

THE LANKELLYCHASE FOUNDATION

ANNUAL REPORT & FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH 2011

1 THE COURT
HIGH STREET
HARWELL
OXFORDSHIRE
OX11 0EY

REGISTERED COMPANY NO. 5309739
REGISTERED CHARITY NO. 1107583

1 The Court • High Street

Harwell • Didcot

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www.lankellychase.org.uk

LEGAL AND ADMINISTRATIVE INFORMATION

The LankellyChase Foundation is a company limited by Guarantee and not having a share capital (no. 5309739). It is governed by its Memorandum and Articles of Association and registered as a charity (no. 1107583). The Directors of the Charitable Company are the Trustees of the charity for the purposes of charity law and throughout this report are referred to as the Trustees.

Trustees	Nicholas Tatman*	(Chairman)
	Andrew Robinson*†	(Vice Chairman)
	Morag Burnett†	
	Dodie Carter	
	Paul Cotterill	
	Leo Fraser-Mackenzie*†	
	Victoria Hoskins*	
	Marion Janner†	
	Peter Latchford	
	Alison Leverett-Morris	
	Clive Martin*	
	Kanwaljit Singh†	
	Ann Stannard*	

* indicates members of the Finance & Social Investment Committee
† indicates members of the Administration Committee

Staff	Peter Kilgarriff	Chief Executive and Company Secretary
	Susan Ash	Programme Director
	Ailsa Hollond	Programme Director
	Cathy Stancer	Programme Director
	Brian Whittaker	Programme Director
	Marian Durban	Financial & Administration Manager
	Lindsey Barker	Finance Officer
	Gemma Gittins	Grants Officer
	Karen Flippance	PA/Information Officer
	Jane Gibson	Administrative Secretary

Bankers	Royal Bank of Scotland plc St Giles Oxford OX1 3ND
	Lloyds TSB Bank plc Market Place Didcot Oxfordshire OX11 7LQ
Auditors	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Legal Advisers	Bates, Wells & Braithwaite 2-6 Cannon Street London EC4M 6YH
Fund Managers	Cazenove Capital Management Limited 12 Moorgate London EC2R 6DA
	BlackRock Investment Management (UK) Ltd 33 King William Street London EC4 9AS
	Sarasin and Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
Registered Office	1 The Court High Street Harwell Didcot Oxfordshire OX11 0EY

HISTORY

The LankellyChase Foundation is the amalgamation of two grant-making trusts, the Lankelly Foundation and the Chase Charity.

The Chase Charity, an incorporated body, was established on the 18th May 1962 with powers to support a wide spread of charitable purposes. The Lankelly Foundation was established by Deed of Settlement for general charitable purposes on the 18th March 1968 and its original Deed of Settlement was updated by Deeds of Amendment dated the 14th March 1995 and the 12th January 1999. The two Settlers were business colleagues and from the start the two trusts had a shared administration. In recent years they worked ever more closely, agreeing that their grant-making policies should complement each other.

It was natural, therefore, that the two Trustee bodies considered the eventual amalgamation of the two trusts and the new LankellyChase Foundation was incorporated on the 9th December 2004. It was established as a reconstitution of the unincorporated Lankelly Foundation and in contemplation of the transfer to it of the undertaking of the Chase Charity. This was successfully completed on the 31st March 2005 when all the assets and liabilities of both trusts were transferred to the new Foundation which enjoys all the combined human resources, assets, history and culture of its predecessors, together with the huge advantage of a unified Trustee Board to govern its work in a fast-changing society.

OBJECTS OF THE FOUNDATION

The Foundation's objects are to promote any charitable purposes under the law of England and Wales. The Trustees define the policies which underpin the Foundation's grant programmes and have agreed the following Mission Statement:

"The LankellyChase Foundation works to promote change which will improve the quality of people's lives. We focus particularly on areas of social need to help the most disadvantaged in our society to fulfil their potential. We are realistic, balancing what we seek to do with all the financial and human resources at our disposal."

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board of Trustees administers the Foundation. Trustees are appointed by the Board of Trustees and serve for five years, after which they may be re-appointed to serve two further five-year terms. The Chairman is appointed by the Trustees and serves for a maximum of two three-year terms. The Board regularly reviews the range of skills amongst Trustees.

Potential new Trustees are recruited through advertisements in the national press

and from the contacts and networks of existing Trustees and staff. Appointments are made on the basis of the skills the Board decides are required to manage the Foundation and develop its work. An induction programme is arranged for new Trustees and involvement in external training (e.g. that offered by the Association of Charitable Foundations) is encouraged.

The full Trustee Board meets three times a year to manage the Foundation and consider the more complex grant and social investment recommendations. In addition, an alternating group of four trustees meets every two months to consider and decide upon grant recommendations. The day-to-day administration is delegated to the Chief Executive who is supported by a staff team. The Trustee Board has also established two sub-committees drawn from amongst its own members. The Finance & Social Investment Committee meets quarterly to oversee the management of the Foundation's assets and the Administration Committee meets as required but at least once a year, to oversee the practical administration of the Foundation.

RISK MANAGEMENT

During the year, the Trustees reviewed the risks faced by the Foundation in areas of operations, administration and finance. They identified the potential impact and probability of major risks to which the Foundation might be exposed and are satisfied that appropriate measures and systems to mitigate these risks are in place.

AIMS AND OUTCOMES

The Trustees established a number of aims for **2010-11** concerning governance, finances, social investment and the United Nations Principles of Responsible Investment (UNPRI):

1) GOVERNANCE:

The Board is conscious that the external environments and internal changes, particularly the retirement of the long standing Chief Executive, will necessitate its closer involvement in administrative and financial oversight in the coming year.

2) FINANCES:

The Trustees set an Administration Budget of £611,000. They authorised a Grants budget of £4,750,000 in expectation of a reduced contribution from the Northwood Trust. In the autumn, however, recognising the increasingly difficult financial environment, they increased this by up to £500,000.

3) SOCIAL INVESTMENT:

The Trustees aim to increase their involvement in this field.

4) UNITED NATIONS PRINCIPLES OF RESPONSIBLE INVESTMENT (UNPRI)

The Trustees wish to emphasise the importance they attach to responsible investment and their endorsement of the UNPRI.

OUTCOMES:

- 1) The Board established early in the year a clear timetable, search committee and interview panel for the replacement of the Chief Executive when he retires in the summer of 2011. The search party drew up a strong list of candidates for interview and following a special Board meeting a new Chief Executive was successfully appointed.
- 2) Expenditure on Administration consisting of both grant-making and governance costs amounted to £651,056. Trustees authorised unrestricted grant expenditure of £4.7M. Details of our grants programmes and a full list of all grants agreed are given on pages 13-24.
- 3) The Finance and Social Investment Committee considers social investment opportunities and makes recommendations to the Board. Three such investments were agreed during the year, to the Big Issue Invest, East Lancashire Moneyline and Peterborough Social Impact Partnership.
- 4) The Foundation completed the UNPRI survey which monitors progress against the Principles of Responsible Investment.

