

ANNUAL REVIEW
2008–2009



Foundation
East

BUSINESS FINANCE IN THE EAST OF ENGLAND



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WELCOME TO FOUNDATION EAST'S FIFTH ANNUAL REVIEW

Last year I reported that the economy was showing signs of uncertainty. What a difference a year makes! Now, even the most optimistic of economists use words such as 'crisis', 'recession' and 'credit crunch'. Such times offer Foundation East a greater opportunity to help even more members of our community access fair finance and turn their lives and businesses around.

The level of demand we have experienced for our loans; the resources that have been provided to us by our funders; the innovative ideas being brought to us by our partners; all point to an even greater need for our services during these very difficult times.

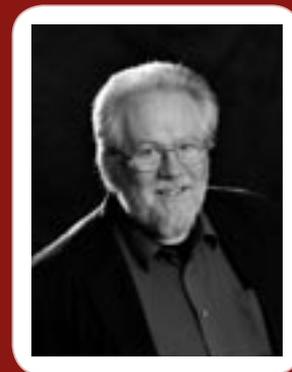
We have learned much in a very short period about lending. Reviewing our learning we have also reviewed our values, something we encourage other members of the financial community to do too. You can learn more about this on page 11. As we continue to grow, there will be much more to learn and, more importantly, to put into practice to make a sustainable business of our mutual society.

Alongside lending, we have just celebrated the first year operating our first Community Land Trust (CLT) project at Miles Ward Court in Halesworth. This project has offered learning opportunities too, more about this on page 8, learning which we will take forward as we complete our second CLT project next door in Chediston Street, where our first two units of affordable residential accommodation will soon be completed.

Learning seems to be a theme this year: as this review unfolds, you will learn more about our valuable work over the last year and about our financial position. You will also discover more about how our pioneering organisation intends to provide microfinance and CLT services to the communities of the East of England in the future, and how you can help.

It's been another challenging year in terms of the economic environment, staff changes, and resources, but again, a very satisfactory one. As ever, credit and sincere gratitude is due to our funders, including EEDA; our staff, including our new chief executive, Katy Ford; our personal and corporate members; our board members and our partners.

Jim Murray
Chair



CREDIT WHERE CREDIT'S DUE

Well, it's been a busy year! As Jim highlights, the need has never been greater for the provision of fair finance to enable people to start up new, or shake up existing businesses. The rate of enquiries and loans we have dealt with over the last year and the amount of money with which we have been entrusted shows this.

Let's look at the facts:

- We received 147 per cent more loan applications in 2008 than in 2007, 857 in total
- We doubled the total amount of money lent during the previous five years to £1.5 million
- We made loans to 117 companies, leading to the creation or safekeeping of 317.5 jobs
- With loans ranging from £500 to £50,000, our average sized loan has increased from £10,000 to £15,000
- We helped 25 tenants of our Housing Association partners with small personal loans that made enormous differences to their lives
- We opened eight new small business units within our first Community Land Trust and are shortly to add two residential units to our property portfolio
- We secured further funding from EEDA and other sources

What is driving such growth? Are banks turning away credit worthy businesses? Is Foundation East risking too much?

The feedback we are getting from the market is that traditional banks are withdrawing some of their services to smaller businesses, but not at the rate which the press is reporting. Our experience is that they are looking for ways to manage loans which are defaulting due to the cash flow issues many small businesses are experiencing right now. They are looking to do this in ways which will not cripple their clients, changing overdrafts to loan agreements for example. Sometimes this works well, sometimes not. In tandem with this they are becoming more frugal about making new loans.

Is this changing the shape of Foundation East's business?

Foundation East is often viewed as the lender of last resort. We were established to address financial exclusion issues. Traditionally we helped businesses on the bottom two rungs of the 'exclusion ladder'. The credit crunch is giving us massively increased opportunities to help businesses that have not traditionally needed or used our services. As exclusion creeps up that ladder, we are seeing bigger businesses coming to us asking for larger loans, often referred to us through their bank manager.

Whilst we always advise applicants to try the mainstream lenders before approaching us and encourage them to return to the mainstream just as soon as they can, our structure enables us to provide banks with a rescue line they can throw out to many of their clients who are suffering during these difficult times.

