CORRA
FOUNDATION

ANNUAL REPORT & FINANCIAL STATEMENTS
31 December 2018

The Corra Foundation
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The Corra Foundation is a charity registered in Scotland (No SC009481) and is also a company limited by guarantee (No SC096068). Fortify Social Enterprise CIC is a community interest company registered in Scotland and is also a company limited by guarantee (No SC507457).

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CHAIR'S REPORT

I am delighted to introduce Corra Foundation's annual review for 2018.

The past year has been one in which change has continued to be a central theme of our work, and of the context in which we seek to make a positive difference. We see every day the energy that comes from people and communities, often supported by charities, to respond positively and make a difference. We share the strong wish felt by many to quicken the pace of change in Scotland and we hope that our work contributes to that aspiration.

Henry Duncan Grants contribute to funding grass roots work that provides essential support, enabling people to connect, participate and contribute locally. This is vital at a time when we increasingly understand the impact of social isolation and loneliness, as well as the potential achieved by nurturing kindness. Through our place-based People in Place programme we have the privilege of getting alongside people as they work to create positive change within their communities, investing our resources differently and focusing on a community development, rather than a financially-driven approach. And through the range of grant programmes we deliver on behalf of others we see enormous creativity and passion across a range of themes, including homelessness, international development and children, young people and families.

2018 was the Year of Young People, and we further developed the work of PDI (Partnership Drugs Initiative), continuing the important partnership with the Scottish Government and contributing learning to the development of the new Scottish drugs and alcohol strategy *Rights, Respect and Recovery*. The Robertson Trust became an investor in PDI in 2014 and contributed £2m over the following three years, which significantly increased the available funding and therefore the number of projects which could be supported. The funding partnership between The Robertson Trust and PDI came to an end in 2018.

At the heart of PDI is a focus on the rights, voices and stories of children and young people and that is a theme that will continue to grow across our work. One example of this is the Listening Fund, which builds on the findings of the action learning project *Everyone Has a Story,* particularly the importance of active listening and allowing the time and space to listen and reflect on what children and young people want and need. The Listening Fund in Scotland will work closely with its English equivalent, sharing learning about the steps needed to support organisations to listen more and better to children and young people and respond meaningfully to what they say. We were delighted to launch the fund in the autumn of 2018 in partnership with the Big Lottery Fund, Comic Relief, the Gannochy Trust and the William Grant Foundation.

Partnership is crucial to our approach and our work has been far richer for the many people and organisations with whom we had the privilege of collaborating during 2018. This has included taking on responsibility for delivering a number of new funding programmes, including the Housing First Scotland Fund, working with Social Bite and The Homeless Network (GHN), as well as the Challenge Fund and Family Recovery Initiative Fund, both on behalf of the Scottish Government Substance Misuse Team.

Within People in Place too, we continue to benefit enormously from the involvement of a wide range of partners: from those who have supported the programme from the outset - Esmée Fairbairn Foundation, Joseph Rowntree Foundation, Lankelly Chase, and the Tudor Trust; from the wisdom of the 'observers', chaired by Julia Unwin and offering invaluable guidance; and from the essential relationships within each of the nine communities in which we now work.

The past year saw a repeat of the #letschangethat social media competition, in which we greatly valued the

CHAIR'S REPORT (cont.)

involvement of The Wood Foundation and The Holywood Trust. We have also continued to trial joint funding advice sessions, working during the year with the Big Lottery Fund.

As 2019 is the final year of our current strategy, we are carefully considering how best to work towards our vision and serve our mission over the years ahead. As we do this, we are pleased to be engaged in a wider conversation in Scotland around how civil society organisations, including funders, need to evolve in response to changes in society. This draws on the Civil Society Futures Inquiry which took place in England and reported in November 2018. We have been pleased to work with partners, including SCVO, Joseph Rowntree Foundation, Lankelly Chase, Carnegie UK Trust, OSCR and the Children's Parliament to begin to create spaces to consider this in a Scottish context.

I would like to conclude by extending a heartfelt thanks to my fellow Trustees who give generously of their time and experience, as well as to our dedicated staff team. We have been joined by two new Trustees, Elaine McKean and Judith Turbyne, both of whom will add significantly to expertise among the Board. I know I speak for all Trustees when I say how much we value the energy and commitment of our staff, as well as the outstanding leadership provided by Chief Executive, Fiona Duncan and Deputy Chief Executive, Carolyn Sawers.

The team at Corra Foundation looks forward to the year ahead, and to working with our many partners and colleagues towards a society that is able to meet the challenges it faces, and in which people and communities have their voices heard, experience fair and equal lives, and have the power to create positive change.

TREVOR CIVVAL
Chair

6 June 2019

TRUSTEES' REPORT AND INCORPORATED STRATEGIC REPORT

The Trustees, who are also directors for the purposes of company law, are pleased to present their Annual Report together with the consolidated financial statements of The Corra Foundation group (Corra Foundation) for the year ended 31 December 2018, which are prepared to meet the requirements for Companies Act purposes.

The financial statements comply with:

- the Charities and Trustee Investment (Scotland) Act 2005;
- the Charities Accounts (Scotland) Regulations 2006 (as amended);
- the Companies Act 2006;
- The Corra Foundation's Articles of Association; and
- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities, as amended by Update Bulletin 1;

and are in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The requirement for consolidated accounts remains due to ongoing trading undertaken by Corra Foundation's subsidiary company, Fortify Social Enterprise CIC. The subsidiary was established as a community interest company, limited by guarantee, on 3 June 2015 to undertake commercial trading activities as part of Corra Foundation's strategy. All profits generated by the subsidiary are asset locked for social good that will further the charitable objectives of Corra Foundation.

STRATEGIC REPORT

Corra Foundation's mission is to make a difference to people and communities by encouraging positive change, opportunities, fairness and growth of aspirations, which improve quality of life. We aim to deliver our mission through a strategic plan with four objectives:

- Be the best grant maker we can be – Grant making is at the heart of what we do, and we want to do it as well as possible with an open and accessible approach
- Get alongside communities – We are working differently, including with communities we don't historically reach and others with a big appetite for change
- Share expertise – We will use our 30+ years' experience in grant making to support others
- Partnership – We want to make a difference to people by working together with others

1. Delivery in 2018

In 2018 Corra Foundation continued to give grants to charities across Scotland and to work alongside communities, supporting vital work and helping people create more positive futures.

Highlights in 2018 included:

- £7.1m of new grants to charities and groups across Scotland and internationally
- Collaborating with 12 fellow funders in offering support for charities, people and communities
- Providing funding to organisations that offer support and opportunities to over 64,000 people
- Co-convening a leadership summit on how places and communities are best supported

TRUSTEES' REPORT AND INCORPORATED STRATEGIC REPORT (cont.)

1.1 Be the best grant maker we can be

Corra Foundation is committed to ensuring that the funding distributed makes a positive difference to the lives of people across Scotland and beyond. In 2018 £18.8m was distributed through nine different programmes: Henry Duncan Grants; Partnership Drugs Initiative; Children Young People and Families Early Intervention Fund Adult Learning and Empowering Communities Fund (CYPFEIF and ALEC Fund); International Small Grants; Climate Justice Fund'; #letschangethat; Families in Recovery Fund; Whole Family Approaches; and Housing First Scotland Fund. Through these programmes:

- 447 applications were received and reviewed
- Groups working in all 32 local authorities in Scotland benefited
- 66% of charities applying were successful

The smallest grant in the year was for Banchory & District Men's Shed who received £280 in March 2018 through the Henry Duncan Grants programme towards the costs of a mobile work bench suitable for people with ill health or disabilities.

Turning Point Scotland received the largest grant of £900K through the Housing First Scotland Fund aiming to support people caught in the homeless system into secure and supported long-term tenancies.

Corra Foundation believes that responsible grant making includes offering support and advice, and helping charities build their skills and capabilities. In 2018 this support was increased by:

- attending 50% more funding events than in 2017 hosted in local areas across Scotland reaching 574 people (470 in 2017)
- talking with 111 people (84 in 2017) at 1:1 funding advice meetings from Dumfries to Stornoway
- delivering information sessions for the Scottish Government's International Development Small Grants Programme and Climate Justice Innovation Fund
- delivering sessions focused on sustainability, income generation and digital skills for grant holders of the Children, Young People and Families Early Intervention and Adult Learning and Empowering Communities Fund

1.2 Get alongside communities

People in Place is a co-investor programme with Lankelly Chase, Esmée Fairbairn Foundation, Joseph Rowntree Foundation and Tudor Trust. People in Place works alongside communities where there has been traditionally little or no input from independent funders, as well as exploring work with other communities where there is an appetite for change.