GRANT PRIORITIES AND SELECTION PROCEDURE

The Foundation normally only makes grants to organisations operating in the United Kingdom which have recognised charitable status or clear charitable purposes. The Foundation's grantmaking is divided into five programme areas:

Arts	Breaking Cycles of Abuse
Custody & Community	Free and Quiet Minds
Local People, Local Places	

The Trustees rarely support the general work of large national charities but concentrate on smaller agencies where their level of grant (c. £15,000 - £20,000 per annum) can make a real impact. It is the Trustees' intention that their decisions should always be informed by someone who has first-hand knowledge of the applicant charity and they have to be convinced of the need for and the beneficial impact of the proposed work.

PUBLIC BENEFIT REQUIREMENT

The Trustees aim to meet their public benefit responsibilities, as laid out in Section 4 of the Charities Act 2006, by using the Trust's resources to support agencies which seek to enable some of the most disadvantaged people in our society to lead full and independent lives. All our grants are made to charitable agencies delivering services which meet social needs.

GRANT APPLICATION PROCESS

The Foundation's programme areas are described in more detail below and they have slightly different criteria. Written applications can be made at any time. Proposals can be discussed beforehand by email or telephone. The application process will almost always include a visit from a staff member and applicants should expect the process to take up to six months.

REVIEW OF GRANT ACTIVITIES

During the year to the 31st March 2011, the Foundation received 970 applications and awarded 128 major grants totalling £4,703,750. A further 107 small grants were awarded to support Children's Summer Activities (£53,500). A more detailed explanation of the Foundation's programmes is given in the separately published annual review and a full list of all grants agreed in the year can be found on pages 13-24 of this report. Information is also available from the Foundation's website www.lankellychase.org.uk.

The following brief summary gives an outline of the Foundation's programmes.

ARTS: The Foundation awarded 13 grants totalling £368,700. The majority, eight, were given under the **Young People** category (£257,500), which is aimed at organisations offering excellent art experiences to vulnerable 11-21 year olds. Two grants were given for **Excellence in the Arts** (£74,000) which is a closed programme that seeks to encourage young talented people to develop their ability and pursue a career in this field. Three grants were given for **Unlocking Creativity** (£37,200), which aims to explore the use of the arts in promoting the recovery of patients detained due to severe psychiatric illness.

BREAKING CYCLES OF ABUSE: During the year 29 grants totalling £1,129,700 were awarded. This breaks down to:

Child Protection	1 grant	£43,000
Domestic Abuse	10 grants	£402,000
Rape & Sexual Violence	10 grants	£452,000
Young People	8 grants	£232,700

Two annual grants were also awarded under this programme: Family Action in London received £135,000 to be distributed as welfare grants to individuals in need; the Foundation's Summer Activities Small Grants awarded 107 grants of £500, totalling £53,500.

CUSTODY & COMMUNITY: During the year this programme disbursed £1,041,750 to 29 different agencies and worked in four specific areas.

- (i) **Women Offenders**, including work with women with extreme vulnerabilities that are likely to lead them to become entangled in the criminal justice system. Eleven grants totalling £420,000 were awarded in this section. In addition twenty grants were made in this section by the Women's Diversionary Fund. (See Note 4 to the accounts.)
- (ii) **Short Term/Remand Prisoners**, for grants towards organisations working with prisoners who are likely to be in and out of prison frequently. Twelve grants were made in the section totalling £432,750.
- (iii) **Immigration Detention**, which echoes the concerns of HM Inspectorate of Prisons about the anxiety, frustration and stress suffered by detainees. Five grants were made in this section totalling £189,000.

Nationally, grants are made to support new work which can be replicated elsewhere and work which supports BME prisoners and their families. The Foundation is committed to a target of 1 in 4 grants made in this programme being made to BME projects.

FREE AND QUIET MINDS: This programme focuses on three clearly defined areas: **Secure Psychiatric Care & Special Project** (3 grants, £169,000) where we support charities working with patients and staff in medium secure and high security hospitals; **Black and Minority Ethnic Groups(BME)** (12 grants, £393,600) working with charities providing mental health services to people in BME communities; **Destitute Asylum Seekers** (8 grants, £255,000) which is a programme closed to unsolicited applications and aims to sustain the work of organisations working with destitute asylum seekers.

LOCAL PEOPLE,LOCAL PLACES: The Foundation continued to support marginalised and disadvantaged communities by assisting local organisations to find long term solutions to local issues and engaging the talents of individuals to transform communities for the benefit of all. Thirty two grants totalling £1,157,750 were made in this category of which: £974,500 (24 grants) went to **Multi-Purpose Community organisations**, £163,000 (4 grants) went to **Social Enterprises** and 4 grants totalling £20,000 were awarded to the **Churches Conservation Trust** under the partnership that LankellyChase has with the Trust, the aims of which are to support communities to manage and improve the community use of category Grade 1 and Grade 2* listed buildings.

PERFORMANCE: MONITORING AND EVALUATION

The Trustees require a report at the end of any funding period that reflects on the full period of their support. The staff then prepare a short commentary on each, to note both the success and learning significance of the work funded in order to inform their grant making policies and practices.

FINANCIAL REVIEW

Incoming and outgoing resources

For many years the Foundation has set its expenditure budget by reference to the expected performance of its investment portfolio, and this income has been supplemented by donations which fluctuate from year to year from the Northwood Trust. For 2010/11 however the Trustees deliberately decided to maintain a grants programme at a level in excess of expected income, recognising the severe constraints that charities were expected to encounter during the last year as a result of the general economic situation and cuts in public expenditure. The Foundation was in a strong position to be able to do this as it had built up a sufficient level of reserves over a number of years. In the event the net outflow of unrestricted funds over the year amounted to just over £1.1 million, much as expected.

The Trustees have thus moved to a position in which they set annual budgets for grant and administration costs at levels to support their aims for the year and instruct fund managers to generate the necessary funds to support these spending plans, rather than having these plans subject to the short term performance of the investment markets. So the Trustees will increase their grant expenditure for the next three years by 2.5 % per annum and in the light of their continuing long term objective of preserving the real value of the endowment will move to a rolling three year review of income and expenditure.

As a consequence of this new approach to use of resources the Trustees also reviewed their investment and reserves policy. The main features of this policy are set out below together with some brief comments on the financial results for the year.

Statement of Investment Policy and Reserves

The Foundation meets its charitable objectives through the giving of grants and through the investment of its assets which are held in two principal funds: the Income Fund and the Endowment Fund. For investment policy purposes the Endowment Fund is further subdivided into the Investment Portfolio below and the Social Investment Fund.

The Foundation is committed to investing its assets in accordance with the UN Principles for Responsible Investment and has established a code to which it expects its fund managers to adhere.

ENDOWMENT FUND

The Trustees have always intended to maintain their charitable activities in perpetuity and so while the endowment of the Foundation is expendable the Trustees have treated it as permanent. The overriding objective of the investment policy has been to preserve the real value of the capital in this fund whilst at the same time maximising the income from it to spend on charitable purposes. Recognising that spending only income and reinvesting capital may not optimise current spending, the Trustees are prepared to spend some of the capital of this fund to meet their strategic objectives. The capital of this fund is subdivided into two subsidiary portfolios, the Investment Portfolio below and the Social Investment Fund.

Social Investment Fund

The Trustees have allocated a sum of £5.2 million to be invested separately from the main investment portfolio. This fund is to be invested primarily in a range of social investments where achieving the maximum financial return is not the overriding consideration. Decisions about investments in this fund are made by the Trustees who take advice about individual investments and contracts as deemed necessary.