What is our message?

Our message to struggling businesses, to individuals who have an idea for their own business but are struggling to get the finances together, and to those organisations and agencies which help them, is: **"just because the bank said no, doesn't mean your business can't grow."**

As the stories in this review show, we do have money to loan and we will lend it to businesses with what we consider to be viable business plans, according to our ethical guidelines. We will also work in partnership with banks and other agencies to help them to help their customers during these difficult times.

In Jim's foreword he thanks and gives credit to all those who have helped to make all of this possible. Credit is due also to Jim, for the leadership and positive energy he has brought to this organisation during its first five years. Indeed, the theme of this last year's work seems to be **"credit where credit's due"**; a fitting mantra as we move forwards.

Katy Ford
Chief Executive



BUSINESS CREDIT

Making loans to businesses across the East of England that cannot access mainstream finance remains our core activity. Unlike other financial institutions though, it is not our main aim, simply a way of achieving it.

Our main aim is to create financial and social inclusion, thereby:

- Helping individuals to fulfil their aspirations and achieve their potential
- Helping communities to become better places within which to live, work and raise families
- Helping the East of England to become the enterprise capital of the UK

This being so, our lending decisions are based on different criteria than mainstream finance companies. We get to know both our clients and their businesses before making any decision. We consider credit checking and security, but always in the context of such knowledge and our wider mission.

This year we lent £1.5 million to start up, growing and struggling companies across the East of England. We received more than 850 enquiries and made loans to 117 companies. This led to the creation of 212 jobs. These jobs and business may have never got off the ground, or survived, without our help.

- A restaurant in Suffolk
- A children's home in Norfolk
- A construction business in Cambridgeshire
- A shop in Essex
- A café in Hertfordshire
- A kitchen fitting business in Bedfordshire

Just a few examples of how, by championing financial inclusion, Foundation East is helping to make the East of England the enterprise capital of the UK (and a better place in which to work, live and bring up a family).

Solutions for Business

Funded by government

Foundation East delivers the Solutions for Business Small Loans for Business programme on behalf of EEDA.

CARE4KIDZ

PUTTING CHILDREN FIRST...

Care workers get business loan to set up new type of children's home.

When Steve Hampshire and David Gouldby decided to use their experience and commitment to care to set up an independent children's home, little did they know how difficult their journey was to be. Overcoming obstacle after obstacle, meeting both enemies and friends along the path, it was a supreme ordeal. *"There were times when we wondered whether we would make it,"* advises Steve.

They did. With the help of friends, family, Barclay's Bank and Foundation East, Steve and David overcame the odds, achieved their goal and are now helping deeply troubled children turn around their lives.

This is their story...

Steve Hampshire and David Gouldby loved their work, they always had. However, having had good experiences working in children's homes in the public sectors, they were becoming increasingly frustrated working within the independent sector. Sharing a vision for a different type of home, they knew they could provide a better service, so set about finding a way to deliver it.

The vision

"We wanted to create a new type of children's home that put children, rather than money, at its heart. A home that would teach children to respect the values of privacy, dignity, independence, choice, rights and fulfilment; a home that would provide a safe, nurturing, caring and homely environment for each and every child passing through its doors; a home where issues and concerns affecting both their present and their future could be positively addressed," explains Steve.

From vision to reality

Sharing a vision was just the start. Finding the right location to make it happen was going to be vital.

"The home had to be right and it had to be in the right place. The children that would come into its care would have a history of being shipped from pillar to post for someone else's convenience, not their own. Aged between 8 and 16, they would need somewhere they could feel like they belonged. Somewhere they could feel safe, cared for and able to stay until they were sixteen. We knew we needed to keep this picture in our heads throughout our searches and we were simply not prepared to settle for less than the best," continues Steve.

So Steve and David started to look around, beginning on their doorstep in Suffolk then extending the search to surrounding counties. Two years later they found it: 'The Old Vicarage,' a six bed-roomed house, in need of refurbishment, surrounded by one acre of land near the seafront in the Norfolk village of Sea Palling.

"It did not look like an institution. It looked like a home, even in the state we found it, and it had all the ingredients needed to create the type of safe and nurturing environment we were committed to, including a friendly and supportive community willing to live by us and work with us," picks up David.