During 2018 Corra Foundation increased the number of localities we work with from eight to nine by beginning to work alongside Carbrain in North Lanarkshire. During 2018:

- 18,062 people engaged with a local community activity or event in the nine communities
- people developed 19 new ideas for their local area and received small amounts of funding to get them off the ground

Building connections by bringing people together in locally organised social activities has helped form relationships. Last year 10,500 people engaged in social activities from Christmas fayres to family fun days.

TRUSTEES' REPORT AND INCORPORATED STRATEGIC REPORT (cont.)

There is also a commitment to developing and sharing learning from this work to influence the policy and practice of other organisations. In 2018 Corra Foundation received a grant from the Scottish Government to deliver a research programme with individuals and organisations committed to learning about place-based working. The work produced:

- publications to help practice, including guides and case studies
- a seminar on exploring the enablers and barriers to place-based working
- a summit on leadership co-convened with Scotland's Towns Partnership

1.3 Share expertise

In 2018, Corra Foundation increased the services and support offered to other funders and partners by:

- distributing £16.2m to charities/groups on behalf of other funders
- designing and developing two new funding programmes: Housing First Scotland Fund (£2.45m) on behalf of Social Bite and Merchant's House of Glasgow; and the Challenge Fund (£2m) on behalf of the Scottish Government's Substance Misuse Team
- being appointed for a further one-year extension as fund managers for the Scottish Government's Children, Young People and Families Early Intervention and Adult Learning and Empowering Communities Fund
- providing grant advisor support to the Cattanach Trust

Ensuring services and support meet the needs of groups and organisations is vital. Corra Foundation manages the Scottish Government's Children, Young People and Families Early Intervention and Adult Learning and Empowering Communities Fund and seeks regular feedback on the quality of the support. 99% respondents to a customer survey rated overall management good or excellent.

Corra Foundation is committed to ensuring that any surplus from delivering services is asset-locked for social good.

1.4 Partnership

Over the course of 2018 we developed and extended partnerships with a number of organisations and this joint working was instrumental in:

- developing the Listening Fund for children and young people, a funding partnership with the Big Lottery (now called the National Lottery Community Fund), Comic Relief, The Gannochy Trust and William Grant Foundation
- running online film-based funding competition #letschangethat for the second time, with the Holyrood Trust and the Wood Foundation
- delivering joint 1:1 funding advice sessions for charities in partnership with the National Lottery Community Fund

In August 2018 Corra Foundation worked with partners to convene an event to hear initial findings from the Civil Societies Future Inquiry in England, led by Julia Unwin. The event gave an opportunity for people and organisations to discuss how the findings resonate in Scotland. The evening was delivered in partnership with Carnegie UK Trust, Joseph Rowntree Foundation, Office of the Scottish Charity Regulator, Scottish Council of Voluntary Organisations, Esmeé Fairbairn Foundation and Children's Parliament.

TRUSTEES' REPORT AND INCORPORATED STRATEGIC REPORT (cont.)

2. The difference being made

In 2018 Corra Foundation reached 42,889 people by supporting charities through the Henry Duncan Grants programme, and 2,465 children, young people and families benefitted from projects supported by PDI. In the nine communities we are working alongside through the People in Place programme, community members gave 2,278 hours of volunteering/hands on support to activities in their areas, helping make new activities and events happen.

In 2018, 318 reports from funded organisations were received and reviewed. These reports provide information about outcomes and positive changes for individuals and groups, often evidenced through insights and stories from people themselves and show that the biggest differences were helping improve health and well-being and helping reduce isolation.

> Lightburn Elderly Association Project reported in September 2018 on the impact befriending had on reducing isolation through case studies. One of the case studies was about an elderly lady who had become virtually housebound following a bad fall resulting in a long hospital stay. After a referral by her GP a match was made with a local person and both befriender and befriendee have found the experience enjoyable and continue to meet twice a week.

This year Corra Foundation listened to and learned from people with expertise through their lived experience, expanding the participation of young people in the decision-making process for PDI, involving people with experience of homelessness to advise on the Housing First Scotland Fund, and jointly interviewing and appointing a Community Co-ordinator for Carbrain in North Lanarkshire with community members. Contributions were also made to four Scottish Government consultations, supporting views and insights from people, communities and funded organisations to be heard.

In 2018, 21 different training/networking sessions were offered to charities and the difference that this support made was tracked through feedback and evaluation from those taking part.

> Training on long-term (sustainability) planning (developed by Wren & Greyhound) was delivered as a priority identified by charities funded through PDI and the Children, Young People, Families Early Intervention and Adult Learning and Empowering Communities Fund. Participants who attended the training implemented some of the lessons including planning sessions with their own Board/partners and reviewing strategic plans.

> Additional 1:1 in-depth development support was provided to five funded charities through the Scottish Government's International Malawi Grants programme. All five found the advice valuable. The Maldent Project highlighted in a blog the support as a 'Masterclass' and acknowledged the support had helped shape the long-term measurements for their project.

People in Place has identified that people want to do things for themselves but recognise gaps in their own knowledge and skills. In 2018 advice and support given by Corra Foundation included help in setting up management structures for new groups, setting up bank accounts and fundraising plans. Support to set up parent and toddler groups and pop-up cafes and a bakery have been particularly effective.

Hearing from charities and communities is important to help guide the future direction of Corra Foundation's support and processes, as well as the focus of funding.

TRUSTEES' REPORT AND INCORPORATED STRATEGIC REPORT (cont.)

In 2018 insights from communities has shown that poverty – especially food and clothing poverty - remains a challenge for many. Changes to benefits systems and access to welfare rights advice have also been common themes from both funded groups and communities.

> Glasgow Action for Pensioners received funding of £3k in December 2018 towards the costs of a part-time Welfare Rights Officer. The charity has been dealing with a large number of Personal Independence Payment applications. The charity also advised that the roll-out of universal credit will adversely affect their clients including the move to online applications.

> Children 1st Recovery Families project received funding of £87,398 for three years in May 2018. The project reported that many of the families were experiencing a range of issues, particularly poverty. A Money & Debt Advice Worker has helped families and the project also secured additional monies to help families buy household appliances and Christmas gifts.

Working alongside the nine communities as part of People in Place, Corra Foundation has increasingly heard about the lack of available free and accessible spaces in communities. Corra Foundation has worked with local partners to find suitable spaces to meet and connect with people. This has included hosting staff and supporting activities and events to be held in local community centres and libraries.

FINANCIAL REVIEW

The financial statements reflect the reporting requirements of Financial Reporting Standard 102 (FRS 102) and the Charities SORP 2015 (FRS 102), as amended by Update Bulletin 1.

In 2018, the Trustees approved and paid £19.48m (2017: £17.96m) in charitable grants for the year, including commitments of £14.9m (2017: £15.1m) in respect of the CYPFEIF & ALEC fund and £0.9m (2017: £0.5m) for the International Development Grants Schemes. Charitable activity also included £1m (2017: £1m) for the Henry Duncan Grants, £1.4m (2017: £1.3m) for the Partnership Drugs Initiative and £1.2m (2017: Nil) for Housing First Scotland Fund. Total support costs amount to £1.9m (2017: £1.7m). At the end of the year, Corra Foundation's funds stood at £24.1m (2017: £19.7m), of which £21.8m (2017: £17.3m) was unrestricted.

Income

Total income for 2018 was £26.6m (2017: £22.3.m). The £4.3m increase in income is due to success in securing further contract income, the covenant payment from Lloyds Banking Group, and dividends earned from investments being higher than in the previous year.

Since it was established in 1985, Corra Foundation has received covenanted income from Lloyds Banking Group based on a percentage of pre-tax profits. The Deed of Covenant terminated in February 2019 (one year after the final payment paid in February 2018). The total income and final payment Corra Foundation received from Lloyds Banking Group in the year to 31 December 2018 amounted to £6.6m (2017: £4.3m).

Corra Foundation's subsidiary, Fortify Social Enterprise CIC, generated an operating surplus of £12k. The Board of Fortify Social Enterprise CIC has decided to gift aid this surplus to Corra Foundation. The funds have been used to cover the costs of the Change Convention 2019.

