



# The LankellyChase Foundation

Annual report and financial statements for the year  
ended 31 March 2021

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## Statutory information

The LankellyChase Foundation ('the Foundation') is a charitable company limited by guarantee and is incorporated in the United Kingdom (no. 5309739). The registered office address is Greenworks, Dog & Duck Yard, Princeton Street, London WC1R 4BH.

## Legal and administrative information

The Foundation 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'.

The following details are for the year ended 31 March 2021 and also include changes up to the date on which the accounts were signed.

Trustees	Myron Rogers (I)	Chair
	Morag Burnett (I,R)	Vice Chair – retiring 27 <sup>th</sup> October 2021
	Asif Afridi	
	Hilary Berg (L)	Retiring 27 <sup>th</sup> October 2021
	Amanda Hailes	
	Jake Hayman (I)	Retired 28 <sup>th</sup> October 2020
	James Keenan	
	Marai Larasi	
	Jane Millar (L)	Retired 28 <sup>th</sup> October 2020
	Darren Murinas (L)	
	Baljeet Sandhu	
	Simon Tucker (I,L,R)	Retiring 27 <sup>th</sup> October 2021
	Robin Tuddenham (L,R)	
Co-optees	Andrea Marmolejo (I)	
	Jeremy Rogers (I)	

(I) indicates members of the Investment Committee

(L) indicates member of the Learning and Communications Committee

(R) indicates member of the Resources and Risk Committee

Any individual Trustee has the right to attend any Learning and Communications Committee meeting.

## The LankellyChase Foundation

Staff team	Julian Corner*	Chief Executive
	Yasmin Belgrave	Office and Finance Assistant (resigned 31 <sup>st</sup> March 2021)
	Edel Brady-Jackson	Administrator, Place Action Inquiry (started on 28 <sup>th</sup> September 2020)
	Jessica Cordingly*	Director
	Karen Crompton	Office and HR Manager
	Renee Davis	Communications Officer
	Alice Evans*	Deputy Chief Executive (left on 31 <sup>st</sup> August 2021)
	Oliver French	Programme Manager (on parental leave from 1 <sup>st</sup> March 2021)
	Carrina Gaffney	Communications Manager
	Ania Jeleniewska-Kaczmarczyk	Finance Manager (on parental leave from 7 <sup>th</sup> July 2020 to 5 <sup>th</sup> January 2021)
	Anita Kamya	Finance Officer (started on 12 <sup>th</sup> July 2021)
	Joan Kirungi	Office and Admin Assistant (started on 19 <sup>th</sup> July 2021)
	Robert McLaurin	Interim Finance Director
	Habiba Nabatu	Programme Manager (on parental leave from 3 <sup>rd</sup> August 2020)
	Jenny Oppenheimer	Programme Manager
	Cathy Stancer*	Director
	Elizabeth Walsh	Finance Manager (parental leave cover until from 12 <sup>th</sup> May 2020)
	Mary Ward	Executive Assistant
Key management personnel	Although in such a small staff team every member is considered to be key, for the purposes of the Statement of Recommended Practice (SORP 2015), those team members marked * have been designated as key management personnel.	
Principle office and registered office	Greenworks, Dog and Duck Yard Princeton Street London WC1R 4BH	
Telephone	020 3747 9930	
Website	<a href="http://www.lankellychase.org.uk">www.lankellychase.org.uk</a>	
Company registration number	5309739	
Country of registration	England and Wales	
Country of incorporation	United Kingdom	
Charity registration number	1107583	

## The LankellyChase Foundation

Auditor	Sayer Vincent LLP Invicta House 108-114 Golden Lane London EC1Y 0TL
Bankers	The Royal Bank of Scotland Group 1 <sup>st</sup> Floor, Houblon House 62-63 Threadneedle Street London EC2R 8HP  Lloyds TSB Bank plc Market Place, Didcot Oxfordshire OX11 7LQ
Legal advisors	Bates Wells 10 Queen Street Place London EC4R 1BE
Investment managers	Cazenove Capital Management 12 Moorgate London EC2R 6DA  CCLA Investment Management Senator House, 85 Queen Victoria Street London EC4V 4ET  Ruffer LLP 80 Victoria Street London SW1E 5JL  Sarasin and Partners LLP Juxon House, 100 St Paul's Churchyard London EC4M 8BU

## Report of the Trustees

The Trustees present their report together with the accounts of The LankellyChase Foundation for the year ended 31 March 2021. The legal and administrative information on pages 3-5 forms part of this report.

### Introduction to LankellyChase Foundation

Lankelly Chase is striving for a world healed by justice, equity and inclusion. A world where all people can live with dignity and opportunity in supportive communities. Our mission is to challenge injustice and create the conditions for much healthier systems to emerge. We have a particular focus on those systems that result in the mental distress, violence and destitution experienced by people who are subject to marginalisation in the UK.

We support action that reveals → questions → dismantles → heals → reimagines → transforms systems. We connect, support or fund individuals, organisations and networks that are seeking to disrupt patterns or help new patterns to emerge that contribute to a world healed by justice, equity and inclusion. We believe that 'just outcomes' are more likely to result from 'just processes' such as systems thinking, co-creation, conflict resolution and community empowerment. Crucially, we are pushing ourselves to model the change we want to see, because we are all part of the systems we want to change.

### System Behaviours

Our approach is informed by a number of System Behaviours, which capture the conditions we are trying to achieve:

#### We are part of an interconnected whole

We are all connected in a web of life. Our individual actions are part of a hive of activity made up of the contributions of many people.

#### People share a vision

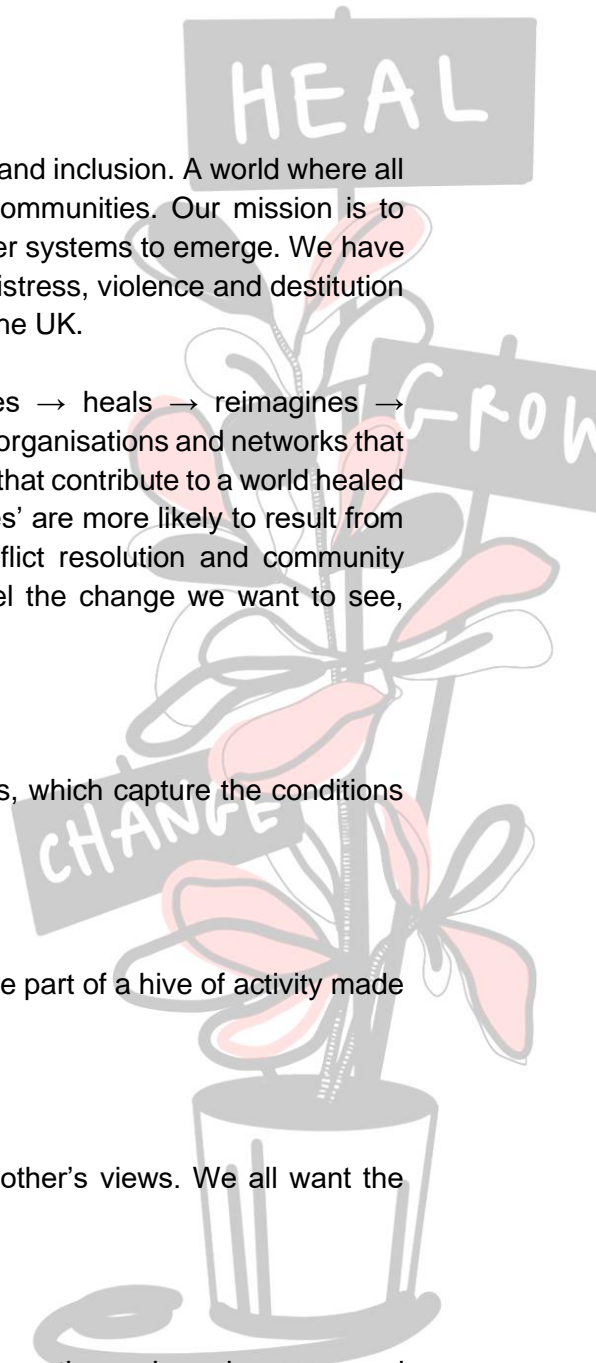
People gather around a shared vision and appreciate each other's views. We all want the whole system to work, even if we know we can't control it.