Steve Hampshire and David Gouldby overcame the odds to open a children's home providing a safe, nurturing and caring environment for eight children aged between eight and 16.

Finding it was just the next step though. They needed to raise the funds to buy it, to convert it to meet statutory regulations, to furnish it and to put the framework in place to recruit for and manage it. Investing their own life savings and money lent to them by supportive friends who shared their vision yet did not want a share of the equity would get them half way there, but they needed more. Armed with a business plan they went to the banks.

Barclay's reviewed the business plan and agreed to loan the mortgage they needed to purchase the property. They suggested that Steve and David contact Foundation East, a not for profit provider of business loans in the East of England to help with the renovations and business start up costs. Valerie Jarrett, a business loans manager with Foundation East picks up the story:

"David and Steve had never run a business before but they put the time and effort into writing a business plan which was compelling and viable. Not only would they provide much needed care for vulnerable members of our community; they would also create full and part time employment within an area where existing opportunities were mainly seasonal. From the start their commitment to care and belief that they could provide a better quality service than was currently offered in the region shone through and it was this which persuaded us to make the loan," she advises.

This commitment, their faith, persistence and tenacity were to be required by the bucket load as David and Steve's journey unfolded.

"It became one of those start ups where everything that could have gone wrong did go wrong. Because of the nature of the business they were setting up, David and Steve had to jump through many planning hoops whilst ensuring they ticked all the relevant boxes for all the relevant authorities. Each stage took longer than expected, causing delays to the date when they could open up their doors for business and start to bring in an income from which to pay off their loans," remembers Valerie.

From building regulations, policies and procedures, to OFSTED registration and the recruitment of staff, everything just took longer than expected.

Ultimately deadlines got so close to the wire that Barclay's threatened to withdraw their funding and it looked like a real possibility that Steve and David would lose everything they had put into it, five children would be left without a care home and several local people without jobs.

"Because we are governed by a more accommodating structure than traditional banks, we were able to provide some flexibility with payment terms during this time. David and Steve worked tirelessly to make things happen, met their deadlines and pulled it off," remembers Valerie.

Steve explains more: "The Old Vicarage finally became home to our first child in February 2008. It is now full. We recruited a fantastic manager in Bob Compton, who was also able to liaise with placing authorities and is helping to turn our vision into a reality, and the lives of these children around. We employ 20 local people and enjoy the support of the entire community. Things have gone from strength to strength, with us even setting up our own school within the grounds for those within our care who have been excluded from mainstream education."

"Removing a child from his or her home is one of the most invasive and life changing human experiences possible. We fully respect the reasons our journey took so long. Authorities have to know absolutely that the partnership of care they are entering meets the statutory standard. Our intention was not only to meet these but to set new ones from day one. We have achieved this and it would not have been possible without the help and support of our friends, family, the local community and Foundation East," he concludes.

Would they do it again?

"Absolutely – but only if we can find the right property in the right place again. We got that bit absolutely right," adds David.

WHM ANGLIA GREEN SHOOTS...

Garden office and buildings firm gets enterprise support for profitable move to new premises.

Every cloud has a silver lining, as Steve Thompson was quick to realise when, following redundancy, he launched his garden buildings firm WHM Anglia to target entrepreneurs needing fully equipped offices in their back gardens. But stuck in a location with zero footfall, Steve knew he could vastly increase sales and so turned to Business Link for advice, who in turn referred him on to Foundation East. Within weeks he had received a loan enabling him to relocate. Just seven weeks later his business has turned over more than in the whole of the previous year...

The Challenge

"After a career in food logistics that was cut short by redundancy, I took the opportunity to start my own business in property maintenance, with help and support from Business Link," explains Steve. "When I came across a range of garden buildings that can be designed and constructed to fit almost any purpose, from home office to tanning studio, I knew I had hit on a great opportunity."

So Steve launched garden buildings firm WHM Anglia, designing and constructing custom buildings in customers' gardens and on their land. In most cases not requiring planning permission, the wooden garden buildings are almost indistinguishable from the 'real thing', with mains power, broadband, water and sewerage services. But they differ from traditional bricks and mortar in one vital respect – price.