TRUSTEES' REPORT AND INCORPORATED STRATEGIC REPORT (cont.)

Corra Foundation received income from other sources during the year, apart from income from Lloyds Banking Group which will not be recurring. The principal other sources of funds are:

- PDI – from the Scottish Government £0.6m (2017: £0.8m). The funding partnership between The Robertson Trust and PDI came to an end in 2018. In 2017 The Robertson Trust gave £0.5m to the project
- People in Place – during 2018 the four partner funders Esmée Fairbairn Foundation, Joseph Rowntree Foundation, Lankelly Chase and Tudor Trust, provided matched funding of £0.1m each
- Housing First – this is a new programme in 2018, £1.35m funded by Social Bite and £100k by Merchant's House of Glasgow
- Challenge Fund – also, a new programme in 2018, £1.41m funded by the Scottish Government. Initial programme set up costs of £36k received in 2018. The main payment to be received and reported in the 2019 financial year

Balance Sheet

At the year end Corra Foundation held Total Net Assets of £24.1m (2017: £19.7m), which includes investment funds of £22.8m with CCLA Investment Management Limited.

Going Concern

The Trustees are satisfied that the organisation is able to operate for the foreseeable future on the basis of unrestricted reserves of investments and cash, as well as continuing success in managing Scottish Government contracts. The going concern basis of accounting is therefore appropriate. The Trustees regularly reviewed Corra Foundation cashflow forecasts during the year. The cash flow forecasts provide Trustees with the confidence to continue with grant making activities.

Cash Flow

The cash flow decreased by £12.3m mainly due to the placing of funds with CCLA in order to seek a better return on investment. The group cash at bank as at 31 December 2018 was £6.2m (2017: £18.6m, Note 22) and investments at 31 December 2018 were valued at £22.8m (Note 16).

Investment Policy & Performance

CCLA Investment Management Limited (CCLA) took up the role of the Corra Foundation's Investment Managers on 1 February 2018.

During the year, Corra Foundation's investment portfolio yielded dividend returns of £832k. During 2018, Corra Foundation's investment portfolio fell by £642k with a loss on disposal during the transfer from Speirs & Jeffrey to CCLA Investment Management of £230k and an unrealised loss of £412k due to unfavourable market conditions in the fourth quarter of 2018. The value of the portfolio at the year end was £22.8m. The portfolio is maintained in accordance with the principles established by the Trustees, including the ethical investment policy, with a focus on longer term growth.

Fortify Social Enterprise CIC, Corra Foundation's trading subsidiary, performed satisfactorily during the year. The CIC had a surplus of £12k, which was asset locked for good.

Risk Policy

The Trustees have examined the major strategic and operational risks facing Corra Foundation and its subsidiary, Fortify Social Enterprise CIC, and confirm that systems have been established to produce regular reports so that any necessary steps can be taken to mitigate or find an appropriate response to these risks. The Trustees consider both the likelihood and potential impact arising from risks to the Corra Foundation group and in 2018 have given special attention to key risks such as sustainability of funding into the future, governance, loss of leadership/key management personnel as well as reputational risk. All these risks are monitored and managed through the risk register with regular review.

There are policies, procedures and contingencies in place to minimise and address the risks identified. Staff members are made aware during induction and training of the key risks already identified, and review these and other potential risks when undertaking new projects.

In relation to the key risks identified above, the Trustees are confident that Corra Foundation's financial security is sound for the foreseeable future due to a combination of successful tendering for contracts and the investment portfolio which is held.

Trustees continue to examine and appraise a range of options to ensure long term financial sustainability as part of the development of Corra's new strategic plan due to be completed in late 2019.

Reserves Policy

The Reserves Policy is reviewed each year and the Trustees are satisfied that adequate reserves are in place. Total funds held at the year end were £24.1m (2017: £19.7m). Of these funds £2.3m (2017: £2.3m) are restricted and not available for the general purposes of the Corra Foundation. After taking into consideration restrictions, designations and commitments not provided for as a liability within the Accounts, Corra Foundation holds £17.9m of general reserves. Within funds held at year end, the Trustees require Corra Foundation to have a cash-backed reserve of 6 months' running costs, this amounted to £0.95m in 2018 (2017: £0.8m). The cash balance at 31 December 2018 is £6.2m, total restricted funds are £2.3m, leaving an unrestricted cash balance of £3.9m which is up to 4 times our required cash backed reserve.

The purpose of the trading subsidiary, Fortify Social Enterprise CIC, is to maximise donations for social good. Furthermore, the Fortify CIC has no employees and all costs incurred are contingent on the level of activity in the CIC, therefore minimal reserves are required in the opinion of the Trustees. At the year end the CIC held funds of about £12k, earmarked for the funding of the Change Convention.

All movements on funds are shown on the Statement of Financial Activities on page 21. From the general reserve of unrestricted monies, the Trustees further designated £2m in 2018 being funds for the Partnership Drugs Initiative programme (£0.78m), the People in Place initiative (£0.1m), the Henry Duncan Grants (£1m), Listening Fund (£0.1m) and Appetite for Change (£50k). In total £1.9m of designated funds have been carried forward for commitments in 2019 and 2020.

Restricted funds relate to the funds received from the Scottish Government for the Partnership Drugs Initiative, funds received from the Scottish Government for the CYPFEIF & ALEC fund, Family Recovery Initiative Fund, International Development Schemes, the Enabling Framework and the Challenge Fund, funds received from Social Bite and Merchants House of Glasgow for Housing First Scotland Fund, funds received from the co-funders of the People in Place programme, the Tudor Trust, Lankelly Chase, Esmée Fairbarn and Joseph Rowntree Foundation. Also included in restricted funds are funds received from Comic Relief, William Grant Foundation and Big Lottery Fund for the Listening Fund.

These restricted funds are set out in Note 24 to the financial statements.

Pay policy for staff
Corra Foundation's Trustees and the Senior Management Team comprise the key management personnel responsible for directing and controlling, running and operating Corra Foundation on a day-to-day basis. All Trustees give of their time freely and no Trustee received any remuneration in the year. Details of Trustees' expenses are disclosed in Note 11 to the Accounts.

Corra Foundation is a Living Wage Foundation accredited employer with every member of staff, as well as all contractors to Corra Foundation's head office, earning at least the Living Wage, as defined by the Living Wage Foundation. The Living Wage is an hourly rate set independently and updated annually, based on the cost of living in the UK. The Trustees believe that every member of staff deserves at least the Living Wage.

The pay of all staff, including the key management personnel is reviewed annually by the Nominations & Remuneration Committee.

PLANS FOR FUTURE PERIODS
Corra Foundation's current strategy extends to December 2019 and is based on projections of financial income including government contracts, partner funding and investment income. The next strategy will be developed during 2019 and will take into account the financial resources available. Given the current funding position of Corra Foundation, the termination of the Lloyds Banking Group covenant and the risks associated with partner funding, the coming year will again be challenging. However, the continuation of the work underpinning the strategy will allow Corra Foundation to move forward and continue to support the many grassroots charities throughout Scotland for whom grants and support are a key part of their funding base.

Corra Foundation will continue to consider involvement in strategic relationships, which may see it gain further collaborative funding in future years. Such relationships may include national and local government, private individuals, businesses and other trusts and foundations.

TRUSTEES' RESPONSIBILITIES
The Trustees (who are also directors of The Corra Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual 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 those resources including the income and expenditure of the charitable company in 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 2015 (FRS102)
- make judgments 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

TRUSTEES' REPORT AND INCORPORATED STRATEGIC REPORT (cont.)

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The Trustees are responsible for keeping adequate 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Statement as to disclosure to the auditors
In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- there is no relevant audit information of which the charitable company's auditor is unaware
- the Trustees have taken all steps that they ought reasonably to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

TRUSTEES' REPORT AND INCORPORATED STRATEGIC REPORT (cont.)

