging community empowerment and the transfer of funds from private wealth to the public good - We continue to explore the Big Society agenda, and share feed-back, ideas and constructive criticism with opinion formers, representing our donors, funding recipients and our Fellows.

2014/15 and Beyond

Our agenda for philanthropy development and community leadership will be prominent in 2014/15 onwards. We will further embed our Vital Signs work, reporting on our community investment activities by our 12 social themes to demonstrate the achievements of philanthropists and their funds, community leaders and local organisations to ensure Lancashire is prosperous and thriving.

Following the merger in April 2014, we are now seeking new Trustees to celebrate, enable and encourage new community philanthropy in Lancashire as well as Merseyside whilst supporting communities, meeting local need, tackling social issues and supporting community aspirations via an intelligence-led approach. We also plan significant endowment building from 2014/15, especially as the Community First endowment match challenge ends, aiming to move from a joint £10 million endowment fund with Community Foundation for Merseyside in 2013/14 to a £37 million joint fund in 2023/24. For the short to medium term we are focusing on our roles as a philanthropy facilitator and community leader whilst finessing our social investment, including grant-making, role to support our communities in their aspirations.

Overview of our Governance & Operations

The Objects of our Charity

The objects of our charity, as set out in the Memorandum and Articles of Association, are: the promotion of any charitable purposes for the benefit of the community in the metropolitan area of Lancashire and the boroughs of Blackpool, Blackburn with Darwen and Lancashire and in particular the advancement of education, the protection of good health, both mental and physical, and the relief of poverty and sickness.

Significant Activities

The main area of our charitable activity is the awarding of charitable funding within the local community. This is achieved by raising donations from private, public and charitable sources and redistributing them (or the income they generate in the case of invested or endowed funds) as constructive grants to the local community, according to the donors' wishes. Presently, the vast majority of funds raised by the organisation are channelled through restricted revenue (or "flow-through" funds, without being invested for the long-term). The charity has relatively little unrestricted income that it can use for grant-making. Further information on grant-making activities during the year is provided in note 14.

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Our Organisational Structure

Community Foundation for Lancashire entered into a legal contract with the Community Foundation for Merseyside (registered charity number: 1068887) in 2008 to share staffing and 'back office' resources to maximise charitable funding and share significant expert support on a cost effective basis. The two community foundations will now merge by 1 April 2014 for cost and time efficiencies due to a successful collaboration, especially since 2009.

The Board appointed a Chief Executive to whom it delegates responsibility for the day-to-day operational management of the organisation. This post is directly responsible to the Board and Cathy Elliott was appointed as joint Chief Executive with Community Foundation for Merseyside on 1 August 2009.

Community Foundation for Lancashire is run by a Board of Trustees which is responsible for setting the strategic direction of the organisation, for establishing policy and for maintaining proper governance. It meets quarterly and comprises representatives of the private, public and voluntary sectors. All trustees have job descriptions and person specifications. Our Chairman Arthur Roberts was appointed in July 2011 and will serve as Chair until October 2014.

The operational delivery is resourced by a team of 13 staff (ten full time equivalent) resourced by fee and core income and on a consultancy basis as part of a close collaboration with Community Foundation for Merseyside (as the employer) which is unique in the UK Community Foundation Network.

Trustee Recruitment, Appointment and Development

The trustees are normally appointed by the members of the charitable company and up to one-third of the trustees will normally retire each year and be eligible for re-election at the Annual General Meeting. Trustees can serve two terms of three years with re-election for each term and a third three year term if there is a case for the organisation's business plans. No places on the board are reserved for specific individuals or representatives of particular organisations; detailed procedures are in place for the nomination and appointment of trustees.

Annually the Board assesses the expertise and skills within the Board membership and proactively recruits new trustees with specific experience to ensure a full complement of expertise and skills in order to govern the charity and deliver our charitable objectives for public benefit. All new trustees are given an induction session by the Chairman and Chief Executive to explain the operation of the charity. Regular training and tailored up-dates for trustees take place to update them and to ensure they are fully engaged with the work of the Community Foundation.

Our Public Benefit

The charity benefits the public by securing income for charitable programmes and funds administered by us from public and private sector, and then distributing this in collaboration with those funders and donors as charitable funding to support charitable activities in communities as an intermediary.