#### People are resourceful with many strengths

We make up an intelligent network of people who bring strengths and weaknesses, and continually learn and grow with each other.

#### Open, trusting relationships enable effective dialogue

People feel safe to ask the difficult questions, voice agreements and disagreements and deal with the conflicts and uncomfortable emotions that may surface.



### Leadership is collaborative and promoted at every level

There are different styles of leadership which call on a variety of skills and strengths. Everyone has the potential to be a leader wherever they are in a system.

### Feedback and collective learning inform adaptation

How we can understand a 'problem', how we can act to 'change it', and what we learn from this interaction continuously inform each other. A culture of experimentation exists where we embrace failure for what it will teach us.

### Power is shared, and equality of voice actively promoted

We can all play our fullest role in creating an effective system by continually challenging unequal distribution of power, including structural inequality.

### Decision-making is devolved

People closest to a complex situation can use their initiative to engage and take responsibility for the change they want to make.

### Accountability is mutual

People are encouraged to be accountable to each other and act without fear of failure and judgement. Accountability to the people being 'served' drives system improvements.

### About this report

The last year has been incredibly difficult for many. Not all experiences are created equal, and some have had a much harder time than others. Lankelly Chase operates from a very privileged position, and we have tried to put that privilege at the service of those who have been marginalised, minoritised and excluded.

In this report we have tried to cover all of the many changes to our organisation, as well as all of the achievements of our partners. We have begun the process of devolving decision-making to partners in place, we have launched two open funds within our communications and knowledge work, and our budgeting process has evolved. Our approach to change has been updated to reflect significant evolution in the way we are thinking and working, and we have amalgamated much of what we're doing into a structure that supports what is emerging. That is the 'how', the 'who' and the 'where'.

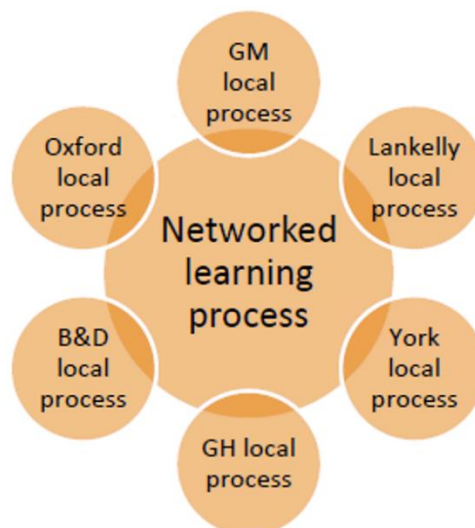
## The Wider System

### The links between the places

The overarching Place Team is the umbrella for local action inquiries in the six places where Lankelly Chase is working alongside Associates and other partners (Barking and Dagenham, Barrow-in-Furness, Gateshead, Greater Manchester, Oxford and York). It includes our membership of LocalMotion (six foundations working together in a place-based way) and our partnership with the Corra Foundation in Scotland.

The cross-cutting work includes communications, infrastructure for learning, and development / support of the network of Associates, partners and wider friends who are connected with our place work. It also includes the strategic development of the whole action inquiry, for example in the move towards devolution of decision-making over Lankelly funds.

The Place Team, made up of all the Lankelly place leads plus representatives from Northumbria University (our learning partner), oversees this work.



We understand the purpose of the work to be that:

<b>If....</b>	Diverse networks of people come together across a local area in ways that embody the System Behaviours, with time, space and resourcing to take experimental action...  ...And they are motivated by a desire to fundamentally change the dysfunctional and unjust 'way things are done' in relation to people subject to marginalisation
<b>Then...</b>	Positive change in the experience of people subject to marginalisation will emerge, but exactly what it will look like cannot be predicted



<b>Because</b> ...	<p>In reality all things are changing all the time. New behaviours, rules, structures and other aspects of 'the way things are done' are continually coming into being.</p> <p>The conditions that are being supported / promoted / embodied through our work (the System Behaviours, and an emphasis on justice, collaboration, power-awareness, good relationships, whole-system focus etc.) make it more likely that what emerges in this context of inevitable continual change is 'good' (i.e. it embodies those conditions).</p>
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### What's been happening?

In September 2020, Northumbria produced a report reflecting on the last two years of the place action inquiry. We published this as a Google Doc, open to comment. We will use it and material produced in the places we are working as the basis for a communications series about the work in 2021. The report highlighted some encouraging evidence of change, particularly in terms of openness to doing things differently:

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*"One of the most visible changes to narratives of place observed in the data took the form of an emerging shift in **paradigm or worldview** of actors within the system."*

*"Linked to the paradigm shifts already described, when reflecting on observed systems change there was overarching theme of '**Doing things differently**'. Participants described systems and decision-making processes that were emerging as more flexible, creative and based on a 'listening approach'."*

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In January 2021 our team retreat focused on place, and six of the Associates joined us. We spent two days together working through a programme that led us to an exercise about what we want to develop and let go of over the next two years. This helpfully crystallised some key areas for us to focus on going forward.

We have continued to publish a fortnightly [blog on our medium site](#) to share our thoughts and reflections as we go, and we are working on an overarching communications strategy for place, including key messages. Plans for future communications work include utilising the Northumbria report as a source document for a series of themed 'comms products' later this year. These will be developed with people from our network and will draw in content from the places in creative ways.

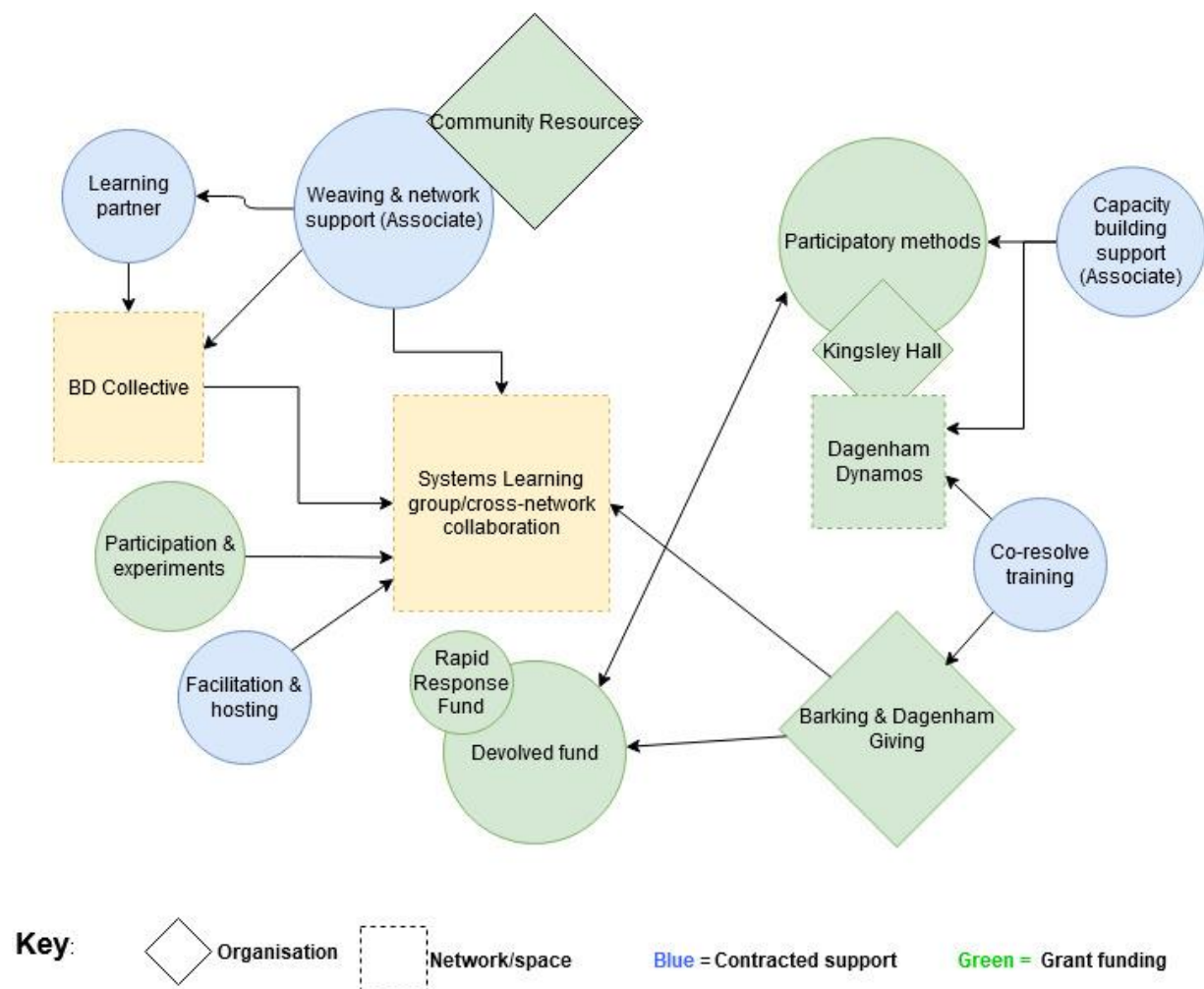
We published a newsletter at the end of 2020 which included content from all the places, and ran three zoom seminars in the last couple of months on topics such as complexity theory and social change, and racism and mental distress.