The Trustees expect to invest the initial £5.2 million at the rate of about £1million per annum and have expressed a firm intention of further increasing the sum allocated to this fund in coming years as and when the initial location of £5.2 million is fully invested. In accordance with their overriding objective of maintaining the real value of the endowment and in recognition of the potential for losses in the fund while this market develops capital gains from this fund will be reinvested in the fund and not allocated to the grants programme.

By the end of March 2011 the value of commitments made by the social investment fund had reached just over £1.1million. This represents slow but steady progress in this exciting but new area of investing for the Foundation, and the rate of investment may increase as we gain more experience.

Investment Portfolio

This portfolio contains the bulk of the Foundation's assets and is managed by three City fund managers each with separate written discretionary mandates. Certain restrictions apply to all fund managers such as a ban on investing directly in companies whose main business is the production of tobacco, but each fund manager has tailored asset allocation bands and performance benchmarks against which performance is reviewed. Income from the Investment Portfolio was much as expected for the year and the value of the portfolio itself increased by just over £5.4 million over the year. As part of their overall review of the use and management of resources, at the end of the year the Trustees decided to review all the arrangements with their fund managers. This will continue during 2011.

INCOME FUND

Reserves, accounting policy and cash flow; although the endowment is expendable, as the Trustees treat it as permanent they also consider it prudent to hold a short term reserve of approximately 6 months operational expenditure. The Foundation makes grants that are generally payable in instalments over a number of years. The full amount of the grant however is accounted for in the year in which the decision is made rather than the year in which payment is made. The funds required for payment of the grants are allocated to the Income Fund, which holds both the Operating Reserve as well as the funds to meet future grant commitments. In late 2010 the Trustees additionally allocated a sum of £500,000 from the Income Fund to be used to sustain agencies regarded as significant partners in the Foundation's grant giving activities.

The Income Fund is held by fund managers under a specific mandate in which the funds are to be invested in cash or near cash and from time to time the Trustees provide forecasts of the amounts to be drawn down from this fund.

INVESTMENT RISK AND SOCIAL IMPACT

The Trustees are prepared to accept different levels of risk for the different funds identified above.

By reason of the manner in which grant expenditure is accounted for and through the preparation of regular annual and longer term spending plans the Trustees are able to identify their requirement for liquid funds. A cautious approach to risk is taken with respect to both credit and investment risk for all funds held in the Income Fund.

In order to achieve their twin aims of maintaining the real value of the endowment portfolio whilst maximising the income available for current spending the Trustees recognise the need to hold a variety of instruments to ensure that the value of both the sums available for spending and the capital value of the portfolio increase, or at least are maintained in real terms. Inflation is a key risk for the Investment Portfolio but given that the portfolio is treated as permanent, short term fluctuations in its value can be tolerated.

The Trustees recognise that the returns from investments held in the Social Investment Fund come from a blend of social impact and the traditional investment measures of income generated and increase in capital value. For the first £5.2 million the Trustees aim to have a portfolio of 10-15 investments in a range of social business sectors. The blend of social and investment return from each investment is assessed individually so that the overall aim of preserving the real value of the endowment can be maintained.

Statement of Trustees' Responsibilities

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

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

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

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

So far as each of the Trustees is aware:

- a) there is no relevant information of which the auditors are unaware; and
- b) the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Audit Information

This report has been prepared in accordance with the special provisions relating to small companies with part 15 of the Companies Act 2006.

Approved by the Board of Trustees on 20th July 2011 and signed on their behalf by:

A handwritten signature in black ink, consisting of a series of loops and curves, positioned above the name of the Chairman.

Mr Nicholas Tatman
Chairman

**THE LANKELLYCHASE FOUNDATION
GRANT DECISIONS
FOR THE YEAR ENDED 31st MARCH 2011**

	Amount £	Number of Years
<u>ANNUAL GRANTS</u>		
<u>Family Action (formerly Family Welfare Association), London N8</u> For distribution to individuals in need.	135,000	1
<u>Summer Activities Small Grants</u> Disbursed 107 grants of £500.	53,500	1
TOTAL ANNUAL GRANTS	188,500	

GRANTS PROGRAMMES

THE ARTS

Excellence

<u>Central St Martins, London</u> Towards the Claudia Flanders bursary.	4,000	1
<u>Kirckman Concert Society, London</u> Annual grant to enable young professional musicians to perform in a concert.	35,000	1
A further grant to cover shortfall in running costs of organisation.	35,000	
Sub total	74,000	

Unlocking Creativity

<u>Good Vibrations, London</u> Towards the cost of a two week gamelan project at Broadmore including patients in the DSPD Unit.	5,200	1
<u>Institute of Art and Idea, London and Hay on Wye</u> Towards the cost of running the Arts and Minds strand of events at the 2011 festival.	18,400	1
<u>Project Ability, Glasgow, Scotland</u> Towards the cost of arts workshops involving people with learning disabilities in low and medium secure forensic psychiatric units in Glasgow.	13,600	2
Sub total	37,200	

Young People

<u>Arts Connection/Cyswit Celf, Llanfyllin, Wales</u> Towards the costs of a three year participatory arts project with young carers across Powys.	45,000	3
<u>Citadel Arts Centre, St Helen's, Yorkshire</u> To fund a three year drama project for young carers in St Helen's.	29,500	3
<u>MED (Manaton and East Dartmoor) Theatre, Devon</u> To fund core costs associated with work with young people.	30,000	3
<u>OYAP Trust, Bicester, Oxon</u> £15,000 towards core costs. An additional sum of £3,000 to be made available towards consultancy fees.	18,000	1
<u>Pegasus Theatre Trust, Oxford</u> Towards salary of outreach worker.	30,000	2
<u>Positive Strides, Hatfield, Hertfordshire</u> Towards the co-ordination and administration costs of the Innovations into Employment Training programme.	30,000	2
<u>Rais Academy, Rochdale, Lancashire</u> To fund the 'My Voice, My Choice' project.	30,000	3
<u>Red Dog Productions, Stroud, Gloucestershire</u> Towards the Confidence and Creativity through the Arts project.	45,000	3
	Sub total	<u>257,500</u>
TOTAL FOR THE ARTS <u>£368,700</u>		

BREAKING CYCLES OF ABUSE

Child Protection

<u>Safety Net, Brighton, Sussex</u> Towards the costs of a training programme to promote and develop child protection practice in local community and voluntary groups.	43,000	2
	Sub total	<u>43,000</u>