Funding programmes and funds are established, developed, decided upon and monitored in line with the social needs and aspirations of the local communities we serve which are identified by local community leaders, subject experts or local donors as well as social intelligence, data, research and community consultations.

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Before any funding is distributed, we carefully and thoroughly assess the charitable and public benefits of the proposed activities. The impact of our community funding is then reported to funders, donors, stakeholders, staff and the Board as a measurement of the social impact achieved.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. The charity's public benefit is assessed on an annual basis by the Board and staff to ensure we are continually improving our performance against our charitable objects, vision, mission and strategic social aims.

Community Investment Policies

The policy of the charity is to award funding to individuals and organisations that have made a formal application for a grant, that fulfil the requirements of the relevant programme or fund and which have the necessary systems in place to administer a grant. All funding applications are subject to a formal appraisal by our staff before being presented to the local grant panel, or the donor, for a recommendation. A scoring system and process is used to guide decisions. All panel or donor recommendations are ratified by the Community Foundation's senior staff or trustees prior to any offer being made. Funding distributed is reported quarterly to the Board by fund, locality and social theme.

Investment Powers

The Charity's Investment Powers are prescribed in its Memorandum and Articles of Association. The Board of Trustees has approved a document called 'Policies on Fund Management and Financial Control', relating to the management of all of its funds and which includes the strategies for the investment of its endowment. The purpose of investment in the endowment fund is to generate a sustainable income for (i) grant-making and (ii) meeting running costs.

The organisation has appointed professional investment managers to manage the endowment. These are currently managed by Investec Wealth and Investment Ltd for all funds outside of the Community First Endowment Challenge from 2012 – 2015 which is managed by CCLA, nominated by central Government. The overall objectives for Investec Wealth and Investments Ltd have been set is to maintain a balanced return between income and capital. The level of risk they are permitted to take is 'medium'. Presently, the strategy dictates that most of the portfolio is invested in UK equities (40 - 80%) and fixed interest stock (10 - 30%), with cash, non-UK equities and other assets also an option. Investment in derivatives or "hedge funds" is not permitted without the express consent of the trustees. Investment performance is monitored by the board on a quarterly basis, using benchmarks such as the FT All Stocks Government Index, the FT All Share Index, the FT World Index (excluding UK) and the IPD Index as well as a comparison of the current investment managers' performance with others in the field. Investment performance is reported to Board on a quarterly basis and reviewed annually.

For the Community First Endowment Challenge from 2012 – 2015 CCLA manages the funds based on an investment policy agreed by our UK umbrella organisation, UKCFs with approval from our Board. Although not classified as permanently endowed funds, CCLA manage funds under a total return policy, calculating the indexed value of the initial donation on an annual basis and enabling withdrawal of surplus over and above this figure to supplement income received during the year. This method of calculation has been applied since commencement of the programme so can be precisely calculated by CCLA. In 2013/14, the board of trustees decided to withdraw 75% of all surplus funds to boost income, thereby leaving some buffer in case of market falls. This amounted to a total withdrawal of

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capital gains of £21,384. The invested funds lie in a special trust linked to our main registered charity. Investment performance is reported to Board quarterly and reviewed by an independent panel of community foundation and investment experts working with UKCFs.

Our Risk Reviews

Our Board of Trustees undertakes a regular review of the risks that the organisation faces; these are published in a formal Organisational Risk Assessment. All risks identified have been addressed and mitigated as far as possible during 2013/14 and looking ahead, and no identified risks remain unaddressed. The Risk Assessment is subject to formal annual review and update by the trustees, with interim monitoring on a quarterly basis by the senior staff team. The organisation also uses a traffic light system to monitor and measure progress against a set of key organisational targets. Progress against target is assessed by the staff team on a monthly basis and reported to the Board on a quarterly basis, using a delivery forecast system.