DIRECTORS AND TRUSTEES

The directors of the charitable company (Corra Foundation) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end were as follows:

Trevor Civval, Chair
Luke McCullough, Deputy Chair *(from 29 March 2018, Trustee since 6 August 2015)*
Tom Halpin QPM, Deputy Chair *(retired 26 March 2018)*
H Charles Abram
Joy Barlow MBE
Elizabeth Y Carmichael CBE
Claire A Gibson
David R Johnson
Richard Martin
Elaine McKean *(from 4 October 2018)*
Fiona Sandford
Judith Turbyne *(from 4 October 2018)*
David Urch

CORRA FOUNDATION KEY MANAGEMENT PERSONNEL

The key management personnel of Corra Foundation are the Senior Management Team comprising:

Chief Executive, Fiona Duncan *(who spends 50% of her time Chairing the Independent Care Review)*
Deputy Chief Executive, Carolyn Sawers
Head of Core Operations and Company Secretary, Karen Brown
Head of External Relations, Shelley Gray *(maternity leave from 9 January 2019)*
Head of External Relations, Susan Murray *(maternity cover from 9 January 2019)*
Head of Grants, Connie Williamson
Head of Learning and Development, Elaine Wilson
Head of Place, Allan Farmer *(appointed 16 April 2018)*
Head of Place, Stephanie Rose *(resigned 11 January 2018)*

FORTIFY SOCIAL ENTERPRISE CIC

The board of directors of Fortify Social Enterprise CIC are as follows:

H Charles Abram, Chair
Karen Brown
Fiona Duncan
Carolyn Sawers
Connie Williamson

REFERENCE AND ADMINISTRATION DETAILS

Company number:	SC096068
Scottish Charity Number:	SC009481
Registered Office and Principal Address:	Riverside House 502 Gorgie Road Edinburgh EH11 3AF

Our advisers:

Banker:	Santander Corporate & Commercial Bank 5th Floor, Capital Building 2-13 St Andrews Square Edinburgh EH5 2GS	
Auditor:	French Duncan LLP Chartered Accountants and Statutory Auditors 56 Palmerston Place Edinburgh EH12 5AY	
Investment Adviser:	Speirs & Jeffrey Limited George House 50 George Square Glasgow G2 1EH *(until 31 January 2018)*	CCLA Investment Management Limited Exchange Place Two 5 Semple Street Edinburgh EH3 8BL *(from 1 February 2018)*
Legal Adviser:	Turcan Connell Princes Exchange 1 Earl Grey Street Edinburgh EH3 9EE	

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Corra Foundation (formerly Lloyds TSB Foundation for Scotland) was incorporated on 20 November 1985 as a Company Limited by Guarantee. On 1 January 1997, it became known as the Lloyds TSB Foundation for Scotland, after the merger between Lloyds Bank plc and the Trustee Savings Bank. On 29 August 2017 the Lloyds TSB Foundation for Scotland changed its name to The Corra Foundation, following the termination of the relationship with Lloyds Banking Group. It is governed by a Memorandum & Articles of Association, which were originally adopted in 1985 and amended in 2018. Lloyds TSB Foundation for Scotland was one of four foundations created to preserve in a permanent framework the TSB's traditional role of contributing to the life of the community. Its income was derived from an established Deed of Covenant, the final payment of which was made in February 2018. Further detail is provided at Note 6 to the financial statements. Corra Foundation is a Charitable Company Limited by Guarantee and does not have share capital. The liability of the members is limited by the Articles of Association to £1 each. The members are the trustees.

TRUSTEES' REPORT AND INCORPORATED STRATEGIC REPORT (cont.)

Appointment of Trustees

The recruitment of new Trustees is conducted through a process of open advertising except in exceptional circumstances where co-opting may be necessary. When a vacancy for a Trustee arises, a skills audit of the Board is undertaken to identify any gaps and to enable Corra Foundation to maximise the contribution that its Trustees can make. Trustees are appointed for an initial three-year term and can make themselves available to be considered for one further period of three years. Board members may serve for a maximum of two three-year terms and typically will retire after that period. In exceptional circumstances, the Board can re-appoint Trustees for a third term.

Corra Foundation successfully recruited two new Trustees in 2018: Elaine McKean and Judith Turbyne who both joined the Board in October 2018.

Trustee induction and training

On appointment, Trustees are provided with a Trustee Handbook and undertake an induction process, including meetings with senior management and accompanying staff members on field visits to organisations Corra Foundation works with. New Trustees are also able to attend Board meetings as observers before assuming their position.

Organisation

The Board of Trustees, which can have up to 12 members, administers Corra Foundation. The Trustees meet regularly during the year and there are sub-committees covering audit, nominations and remuneration, finance and investments, and communications and engagement. The Finance & Investment Committee meets before each board meeting and is responsible for monitoring Corra Foundation's financial position as well as the performance of the investment portfolio. In addition, some Trustees sit on steering groups which exist to advise the Partnership Drugs Initiative team as well as our place-based team. The Chief Executive is appointed by Trustees to manage the day-to-day operations of Corra Foundation. To facilitate effective operations, the Chief Executive has delegated authority with terms approved by the Trustees, for operational matters including grant administration, finance and employment.

Board effectiveness review

The board effectiveness review, conducted in 2017, concluded that Corra Foundation's governance structures were fit-for-purpose with only minor alterations, which were implemented during 2017, such as improvements to Board agendas and papers, Trustee skills audits, election processes, and the timing of meetings. This is kept under regular review. Previously the Board met bi-monthly, however from 2019 the Board meet quarterly.

Related parties and co-operation with other organisations

None of the Trustees receive remuneration or other benefit from their work with Corra Foundation. Any connection between a Trustee or senior manager of Corra Foundation with any charity that we fund must be disclosed to the full Board of Trustees in the same way as any contractual relationship with a related party. Since June 2015, Indigo (the Managing Director of which has been a Trustee since October 2018) has been providing Corra Foundation with pro-bono support plus additional advice and guidance on ad-hoc issues as and when required. The value of this is included in the Accounts.

Corra Foundation's subsidiary is Fortify Social Enterprise CIC (Fortify) that was established in 2015 to perform training and other services for the sector. Fortify is a Community Interest Company whose profits are donated for use in charitable activities to further Corra Foundation's objectives. Fortify is a company limited by guarantee and does not have a share capital. The liability of the members is limited by the Articles of

TRUSTEES' REPORT AND INCORPORATED STRATEGIC REPORT (cont.)

Association to £1 each. Fortify is controlled by a board of directors appointed by Corra Foundation

Auditors

A resolution to reappoint French Duncan LLP as auditors will be put to the members at the Annual General Meeting.

The Trustees' Report, incorporating the Directors' Report and Strategic Report, was approved by the Board on 6 June 2019.

By order of the Board,

TREVOR CIVVAL
Chair

6 June 2019

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE CORRA FOUNDATION

Opinion

We have audited the financial statements of Corra Foundation (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2018 which comprise the consolidated statement of financial activities, the statement of financial activities of The Corra Foundation, the consolidated and Corra Foundation Statements of Financial Position, the consolidated and Corra Foundation Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2018, and of the group's and parent charitable company's incoming resources and application of resources, including the group's and parent charitable company's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE CORRA FOUNDATION (contd.)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; and
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE CORRA FOUNDATION (contd.)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE CORRA FOUNDATION (contd.)

Antony J. Sinclair (Senior Statutory Auditor)

For and on behalf of French Duncan LLP Chartered Accountants and Statutory Auditors
56 Palmerston Place
Edinburgh EH12 5AY

6 June 2019

French Duncan LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income & expenditure account)

	Note	Unrestricted Funds 2018 £000s	Restricted Funds 2018 £000s	Total 2018 £000s	Total 2017 £000s
Income and Endowments from:					
Donations and legacies	3	7	18,675	18,682	17,461
Charitable activities	4	307	-	307	299
Income from other trading activities	5	123	-	123	89
Investments	6	7,504	-	7,504	4,500
Other	7	7	-	7	3
Total Income		7,948	18,675	26,623	22,352
Expenditure on:					
Charitable activities	8	(2,817)	(18,679)	(21,496)	(19,648)
Other		-	-	-	(5)
Total expenditure		(2,817)	(18,679)	(21,496)	(19,653)
Net gains/(losses) on investments	16b	(642)	-	(642)	10,993
Net income/(expenditure) and net movement in funds		4,489	(4)	4,485	13,692
RECONCILIATION OF FUNDS					
Total funds brought forward		17,332	2,319	19,651	5,959
Total funds carried forward		**21,821**	**2,315**	**24,136**	19,651

The Notes on pages 25 to 42 form part of these financial statements.

There are no recognised gains or losses other than those shown above. All activities relate to continuing operations.