Domestic Abuse

<u>BSCA (Bolton Solidarity Community Association), Lancashire</u> Towards the salary of the Domestic Violence Project Manager.	49,000	2
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<u>Conference on Domestic Abuse, National</u>		
For small grants to BAMER groups to help with costs of attending the Reclaiming the Domestic Violence Agenda Conference (Nov 2010) and to promote networking between the BAMER groups.	10,000	1
<u>Coventry Haven, Warwickshire</u>		
Towards the employment costs for three years of a part time outreach worker to focus on working with women from BME communities.	38,000	3
<u>Impact Family Services, Sunderland</u>		
Towards employment costs of part time group facilitators for male perpetrator programmes.	45,000	3
<u>Karma Nirvana, Leeds, Yorkshire</u>		
Towards the running costs and salaries.	45,000	2
<u>RESPECT, London</u>		
To support the post of Research Manager.	40,000	2
<u>Rochdale Women's Welfare, Lancashire</u>		
To support the salary of the part time Domestic Violence Worker.	45,000	3
<u>Safe Support, Middlesbrough</u>		
Towards salary costs of part time Case Worker for domestic violence perpetrator.	45,000	2
<u>Shanthona Women's Group, Luton, Bedfordshire</u>		
Towards the employment costs of two part time posts - project co-ordinator and admin worker, and some running costs.	45,000	3
<u>Somali Welfare Trust, Ilford, Essex</u>		
Towards the employment costs of a part time Domestic Violence Worker.	40,000	2
	Sub total	
	<u>402,000</u>	

Rape and Sexual Violence

<u>East Kent Rapeline Canterbury, Kent</u>		
Towards the employment costs of the Volunteer Co-ordinator post and Project Co-ordinator post.	57,000	2
<u>Family Matters, Gravesend, Kent</u>		
Towards the salary costs of the Project Manager.	45,000	3
<u>First Step, Leicester</u>		
Towards employment costs of the Project Co-ordinator.	45,000	2

<u>Genesis, Leeds</u>		
Towards the Director's salary for two years.	45,000	2
<u>Quetzal Project, Leicester</u>		
Towards the employment costs of the co-ordinator and of a part time administrator post.	30,000	2
<u>Moira Anderson Foundation, Airdrie, North Lanarkshire</u>		
Towards core costs.	45,000	3
<u>Suffolk Rape Crisis, Ipswich, Suffolk</u>		
Towards the salary costs of a full time Development Worker post to establish this new service.	45,000	2
<u>Supporting Survivors of Abuse, Birkenhead, Merseyside</u>		
Towards running costs and an additional grant to employ a consultant to help formulate a business plan.	32,000 3,000	2
<u>Survivors (Hull & East Riding), Yorkshire</u>		
To support the salary costs of the part-time Project Manager post and a proportion of volunteer costs and overheads.	60,000	2
<u>Walsall Street Teams, Walsall, West Midlands</u>		
Towards the salary costs of a Project Worker working with young people at risk of sexual exploitation.	45,000	3
	Sub total	
	452,000	
Young People		
<u>Furnival Burngreave Community, Sheffield, Yorkshire</u>		
Towards employment costs of the Art Therapist working within the Cellar Space project with marginalised young people who have experienced living with domestic abuse.	42,500	3
<u>Hertfordshire Practical Parenting Programme, Cheshunt, Hertfordshire</u>		
Towards employment costs of a part-time Family Support worker to develop work with families experiencing domestic violence perpetrated by young people against their parents/ carers or other families	30,000	2
<u>One Voice 4 Travellers, Wisbech, Cambridgeshire</u>		
To cover additional employment costs of an outreach project addressing domestic abuse issues with young people in the traveller communities.	42,200	2
<u>SARAC Sexual & Domestic Abuse & Rape Advice Centre, Burton upon Trent, Staffordshire</u>		
To support the employment costs of the young persons' worker.	45,000	2

<u>Sound Architect (Music & Film), Hadlow Down, Sussex</u> To complete of the 'Hitting Home' project through year two.	20,000	1
<u>SexYOUality, Cambridge</u> Towards core costs.	30,000	3
<u>Sudden Productions Birmingham</u> Towards costs of the Fresh Start arts project to raise awareness of teen dating abuse.	13,000	1
<u>Until the Violence Stops trading as Tender, London</u> Towards the costs of a programme using drama to address issues of domestic violence with young people in the Reading area.	10,000	1
Sub total	232,700	

TOTAL FOR BREAKING THE CYCLES OF ABUSE £1,129,700

CUSTODY AND COMMUNITY

Immigration Detention

<u>Asylum Welcome, Oxford</u> To fund the salary costs associated with the post of Detention Co-ordinator.	30,000	3
<u>BID – Bail for Immigration Detainees, London</u> To cover the core costs for providing a legal advice service for those held in Immigration Detention in the UK.	30,000	3
<u>Detention Advice London</u> Towards core costs.	45,000	3
<u>Hull Asylum Seeker Support, Yorkshire</u> To part fund the Centre Manager post & contribute to core costs.	39,000	2
<u>Kent Refugee Help, Whitstable, Kent</u> Core cost funding.	45,000	3
Sub total	189,000	

Short Term/Remand Prisoners

<u>Feltham Community Chaplaincy, London</u> Towards core costs.	45,000	3
<u>HTV Circles (Hampshire and Thames Valley Circles of Support and Accountability), Didcot, Oxfordshire</u> To underwrite proportion of the accrued redundancy liability of all HTV Circles staff whilst the organisation works to build their reserves and sustainability.	43,000	1

<u>Just for Kids Law, London</u>		
Towards the running costs of the Education and Community Care programme.	51,000	3
<u>Launchpad, Reading, Berkshire</u>		
Core cost funding for work providing training and employment opportunities to offenders and ex-offenders.	45,000	3
<u>Out There, Manchester</u>		
To fund the salary costs associated with the manager post.	33,750	2
<u>Prisoners' Advice Service, London</u>		
Towards the salary of the Race Discrimination Case Worker post.	30,000	2
<u>St Mary le Bow Young Homeless Project, London</u>		
To part fund the support worker salary costs.	15,000	3
<u>Signpost and Rite Direkshon (SRD), Bristol</u>		
Towards salary of Criminal Justice Project Director.	20,000	2
<u>Wheelbase Motor Project, Nottingham</u>		
Towards the salary costs associated with the Basement Bikes project.	35,000	2
<u>Youth Empowerment Crime Diversion Scheme, Ashford, Kent</u>		
To fund core costs associated with running interventions for young offenders and young people at risk of offending.	30,000	2
<u>Youth Federation, Ellesmere Port, Cheshire</u>		
To fund a dedicated youth worker for the Engage project.	30,000	2
<u>Zahid Mubarek, London</u>		
Initial sum to employ an external consultant to draw up a Development Plan.	5,000	
To enable the Trust to develop its work in HMP YOI Feltham and its aim to establish a procedure for monitoring hate crime In Young Offender Institutions.	40,000	2
Further sum to be paid when the Independent Scrutiny Panel at HMP YOI Feltham has been formed and proved to be operational.	10,000	
Sub total	<u>432,750</u>	

Women Offenders

<u>Changing Paths, Rochester, Kent</u> Core cost funding for work providing training and employment opportunities to offenders and ex-offenders.	45,000	3
<u>Female Prisoners Welfare – Hibiscus, London</u> Towards the salary of the Volunteer Co-ordinator post.	30,000	3
<u>Here4Women, Hereford</u> Towards the core costs of running a women's centre in Hereford.	30,000	2
<u>Light Box, Bristol</u> To develop and implement a mental health programme working with at risk and young people in prison.	30,000	3
<u>Llamau, Cardiff</u> To fund salary costs associated with Centre Referral Administrator.	45,000	3
<u>NEPACS, Durham</u> Towards the cost of a Family Support Worker at HMP Low Newton women's prison.	45,000	3
<u>P.A.T.H. (Plymouth Access to Housing) Limited, Devon</u> To fund core costs associated with providing a Housing Support Worker to work with women offenders and women at risk of offending.	30,000	2
<u>Rahab Project (Mustard Seed Foundation), Reading, Berkshire</u> Towards core costs.	45,000	3
<u>RECOOP, Bournemouth, Dorset</u> To cover salary costs for posts based at Eastwood Park prison.	30,000	2
<u>Toynbee Hall, London</u> To fund core costs of Safe Exit project.	30,000	2
<u>Women's Support Network, Belfast, Northern Ireland</u> To ensure continuation of the collaborative project, the Women's Community Support Project.	60,000	3
Sub total	420,000	