A significant development over the last year has been **devolved decision-making**. During 2020 we amended Lankelly's decision-making mandates so responsibility for decisions over resources shifted from the Foundation's staff to cross-sector groups of local people (with Lankelly staff in the minority) in Greater Manchester and Gateshead. These groups (known as Core or Coordination Teams) allocate funds to support and progress the local cross-place inquiry. This involves decisions on grants but also strategic, proactive work, as well as proposing budgets for the 2021-22 financial year back to Lankelly. We expect more places to follow.

## The Places

### *Barking and Dagenham*

#### Who are we?



We've done a lot of relationship and foundation building in Barking and Dagenham, and invested in the development of a number of groups and spaces where we hope shared learning will happen and new collaborations, practices and relationships will emerge. There's a locally devolved fund in development, which will again be informed by participatory principles under the leadership of local community members. There's a Systems Learning Group which has been convened by our Associate, aiming to link up several of the 'civil society' networks

already in existence. A grant and another Associate role are supporting the development of participatory methods more generally in the Borough, working particularly with groups of people with lived experience of marginalisation.

### **What are we learning?**

In contrast to some other places, we're picking up appetite to be more, not less, involved in some of the day-to-day conversations, and to be more visible as embedded allies and co-learners in the work we're supporting. There are some important conversations at the minute about the support we put in place for the work and posts we're funding within quite 'traditional' organisations. We've learned a lot about local dynamics and relationships – these concerns are hardly specific to Barking and Dagenham, but we've been working with and trying to navigate themes like paternalism, gatekeeping, competition and ego (including in the many funders, public sector change initiatives and learning partners working in Barking and Dagenham – including ourselves), unequal resource allocation, history.

### **What next?**

2021/22 will be a consolidation year as the work takes shape. The local fund in particular will start developing, and the Associate role supporting the participatory methods work will start to recede as local leadership takes over. We're hoping that the Systems Learning Group will continue and start to cohere around a collective vision for Barking and Dagenham and an action learning approach by which we can move towards that vision.

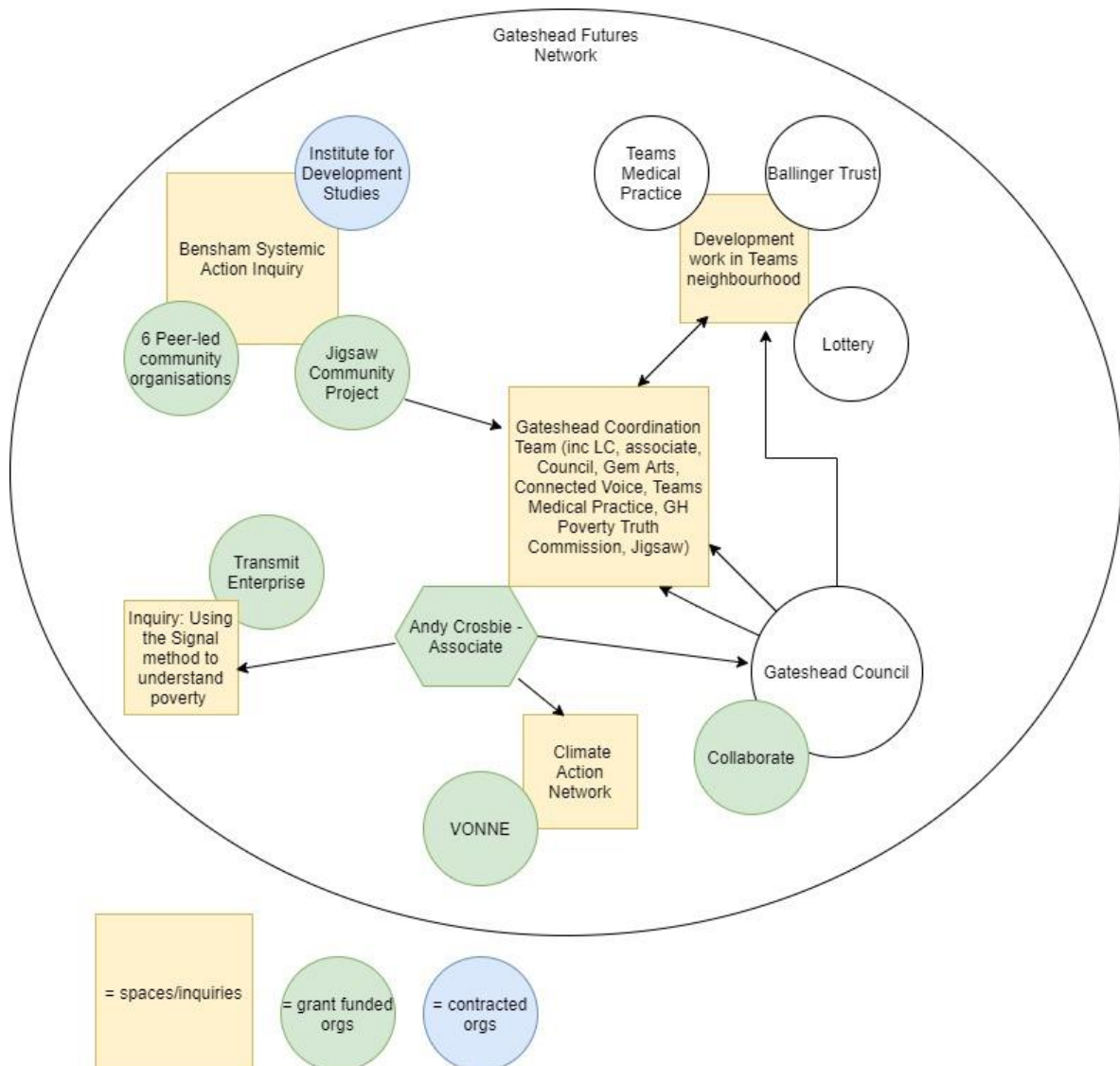
### *Barrow-in-Furness*

The main focus of our work in Barrow has been continuing to fund the Love Barrow Families collective, who support work that is trying to change the way that the system works for families that facing multiple disadvantage. The learning from this is underpinning work that is happening in Barrow, with a focus on a sense of belonging, an open front door, equality and joined-up services for whole families.