Our Reserves Policy

Our Board has continued to endeavour to build and maintain a level of reserves appropriate to its commitments over the coming years. However, it is keen to maximise its charitable objectives and public benefit. The Board continues to ensure that reserves of four to six months running costs are held at any time as per our policy, in line with the Charity Commission's guidance. For 2013/14 the unrestricted reserves were £21,019 at the end of the financial year. Via an agreement with Community Foundation for Merseyside, the two community foundations work together to build joint reserves as per the policy and cover budget deficits and core costs jointly as appropriate for sustainability. The forthcoming merger with Community Foundation for Merseyside, alongside our endowment building, will ensure our future sustainability.

Our Auditors

The Community Foundation reviewed in October 2011 its auditing services due to the collaboration with Community Foundation for Merseyside and an interest to achieve some cost saving. Beevers and Struthers were appointed by both Community Foundations as the joint auditors for both Community Foundations for the 2011/12, 2012/13 and 2013/14 financial years.

Small Company

This report has been prepared in accordance with provisions within Part 15 of the Companies Act 2006 as they relate to small companies.

By Order of the Board

Arthur Roberts, Chair

4 November 2014

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

In so far as the Trustees are aware there is no relevant information of which the charitable company's auditor is unaware. Additionally the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees confirm that the financial statements comply with current statutory requirements and with the requirements of its governing document.

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF COMMUNITY FOUNDATION FOR LANCASHIRE (FORMER)

We have audited the financial statements of Community Foundation for Lancashire (Former) (formerly known as Community Foundation for Lancashire) for the year ended 31st March 2014 on pages 17 to 26. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities set out on page 14, the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

COMMUNITY FOUNDATION FOR LANCASHIRE (FORMER)

YEAR ENDED 31 MARCH 2014

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Report and from preparing a strategic report.

Mark Bradley (Senior Statutory Auditor)
for and on behalf of Beever and Struthers
Chartered Accountants and Statutory Auditors

Central Buildings
Richmond Terrace
Blackburn
Lancashire
BB1 7AP

Date 5 November 2014

COMMUNITY FOUNDATION FOR LANCASHIRE (FORMER)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2014

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	2014	2013
		£	£	£	£	£
Incoming resources						
Incoming resources from generated funds						
Voluntary income	2	12,250	-	3,500	15,750	828,760
Investment income	2	18,608	28,979	40,978	88,565	43,038
Incoming resources from charitable activities						
	2	29,968	363,366	-	393,334	43,755
Other income	2	73	-	-	73	15,789
Total incoming resources		60,899	392,345	44,478	497,722	931,342
Resources expended						
Cost of generating funds						
Cost of generating voluntary income	3	21,584	-	-	21,584	62,223
Investment management costs	3	-	-	15,959	15,959	13,504
Charitable activities						
	3	62,423	397,971	-	460,394	108,225
Governance						
	3	20,916	-	-	20,916	10,686
Total resources expended		104,923	397,971	15,959	518,853	194,638
Net (outgoing) / incoming resources before transfers						
		(44,024)	(5,626)	28,519	(21,131)	736,704
Gross transfers between funds						
	14-16	7,316	55,046	(62,362)	-	-
Net (outgoing) / incoming resources before other recognised gains and losses						
		(36,708)	49,420	(33,843)	(21,131)	736,704
Realised losses on investment assets						
		-	-	(3,585)	(3,585)	(6,349)
Unrealised gains on investment assets						
	10	-	-	115,140	115,140	209,516
Net movement in funds		(36,708)	49,420	77,712	90,424	939,871
Reconciliation of funds						
Total funds brought forward		57,727	68,722	2,767,172	2,893,621	1,953,750
Total funds carried forward		21,019	118,142	2,844,884	2,984,045	2,893,621

The statement of financial activities includes all gains and losses in the year. On 1 April 2014 the charity transferred all its activities and assets to Community Foundations for Lancashire and Merseyside and therefore all activity ceased in this charity from that date.