TOTAL FOR CUSTODY & COMMUNITY £1,041,750

FREE AND QUIET MINDS

Black and Minority Ethnic Groups (BME)

<u>African Community Centre, Swansea, Wales</u> To help with the cost of employing freelance community artists for the digital storytelling project with refugees and asylum seekers.	20,000	2
<u>Centre for Advocacy, Research and Empowerment, Leeds</u> Towards core costs.	10,000	1
<u>DIPex, Oxford</u> Towards the updating of the two websites for BME mental health experience.	45,000	1
www.healthtalkonline.org www.youthtalkonline.org An additional grant made available to cover the cost of the tendering process for the proposed work.	5,000	
<u>Friends, Families and Travellers, Brighton</u> To continue the salary of the mental health and wellbeing worker over three years.	51,000	3
<u>ICAP, London</u> To help with the expansion of the Vulnerable Irish Men project in Birmingham.	30,000	3
<u>Lateef Social Enterprise, Birmingham</u> Towards core costs.	15,000	1
<u>Musicians without Borders, Salford, Manchester</u> Towards the cost of producing a song cycle created by asylum seekers and refugees with mental ill health, with an additional sum of £1,600 was awarded to pay for a Board Development Programme.	31,600	3
<u>Roshni , Sheffield, Yorkshire</u> Towards the salary of a part time Bengali speaking advocacy and empowerment worker.	30,000	3
<u>The Roby, Manchester</u> Help with the director's salary with on costs.	60,000	3
<u>Sikh Community & Youth Service, Birmingham</u> To employ a project worker to implement an NVQ Levels 1 and 2 in mental health problems.	30,000	1
<u>Small Woods, Coalbrookdale, Telford, Shropshire</u> Towards the cost of engaging people from the BME communities in the Telford.	30,000	2

<u>Walsall Black Sisters Collective, West Midlands</u>		
To match the PCT's funding of the various costs of the mental health and wellbeing programme.	36,000	3
	Sub total	393,600
Destitute Asylum Seekers		
<u>Asylum Link Merseyside, Liverpool</u>		
Towards the salary of the Destitution Manager.	30,000	3
<u>Baobab Centre for Young Survivors, London</u>		
To help with the salary and costs of a Senior Caseworker.	45,000	3
<u>Devon Law Centre, Plymouth</u>		
Towards cost of doubling the Asylum Appellate project to demonstrate the validity of the findings so far. <i>PLEASE NOTE THIS GRANT WAS LATER CANCELLED.</i>	30,000	2
<u>East Area Asylum Seekers', Newcastle Upon Tyne</u>		
Towards the Hardship Fund.	30,000	3
<u>Justice First, Stockton on Tees</u>		
Towards the core costs of the organisation.	30,000	3
<u>Refugee Radio Brighton, Sussex</u>		
To continue with the Desert Island Discs project and its various spin offs.	30,000	3
<u>Student Action for Refugees, STAR, London</u>		
Towards the salary costs of the CEO and the Student Network Co-ordinator.	30,000	3
<u>West End Refugee Service, Newcastle upon Tyne</u>		
Towards the hardship fund.	30,000	3
	Sub total	255,000
Secure Psychiatric Care		
<u>Bright, London</u>		
Help with the core costs over three years (2012-2014).	75,000	3
<u>Caerphilly Borough MIND, Wales</u>		
Core costs of the organisation for six months.	24,000	1
Special Project		
<u>Centre for Mental Health, London</u>		
To help with the cost of implementing the All Stages Diversion Model.	70,000	2
	Sub total	169,000
TOTAL FOR FREE & QUIET MINDS <u>£817,600</u>		

LOCAL PEOPLE/LOCAL PLACES

Community Anchors

<u>Amble Development Trust, Northumberland</u> To maintain post of Director.	45,000	3
<u>Annexe Community Development Trust, Glasgow, Scotland</u> To maintain the post of Manager.	50,000	3
<u>British Association of Settlement & Social Action Centres (BASSAC)</u> Towards the costs associated with the merger of the BASSAC and the Development Trust Association and launching a new national association - Locality.	50,000	1
<u>Birmingham Settlement</u> Towards the cost of new post of Head of Community Development and Advice Team.	45,000	2
<u>Big Life Centres – The Cheetwood Centre, Cheetham Hill, Manchester</u> To maintain post of Centre Coordinator at the Cheetwood Centre as part of overall running costs of the centre.	33,000	3
<u>Broomhouse Centre, Edinburgh, Scotland</u> To maintain the post of Centre Manager.	50,000	3
<u>CADISPA, Paisley, Scotland</u> Towards cost of maintaining the post of Chief Executive and Administrator for newly independent organisation as part of overall core cost.	60,000	3
<u>Canopy Housing, Leeds</u> Towards maintaining the Coordinators post (plus contribution to central core costs).	45,000	3
<u>Community Integration Partnership, Birmingham</u> Towards cost of the post of Operations Manager in addition the Trustees agreed additional consultancy support to strengthen the governance and assist with the preparation of a new business plan. <i>PLEASE NOTE THIS GRANT WAS LATER CANCELLED. THE FIRST INSTALMENT OF £18,000 WAS PAID.</i>	39,000	3
<u>Development Trusts Association (DTA), London</u> Towards cost of launching new publication 'Big Society Challenge'.	4,000	1
<u>Eassie Nevay and Kirkinch Community Association, Scotland</u> Towards the cost of fitting out a new community hub.	10,000	1

<u>Findhorn Village Centre, Findhorn, Scotland</u> To help with improvements of the youth hostel and resource centre .	30,000	1
<u>Four Estates Ltd, Runcorn, Cheshire</u> To maintain the post of Community Development Manager.	45,000	3
<u>Gorebridge Community Development Trust, Scotland</u> To maintain the post of Development Worker.	50,000	3
<u>Headingley Development Trust, Leeds</u> To employ a Centre Manager.	45,000	3
<u>High Street Centre, Rawmarsh, Rotherham</u> To maintain post of Centre Development Manager.	45,000	3
<u>Keighley and Ilkley Voluntary & Community Action</u> To cost of redeveloping and equipping Central Hall as a community hub.	25,000	1
<u>Lawrence Weston Community Farm, Bristol</u> To maintain the post of Community Involvement Worker. An additional grant to be made available to cover a strategic consultancy contract with IVAR.	45,000 3,000	3
<u>Manchester Settlement</u> Towards the cost of maintaining the post of General Manager.	50,000	3
<u>Pelton Fell Community Partnership, Co Durham</u> To employ a part-time development worker.	35,000	2
<u>Pembroke 21C Community Association, Wales</u> Towards the cost of maintaining the post of Development Manager.	40,500	3
<u>Riverside Community Health Project, Newcastle</u> Towards the cost of employing the Carnegie Building Development Worker.	45,000	3
<u>Rosmini Centre, Wisbech, Cambridgeshire</u> To maintain the post of Centre Development Manager.	45,000	3
<u>WATCH (Working Actively to Change Hillfields), Coventry</u> Towards the cost of the Employment and Development Manager.	40,000	2
Sub total	974,500	