Barrow Borough Council brought together a 'coalition of the willing' (including the Council, Cumbria County Council, health and social care organisations, the police and voluntary sector organisations) to talk about building on the good work that has been happening locally as a result of the pandemic, and how to use the learning from this to ensure that services continue to work in a different way and not revert back to 'business as usual'. This coalition has joined together with the Board of Love Barrow Families to bring all the work across Barrow under one umbrella.

## Gateshead

### Who are we?



Over the course of the year we have been supporting thinking, learning and experimentation spaces for groups of people to work out what change needs to happen and what their role is in supporting it. We have also worked to create 'backbone' infrastructure to connect these initiatives.

We continue to work with our Associate, and we have established a Coordination Team which will be made up of Lankelly Chase staff and external partners from across the Gateshead system.

There is work happening at multiple levels:

- Gateshead Futures Network is a place for people to come together from across the system to think about what the future could look like and to build relationships across organisations and sectors as the foundation for doing things differently.

- At the level of the neighbourhood of Bensham (but extending beyond it), [Jigsaw Recovery Project](#) and six other local community groups (The [Comfrey Project](#), [NE Young Dads and Lads](#), [Young Women's Outreach Project](#), [ReCoCo](#), 3 Steps, and [St Chad's Community Project](#)) are working on a systemic inquiry into how to change local systems. They are being supported by the [Institute of Development Studies](#) at Sussex University.
- Learning groups are happening in different parts of the Gateshead system, including in adult social care.
- A group of organisations is working together to try out the [Signal methodology](#) for understanding poverty from the point of view of local people.

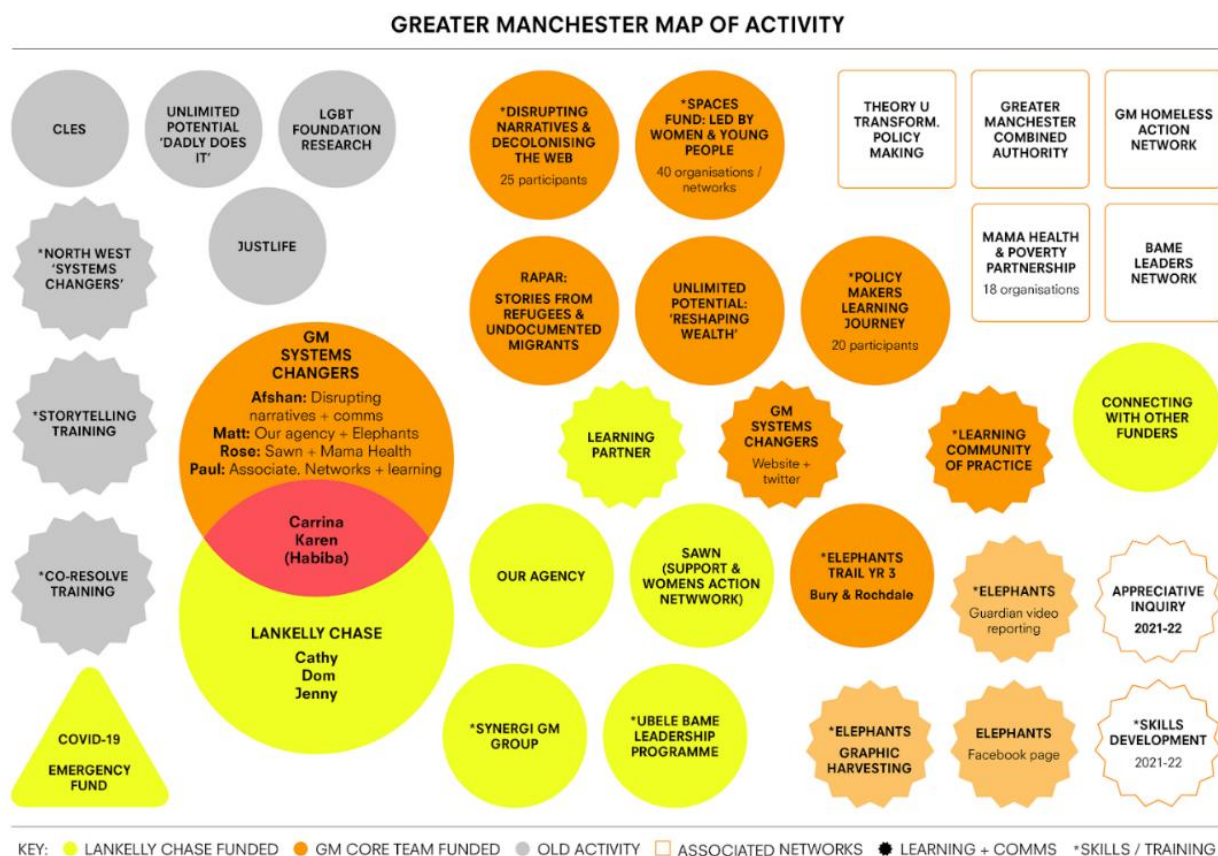
We are in the process of devolving decision-making over funding in Gateshead to the Coordination Team who are stewarding the local action inquiry and looking across all the work above. Members are drawn from local arts and community organisations, the Council, the CVS and the local Poverty Truth Commission. The Coordination Team have decided their focus initially will be on a deep exploration of change in one neighbourhood – Teams. Partnerships with local NHS and community services, and local foundations including the [Ballinger Trust](#) are coming together around the idea of participatory resource allocation as part of this. We have just resourced some local capacity to support this developing work, which will be based in a local GP practice.

### **What next?**

In the next few months quite a bit of our focus will be on working with the Coordination Team to support the development of the Teams initiative and through this, partnerships with other foundations. The story collecting and participatory analysis that forms the Bensham systemic inquiry will conclude and the next phase – co-designed experimental activity – will begin. The Gateshead Futures Network will continue to be a place where people come together to explore what it means to do things differently with people from other parts of the system.



## Who are we?



The focus of the work in Greater Manchester this year has been to nurture a growing network and critical mass of changemakers. This has meant connecting more of our existing partners to each other to strengthen the connective tissue between different groups of people. It has also been about making new connections with networks that we have not had the privilege of connecting with before. What has become apparent is that parts of this new network, whether it be the creative activists in the Disrupting Narratives lab or in the Spaces fund, have in large part been widely under-resourced in the past.

Since the last annual report, we have established a local Coordination Team. Both the external and internal portfolio teams have been working closely to establish a culture of safety over scrutiny. Other parts of Lankelly Chase have been sharing knowledge, decision-making and due diligence processes, which has contributed to this sense of collective responsibility and mutual support.

What has come through very strongly has been a theme of people feeling energised by the work. A strong sense of finding 'your people' and being excited to connect with each other and work together:

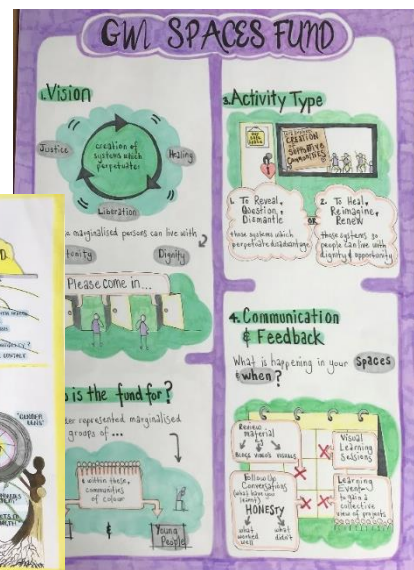
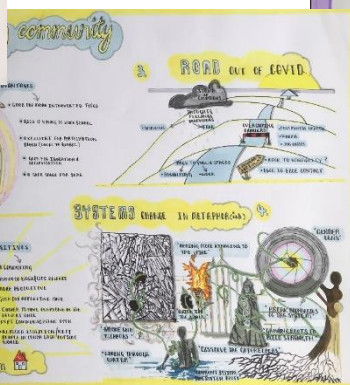
*"There is no ego, everyone mucks in, a complete sense of fairness and we play to people's strengths, yet it's broadening everyone's perspectives."*

In addition to tending to existing partnerships, there has also been a flurry of activity supporting new partners. The focus here has been on who is missing from the current Lankelly 'ecosystem' so when we begin to come together to determine where next for Greater Manchester all the relevant roles are present, and we have readied people to step into different forms of power and relationships.