"A small business or sole trader who would traditionally take serviced offices, a small workshop or an industrial unit can become 'rent neutral' within a year," explains Steve, "yet still have a professional and high quality work environment that is suitable for visiting clients and totally separate from the home and family."

When the economy was riding high and a garden building cost less than an up-market holiday, Steve was doing well. But when recession hit, Steve realised that his location, well off the beaten track, was starting to cause problems. So as a keen user of Business Link's services in his property maintenance days, he got back in touch.

The Solution

"Steve quite rightly identified the economic downturn as an opportunity for his business," says adviser Julie Pauley. "Many redundant workers are taking the opportunity to become self-employed and start a business. However, WHM Anglia's location and marketing were not generating sufficient sales."

Steve had tried taking space at a garden centre with higher footfall, but the other company subsequently folded, leaving him back on his original site. He had also tried sourcing funding for a move, but had been unable to get a loan from the Bank. So Julie suggested Foundation East as a possible source of funding. Steve takes up the story: "Once I talked to Foundation East, with Julie, I could suddenly see that a solution to my problems might be possible," says Steve. "It was the turning point my business so badly needed."

Together with Julie and a consultant, Steve worked on a detailed business plan. This was put forward with the Foundation East application, resulting in Steve receiving the loan he needed to move to a new site at a garden centre with a large footfall.

The Impact

After only seven weeks at its new garden centre location, WHM Anglia turned over more than it had achieved in the whole of 2008. Steve is understandably delighted: "The assistance I received from Business Link and Foundation East has enabled me to take full advantage of the growth opportunities offered by the recession," he concludes.

"Business Link and Foundation East enabled me to turn my business around. In seven weeks at the new site we turned over more than in the whole of 2008."

Steve Thompson, WHM Anglia



Mayor of Wisbech opening new WHM's new premises. Left to right: Susanah Farmer, Jonathan Farmer (Mayor of Wisbech), Graham Vernon (TGB Sheds), Steven Thompson (WHM Anglia)

PERSONAL CREDIT

Foundation East works in partnership with Housing Associations to provide loans to tenants in crisis. The service is available to tenants of Colchester Borough Homes, Colne Housing Society, Havebury Housing Partnership and Suffolk Housing Society.

This year, through such partnerships, we made loans averaging £900 to 25 people, helping them to turn their lives around.

We only lend amounts that we know tenants can afford to repay monthly.

Loan purpose varies but may include nursery fees, rental deposits, debt consolidation, interview clothes, appliances or money to tide tenants over until their first pay cheque.



"Foundation East has greatly helped our tenants by enabling them to borrow money from a credible source, rather than, perhaps, approaching door step lenders. Havebury Housing Partnership's tenants have used the loans for home improvements, purchasing of household items and debt consolidation."

Lisa Reynolds, Housing Officer, Havebury Housing Partnership



COMMUNITY CREDIT

"Communities and Local Government's vision is of prosperous and cohesive communities, offering a safe, healthy and sustainable environment for all. Physical assets - particularly buildings and land - can play a very important role in helping to bring this vision to reality. It is therefore in the interests of public bodies, both local authorities and others, to make sure their assets are used in the most effective way. Across the country local authorities and other public bodies have begun to identify situations in which transferring the management or indeed ownership of assets to community organisations offers the optimum solution, as it engages the energies of citizens and communities and adds value to the services being provided."

Barry Quirk, chair of governmental review panel on community management and ownership of public assets.

Foundation East advocates such asset transfer. Our experience shows that it does indeed engage and energise citizens and that in so doing, empowers communities.

This year celebrates two key Foundation East firsts in the field of transferring assets to communities:

- The first anniversary of the completion of our landmark CLT project, a business and community centre at Miles Ward Court in Halesworth, Suffolk
- The development of our first two residential units at 154 Chediston Street, neighbouring Miles Ward Court

Previous annual reviews chart the course of Miles Ward Court, from concept to completion. This year we turn to the community, asking how this development has empowered them.



Hugh Hales

ENGAGING CITIZENS, EMPOWERING COMMUNITIES

Home sweet home

Halesworth born Hugh Hales, returned to the town after 37 years living and working in London. He now runs a book binding and holistic therapy business from one of the units in Miles Ward Court. Developing new skills, fulfilling his lifetime ambition whilst encouraging visitors to the region, helping to reinvigorate the local economy, Hugh wonders why he ever left...