Social Enterprise

Calderdale CAB, Halifax

To employ a project manager to oversee an outreach project. 48,000 3

Framework Housing Association, Nottingham

To employ a Business Development Manager for Bitesize Catering Enterprise. 25,000 2

Pilotlight, London

Towards employing a Project Manager for Wales. 45,000 3

Rumbles Catering Project, Clipstone, Mansfield, Nottinghamshire

Towards the cost of maintaining the post of manager. 45,000 3

Sub total 163,000

Churches Conservation Trust

St Mary at the Quay, Ipswich, Suffolk

Towards the cost of community consultation events and activities. 5,000 1

All Saints Langport, Somerset

Towards the cost of undertaking a community consultation exercise involving young people in creating a new use of the church and the preparation of an appropriate business plan. 5,000 1

St Nicholas the Virgin, Gloucester

Towards the cost of undertaking a community consultation exercise to assess support for new use of the church involving the charity Art Shape and the preparation of a business plan. 5,000 1

St Mary the Virgin, Brighton

Towards cost of community consultation and business planning support. 5,000 1

Sub total 20,000

TOTAL FOR LOCAL PEOPLE/LOCAL PLACES £1,157,500

TOTAL GRANTS AGREED £4,703,750

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LANKELLYCHASE FOUNDATION

We have audited the financial statements of The LankellyChase Foundation for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 11 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE LANKELLYCHASE FOUNDATION - continued**

Matters on which we are required to report by exception

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

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

A handwritten signature in black ink that reads "Kingston Smith LLP". The signature is written in a cursive style and is positioned above a short horizontal line.

Nicholas Brooks (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, Statutory Auditor

21st July 2011

Devonshire House
60 Goswell Road
London
EC1M 7AD

**THE LANKELLYCHASE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR YEAR ENDED 31st MARCH 2011**

	Notes	Endowment Fund £	Restricted Fund £	Unrestricted Fund £	Total 2011 £	Total 2010 £
Incoming resources						
<i>Incoming resources from generated funds</i>						
Investment income	2	-	-	3,977,072	3,977,072	4,019,659
Donation: Northwood Trust		-	-	25,044	25,044	266,220
Corston		-	7,063	-	7,063	1,750,000
WDF 2		-	350,000	-	350,000	-
Other Income		-	-	5,000	5,000	11,000
Loan Interest		826	-	-	826	753
Profit on sale of tangible asset		-	-	-	-	6,776
Total incoming resources		826	357,063	4,007,116	4,365,005	6,054,408
Resources expended						
<i>Cost of generating funds</i>						
Investment management costs	3	212,475	-	-	212,475	187,339
Social Investment Fees	12	15,952	-	-	15,952	-
<i>Charitable activities</i>						
Grant making:						
Grant expenditure	4	-	1,215,750	4,538,530	5,754,280	5,185,860
Grant making costs	5	-	36,768	601,036	637,804	592,605
Cost of grant making		-	1,252,518	5,139,566	6,392,084	5,778,465
Governance costs	6	-	-	50,020	50,020	56,857
Total resources expended		228,427	1,252,518	5,189,586	6,670,531	6,022,661
Net (outgoing)/incoming resources for the year		(227,601)	(895,455)	(1,182,470)	(2,305,526)	31,747
Other recognised gains and losses						
Unrealised gains on investments		6,799,989	-	-	6,799,989	29,311,839
Net movement in funds		6,572,388	(895,455)	(1,182,470)	4,494,463	29,343,586
Balances brought forward at 1st April 2010		115,885,358	1,289,233	2,391,787	119,566,378	90,222,792
Balances carried forward at 31st March 2011		122,457,746	393,778 (note 16)	1,209,317	124,060,841	119,566,378

All gains and losses in the year are included in the Statement of Financial Activities and arise from continuing activities.

**THE LANKELLYCHASE FOUNDATION
INCOME AND EXPENDITURE ACCOUNT
FOR YEAR ENDED 31st MARCH 2011**

	2011	2010
	£	£
Income		
Investment income	3,977,072	4,019,659
WDF2 Income	350,000	1,750,000
Corston	7,063	-
Donation	25,044	266,220
Profit on sale of tangible asset	-	6,776
Other Income	5,000	11,000
Total Income	4,364,179	6,053,655
 Expenditure		
Charitable activities	6,392,084	5,778,465
Governance	50,020	56,857
 Total Expenditure	6,442,104	5,835,322
 Net (expenditure)/ Income for the year	 <u>(2,077,925)</u>	 <u>218,333</u>

Statement of Total Recognised Gains and Losses

	2011	2010
	£	£
Net Income for the year	(2,077,925)	218,333
 Unrealised gains/(losses) on Investments	 <u>-</u>	 <u>-</u>
 Total (losses)/gains for the year	 <u>(2,077,925)</u>	 <u>218,333</u>

**THE LANKELLYCHASE FOUNDATION
BALANCE SHEET
FOR YEAR ENDED 31st MARCH 2011**

	Note	2011 £	2011 £	2010 £	2010 £
Fixed assets:					
Tangible assets	10		740,942		759,241
<u>Investments</u>					
Unrestricted General Funds	11,17		5,241,413		6,086,216
Expendable Endowment	11,17		119,347,275		113,931,748
Social Investments	12		<u>1,176,012</u>		<u>-</u>
			126,505,642		120,777,205
Current assets:					
Debtors	13	75,580		202,856	
Bank and Cash balances	17		<u>3,458,446</u>		<u>5,170,443</u>
		3,534,026		5,373,299	
Creditors: amounts falling due within one year					
	14		<u>(4,159,827)</u>		<u>(5,382,126)</u>
Net Current (Liabilities)			<u>(625,801)</u>		<u>(8,827)</u>
Total assets less current liabilities			125,879,841		120,768,378
Creditors: Amounts falling due after more than one year					
Grants payable			<u>(1,819,000)</u>		<u>(1,202,000)</u>
Net assets			<u>124,060,841</u>		<u>119,566,378</u>
Funds					
Expendable Endowment			122,457,746		115,885,358
Restricted Funds	16		393,778		1,289,233
Unrestricted funds	15		1,209,317		2,391,787
			<u>124,060,841</u>		<u>119,566,378</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 20th July 2011 and are signed on its behalf by:



Mr Nicholas Tatman
Chair of the Trustees

THE LANKELLYCHASE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31st MARCH 2011

1 Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention as amended for the revaluation of investments. The financial statements are prepared in accordance with the Statement of Recommended Practice (SORP) - Accounting and Reporting by Charities (issued in March 2005) applicable accounting standards and the Companies Act 2006.

The Charity has availed itself of the provisions of paragraph 3(3) of schedule 4 of the Companies Act and adapted the Companies Act format to reflect the special nature of the charitable company's activities.