STATEMENT OF FINANCIAL ACTIVITIES OF CORRA FOUNDATION
(incorporating the income and expenditure account)

	Note	Unrestricted Funds 2018 £000s	Restricted Funds 2018 £000s	Total Funds 2018 £000s	Total Funds 2017 £000s
Income and Endowments from:					
Donations and legacies	3	4	18,675	18,679	17,468
Charitable activities	4	307	-	307	373
Investments	6	7,504	-	7,504	4,500
Other	7	4	-	4	3
Total income		7,819	18,675	26,494	22,344
Expenditure on:					
Charitable activities	8	(2,700)	(18,679)	(21,379)	(19,645)
Total expenditure		(2,700)	(18,679)	(21,379)	(19,645)
Net gains/(losses) on investments	16b	(642)	-	(642)	10,993
Net income /(expenditure) and net movement in funds		4,477	(4)	4,473	13,692
RECONCILIATION OF FUNDS					
Total funds brought forward		17,332	2,319	19,651	5,959
Total funds carried forward		**21,809**	**2,315**	**24,124**	**19,651**

The Notes on pages 25 to 42 form part of these financial statements.

There are no recognised gains or losses other than those shown above. All activities relate to continuing operations.

CONSOLIDATED AND CORRA FOUNDATION STATEMENT OF FINANCIAL POSITION

	Note	GROUP 2018 £000s	GROUP 2017 £000s	CORRA FOUNDATION 2018 £000s	CORRA FOUNDATION 2017 £000s
Fixed assets					
Tangible assets	14	23	13	23	13
Intangible assets	15	60	21	60	21
Investment in subsidiary	16a	-	-	-	-
Investments	16b	22,792	5,186	22,792	5,186
Total fixed assets		22,875	5,220	22,875	5,220
Current assets					
Receivables	17	2,874	2,907	2,888	3,007
Cash	22	6,265	18,630	6,189	18,526
Total current assets		9,139	21,537	9,077	21,533
Current liabilities					
Grants awarded and payable	18	7,624	6,957	7,624	6,957
Payables due within one year	19	254	149	204	145
Total current liabilities		7,878	7,106	7,828	7,102
Net current assets		1,261	14,431	1,249	14,431
Net assets		**24,136**	**19,651**	**24,124**	**19,651**
The funds of the Foundation					
Restricted funds	24a	2,315	2,319	2,315	2,319
Unrestricted funds:					
- General fund	25	19,925	15,706	19,913	15,706
- Designated fund	24b	1,896	1,626	1,896	1,626
Total unrestricted funds		21,821	17,332	21,809	17,332
Total funds		**24,136**	**19,651**	**24,124**	**19,651**

The financial statements constitute the annual financial statements required by the Companies Act 2006 and are for circulation to the members. The notes on pages 25 to 42 form part of these financial statements which were approved and authorised for issue by the Trustees on 6 June 2019 by:

Trev A C Tul

TREVOR CIVVAL
Chair

H CHARLES ABRAM
Audit Committee Chair

STATEMENT OF CASH FLOWS

	Note	GROUP 2018 £000s	GROUP 2017 £000s	CORRA FOUNDATION 2018 £000s	CORRA FOUNDATION 2017 £000s
Net cash generated from operating activities	23	5,086	2,521	5,114	2,417
Cash flows from investing activities					
Investment income	23	859	167	859	167
Purchase of tangible assets		(23)	(8)	(23)	(8)
Purchase of intangible assets		(39)	(21)	(39)	(21)
Proceeds of sale of fixed assets		-	15	-	16
Proceeds of sale of investments		4,948	10,903	4,948	10,903
Purchase of investments		(23,196)	(377)	(23,196)	(378)
Net cash provided by/(used in) investing activities		(17,451)	10,679	(17,451)	10,679
Net change in cash	22	(12,365)	13,200	(12,337)	13,096
Cash at start of period		18,630	5,430	18,526	5,430
Cash at end of period		6,265	18,630	6,189	18,526

The Notes on pages 25 to 42 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) General Information

Corra Foundation is a Company Limited by Guarantee, incorporated in the UK and registered in Scotland. The address of Corra Foundation's registered office and principal place of business is:

Riverside House
502 Gorgie Road
Edinburgh EH11 3AF

Corra Foundation's principal activities and nature of its operations are outlined in the Trustees' report.

(b) Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies, and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) (the Charities SORP) as amended by Update Bulletin 1, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements are stated in Corra Foundation's functional currency of £ sterling.

Corra Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

(c) Going concern

Financial Reporting Standard 102 requires that, if appropriate, Corra Foundation's financial statements are prepared on the going concern basis, which means that the organisation is able to operate for the foreseeable future on the basis of known and reasonable projected resources. Cash flow projections over the 12-month period from the approval of the accounts have provided the Trustees with the confidence to continue with the Foundation's charitable activities and be satisfied that the going concern basis of accounting is appropriate.

(d) Group Financial Statements

The consolidated Statement of Financial Activities and Statement of Financial Position include the financial statements of Corra Foundation and its wholly controlled trading subsidiary, Fortify Social Enterprise CIC, as stated in Note 16(a). The results and assets and liabilities of the subsidiary have been consolidated into these financial statements on a line by line basis with effect from 1 January 2016.

(e) Fund accounting

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of Corra Foundation and which have not been designated for any other purpose. Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in Note 24 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

1. Accounting policies (cont.)

(f) Grant income

Grant income is recognised when Corra Foundation has entitlement to the funds, any conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

(g) Income from the rendering of services

Income from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when the income can be measured reliably, and it is probable that it will be received.

(h) Donated services and facilities

Donated professional services are recognised as income when Corra Foundation has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by Corra Foundation is probable and that economic benefit can be measured reliably. On receipt, donated professional services are recognised on the basis of the value of the gift to Corra Foundation, which is the amount Corra Foundation would have been required to pay to obtain the services on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. Note 27 to the Accounts gives the detail of where volunteers' expertise is being used.

(i) Income from Interest and dividends

Interest on funds held on deposit and dividends on funds held in the investment portfolio are included when receivable and the amount can be measured reliably by Corra Foundation; this is normally upon notification of the interest paid or payable by the bank or the dividend paid is notified by the investment managers.

(j) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is all considered as expenditure on charitable activities which are subdivided into the costs of the strategic activities as laid out in the Trustees' Annual Report and include the costs of running Corra Foundation as well as grants. Grants payable are charged in the year when the offer is conveyed, and a valid expectation created with the recipient that the grant will be paid. Where the grant offer is conditional, such grants will not be recognised as expenditure until the conditions attached are fulfilled when a constructive obligation arises. Grants offered subject to conditions, which have not been met at the year end, are noted as a contingent liability, but not accrued as expenditure. All costs are inclusive of any irrecoverable VAT.

(k) Allocation of support costs

Support costs consist of direct and indirect costs expended to facilitate Corra Foundation's charitable activities. Support costs include grant administration, trust administration, finance, personnel, payroll and governance costs which all support Corra Foundation's grant and community based programmes.

(l) Cost allocation

All expenditure for Corra Foundation is allocated according to the direct programme of work for which it was incurred, or the amount of staff time spent on these activities. Costs allocated to restricted funds are limited to the levels and nature of expenditure allowable under the terms of the specific awards. Intra-group cost allocations are governed by a service level agreement.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

1. Accounting policies (cont.)

(m) ***Operating leases***
Operating lease rentals are charged to the statement of financial activities account on a straight-line basis over the period of the lease. Where a rental holiday is negotiated, the benefit is spread over the period of the lease.

(n) ***Post-retirement benefits***
Corra Foundation operates a defined contribution pension scheme. The assets of the scheme are held separately from those of Corra Foundation in an independently administered fund. The amount included within expenditure represents the contributions payable to the scheme in respect of the accounting year.

(o) ***Tangible fixed assets & depreciation***
Fixed assets comprise office furniture and equipment, motor vehicles, and leasehold improvements and are depreciated on a straight-line basis. All additions costing more than £800 are capitalised at cost on acquisition. Amounts below the capitalisation limit are charged to the Statement of Financial Activities in the year. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Equipment:	33% straight line
Leasehold improvements:	10% straight line (being the period of the lease)

(p) ***Intangible fixed assets & amortisation***
Intangible fixed assets comprise computer software. Software costs are capitalised on the basis of the cost incurred to acquire and bring into use specific software developments provided that:

- the asset created is separately identifiable;
- it is probable that the asset will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Intangible assets are amortised in equal annual instalments over their estimated useful lives from the date the asset is available for use as follows:

Computer software: 20% straight line.