"My dream has always been to develop and use my spiritual and creative talents before age prohibited me from doing so. So, when I left my old job as group head of human resources, responsible for over 2,500 staff at 23 theatres across the UK, I was determined to find a vehicle to develop my vocation and do valuable work. I didn't know how, but somehow I would find a way to develop and practice my creative skills in three quite diverse areas: books, bodies and brains," advises Hugh.

The new business units within Miles Ward Court were to become Hugh's "how". Developed using sustainable principles, with the needs of the community at their core, they offered the perfect space (both practically and philosophically) at a price that would enable Hugh to realise his dream.

"The Studio at Miles Ward Court was the perfect vehicle. It has given me the opportunity to set up a small area for book binding and repair, allowing me to provide a unique service at a reasonable price to local individuals and to antiquarian book traders from across the world.

"Alongside this, I use part of my studio space to offer a range of holistic therapies. Initially practicing reflexology, I have also been able to develop other skills, qualifying in sports massage, reiki, hot stones therapy, Indian head massage, cupping, hypnotherapy and Emotional Freedom Technique (EFT). I now offer a 'bespoke' package of complimentary therapies to a growing range of loyal clientele from Halesworth and further afield," he continues.

"Coming back to Halesworth after such a long period has been very easy. The local community is a very welcoming and supportive and the Miles Ward Court development has allowed people like myself to work, to create community cohesion and to bring in visitors from further afield who may never have come to Halesworth before.

"I have clients who visit from all over the county, the country and even from as far a field as Berlin and Malta. Many of these clients come to Halesworth to see me for treatments, then stay to explore the Suffolk coast, bringing money and awareness, helping with regeneration across the wider region and making Halesworth an even better place within which to live and work. In fact, come to think of it, I don't know why I ever left!" concludes Hugh.



Garry Booth

Family man

Garry Booth's story is a familiar one to anybody who, for the sake of family values, has experimented with the freelance life style. Working for a long time in a succession of sheds, bedrooms and broom cupboards both at home and elsewhere, Miles Ward Court offered him a way forward, keeping him in Halesworth, keeping him happy.

This is his story...

Garry Booth works as a freelance journalist from his office in Miles Ward Court writing about international financial services and reviewing Jazz CDs. Having committed to a freelance life style 15 years ago, he knows the benefits. It's good for the family; you can be there for the school runs, the school holidays and the school events. It's good for the environment; no need to add to Halesworth's carbon footprint, travelling needless miles day in day out just to arrive at a place of work. It's good for the community; just being there helps create cohesion. But is it always good for you, the person living it, often from a bedroom, a cupboard or a shed, day in day out, communicating mainly via phone and email and experiencing little social interaction during your working day?

Garry was not sure. Thankfully, since taking a unit at Miles Ward Court, it is something he no longer needs to think about.

"When Miles Ward Court appeared, I couldn't believe my luck. Until then I had often thought of renting premises, but had never been able to find anywhere suitable. Places were either too expensive and too big or too poky and too isolated. Miles Ward Court was just perfect," Garry remembers.

"For years I had worked from various rooms and sheds. For years I had been aware of the increasing isolation, yet did not want to lose sight of the wider benefits that my freelance lifestyle offered. Miles Ward Court offered a practical alternative. Not only was it in the centre of the town where I lived, ticking the family, environment and community benefit boxes. It offered a convivial atmosphere, the perfect antidote to the potential effects of isolation.

"My business may not directly make Halesworth a better place, but having the office has kept me here. It has kept me in contact with my children after school and in the school holidays (my wife works in Beccles). It has kept my carbon footprint low; and it has kept me actively participating in my community, using all the local facilities. What's more, it has kept me happy. I feel better for being in Halesworth and I can tell my fellow unit dwellers do too," concludes Garry.

Perfect solution for perfect problem

Suffolk Artlink is a registered charity whose main aim is to improve the quality of life of some of Suffolk's most vulnerable people through the provision of creative activities. The organisation was set up in Halesworth in 2005, operating out of The Cut. So successful was it that within three years it had outgrown its space. Luckily though, a committed staff member who lived close to The Old Hemp Works, witnessed its

transformation into Miles Ward Court out of her kitchen window and discovered the perfect solution to their perfect problem...