- A small, experienced team has come together to co-design a learning journey for 16 'early adopter' policymakers who have already shown some commitment to sharing power and doing things differently.
- We launched a disrupting narratives programme with Culture Hack Labs and Whose Knowledge? with activists across Greater Manchester. By identifying current narratives and seeing what narratives we want to change we hope to see healthier systems of knowledge and knowledge production that reflect lived and learned experience of all people. We are halfway through this training and are hoping that this group will take the skills they are learning back into their communities to continue to disrupt narratives beyond the life of this programme.
- We launched the 'spaces' fund, an open fund to extend our reach into places where we do not already have networks. There was a strong feeling that women and young people subjected to extreme forms of marginalisation were under-represented within the Greater Manchester networks, so the fund was designed and promoted with these



communities in mind. More information on the fund and partners can be found on the Greater Manchester System Changers website [here](#). We have also captured some of the learning in a much more visual way:

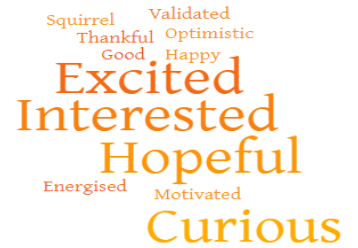


Our ongoing partnerships with Our Agency and Elephants Trail have also developed over the year. Our Agency have been using Legislative Theatre and other methods to explore ideas about spreading this work to other collectives, and Elephants Trail has continued to work with participants to develop skills, tools and techniques which help people to share decision-making power.

### What are we learning?

We have discovered that:

- this work needs to reach between languages, and we need to be clear on defining our key terms and explaining what we mean by 'power' and 'participation', amongst other words;
- there are various types of knowledge, and no one kind of knowledge is more valuable than the other;
- people value the space to learn and reflect together on the signals of change that may or may not be happening; and
- many people are on the very edge of their own ability to cope throughout lockdown, and self-care is a live question for this community of changemakers.



A word cloud featuring positive emotions and states. The most prominent words are 'Excited', 'Interested', 'Hopeful', and 'Curious' in large, bold, orange letters. Smaller words include 'Validated', 'Squirrel', 'Thankful', 'Optimistic', 'Good', 'Happy', 'Energised', and 'Motivated'.



A word cloud featuring a mix of emotions. The most prominent words are 'Positive', 'Curious', 'Excited', 'Nervous', and 'Grateful' in large, bold, multi-colored letters. Smaller words include 'Expectant', 'Emotional', 'Inquisitive', 'Motivated', 'Joyful', 'Tired', 'Appreciative', 'Overwhelmed', 'Optimistic', 'Amazed', and 'Open'.

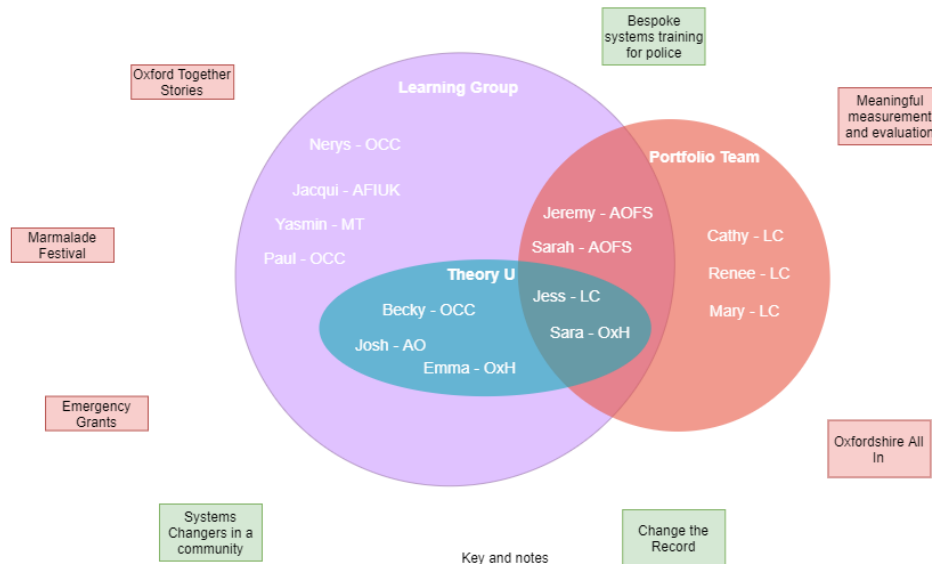
### What's next?

There is a real need to map the network to ensure we can support all the work effectively, and we have been working with Kumu to begin to do this. Resourcing core skills is also a focus, and there is a budget for training the network. Work will also begin on a Greater Manchester gathering for Autumn 2021 to work out what is next for the network.



## Oxford

### Who are we?



- The Oxford work is still in many ways quite new and is powered by relationships and collaborations.
- With this in mind, this map details the individuals involved, the organisations that they primarily represent, and the collaborative teams we form together, as well as some of our key collaborative outputs...
- This represents a huge network of relationships between individuals and many collaborations - just the key ones I know about are mentioned here.

LC = Lankelly Chase  
 OxH = Oxford Hub  
 AOFS = Arts at the Old Fire Station  
 OCC = Oxford City Council  
 AFIUK = African Families in the UK  
 MT = Mandala Theatre  
 AO = Active Oxfordshire  
 Green collaborations = in development  
 Red collaborations = live

The objectives that the Oxford team agreed in February 2020 (to identify more individuals thinking beyond project delivery, and to encourage meaningful connections and relationships to transform the systems that are failing in Oxford) have become ever more important given the context brought about by COVID-19. Those who are part of the Oxford Learning Group have been very involved in Oxford's emergency response during the past year. Between them they have:

- Created [Oxford Together](#): a community mutual aid group.
- Collaborated on a huge community storytelling project called the [Oxford Together Stories](#) project, and shared the insights with a number of people across the City and County Council, schools, residents, voluntary groups and arts organisations.
- Provided emergency funding to community groups including Mandala Theatre, the only arts organisation in Oxfordshire led by people of colour.
- Provided emergency cash grants to residents of the [Oxford Community Impact Zone](#).
- Worked with statutory agencies (the Police and Community Services in particular) to change how emergency financial aid could be given to communities.
- Lobbied community services at Oxford City Council in particular to appreciate how storytelling and other participatory approaches could be used as a more meaningful approach to measurement by statutory agencies.

The Learning Group met in February 2021 to design next steps, and will work on a variety of projects, collaborations and experiments, all of which we hope will allow us to shift power to

individuals affected by local challenges, promote whole systems ways of working with partners and showcase different approaches to measurement.

We were also part of [the Marmalade 2021](#) festival, with over 140 participants from all walks of life across the city, connecting in pairs in real life or on zoom to explore the questions arising from the Oxford Together stories. Reflections from the festival are being compiled into a 'recipe book' which will influence the next phase of community conversations.