Investment income

Dividends and interest receivable in the period are accounted for when received by the Foundation or its agent.

Other income

Other income is accounted for when the amount receivable can be identified with reasonable certainty. In practical terms this is frequently the time of receipt.

Resources Expended

Resources expended are included in the Statement of Financial Activities (SOFA) on the accruals basis.

Costs of generating funds are the fees due in respect of investment managers' services.

Charitable activities are those costs relating to the grant making activities of the charity and include the grants and apportioned support costs.

Support costs are those related to all the activities of the organisation and are apportioned on the basis set out in note 7.

Governance costs are the costs associated with the strategic direction of the organisation and with meeting regulatory responsibilities.

Grants

Grants which have been approved during the year are recognised in the SOFA with a full list in the "Grant Decisions" section of the Annual Report. These grants fall due for payment when all conditions have been met. These conditions will vary according to the purpose and period of the grant.

Investments

To comply with the SORP Accounting for Charity regulations, the investments are recorded at their market value in these accounts. It is the Foundation's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising. As a result the SOFA only includes those unrealised gains and losses arising from the investment portfolio throughout the year.

THE LANKELLYCHASE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR YEAR ENDED 31st MARCH 2011

1 Accounting Policies (continued)

Depreciation

Individual fixed assets of £500 or more are capitalised in the accounts at cost.

Tangible fixed assets are depreciated at rates calculated to write off the cost of each asset over its anticipated useful life on a straight line basis. The following rates are applied:

Motor vehicles	25% per annum
Office furniture and equipment	25% per annum

No depreciation is included on the building as its residual value approximates to the cost at which it is included in accounts.

Pension

Contributions by the Foundation to the personal, money purchase, pension schemes held in the names of the individual employees are recognised in the year in which they are payable.

Funds

The **expendable endowment fund** represents the capital of the Foundation. Income arising from investments which form the assets of the fund are treated as unrestricted funds.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors.

Unrestricted funds are those funds available for use at the discretion of the trustees in furtherance of the general objectives of the Foundation. **Designated funds** are unrestricted funds which have been set aside by the trustees for particular purposes.

Charity status

The charity is a company limited by guarantee. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2 Investment Income

	2011	2010
	£	£
<u>Listed Investments</u>		
UK Equities	2,153,347	2,465,768
UK Fixed Interest/Bonds	913,300	920,577
Overseas Equities	304,600	248,837
Property	340,220	293,071
Euro Property	-	5,762
Cash Instruments	30,521	37,457
Foreign Exchange Differences	-	3,673
<u>Bank Interest</u>	<u>235,084</u>	<u>44,514</u>
	<u><u>3,977,072</u></u>	<u><u>4,019,659</u></u>

THE LANKELLYCHASE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR YEAR ENDED 31st MARCH 2011

3 Investment Managers' Fees

The figure disclosed in the accounts does not include fees of £108,045 (2010:£78,547) which are additionally charged by the Fund Managers in respect of Collective Investment Schemes. These charges are reimbursed by the Fund Managers when calculating their fee. Gross Management fees amount to £212,475 (2010: £265,886)

4 Grants Payable

Grants are made under the following programme headings.
 Fuller details of grants are provided in the grants schedule

	2011	2010
	£	£
Annual Grants	188,500	201,000
Arts Programme	368,700	637,900
Breaking the Cycles of Abuse	1,129,700	806,500
Custody & Community	1,041,750	1,331,820
Free and Quiet Programme	817,600	774,300
Local People, Local Places	<u>1,157,500</u>	<u>900,750</u>
Grants authorised during the year	4,703,750	4,652,270
Cancelled grants	(164,825)	(160,500)
Returned grants	(395)	(13,750)
	<u>4,538,530</u>	<u>4,478,020</u>
	2011	2010
	£	£
Women's Diversionary Fund Grants		
Advance	-	92,000
Anawim	50,000	-
Asha Women's Centre	30,000	-
Brighton Women's Centre	29,500	-
Clean Break	100,000	-
Escape Family Support	26,500	-
Hafan Cymru	-	100,000
Hibiscus	58,500	-
Homeless Link	59,850	-
Consultancy Fees	3,900	-
New Economics Foundation	55,000	-
Nottingham Women's Centre	-	114,918
Novas Scarman	-	81,843
One25	-	84,096
Ormiston	100,000	-
Relationships Centre	-	100,000
Tees Valley Women's Centre	113,500	-
Together Women Project	100,000	-
Together: Working	106,000	-
Toynbee Hall	100,000	-
Trust Women's Project	59,000	-
Turning Point Women	30,000	-
Women@theWell	44,000	-
WomenCentre Ltd	-	45,000
WomenCentre Ltd	20,000	-
WomenCentre Ltd	75,000	-
Women's Work	55,000	-
YWCA	<u>-</u>	<u>89,983</u>
	<u>1,215,750</u>	<u>707,840</u>
Total Grants Payable	<u>5,754,280</u>	<u>5,185,860</u>

THE LANKELLYCHASE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR YEAR ENDED 31st MARCH 2011

5 Grant making Costs

	2011	2010
	£	£
Direct costs comprise:		
Grant Evaluation		8,000
Consultancy	-	1,750
Databases	9,121	8,549
Website	-	6,296
	<u>9,121</u>	<u>24,595</u>
Support costs (note 7)	<u>591,915</u>	<u>565,083</u>
	<u><u>601,036</u></u>	<u><u>589,678</u></u>
Restricted Costs	<u>36,768</u>	<u>2,927</u>
Administration Costs	<u><u>637,804</u></u>	<u><u>592,605</u></u>

6 Governance Costs

	2011	2010
	£	£
Legal expenses	1,180	305
Audit fees		
Current year provision	13,200	13,500
Prior year under provision and VAT	(145)	18
Membership UNPRI	500	500
Support costs (note 7)	<u>35,285</u>	<u>42,534</u>
	<u><u>50,020</u></u>	<u><u>56,857</u></u>

7 Support Costs

The key elements of support costs are set out below. Costs are allocated on the basis of the proportion of staff time spent in each area.

	Grant Support	Governance	2011	2010
	£	£	Total	Total
			£	£
Employee costs (note 8)	524,127	16,210	540,337	517,752
Pension Advice	931	29	960	920
Office expenses	24,778	766	25,544	20,382
Motoring expenses	6,419	199	6,618	7,871
Premises	11,336	351	11,687	7,887
Training/conferences	4,087	126	4,213	7,339
Bank Charges	858	26	884	564
Visiting/travelling	18,098	560	18,658	23,223
Depreciation	1,281	17,018	18,299	21,679
	<u>591,915</u>	<u>35,285</u>	<u>627,200</u>	<u>607,616</u>
Total 2010	<u><u>565,083</u></u>	<u><u>42,534</u></u>	<u><u>607,617</u></u>	

THE LANKELLYCHASE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR YEAR ENDED 31st MARCH 2011

8 Employees Costs

	2011	2010
	£	£
Included in support and governance costs are:		
Gross salaries	407,497	392,423
Social security costs	46,507	45,296
SMP Reclaimed	(7,987)	-
Pension costs - staff	66,838	57,626
Pension paid to a former employee	17,750	16,906
Recruitment Costs	9,732	5,501
	<u>540,337</u>	<u>517,752</u>

One employee's remuneration fell in the band £70,000 -£80,000. The pension contributions to a money purchase scheme for this individual were £19,174.