	2014	2013
	£	£
Income and Expenditure Account		
Gross income from all sources	497,722	931,342
Less endowment income	(44,478)	(808,415)
Total Income	453,244	122,927
Total expenditure	(518,853)	(194,638)
Less endowment expenditure	15,959	13,504
Transfers from endowment	62,362	-
Net income / (expenditure) for the year	12,712	(58,207)

COMMUNITY FOUNDATION FOR LANCASHIRE (FORMER)

BALANCE SHEET AS AT 31 MARCH 2014

	Notes	31 March 2014		31 March 2013	
		£	£	£	£
Tangible assets	9		-		-
Investments	10		2,845,384		2,768,172
			<u>2,845,384</u>		<u>2,768,172</u>
Current Assets					
Debtors	11	51,620		41,307	
Cash at bank and in hand		<u>137,284</u>		<u>128,023</u>	
		188,904		169,330	
CREDITORS: amounts falling due within one year	12	<u>(50,243)</u>		<u>(43,881)</u>	
Net Current Assets			<u>138,661</u>		<u>125,449</u>
Net Assets			<u>2,984,045</u>		<u>2,893,621</u>
The Funds of the Charity					
Endowment Funds (including a Revaluation Reserve of £399,815 (2013:£298,676))	16		2,844,884		2,767,172
Unrestricted Funds	15		21,019		57,727
Restricted Funds	14		118,142		68,722
Total Charity Funds			<u>2,984,045</u>		<u>2,893,621</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board of Trustees and authorised for issue on 4 November 2014.

Arthur Roberts
Trustee

Company Registration No. 06383299

COMMUNITY FOUNDATION FOR LANCASHIRE (FORMER)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

1 ACCOUNTING POLICIES

1.1 Accounting basis

- (a) The financial statements have been prepared under the historical cost convention modified by the inclusion of investments at market value and in accordance with applicable accounting standards, the Statement of Recommended Practice "Accounting and reporting by Charities" (SORP 2005).
- (b) Incoming resources are included in the Statement of Financial Activities (SOFA) when they become receivable, except donations and gifts in kind. Donations are included when they are received. Deferral of income takes place where grants are received substantially in advance of the expenditure to which it relates. Where grants include a contribution to costs for distribution of restricted funds, this is recognised on distribution of funds. Gifts in kind are valued at an estimate of market value.
- (c) Resources expended are included in the SOFA on the accruals basis based on work done or services provided in the period.
- (d) Grants payable are recognised as expenditure when the commitment is made.
- (e) Costs of Generating Funds includes the cost of brochures, advertising, fundraising and other promotional events designed to increase public awareness of the Foundation, together with other costs directly attributable to fundraising activities.
- (f) Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities and those costs of an indirect nature.
- (g) Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include costs linked to the strategic management of the charity.
- (h) All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in note 3.
- (i) Voluntary help received by the Foundation has not been valued, in accordance with the SORP.

1.2 Tangible fixed assets

Depreciation is provided to write off the cost of each asset over its expected useful life using the following rates and methods:-

Office equipment	25% per annum
------------------	---------------

Tangible fixed assets under £500 are not capitalised.

COMMUNITY FOUNDATION FOR LANCASHIRE (FORMER)

NOTES TO THE FINANCIAL STATEMENTS *FOR THE YEAR ENDED 31 MARCH 2014*

1 ACCOUNTING POLICIES (continued)

1.3 Fixed asset investments

Investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the SOFA. Endowed funds received under the Communities First programme are managed by CCLA on a total investment return basis.

1.4 Pensions

The company contributes to individual personal pension policies for its employees. Contributions are charged to the SOFA in the period in which they relate.

1.5 Fund accounting

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Endowment funds are held for long term income generation for the Foundation. Income generated from the funds is distributed in accordance with the wishes of the original donor.

COMMUNITY FOUNDATION FOR LANCASHIRE (FORMER)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

2 INCOMING RESOURCES	2014	2013
	£	£
Voluntary Income		
Endowments Received	3,500	808,415
Donations	6,500	-
Sponsorship / Events / Members	3,750	18,345
Gifts in kind - use of office	2,000	2,000
	<u>15,750</u>	<u>828,760</u>
 Incoming Resources from Charitable Activities		
BIG Local Papers	257,588	-
Big Lottery	20,000	-
Comic Relief	56,025	-
Jim Hosker Memorial Fund	-	-
Lancashire 100 Club	11,250	1,500
Lancaster City Council	11,800	-
Local Giving	-	130
Pennine Lancashire Youth Enterprise Fund	29,080	14,778
Rumi & Rishi Fund	-	20,000
Shooting Stars Foundation	536	-
Surviving Winter Appeal	2,655	2,947
UK Community Foundations	4,400	4,400
	<u>393,334</u>	<u>43,755</u>
 Investment Income		
Bank Interest	1,339	960
Investment Income	87,226	42,078
	<u>88,565</u>	<u>43,038</u>
 Other Income		
Fees Received	73	15,789
	<u>73</u>	<u>15,789</u>
 Total Incoming Resources	<u>497,722</u>	<u>931,342</u>