### **What are we learning?**

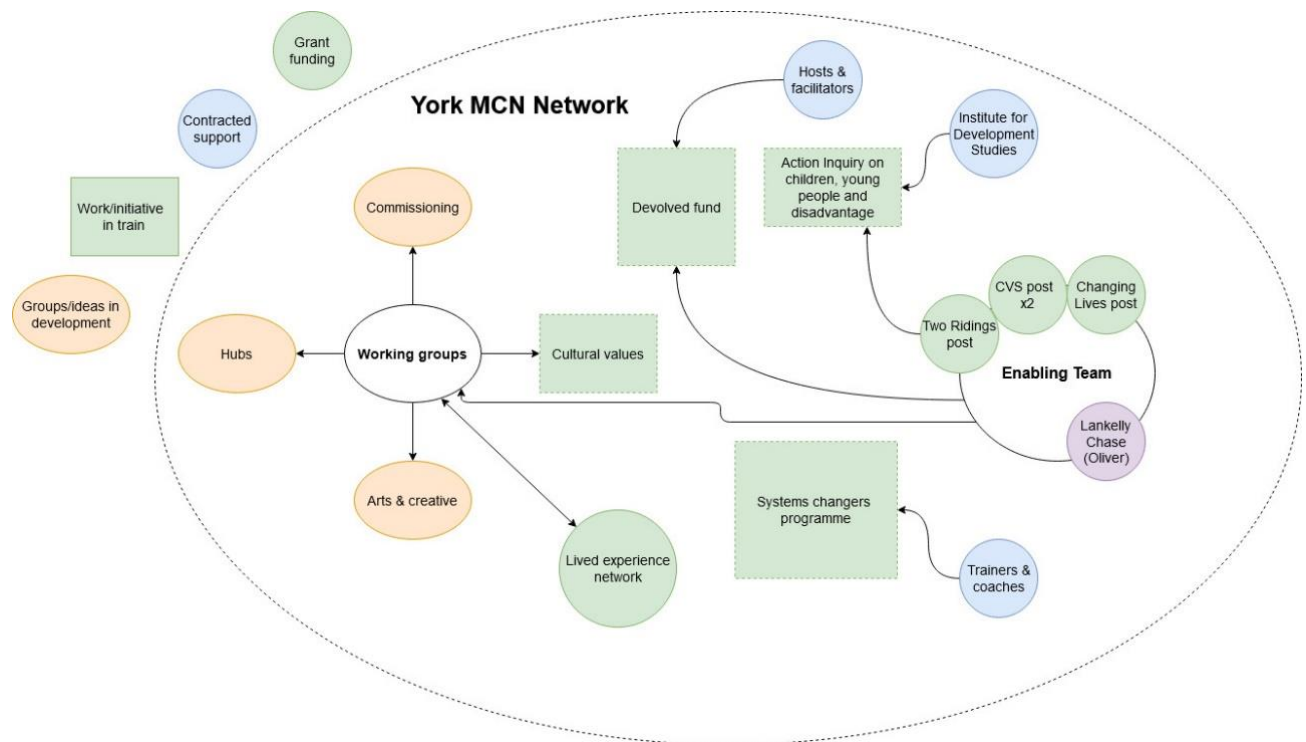
A number of crucial findings have emerged from the work undertaken throughout the last year, including that the small things matter, collaboration is key, and local people need to be empowered. Much of the future workplan is based around these and other findings.

There is appetite for this work with renewed energy coming from the new people joining, but change is not a smooth process. COVID-19 did open the window of opportunity, but that window was firmly closed in the Autumn. We have seen a growing chasm between those who have more flexibility because of the pandemic (more space to think and work differently) and those who are even more trapped in current failing systems. This is a pre-existing inequality, but it can be seen even more starkly now. We are not yet sure how our work in Oxford can address this. New people have joined the learning group, and many others have been interested in the conversations we have started and spaces we have helped to open. As can be seen across the whole UK, race and racism emerged as really live issues in Oxford this summer with large Rhodes Must Fall protests as part of the BLM movement and movements to decolonise institutions across the UK.

As we move forwards, we know that the current decision-making team and Learning Group are not the only groups of people who should be leading this work, and we are exploring how we remove ourselves, shift power and try and keep momentum in the work.

York

## Who are we?



We have continued to support a widening inquiry into how to change the systems that perpetuate severe and multiple disadvantage in York. The main vehicle for this is the 'Multiple and Complex Needs network', which brings together interested people from across the York system (including people with lived experience, frontline workers, managers from voluntary and statutory services, police and commissioners). The relationships we have invested in are starting to open up possibilities, and a number of mixed working groups have sprung up, working with different ideas to try and change systems: a lived experience network is now up and running, another group is undertaking a [Cultural Values Assessment](#) for the York system, and another group is exploring commissioning practices in the city.

We also began to build a partnership with the locally-based Two Ridings Community Foundation, and alongside the Institute for Development Studies at Sussex University we are working on a new action inquiry focusing on the experience of children and young people. This began after the network identified children and young people as another priority.

Other significant activity includes a £250,000 fund under the control of the network as part of our commitment to devolve decision-making to those working in place. Decisions about what and how to fund will be coordinated by a local working group and through the network, according to a set of principles to be agreed. We have also invested in skills development and capacity building to support the working groups, the network and the wider system, including running the Systems Changers course we have used in other places. We have also sponsored small pieces of research on lived experience and non-commissioned organisations which were led by people involved in the network.

## Scotland

We have recommitted to our partnership with the Corra Foundation to support the place-based work across communities in Scotland. This has helped build the capacity, capability and resources of local communities that have previously struggled to access necessary funding. This work has resulted in many inspiring local initiatives, and yet there is still a gap between the aspirations of local communities and the decision-making of statutory authorities. We have deepened our commitment to one place, and have brought in a number of systems thinking ideas and practices. This was a process which was developed in collaboration with Corra and the places it is working in. This work will conclude by the end of the year, and the first piece of activity will be a Systems Changers programme co-designed with local people, Corra and facilitators who have worked with us elsewhere.

## Knowledge

We've often found it difficult to explore alternatives or create the space for different kinds of conversation and understanding around social harm, partly because we are very much part of the current limiting 'paradigm' ourselves. Some of our work and partnerships are already asking many similar questions and thinking along similar lines, and there is a nucleus of activity with which we can grow (significant partnerships include the Centre for Knowledge Equity, Open Book and CECAN). Similarly, the 'distributed launch' process we undertook for our own *Hard Edges Scotland* report transferred the power of interpretation and recommendation away from report writers and into the hands of communities.

We are now in the process of building a set of partnerships which is more deliberately convened around the theme of 'knowledge', and this has included a new open-call fund. This growing collection of partnerships models alternative assumptions and frameworks, and demonstrates that we as Lankelly are able to think and act differently. For a number of years it has felt as though the Knowledge Inquiry has been a bit stuck, but recent activity has injected renewed energy and helped us clarify the direction of travel; the work itself is springing into life.

As a result of the open-call fund, we have eight new partners joining the Inquiry. They all have their own inquiries that challenge how 'knowledge' is gathered, used and owned, and they are all part of a collaborative inquiry about how knowledge about 'severe and multiple disadvantage' is created, interpreted and used. Those partners are a mixture of organisations and individuals, and they are: **NSUN (National Service User Network), Prison Reform Trust, Conyach Advocacy and Engagement, LUCID, The Breen Centre, Chayn, Temidayo Eseonu and Suzanne Alleyne**. We received 50 applications to the fund in total, and these partners were selected by a mixture of Lankelly Chase staff and Trustees and our partners working in this field. Whilst the partners are strikingly different in their focuses, life experiences and identities, there are a number of common threads that hold their work together, including how identity is constructed and understood, how trauma is understood, and whose voices are heard. We are really excited by this new energy, and look forward to seeing how the network builds itself up over the course of the next year.

## Networks

There has been a great deal of activity under the Networks umbrella over 2020-21. As this activity grew, certain themes became more obvious and these are now influencing how we work. We were interested in routes to developing a critical mass for change and saw networks as a mechanism to spread and reach beyond the small pockets of work we were doing. We have begun to investigate not just the potential of networks and networked activities to amplify the impact of those working to change systems but also the role people played within networks, acting as catalysts, and bridging and bonding across issues, places and communities.

Given the conditions of last year the opportunity to engage with networks that were emerging or playing a crucial role in current movements such as Black Lives Matter or community organising during the pandemic has helped to shape some of the views and has led us to ask Networks for what? and Networks for why? We continue to see the intersectional expression of oppression in communities worst hit by COVID-19 – in particular, people of colour and migrant communities. Funding to the networks of support is drying up with little provision in place post-March. From our work over the last year, we can see the role that networks play in questioning, dismantling and reimagining systems. We are also seeing synergies with the values of networks that support change and transformation and are becoming aware of the nature of people who are drawn to these networks.