Computer software integral to the related hardware equipment is accounted for as equipment.

(q) ***Investments***
Investments are stated at market value. Gains and losses are recognised in the Statement of Financial Activities in the year in which they arise. Realised gains and losses during the year are calculated as the difference between sales proceeds and the average cost. Unrealised gains and losses are calculated as the difference between the market value at the year end and the average cost. Any gains and losses on revaluation or disposal are combined in the Statement of Financial Activities.

(r) ***Financial Instruments***
Corra Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

1. Accounting policies (cont.)

(s) ***Financial Assets***

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Cash

Cash is defined as cash at bank and funds held by the Investment Advisor as cash.

(t) ***Financial Liabilities***

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled. Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

(u) ***Taxation***

Corra Foundation is registered by OSCR as a Charity for the purposes of the Charities and Trustee Investment (Scotland) Act 2005 and is entitled under section 13(2) of the Act to describe itself as a Scottish Charity and is exempt from Corporation Tax on income and gains to the extent that these are applied to its charitable objects.

The wholly controlled trading subsidiary, Fortify Social Enterprise CIC, is subject to Corporation Tax. However, any profits generated in the trading subsidiary, over and above those that have been identified as required for that company's own needs, are donated for social good. Corra Foundation is registered for VAT on a group basis with its subsidiary company, Fortify Social Enterprise CIC, and therefore charges and reclaims VAT on business activities.

2. Legal status of Corra Foundation

Corra Foundation is a company limited by guarantee and has no share capital. The liability of the members is limited by the Articles of Association to £1 each.

3. Income from donations and legacies

	Group		Corra Foundation	
	2018	2017	2018	2017
	£000s	£000s	£000s	£000s
Grants received:				
The Scottish Government	16,569	16,551	16,569	16,551
Other	2,106	908	2,106	900
Total grants received	18,675	17,459	18,675	17,451
Grant from subsidiary	-	-	-	15
Contribution to Rent (Cattanach Trust)	3	-	-	-
Donated services	4	3	4	3
Total income from donations and legacies	**18,682**	**17,461**	**18,679**	**17,468**

Corra's income from donations was £18.7m (2017: £17.5m) all of which was restricted (2017: £15.7m) except for £4,050 (2017: £2,050) unrestricted donation of free public relations services from Indigo Ltd. Corra Foundation is extremely grateful to Indigo, which has been providing Corra Foundation with

NOTES TO THE FINANCIAL STATEMENTS (cont.)

3. Income from donations and legacies (cont.)

pro-bono support plus additional advice and guidance on ad-hoc issues as and when required. The estimated value of these services is recognised within incoming resources as a donation, and an equivalent charge included within expenditure.

FRS 102 requires Corra Foundation to term most of its income as 'donations', although Corra Foundation receives the monies on the basis that it will principally be distributed to charities in the form of grants.

Fortify CIC received a contribution of £2,800 from the Cattanach Trust for the use of our premises during the 7month period Jan - July 2018.

4. Income from charitable activities

Total income during the year from charitable activities is detailed below:

	Group		Corra Foundation	
	2018	2017	2018	2017
	£000s	£000s	£000s	£000s
Income from contracted services	307	299	307	373
	307	**299**	**307**	**373**

5. Income from other trading activities

Other trading activities are undertaken by Corra Foundation's subsidiary company, Fortify Social Enterprise CIC (Company number: SC507457). All profits generated by the subsidiary are asset locked for social good.

	Group		Corra Foundation	
	2018	2017	2018	2017
	£000s	£000s	£000s	£000s
Consultancy Fees	84	-	-	-
Administration Fees	39	89	-	-
	123	**89**	**-**	**-**

The summary financial performance of the subsidiary alone for the year was:

	2018	2,017
	£000s	£000s
Turnover	133	89
Cost of sales	(105)	(75)
Gross profit	28	15
Other operating income	6	10
	34	24
Administration and other costs	(21)	(4)
Net profit	13	20
Donation to parent charity	(1)	(15)
Donations to third parties	-	(5)
Retained in subsidiary	12	-

The assets and liabilities of the subsidiary were:

Current assets	116	105
Current liabilities	104	(105)
Net assets	12	-

NOTES TO THE FINANCIAL STATEMENTS (cont.)

6. Income from investments

Total income during the year from investments is detailed below:

	Group and Corra Foundation	
	2018	2017
	£000s	£000s
Lloyds Banking Group covenant	6,645	4,333
Dividend and interest income	859	167
	7,504	4,500

Lloyds Banking Group covenant is non-recurring income. The final covenant payment was received in February 2018.

7. Other income

	Group		Corra Foundation	
	2018	2017	2018	2017
	£000s	£000s	£000s	£000s
Other income	7	3	4	3

Other income comprises mainly reimbursed expenses.

8. Charitable expenditure

The group's charitable expenditure was £21.5m (2017: £19.65m) of which £18.68m was restricted (2017:£17.06m) and £2.82m unrestricted (2017:£2.59m). Corra Foundation's charitable expenditure was £21.38m (2017:£19.65m) of which £18.68m was restricted (2017: £17.06m) and £2.7m unrestricted (2017:£2.59m). All expenditure for Corra Foundation, once incurred, is considered a charitable activity cost and is allocated according to the amount of staff time spent on these activities. Charitable activities are those resources applied in the delivery of services to meet Corra Foundation's charitable objectives, and include grants approved, management and accommodation costs, staff employment and development, and information and marketing.

Governance costs are those associated with the general running of Corra Foundation including activities that provide Corra Foundation's governance infrastructure. We have described within the Trustees' report the three strategic objectives and related achievements. The implementation of the strategy continued to be resource-intensive over the past year with the conclusion of changes to our infrastructure, systems, processes and structure, the development of the grants database and the creation of a single overarching monitoring and evaluation framework for Corra Foundation. These are all central costs, retained in the development heading.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

8. Charitable expenditure (cont.)

Strategic objective	Analysis	Group Grants £000s	Group Support costs £000s	Group Total £000s	Corra Foundation Grants £000s	Corra Foundation Support costs £000s	Corra Foundation Total £000s
One	**Grant making**						
	Henry Duncan Awards	1,000	252	1,252	1,000	252	1,252
	Partnership Drugs Initiative	1,410	199	1,609	1,410	199	1,609
	sub-totals	2,410	451	2,861	2,410	451	2,861
	2017	*2,356*	*486*	*2,842*	2,356	486	2,842
Two	**People in Place**						
	8 areas in operation at December 2018	11	467	478	11	467	478
	Enabling Framework	-	150	150	-	150	150
	Appetite for Change	-	46	46	-	46	46
	sub-totals	11	663	674	11	663	674
	2017	*2*	*471*	*473*	*2*	*471*	*473*
Three	**Maximising expertise**						
	International	859	140	999	859	140	999
	Listening Fund	-	16	16	-	16	16
	Family Recovery Initiative Fund	57	-	57	57	-	57
	CYPFEIF & ALEC	14,922	270	15,192	14,922	270	15,192
	Housing First	1,218	96	1,314	1,218	96	1,314
	sub-totals	17,056	522	17,578	17,056	522	17,578
	2017	*15,604*	*428*	*16,033*	*15,606*	*442*	*16,048*
	Development & sustainability	3	380	383	3	263	266
Overall	sub-totals	3	380	383	3	263	266
	2017	*-*	*300*	*300*	*-*	*282*	*282*
	Total charitable expenditure 2018	**19,480**	**2,016**	**21,496**	**19,481**	**1,899**	**21,379**
	Total charitable expenditure 2017	*17,962*	*1,685*	*19,648*	*17,964*	*1,682*	*19,645*

Total resources expended include grants approved, direct costs, governance costs and support costs (see Note 9).

NOTES TO THE FINANCIAL STATEMENTS (cont.)