COMMUNITY FOUNDATION FOR LANCASHIRE (FORMER)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

3 TOTAL RESOURCES EXPENDED

	Basis of Allocation	Voluntary Income £	Charitable Activities £	Investment Costs £	Governance £	Total 2014 £	Total 2013 £
Grants Paid (see note 4)	Direct	-	388,821	-	-	388,821	79,342
Staff Costs (see note 6)	Direct	11,004	11,004	-	13,976	35,984	35,990
Staff Healthcare	Direct	100	72	-	80	252	312
Training	Direct	-	-	-	-	-	50
Subscriptions	Direct	-	1,414	-	-	1,414	2,048
Website	Direct	318	318	-	-	636	792
Printed Materials	Direct	-	-	-	-	-	44
Board Meeting exps	Direct	-	-	-	-	-	173
Investment Management costs**	Direct	-	-	15,959	-	15,959	13,504
Grants Management - CFM*	Direct	-	36,672	-	-	36,672	948
Consultancy CFM*	Usage	10,162	18,212	-	-	28,374	45,439
Events	Usage	-	-	-	-	-	8,995
Legal & Professional	Usage	-	-	-	5,110	5,110	369
Audit Fees	Usage	-	1,750	-	1,750	3,500	3,820
Bank Charges	Usage	-	131	-	-	131	166
Travel exps	Staff time	-	-	-	-	-	536
Postage, Stationery & Telephones	Staff time	-	-	-	-	-	110
Office costs (Rent in kind)	Staff time	-	2,000	-	-	2,000	2,000
		21,584	460,394	15,959	20,916	518,853	194,638

*Community Foundation for Merseyside

** Investment management costs relate to investments with Investec Wealth and Investments only. CCLA Common Investment Fund charges are absorbed within the re-valuation figure.

Staff costs include £4,400 in restricted grant funding.

CFM Consultancy includes £4,750 in restricted grant funding.

COMMUNITY FOUNDATION FOR LANCASHIRE (FORMER)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

4 GRANTS PAID

All the charitable activities undertaken by the charity represent grantmaking. Further details about the grants made in the year can be seen in Note 14.

5 NET (OUTGOING) / INCOMING RESOURCES	2014	2013
	£	£
Net (outgoing) / incoming resources are stated after charging:-		
Auditors remuneration	3,500	3,820
	<u>3,500</u>	<u>3,820</u>

6 STAFF	2014	2013
	£	£
Wages and salaries	29,752	31,035
Social security costs	3,497	3,038
Pension contributions	2,735	1,917
	<u>35,984</u>	<u>35,990</u>

No employee earned £60,000 p.a. or more

7 STAFF NUMBERS

The average number of employees (excluding trustees) during the year was as follows:

	2014	2013
	No.	No.
Management	<u>1</u>	<u>1</u>
Total full time equivalents	<u>1</u>	<u>1</u>
Total staff employed	<u>1</u>	<u>1</u>

In addition to those people directly employed by the Community Foundation for Lancashire (Former) (CFL(F)), staff were employed by CFLM and recharged to CFL(F) to deliver administration and development of the charity.

8 TAXATION

As a registered charity, the company is exempt from taxation on the income and gains arising out of its charitable activities.