We have seen that a critical mass will not come about if we focus only on small or intensive pockets and so are now looking at ways of weaving and supporting infrastructure networks and hubs. The relationship between networks and movements, and the potential to connect nationally on issues across regions is becoming clearer. The work of activist networks that focus on shifting power, e.g. by sharing knowledge, creating identity / solidarity, centring lived experience and sharing common purpose are the ones that fit best with Lankelly's emerging strategy. There are some exciting partnerships (Baobab Foundation, Resourcing Racial Justice and Centre for Knowledge Equity are just a few) which have arisen as a result of exploring how to create the space that is needed to react to what is coming up, especially from outside the system.

As we move further into 2021, we will focus on thematic areas to delve deeper into, and to bring more focus to our exploration of networks. These themes should build on our current portfolio, on what we have learnt thus far and also take into account the bigger context and conversations taking place right now.

These proposed themes are:

- Lived experience
- Community organising (we will be funding a piece of research that brings different organisers together and we will look at how this approach fits with our mission)
- Racial justice
- Intersectionality and interconnectedness (we are working on a partnership fund with JRF which will involve networks that intersect lived experience of poverty with other oppressions)

We have also undertaken time to reflect on a number of crucial things, including the journey of networks and signals being seen right now, and how the move to the language of justice impacts us, our partners and how we look at networks. We are also thinking about networks that look at the interconnections of injustice and who are the most affected, and the potential of networks currently concentrated on addressing oppression but who have not had the capacity to reimagine or develop alternatives. A focus for our future work will be on working out the role that movements and networks we are supporting play in realising justice.

## Systemic governance

When we ended our power inquiry in 2019 we were left with a clear line of exploration around governance, and that exploration led to a nuanced understanding of what we meant by governance as *'the dynamics and processes at play when a group of interested and affected parties come together to solve a collective problem'* that continues to develop and shift the more we work on it.

Part of the work during 2020-21 (and going forwards) has been to find a way of narrowing the purpose of the inquiry. An assumption we are working with currently is that when people talk about systems change they are talking about the way things are done, which covers a not insignificant number of things. Exploration of what governance is and means is important to many of our partners.

As we have tried to narrow the focus, we have developed three main strands of funded work:

- **Future of Regulation:** This is an exploration in whether a generative and positive relationship can exist between regulatory bodies and the people they regulate, and is being led by the Centre for Public Impact and Easier Inc.
- **Beyond the Rules:** An inquiry that began with a coalition experimenting on deep collaboration to explore a topic is now a network of over 300 people and organisations around the world looking at building shared resources and a movement for how we do 'good'.
- **Inquiry into Systemic Governance:** This project was initially intended to be a central funding pot for governance 'experiments' – allowing people and organisations who want to explore governance the space and time to do so. However, we recognised that that is not particularly helpful right now as our understanding (and the understanding of the other organisations in the collaboration) of governance is very nuanced and shared amongst those present. A focus now will be to widen the group and therefore our understanding of governance, and increase accessibility into the group.

This work sits alongside the work on our internal governance, which is outlined [below](#).

## What are we learning?

We're learning that there is so much unlearning to do. That we carry around a heavy load of assumptions around who can communicate with who, who gets an audience with who and how and where and what the appropriate mechanisms to ensure stability are. That this is affecting and affected by everyone. That the idea of mutual accountability is striking a chord



at the heart of what change is about. That governance is everything and everything is governance. That it is both exciting and disheartening. That we can't just engage the people that think like us. We need everyone in this.

### **What next?**

All three current funded projects are due to finish their funding in the next few months, and we are hoping to see some continuation of them all.

### **Climate and Sustainability**

The most significant piece of work we have undertaken on climate and sustainability this year has been our pledge to the [Funder Commitment on Climate Change](#). Alongside this we have also divested our investments from fossil fuels, and updated our Investment Policy to include an objective to contribute to a rapid and just transition to a post-carbon future. We have selected new investment managers who are better able to help us pursue this objective – including specialist investors in environment technologies – and we are in the process of transitioning funds. We also co-filed a shareholder resolution at the AGM of Barclays Bank, on which we engaged directly with Board members, seeking a commitment to phase out fossil fuel financing. This had some success and we are part of ongoing engagement and coordination with civil society groups. We are also contributing, as a Steering Group member, to a student campaign ('Invest for Change') on university and college investment practices in the context of climate change. We have convened a working group of charitable investors to understand and act on the implications of ecological thresholds for investment practices, including but not limited to the carbon budget. We will shortly be publishing a report and undertaking next steps, including engagement with asset managers and policy and standards setters.

We have initiated new grant relationships with Platform London and Women's Environmental Network, to support their work on climate-related issues through an intersectional and justice-based lens. As part of our place-based programme in Gateshead, we provided a grant to Voluntary Organisations' Network North East (VONNE) for a Climate Action Alliance. This supports a voluntary and community sector programme of actions addressing the climate crisis.

Internal activity includes introducing a policy favouring vegetarian and plant-based food catering, and guidance and monitoring of travel options (to reduce carbon intensity). We have also been exploring energy supply options for our office space with the management of the shared building. Colleagues with responsibility for learning are considering how to integrate climate change into ongoing professional development, but we have not yet taken any concrete steps.

## Our System

We have continued to work remotely for the whole of the 2020-21 year, as many others will have done also. Colleagues have been supported in this process, through a number of measures and adjustments, including financial support for increased living costs, tech upgrades and IT equipment. The team has continued to meet weekly, and quarterly staff residentials – initially introduced in the previous year – have continued albeit in a ‘virtual’ capacity.

One of the most significant changes is further development of our approach to change. We have realised that a number of strands of work can be defined as the enabling processes underpinning how systems change happens, and thus we have created the ‘How’ Team (more on that [below](#)). We also realised that the wider eco-system is out of balance, and we need to contribute our resources to efforts to rebalance the eco-system and use our position and leverage to encourage others to do the same. This means unrestricted, meaningful investment in lived experience leaders and networks, social justice activists and community researchers and journalists. It also means resources for marginalised disciplines, including some aspects of systems practice, public service reform and responsible investment. We call this the ‘Who’ work, and this will be one of our focuses for the 2021-22 year.

We have also taken significant steps to diversify our investments and choose new investment managers, and we continued to provide emergency funding to partners, as well as using the learning from the budgeting process we adopted to amend and adapt for this coming year.

## Racial Justice

At the beginning of 2020, we commissioned two anti-racism workshops for the team at Lankelly Chase, because we had realised over the previous year that we had insufficient collective understanding of racism, which was negatively affecting colleagues and limiting the emphasis we should be giving to racial justice work. The workshops didn’t provide any easy answers but provoked a greater consciousness of the extent to which our work, particularly the way in which had framed ‘system change’, had been overly determined by a white liberal mindset that itself risked perpetuating injustice.

The murder of George Floyd in May 2020, and the worldwide response, galvanised a greater conviction across the team that we had to demonstrate explicitly how central racial justice should be to our mission and strategy. The statement that we put out acknowledged that we had a lot to learn organisationally and a long way to go. In the following months, we distributed more of our funding to organisations and networks led by people of colour, we and our partners placed much greater emphasis on racial justice in our place-based work, and we used our website and social media to offer platforms to people highlighting anti-racist work. We also deepened a strategic partnership that had begun in 2020 with a network of racial justice leaders that became Resourcing Racial Justice (RRJ). RRJ supported us to write a racial justice accountability plan, which put in place some of the framework for our ongoing work.

Within Lankelly Chase, we have continued to work with the consultants who delivered the anti-racism workshops. This work has focused on anti-oppressive practice, in particular where power lies organisationally and how decisions are made. The consultants have supported a



working group of colleagues who aim to grow anti-oppression practice across the organisation. One result of this has been a reflection circle, made up of all the white colleagues in the organisation, to explore our responses to *Me and White Supremacy* by Layla F Saad.