"In early 2008 Suffolk County Council had tripled their investment in Artlink and we needed space for two new members of staff and a fully accessible office with modern IT facilities," advises Chris Warner, a director of Suffolk Artlink.

"It was pure chance that led us to learn about the Miles Ward Court development. Alex lived close by and literally witnessed the work start from her kitchen window. Upon finding out more, she realised she had stumbled upon something special.

"Not only did we need more space, since we work with the arts, we needed it to be welcoming and inspirational. Since we work with people with disabilities, we needed it to be accessible to all. We also wanted to increase our productivity by working smarter, rather than harder.

"Miles Ward Court offered all this and more. Together with the increase in investment by Suffolk County Council, it has allowed us to employ more local people to develop more new projects to meet the needs of more groups of vulnerable people in the county. So state of the art was it that we were able to, literally, plug in and go. With the bonus features of a cellar we use as a private meeting room and the community meeting room which we use for board meetings, it is the perfect solution to our perfect problem," he concludes.

Visionary

Douglas Mizon is on the committee of The Halesworth & Blyth Valley Partnership (HBVP), which was given the task of finding a way to reinvigorate the old buildings now known as Miles Ward Court (MWC). He chairs the MWC Management sub-group of HBVP.

"When we first looked at the tumble down buildings then known as The Hemp Works we wondered if the best solution would be to demolish them all and start again. Strangely though, they had a certain life of their own which seemed worth saving, if at all possible" remembers Douglas.

"After pursuing various avenues we came upon Foundation East and were immediately caught up with their obvious enthusiasm for making this derelict site into something special. Using local professional advice from Morton Partnership surveyors and Caplins Building Contractors things began to change. Of course there were problems along the way – I'm sure Foundation East would have been very suspicious if there weren't – but gradually the phoenix rose from the ashes and Miles Ward Court (named after two former owners of the land and buildings) emerged in all its glory.

"It's been a real privilege to be involved with this project. The recent open day to celebrate our first birthday was a great success and resulted in a couple of newly vacated units being let, virtually on the spot! The members of the public who called in were surprised, delighted and proud with what they saw and all agreed that this is truly going to be a great asset to Halesworth. Thank you Foundation East for your vision, hard work and support," he concludes.



Suffolk Artlink



Douglas Mizon

FINANCIAL CREDIT

STATEMENT OF INCOME & EXPENDITURE

| | 2009 | 2008 |
|--|--------------------|--------------------|
| Net interest | 138,044 | 69,752 |
| Revenue grants | 198,039 | 235,139 |
| Capital grants for loans | 647,325 | 953,139 |
| Capital grants for property development | 183,255 | 485,454 |
| Rental income | 15,463 | - |
| Other income | 28,955 | 3,125 |
| Income | 1,211,081 | 1,746,609 |
| Operating expenses | (422,394) | (305,168) |
| Provision for loan losses | (434,021) | (124,027) |
| Impairment losses on revaluation of property | (377,272) | - |
| Governance | (29,723) | (23,948) |
| Expenditure | (1,263,410) | (453,143) |
| Transfers from/(to) other reserves | 85,502 | (1,324,542) |
| Surplus/(deficit) | 33,173 | (31,076) |

BALANCE SHEET

| | 2009 | 2008 |
|-----------------------------------|------------------|------------------|
| Loans | 1,134,119 | 405,786 |
| Other current assets | 1,791,815 | 1,568,437 |
| Property assets | 562,582 | 687,031 |
| Other fixed assets | 21,471 | 17,193 |
| Assets | 3,509,987 | 2,678,447 |
| Long term loans | 816,000 | 66,000 |
| Current liabilities | 371,419 | 240,650 |
| Liabilities | 1,187,419 | 306,650 |
| Loan Capital | 259,703 | 511,899 |
| Restricted funds | 1,408,832 | 1,121,967 |
| Property development fund | 496,582 | 621,031 |
| Fixed asset fund | 21,471 | 17,193 |
| Retained surplus (deficit) | 70,230 | 37,057 |
| Share Capital | 65,750 | 62,650 |
| Liabilities & reserves | 3,509,987 | 2,678,447 |