9 TANGIBLE FIXED ASSETS

	Office Equipment	Total
Cost	£	£
At 31 March 2013 and 31 March 2014	<u>656</u>	<u>656</u>
Additions	-	-
Depreciation		
At 31 March 2013	<u>656</u>	<u>656</u>
At 31 March 2014	<u>656</u>	<u>656</u>
Net book value		
At 31 March 2013 and 31 March 2014	<u>-</u>	<u>-</u>

COMMUNITY FOUNDATION FOR LANCASHIRE (FORMER)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

10 INVESTMENTS

	2014	2013
	£	£
Listed Investments		
Investec Wealth & Investment		
Market value at 31 March 2013	1,624,412	1,357,303
Additions	87,227	330,903
Disposals at market value	(119,779)	(242,332)
Revaluation gain	91,692	178,538
Market value at 31 March 2014	<u>1,683,552</u>	<u>1,624,412</u>
Cash deposits in the UK	57,656	45,032
Sub total Investec Wealth & Investment	<u>1,741,208</u>	<u>1,669,444</u>
CCLA Common Investment Fund		
Market value at 31 March 2013	1,098,728	-
Additions / Withdrawals	3,000	1,067,750
Disposals at market value	(21,000)	-
Revaluation gain	23,448	30,978
Market value at 31 March 2014	<u>1,104,176</u>	<u>1,098,728</u>
Total Investments	<u>2,845,384</u>	<u>2,768,172</u>
Historical cost	<u>2,445,569</u>	<u>2,469,496</u>
Listed Investments		
UK investments	1,605,167	1,510,206
Overseas and other investments	1,141,707	1,212,934
Cash deposits	98,510	45,032
	<u>2,845,384</u>	<u>2,768,172</u>

The trustees consider individual investment holdings in excess of 5% of the portfolio value to be material. No individual shareholdings or investments are considered individually to be material.

Total return is applied to expendable endowment fund investments managed by CCLA, with initial donation investments since March 2012.

	Trust for Investment	Unapplied Total Return	Total Endowment
	£	£	£
At 1 April 2013			
Gift component of endowment	1,067,750	-	1,067,750
Unapplied total return	-	30,978	30,978
Total	<u>1,067,750</u>	<u>30,978</u>	<u>1,098,728</u>
Movements in the year			
Gift of endowment fund	3,000	-	3,000
Investment returns:			
Dividends and interest	-	40,978	40,978
Realised and unrealised gains/(losses)	-	23,832	23,832
Total	<u>3,000</u>	<u>64,810</u>	<u>67,810</u>
Unapplied total return released to income	-	62,362	62,362
Net movement in year	<u>-</u>	<u>62,362</u>	<u>62,362</u>
At 31 March 2014			
Gift Component of endowment	1,070,750	-	1,070,750
Unapplied total return	-	33,426	33,426
Total	<u>1,070,750</u>	<u>33,426</u>	<u>1,104,176</u>

COMMUNITY FOUNDATION FOR LANCASHIRE (FORMER)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

11 DEBTORS	2014	2013
	£	£
Grants	5,400	-
Other debtors	45,720	40,807
Prepayments	500	500
	<u>51,620</u>	<u>41,307</u>

12 CREDITORS: amounts falling due within one year	2014	2013
	£	£
Grant creditors	15,027	7,974
Other creditors	17,419	19,967
Accruals	3,500	3,500
Deferred income (note 13)	14,297	12,440
	<u>50,243</u>	<u>43,881</u>

13 DEFERRED INCOME	2014	2013
	£	£
Deferred income comprises income received in advance that the charity is not contractually entitled to distribute at 31 March 2014.		
Balance as at 1 April 2013	12,440	-
Amount released to incoming resources	(7,325)	-
Amount deferred in year	9,182	12,440
Balance as at 31 March 2014	<u>14,297</u>	<u>12,440</u>