9. Analysis of support costs by strategic strand – Group & Corra Foundation

	One: Grant making		Two: Place			Three: Maximising expertise					Overall:
Strategic objective	HDG	PDI	People in Place	Appetite for Change	Enabling Framework	International	Listening Fund	CYPFEIF & ALEC	Housing First	Development	**TOTAL**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Staff	148	112	345	42	45	68	9	138	-	68	**975**
Travel & subsistence	7	4	18	3	0	-	-	2	-	1	**35**
Communication, printing, stationery, rebranding	4	2	13	1	18	1	-	5	-	20	**64**
Professional fees, evaluation & monitoring	20	10	9	-	75	10	3	2	96	9	**234**
Accommodation	-	-	3	-	-	-	-	-	-		**3**
Governance	22	22	24	-	4	20	-	38	-	50	**180**
Office recharge	51	49	55	-	8	41	4	85	-	113	**406**
Recharged to Fortify										2*	**2**
Total support costs	**252**	**199**	**467**	**46**	**150**	**140**	**16**	**270**	**96**	**263**	**1,899**

The total support costs for Corra Foundation were £1.9m (2017: £1.7m). The total staff support costs for the subsidiary, Fortify CIC were £118k (2017: £79k). Other expenses include audit fees £3k. Governance and Office Recharge costs within the Development strand include a total of £6k of costs recharged to Fortify CIC in 2018.

*Group support costs include additional support costs for Fortify CIC of £117k to bring total support costs to £2,016k.

10. Analysis of expenditure on governance and office recharge costs – Group & Corra Foundation

	Office recharge costs	**Governance costs**	**2018 Totals**	**2017 Totals**
	£000s	**£000s**	**£000s**	**£000s**
Staff costs (split 60:40 office/ governance)	235	157	**392**	**387**
Accommodation costs	72	-	**72**	**80**
Investment & bank charges	-	2	**2**	**20**
Communication, rebranding, PR, printing & stationery	19	-	**19**	**21**
Professional & consultancy fees	36	18	**54**	**42**
Total depreciation	13	-	**13**	**7**
Travel & subsistence	8	-	**8**	**3**
Governance – Trustees & Advisory Groups	-	2	**2**	**4**
Miscellaneous/Other Expenses	23	1	**24**	**29**
	406	**180**	**586**	**592**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

11. Analysis of staff costs, Trustee remuneration and expenses and the cost of key management personnel

	Group 2018 £000s	Corra Foundation 2018 £000s	Group and Corra Foundation 2017 £000s
Wages and salaries	1,159	1,159	951
Social security costs	113	113	101
Other pension costs	138	138	132
Trustee remuneration	-	-	-
Other staff costs	61	61	11
Recharge to Fortify	-	(104)	-
Total Staff & Trustee Remuneration Costs	**1,471**	**1,367**	**1,195**
Key Management Personnel Costs		**444**	**393**

Fortify CIC has no employees. The key management personnel of Corra Foundation comprise the Trustees and Senior Management Team as set out in the Trustees' Report.

Salary band disclosure, excluding pension contributions are as follows:

Salary Bands	**2018 No of employees**	**2017 No of Employees**
£90,000-£100,000	1	1
£80,000-£90,000	-	-
£70,000-£80,000	-	-
£60,000 - £70,000	1	-
Defined contribution pension Employer contributions	£17.7k	£9k

The Trustees received no remuneration during the year (2017: £nil) and no Trustee received payment for professional or other services supplied to the charity (2017: £nil). Trustees received aggregate expenses totaling £2k (2017: £3k) during the year for travel, accommodation and subsistence in connection with their duties.

During the year, Indigo, whose Managing Director was one of our Trustees from October 2018, has continued to provide Corra Foundation with up to one day a month of pro-bono support plus additional advice and guidance on ad-hoc issues as and when required. The value of this is estimated at £4k (2017: £2k), which is included in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

12. Staff numbers

The average number of fulltime equivalent employees in the year was:

	Group and Corra Foundation	
	2018	2017
	FTE	FTE
Grant making: Henry Duncan	2.16	2.10
Grant Making: Partnership Drugs Initiative	2.37	1.72
Grant Making: CYPFEIF & ALEC	2.84	2.99
Grant Making: Int'l	1.72	1.38
Grant Making: Other	0.31	0.00
Place- based programme	10.23	6.43
Maximising our expertise	1.00	0.30
Governance	1.40	1.11
Support	4.90	5.92
Development of our impact and future	4.20	2.96
Total staff numbers	**31.13**	**24.91**
	Headcount	**Headcount**
Average number of employees during the year	36	29

13. Auditor's remuneration

	Group		Corra Foundation	
	2018	2017	2018	2017
	£000s	£000s	£000s	£000s
Audit services	16	18	13	14
Non-audit services	-	1	-	-
Total auditor's remuneration	**16**	**19**	**13**	**14**

Auditor's remuneration is included within governance costs

NOTES TO THE FINANCIAL STATEMENTS (cont.)

14. Tangible fixed assets – Group and Corra Foundation

All fixed assets are held for charitable purposes.

	Equipment	Leasehold Improvements	Total
	£000s	£000s	£000s
Cost			
At beginning of year	169	79	248
Additions	18	5	23
Disposals	-	(79)	(79)
At end of year	187	5	192
Depreciation			
At beginning of year	156	79	235
Charge for year	12	1	13
On disposals	-	(79)	(79)
At end of year	168	1	169
Net Book Value			
As at 31 December 2018	**19**	**4**	**23**
As at 31 December 2017	*13*	-	*13*

15. Intangible fixed assets – Group and Corra Foundation

	Computer software
	£000s
Cost	
At beginning of year	21
Additions	39
Disposals	-
At end of year	60
Amortisation	
At beginning of year	-
Charge for year	-
On disposals	-
At end of year	-
Net Book Value	
As at 31 December 2018	**60**
As at 31 December 2017	*21*

The software development work was completed in December 2018, amortization to commence in January 2019 over 5 years.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

16. Fixed asset investments – Group and Corra Foundation

(a) Corra Foundation's subsidiary is Fortify Social Enterprise CIC (Fortify), a company limited by guarantee. Fortify undertakes certain trading activities and donates any profits arising for social good.

(b) During the year, Corra Foundation's investment portfolio was managed by Speirs & Jeffrey until 31 January 2018 when, following re-tendering, the portfolio was transferred to CCLA. The portfolio was valued at £22.8m at 31 December 2018 (2017: £5.2m).

	Group and Corra Foundation	
	2018	**2018**
Movement in investment portfolio	**£000s**	**£000s**
Market value at 1 January		5,186
Purchases		23,196
Sales		(4,948)
Loss on sale	(230)	
Loss on revaluation	(412)	
Net loss		(642)
Market value at 31 December		**22,792**
Historic cost		**23,434**

17. Receivables

	Group		Corra Foundation	
	2018	**2017**	**2018**	**2017**
	£000s	**£000s**	**£000s**	**£000s**
Trade debtors	144	26	104	26
Prepayments and accrued income	2,500	2,505	2,500	2,505
Grants receivable	230	376	230	376
Due from group company	-	-	54	100
Total receivables	**2,874**	**2,907**	**2,888**	**3,007**

18. Grants awarded and payable

	Group and Corra Foundation	
	2018	**2017**
	£000s	**£000s**
Payable in less than one year:		
Grants awarded in current year	7,498	6,934
Grants awarded in previous years	126	23
Total grants awarded and payable	**7,624**	**6,957**

A reconciliation of the grants awarded in the year is shown below:	**£000s**	**£000s**
Balance at 1 January 2018		6,957
Grants approved in the year	19,473	
Grants returned in the year	(32)	
		19,441
Grants paid in the year		(18,774)
Balance at 31 December 2018		**7,624**

A full list of grants paid during the year is detailed on Corra Foundation's website at www.corra.scot.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

19. Payables due within one year

	Group		Corra Foundation	
	2018	2017	2018	2017
	£000s	£000s	£000s	£000s
Trade creditors	22	13	22	13
Deferred income	36	-	-	-
Accruals	171	111	167	107
Other taxation and social security	25	25	15	25
Total payables	**254**	**149**	**204**	**145**

20. Contingent liabilities

In addition to the grants accrued in Note 18, the Trustees have authorised certain grants (conditional awards) which are subject to recipients fulfilling certain conditions. These conditional grant awards are:

	Group and Corra Foundation	
	2018	2017
	£000s	£000s
Payment possible, due within one year	1,264	943
Payment possible, due in more than one year	679	368
Total contingent liabilities	**1,943**	**1,311**

21. Commitments

The total commitments under non-cancellable operating leases are as follows:

	Group and Corra Foundation	
	2018	2017
	£000s	£000s
Land and building leases which expire:		
Within 1 year	36	36
Between 2 - 5 years	72	108
Total lease commitments	**108**	**144**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

22. Cash flow statement

Analysis of net funds:

	Group		
	At beginning of year	Cash flow	At end of year
	£000s	£000s	£000s
Cash at bank	18,398	(12,133)	6265
Cash at Investment Advisors	232	(232)	-
Total net funds	**18,630**	**(12,365)**	**6,265**

Reconciliation of net cash flow to movement in net funds:

	2018	2017
	£000s	£000s
Net funds at 1 January	18,630	5,430
Movement in the year	(12,365)	13,200
Net funds at 31 December	**6,265**	**18,630**

Analysis of net funds:

	Corra Foundation		
	At beginning of year	Cash flow	At end of year
	£000s	£000s	£000s
Cash at bank	18,294	(12,105)	6,189
Cash at investment advisors	232	(232)	-
Total net funds	**18,526**	**(12,337)**	**6,189**

Reconciliation of net cash flow to movement in net funds:

	2018	2017
	£000s	£000s
Net funds at 1 January	18,526	5,430
Movement in the year	(12,337)	13,096
Net funds at 31 December	6,189	18,526

NOTES TO THE FINANCIAL STATEMENTS (cont.)