This summary information has been prepared from the management accounts for Foundation East Limited to give an overview of the results for 2008-2009 and the state of affairs at the end of the year. The full annual financial statements have been audited and the auditors' opinion was unqualified. This summary information is not intended to contain sufficient information to allow for a full understanding of the financial affairs of the society. For further information, the full financial statements, the auditors' report on those financial statements and the Board's annual report should be consulted. Copies can be obtained from the secretary at Saxon House, 7 Hillside Business Park, Kempson Way, Bury St Edmunds, IP32 7EA.

SOCIAL CREDIT

In previous years, Foundation East has included a page of social accounts within this review. Last year we announced that the board intended to comprehensively review our operations and social accounting methodology, enabling us to better report on how we are creating social capital.

The first phase of this review is complete: we have identified a values base from which to measure our work and we are beginning to embed it within our operations (see page 11).

Since this values base was only finalised towards the end of the financial year, we have not captured all the information required to report back in a meaningful way for the 2008 period, although we can report that we have created social impact in the East of England through:

- Enabling 29 businesses to keep going
- Enabling 66 new businesses to set up
- Directly creating or keeping safe 317.5 jobs

These loans were split between the regional counties in the following way:

Loans made per county and per gender between 01/04/08 & 31/03/09

| County | Female | Male | Couple (M+F) | Grand Total |
|--------------------|-----------|-----------|--------------|-------------|
| Bedfordshire | 1 | 1 | | 2 |
| Cambs | 1 | 17 | | 18 |
| Essex | 12 | 15 | 1 | 28 |
| Herts | 2 | 1 | | 3 |
| Norfolk | 10 | 21 | | 31 |
| Suffolk | 16 | 21 | | 37 |
| Grand Total | 42 | 76 | 1 | 119 |

We have also benefitted the communities we serve through:

- Harnessing 477 volunteer hours from members of our community
- Recycling 80% of our waste
- Enabling a local undergraduate to go on a humanitarian trip to Ghana by employing her during the summer
- Donating £250 to the homeless charity Emmaus

We look forward to reporting more fully next year, and to receiving any feedback about our values base, or further ideas on how to capture and report social capital in the meantime. After all, we aim to be the change you want to see.

"We aim to be the change you want to see"

OUR VALUES

HONESTY

- We value the truth
- We act with integrity, always
- We provide clear and transparent costings

SERVICE

- We will be helpful, skilful & supportive
- We will all achieve more by working together
- We will offer you personal assistance in all your dealings with us
- We understand that things can go wrong and will take a realistic view if they do
- We believe that our business is built on your success

RESPECT

- We treat everyone fairly, with consideration and decency
- We respect your confidences

RESPONSIBILITY

- We will be responsible and realistic
- We will give you an honest opinion about your business proposal
- We will only lend to you if we consider you can afford to repay your loan

FURTHER CREDIT

Foundation East issues shares to investors who support our aims. Investors can claim Community Investment Tax Relief (CITR) on Foundation East shares.

Investment enables us to continue delivering social and financial impact within the communities we serve. It enables you to influence our work and to provide credible evidence to your stakeholders of your contribution to cohesion and social impact within your community.

BECOME PART OF THE CHANGE YOU WANT TO SEE...

For more details on CITR and an application form to purchase shares, please contact us on 0845 52937751.

"Foundation East makes it easy for me to put my money where my mouth is and offer financial support, as well as advice, to emerging social enterprises."

*Robert Ashton, author, speaker and social enterprise adviser.
www.robertashton.co.uk*

PASS IT ON

Do you know an organisation that shares Foundation East's values of honesty, service, respect and responsibility and has creating financial and social inclusion as a corporate social responsibility objective?

They may be interested in joining Foundation East. Doing so enables them to share in our successes and to show to their stakeholders tangible evidence of how they are:

- helping individuals to fulfil their aspirations and achieve their potential
- helping their community to become a better place within which to live, work and raise families
- helping the East of England to become the enterprise capital of the UK
- making change happen

Know someone? Then pass on this review and ask them to get in touch.



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