14 RESTRICTED FUNDS	As at 31 March 2013	Movement in Resources			As at 31 March 2014
	£	Incoming £	Outgoing £	Transfers £	£
Aldridge Foundation Fund	1,196	-	-	3,653	4,849
Big Local Papers	-	239,588	(239,588)	-	-
Big Lottery	-	20,000	(11,543)	-	8,457
Comic Relief	-	50,701	(50,701)	-	-
Lancashire General Fund	2,978	2,447	-	-	5,425
Lancashire 100 Fund	1,719	9,391	(9,360)	252	2,002
Lancashire County Developments Fund	1,678	1,440	-	-	3,118
Lancaster Council Fund	175	11,150	(11,123)	-	202
Lancaster Foundation	-	-	(22,297)	22,298	1
Mark McQueen Foundation	3,075	2,486	(3,000)	-	2,561
New Progress Housing Fund	5,881	5,069	-	-	10,950
Pendle Music Bursary Fund	3,563	-	-	9,615	13,178
Pennine Lancashire Youth Enterprise Fund	-	26,080	(25,119)	-	961
Rossendale Community Fund	2,677	2,066	-	-	4,743
Rumi & Rishi Fund	24,696	-	-	19,228	43,924
Shooting Stars Foundation	-	536	-	-	536
Surviving Winter Fund	4,903	2,140	(4,840)	-	2,203
UK Community Foundations	-	4,400	(4,400)	-	-
WO Street Fund	16,181	14,851	(16,000)	-	15,032
	<u>68,722</u>	<u>392,345</u>	<u>(397,971)</u>	<u>55,046</u>	<u>118,142</u>

All funds available, together with the criteria, priorities and application process are detailed on our website at www.lancsfoundation.org.uk.

15 UNRESTRICTED FUNDS	As at 31 March 2013	Movement in Resources			As at 31 March 2014
	£	Incoming £	Outgoing £	Transfers £	£
Unrestricted Funds	57,727	60,899	(104,923)	7,316	21,019

COMMUNITY FOUNDATION FOR LANCASHIRE (FORMER)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

16 ENDOWMENT FUNDS	As at 31 March 2013	Movement in Resources Incoming	Outgoing	Net gain on investments & Transfers	As at 31 March 2014
	£	£	£	£	£
Permanent endowment	210,830	-	(2,015)	11,078	219,893
Expendable endowment	2,556,342	44,478	(13,944)	38,115	2,624,991
	<u>2,767,172</u>	<u>44,478</u>	<u>(15,959)</u>	<u>49,193</u>	<u>2,844,884</u>

Included in the above figures are the following significant funds:

	31 March 2013			31 March 2014	
	£	£	£	£	£
Permanent endowment:					
Rossendale Community Fund	124,216	-	(1,187)	6,527	129,556
Expendable endowments :					
Lancaster Foundation	727,500	22,298	-	(15,061)	734,737
Mark McQueen Foundation	149,438	-	(1,429)	7,853	155,862
New Progress Housing Tenants' Fund	233,091	-	(2,228)	12,248	243,111
Pendle Music Bursary Fund	111,586	3,333	-	(7,207)	107,712
Rumi & Rishi Fund	223,171	6,665	-	(14,412)	215,424
W O Street Foundation Fund	892,872	-	(8,535)	46,917	931,254

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS	Investments	Net Current Assets	Total
	£	£	£
Endowment Funds	2,845,384	(500)	2,844,884
Restricted Funds	-	118,142	118,142
Unrestricted Funds	-	21,019	21,019
	<u>2,845,384</u>	<u>138,661</u>	<u>2,984,045</u>

18 TRUSTEES' EXPENSES

No trustees have received remuneration. During the current or previous year no trustees were reimbursed travelling expenses.

19 RELATED PARTY TRANSACTIONS

Jo Turton is Acting Chief Executive with Lancashire County Council who have previously provided core funding for the foundation.

During the year, an agreement was in place for the supply of services between the Community Foundation for Merseyside and the Community Foundation for Lancashire. This relates to the provision of administrative services and staff sharing of the Chief Executive during the year, and has been reflected in staff and consultancy costs charged to the charity of £64,358 (2013: £81,429) in the period. The Community Foundation for Merseyside is a company limited by guarantee in England and Wales, Number 03422207, and is also a registered charity with the Charity Commission Number 1068887.

20 CONTINGENT LIABILITIES

The restricted fund balances carried forward at 31 March 2014 represent funds available due to the timing of the receipt of grant funds and their distribution. The conditions attaching to the funding streams are such that the balances represent income for the year as defined in the Charities SORP. Funds that cannot be distributed in accordance with the wishes of the donor will be returned to the donor.

21 POST BALANCE SHEET EVENT

On 1 April 2014, the charity transferred all its activities and assets to Community Foundations for Lancashire and Merseyside (CFLM) as a gift, all activities previously carried out by the charity will continue to be delivered by CFLM. On this date the CFLM also became the sole member of the charity.