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group		Corra Foundation	
	2018	2017	2018	2017
	£000s	£000s	£000s	£000s
Cashflow from operating activity				
Surplus for the year	4,485	13,692	4,473	13,692
Adjustments for:				
Depreciation	13	9	13	9
Amortisation	-	-	-	-
Investment income	(859)	(167)	(859)	(167)
Gain on sale of fixed assets	-	(3)	-	(3)
Unrealised loss on investments	412	(518)	412	(518)
Realised loss/(gain) on investments	230	(10,475)	230	(10,475)
	4,281	2,538	4,269	2,538
Decrease/(Increase) in receivables	33	(282)	119	(383)
Increase in grants payable	667	260	667	260
Increase/(decrease) in payables	105	5	59	(2)
Net cash generated from operations	**5,086**	**2,521**	**5,114**	**2,417**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

24. Funds

(a) The restricted funds are as follows:

	PDI	Families Recovery Initiative Fund	Inter-national	Listening Fund	People in Place	Enabling Frame-work	CYPFEIF & ALEC	Challenge Fund	Housing First	2018 Total	2017 Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1 Jan 2018	1,578	-	361	-	385	(4)	-	-	-	2,319	**1,924**
Scottish Government	600	80	791	-	-	140	14,922	36	-	16,569	**16,551**
The Robertson Trust	-	-	-	-	-	-	-	-	-	-	**500**
Tudor Trust	-	-	-	-	100	-	-	-	-	100	**100**
Joseph Rowntree Foundation	-	-	-	-	100	-	-	-	-	100	**100**
Esmeé Fairbairn Foundation	-	-	-	-	100	-	-	-	-	100	**100**
Lankelly Chase	-	-	-	-	100	-	-	-	-	100	**100**
Comic Relief	-	-	-	100	-	-	-	-	-	100	-
Social Bite	-	-	-	-	-	-	-	-	1,355	1,355	-
Big Lottery Fund	-	-	-	50	-	-	-	-	-	50	-
Merchants House of Glasgow	-	-	-	-	-	-	-	-	100	100	-
W Grant Foundation	-	-	-	100	-	-	-	-	-	100	-
Total resources	2,178	80	1,152	250	785	136	14,922	36	1,455	20,994	**19,375**
Charitable activities expenditure	(980)	(57)	(859)	-	(411)	(136)	(14,922)	-	(1,314)	(18,679)	**(17,056)**
Balance at 31 December 2018	**1,198**	**23**	**293**	**250**	**374**	**-**	**-**	**36**	**141**	**2,315**	**2,319**

There are nine restricted funds:

- within the **Partnership Drugs Initiative** resources there are commitments from The Robertson Trust and the Scottish Government to assist in the purpose of supporting the voluntary sector in working with children and young people affected by substance misuse.
- the partnership with the Scottish Recovery Consortium, whereby Corra Foundation administers the **Family Recovery Initiative Fund** on its behalf for the purpose of helping small recovery groups and communities in developing programmes for sustainable recovery from the effects of substance misuse.
- the **Scottish Government International Development grants schemes,** whose purpose is to fund charities providing aid to developing countries.
- the **People in Place programme** received restricted funds of £400,000 in 2018 for developing empowerment in Scotland's most deprived communities.
- the **Enabling Framework** is a research project reviewing the impact of place-based activity. This project was completed in 2018.
- the **Scottish Government CYPFEIF & ALEC programme** whose purpose are to fund Scottish charities to deliver improvements for Scotland's deprived communities, children, young people and families.
- the **Listening Fund** (TLF) is a partnership with Corra Foundation, Comic Relief, The Gannochy Trust, The National Lottery Community Fund and The William Grant Foundation. It aims to advance the ability of organisations working with children and young people to actively listen and respond to their core constituents.
- **Housing First Scotland Fund** is a joint project between Social Bite, Merchant's House Glasgow and the Scottish Government aimed at tackling the root causes of homelessness.
- **Challenge Fund** is a Scottish Government funded project aimed at tackling problem drug and alcohol use.

NOTES TO THE FINANCIAL STATEMENTS (cont.)

24. Funds (cont.)

(b) The designated funds are as follows:

	Henry Duncan Grants £'000	Partnership Drugs Initiative £'000	People in Place £'000	Appetite for Change £'000	Listening Fund £'000	2018 Total £'000	2017 Total £'000
Balance at 1 January 2018 (updated)	1,017	601	8	-	-	**1,626**	**1,624**
Transfer from general funds	1,000	775	100	50	100	**2,025**	**1,600**
Charitable activities expenditure	(1,000)	(628)	(67)	(46)	(14)	**(1,755)**	**(1,598)**
Balance at 31 December 2018	**1,017**	**748**	**41**	**4**	**86**	**1,896**	**1,626**

To support being the best grant maker Corra Foundation can be, the Trustees designated £1m for the Henry Duncan Grants programme and an additional £275k to fund the Partnership Drugs Initiative at the end of The Robertson Trust funding for the project, bringing the total PDI designated funds for the year to £775k.

In addition for 2018, funds of £100k were designated to support getting alongside communities through People in Place, and £50k towards Appetite for Change, as well as £100k for the Listening Fund which supports collaborative working.

25. Analysis of net assets between funds

Group 2018

	Fixed assets £000s	Net current assets £000s	Totals £000s
Restricted funds	-	2,315	2,315
Unrestricted funds	83	19,842	19,925
Designated funds	-	1,896	1,896
Totals	**83**	**24,053**	**24,136**

Corra 2018

	Fixed assets £000s	Net current assets £000s	Totals £000s
Restricted funds	-	2,315	2,315
Unrestricted funds	83	19,830	19,913
Designated funds	-	1,896	1,896
Totals	**83**	**24,041**	**24,124**

NOTES TO THE FINANCIAL STATEMENTS (cont.)

26. Capital commitments

	Group and Corra Foundation	
	2018	**2017**
	£000s	**£000s**
Commitments – contracted	-	39

27. Volunteer time

Corra Foundation places great value on the contribution that volunteers make to the organisation.

Over the course of 2018, we benefitted greatly, not only from the considerable time, energy and expertise given by the committed Board of Trustees, but other volunteers as well as those listed below.

- Euan Wright – Volunteer Member of The Corra Foundation Core Operations Team
- Partnership Drugs Initiative Steering Group
- Partnership Drugs Initiative Young Peoples Group
- Partnership Drugs Initiative Everyone Has a Story Group
- People in Place Advisory Group
- The Observers Group
- The Investors Group
- Cumnock Steering Group

28. Related Party Transactions

Since June 2015, Indigo, the Managing Director of which was one of our Trustees from October 2018, has been providing Corra Foundation with approximately one day per month of pro-bono support plus additional advice and guidance on ad-hoc issues as and when required. The estimated value of this is £4,050 (2017: £2,050) is included in the financial statements as donated services (see Note 3).

Trustees were not paid for their work with the Corra Group as shown in Note 11. However, a total of £2,098 travel & subsistence expenses was paid to Trustees in 2018.

Corra Foundation is a Living Wage accredited employer, a member of the Association of Charitable Foundations (ACF), the Scottish Grant Makers, and the Scottish Funders Forum, and is a holder of the Healthy Working Lives Bronze Award.

This publication can be made available in large print on request.
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