The average monthly number of staff employed during the year was 9 (9 in 2010).

9 Transactions with Trustees

Reimbursement of travelling expenses, incurred for attending meetings and seminars during the year, totalling £3,553.80 (2010:£4,629) was made to 10 Trustees (2010:13). No Trustee received any remuneration.

10 Tangible Assets

	Freehold Property £	Motor Vehicles £	Furniture & Equipment £	Total £
Cost				
Amounts brought forward	707,771	63,941	20,900	792,612
Additions	-	-	-	-
Disposals	-	-	-	-
	<u>707,771</u>	<u>63,941</u>	<u>20,900</u>	<u>792,612</u>
Depreciation				
Amounts brought forward	-	16,625	16,746	33,371
Charge for the year	-	15,985	2,314	18,299
Elimination on disposal	-	-	-	-
	<u>-</u>	<u>32,610</u>	<u>19,060</u>	<u>51,670</u>
Net book value at 31st March 2011	<u>707,771</u>	<u>31,331</u>	<u>1,840</u>	<u>740,942</u>
Net book value at 31st March 2010	<u>707,771</u>	<u>47,316</u>	<u>4,154</u>	<u>759,241</u>

THE LANKELLYCHASE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR YEAR ENDED 31st MARCH 2011

11 Investments

	Endowment (Capital)	Unrestricted (Income)	Total
	£	£	£
The investments held at 31st March 2011 comprised:			
Listed Investments			
UK Fixed Interest/Bonds	17,327,490	-	17,327,490
UK Equities	80,030,743	-	80,030,743
Global Equities	7,994,262	-	7,994,262
Property Funds	9,850,744	-	9,850,744
Other Assets	583,946	-	583,946
Total Listed Investments	115,787,185	-	115,787,185
Cash instruments/deposits	2,703,490	5,241,413	7,944,903
Total investments	118,490,675	5,241,413	123,732,088
Cash held as part of the investment portfolio	856,600		856,600
Total Investment Portfolio as at 31st March 2011	119,347,275	5,241,413	124,588,688
Total Cost Value	107,049,176	5,241,413	112,290,589

	Endowment	Unrestricted	Total
	£	£	£
Reconciliation of movements in non cash investments			
Amounts brought forward	112,734,069	6,086,216	118,820,285
Sales proceeds	(28,185,914)	(2,400,000)	(30,585,914)
Purchases	27,142,531	1,555,197	28,697,728
Revaluation at 31st March 2011	6,799,989	-	6,799,989
	118,490,675	5,241,413	123,732,088

The SORP requires that investments are revalued to their open market value at 31st March 2011. This value is the mid price as quoted on a recognised stock market. Unlisted investments are valued by the Trustees. The resulting revaluation gain is taken to the Statement of Financial Activities as an unrealised gain.

Holdings representing more than 5% of the portfolio valuation:

	Holding	Market value
Cazenove Inv FD MT Growth Trust for Charities	9,400,000 units	12,214,830
Charinco	3,911,487 units	7,103,260
Sarasin Sterling Bond CLS 'A'	6,702,454 units	6,612,642

THE LANKELLYCHASE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR YEAR ENDED 31st MARCH 2011

12 Social Investment Fund

The Social Investments held
as at 31st March 2011

	Brought fwd	Return of Capital	Purchased in year	Total
	£	£	£	£
Tregonwell Almshouses^	27,856	(7,937)	-	19,919
East Lancashire Moneyline (ELM) Blackburn	-	-	200,000	200,000
Peterborough Social Impact Bond	-	-	90,011	90,011
Big Issue Invest*	-	-	240,385	240,385
Charity Bank preference Shares^	200,000	-	-	200,000
Cash held for social investment^	425,697	-	-	425,697
Total Social Investment Portfolio as at 31st March 2011	<u>653,553</u>	<u>(7,937)</u>	<u>530,396</u>	<u>1,176,012</u>

* A one off fee of £9,615 was attached to this investment.

^ These funds were included in debtors (see note 13) and in investment cash last year.

N.B. Legal Fees of £6,337 have been incurred during the year in connection with advise pertaining to Social Investments and these together with the above fees are shown on the SOFA.

13 Debtors

	2,011	2,010
	£	£
Social Investment Loan <i>see note 12</i>	-	27,856
Grants receivable	-	175,000
Accrued Interest	75,580	-
	<u>75,580</u>	<u>202,856</u>

14 Creditors: amounts falling due within one year

	2,011	2,010
	£	£
Grants payable within one year	3,702,466	4,580,902
WDF Grants	382,707	707,840
Taxation and social security	-	13,384
Accruals	74,505	69,500
Miscellaneous Creditors	149	10,500
	<u>4,159,827</u>	<u>5,382,126</u>

15 Unrestricted funds

	General Fund	Total
	£	£
Amounts brought forward	2,391,787	2,391,787
Net (outgoing) resources	(1,182,470)	(1,182,470)
Carried forward	<u>1,209,317</u>	<u>1,209,317</u>

THE LANKELLYCHASE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR YEAR ENDED 31st MARCH 2011

**16 Restricted Fund - Women's
Diversionsary Fund**

1. This Fund is a partnership between the Ministry of Justice (MOJ) and the Corston Independent Funders' Coalition. The Coalition is an alliance of 24 charitable trusts and foundations seeking to press for full implementation of the Corston Report recommendations and transform how disadvantaged women are treated by the criminal justice system. The Ministry of Justice agreed to contribute £1,000,000 on condition the Coalition matched this with a further £1,000,000. A breakdown of this Restricted Fund is shown below.

	£
Balance b/wd	1,289,233
Income - Match	7,063
Funding	
Expenditure - WDF	
Grants	(1,215,750)
Administration Costs:	<u>(36,768)</u>
Balance	<u><u>43,778</u></u>

2. This Fund has been set up by the Corston Independent Funders' Coalition to provide, along side the MOJ and National Offender Management Service, time-limited funding to enable the continuation of a critical mass of women offenders' community provision in 2011-12 and 2012-

	£
Income	350,000
Expenditure - Grants	<u>-</u>
Balance	<u><u>350,000</u></u>
Total	<u><u>393,778</u></u>

17 Analysis of net assets between funds

	Expendable Endowment	Expendable Endowment - Social Investment Fund	Unrestricted Funds			Total
			General Fund	Restricted Women's Diversionsary Fund 1	Restricted Women's Diversionsary Fund 2	
	£	£	£	£	£	£
Tangible fixed assets	740,942	-	-	-	-	740,942
Fixed assets investments	119,347,275	1,176,012	5,241,413	-	-	125,764,700
Debtors	-		75,580	-	-	75,580
Bank and Cash balances:	1,193,517		1,488,444	426,485	350,000	3,458,446
Creditors: amounts falling due within one year	-	-	(3,777,120)	(382,707)	-	(4,159,827)
Creditors: amounts falling due after more than one year	-	-	(1,819,000)	-	-	(1,819,000)
	<u>121,281,734</u>	<u>1,176,012</u>	<u>1,209,317</u>	<u>43,778</u>	<u>350,000</u>	<u>124,060,841</u>