The strategic reframing of our approach to change has evolved as a direct consequence of this work. We are now much clearer that we are targeting underlying systems of oppression and how they manifest in power inequities. This gives us a much clearer understanding not only of how systems might change, and who needs to be leading, but also what kind of systemic change is being sought.

### **COVID-19 response**

An internal team was created to manage the Foundation's response to COVID-19, and it currently oversees two emergency funds – Cashflow and Response – which distribute funding to current partners. These funds were agreed by the Board at its additional meeting in May 2020. In many respects our emergency response has seen us step into the role of traditional grant-maker. However, there have also been elements of the rapid response process that we can learn from, such as acting quickly and experimenting with a different mandate. In the COVID-19 response team, a Director no longer needs to be present in the meeting for decisions to be made. This has created a greater sense of collaboration and ownership amongst the non-Directors in the team.

A number of funder collaborations also surfaced as the pandemic took hold, and a discussion at Board-level concluded that a balance between supporting emergency relief funds and shaping our own offering was crucial. We asked ourselves and our partners where our money was best spent, and there was an acknowledgment that holding fast to our commitment to supporting systems change was what we were best placed to do. Emergency funding is crucial, but there will also be a real need to keep our collective eye on the underlying systems that contributed to this crisis. As a result, the Board agreed to act as an 'interested party' for the London Community Response Fund. Rather than directly contribute a lump sum, we have maintained a watchful presence over funding requests that have come in from all over London via that. To date we have chosen to provide funding to just one organisation – an organisation called EachOther who bring together storytellers, journalists and creatives to promote and increase public knowledge of human rights.

Funding requests to the COVID-19 funds have reduced dramatically in the last half of the year, and partners have revealed that support is more likely to be needed as the UK emerges from lockdowns and emergency funding dries up. The Foundation may need to review its emergency funding support when that happens.

### **Internal processes and practices**

Our internal practices are largely managed by the Resourcing Team, which is an internally-focused team that looks at the ways the Foundation uses its resources to further its mission, and works to establish and oversee consistent processes which allow the staff team to be creative, flexible and responsive. Membership of this team includes a number of permanent members and a rotating additional member taken from the wider team. This ensures everyone shares the responsibility of the team and inputs into it.

The initial task of the Resourcing Team was to establish a team budgeting process for 2020-21, a participatory process which encouraged all team members to step into their power as financial decision makers, but also to capture their aspirations as co-owners of our work and strategy. This process was partly a success, as the team emerged with a much clearer understanding and connection to the work across the organisation; however, the onset of the pandemic and lockdown led to a change in priorities and plans which meant we were unable to fully realise and measure the success of the process. We see our challenge now is to create adaptive budgets that can flex and change in the unstable years ahead.

In this financial year, we have focused on adjusting our processes to be able to handle remote working, as well as working to create new ones. In particular, we designed a devolved decision-making model for our place-based work that is currently being tested by place Coordination Teams (more information on that can be found in the [devolved decision-making](#) section of this report). We have also worked to clarify and codify our different approaches to funding, in particular trying to answer the question of ‘*who is privileged by the approaches we choose?*’. In the coming year we hope to build on all of the learning that is emerging from the work already set in train, to further improve all of the processes that underpin the work of the Foundation.

### **The ‘How’ of our work**

The How Team formed at the end of 2020, bringing together six work-streams: communications, core skills, governance, investments, knowledge and networks, while the dedicated teams that supported these work-streams disbanded. It is the container of all of the work-streams and inquiries that collectively ask:

*How will the infrastructure / architecture be in a world of renewed systems that promote healing, justice and liberation?*

This question is a working draft and we are continually revising it.

This change in operating structures was thanks to us revising our Approach to Change in 2020. There were also some practical reasons: to join work together that which was in danger of being siloed, to give colleagues more agency to lead work and make decisions, and to reduce the number of meetings in people’s diaries.

We have spent several months forming this group, determining our mission, our anchoring inquiry and our boundaries. We have worked with the Resourcing Team and the Board to change our delegated authority in this group so work-stream leads can work together to sign off spend without needing the whole group’s input or the sign-off of a Director for amounts under £50,000. This is an experiment for Lankelly Chase in devolved decision-making and we hope it will allow us to be responsive and more efficient.

### **What are we learning?**

We don’t yet have clear insights about the fields we hope to influence that cut across the How Team. We will build these in the coming months. We do have some early insights about our

practice. These include needing to be very clear about each of our roles and our authority as we learn to integrate our different work-streams (and ways of working).

### **What next?**

Each work-stream lead is building their work-plan for 2021-23, which we will be sharing with each other over the coming months, and we will also structure an overarching learning and communications plan for this team.

### **Investments**

We continue to examine the relationship between the investment system and our mission, both through how we allocate financial capital – Lankelly Chase’s endowment – and how we use the opportunities it affords us to intervene in the investment and financial systems themselves.

This year we updated our investment philosophy and policy to reflect the holistic role our endowment plays in supporting Lankelly Chase’s mission. This includes formal objectives to contribute to rapid and just decarbonisation and to help change the systems which perpetuate disadvantage, in addition to generating a financial return.

We appointed new investment managers who demonstrate alignment with our approach, and developed ‘Statements of Intent’ to help ground and guide our relationships. After we complete the transition of funds to these new managers, we intend to review our own governance processes to make sure they are fit to support our approach.

Some of our wider activity within the investment system this year responded to the events of the pandemic. We set out expectations for how our investment managers and underlying investee companies should behave responsibly and took action where needed, for example by engaging with the Board of Compass Group in relation to its inadequate provision of free school meals.

We were part of a working group which reimagined the Future of the Annual General Meeting (AGM), in a year where companies took this key governance event not only online, but often also ‘behind closed doors’. Coordinated by ShareAction, this group of parliamentarians, trade unions, investors and companies made proposals for turning the AGM into a forum for genuine multi-stakeholder participation and accountability.

Continuing this focus on participation and accountability, we joined the steering group for ‘Invest for Change’. This campaign, run by the Students Organising for Sustainability campaign, seeks to align universities’ investment strategies with the interests of their students, communities and future generations. We wrote an article for the Association of Charitable Foundations on how transparency around foundations’ own investments can catalyse ambition. We were also excited to be alongside our place-based partner Barking and Dagenham Giving as it develops a participatory approach to investing its new community endowment.

As well as revealing and exacerbating social harms, the pandemic has highlighted the increasing risks of infectious diseases arising from the ongoing degradation of our natural world and ecosystem integrity. In a Review carried out for HM Treasury this year, Professor Sir Partha Dasgupta identifies the role of our dominant economic and financial systems in contributing to this dynamic. He reminds us that *“no amount of technological progress can make economic growth as conventionally measured an indefinite possibility. Ours is inevitably a finite economy, as is the biosphere of which we are part.”*

Against this backdrop, we convened members of the Charities Responsible Investment Network to explore how current approaches to investment, including those thought to be ‘responsible’, reflect a growth-centric paradigm which is harmful and ultimately unsustainable. 50 charity asset owners and investment managers participated in a roundtable discussion of our report, ‘Growth Narratives’, which was also reported on by industry media. Our next steps include engagement with policy-makers on the ‘rules of the game’ which keep the current system in place.

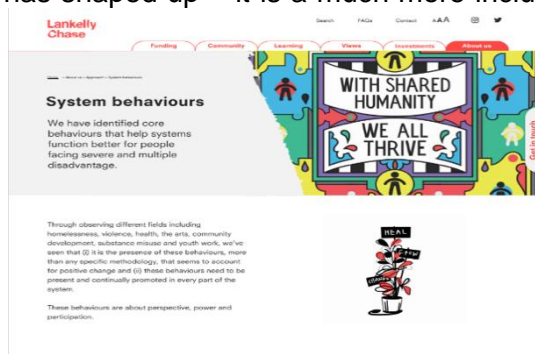
Among these are the Charity Commission, which we continued to engage with in relation to charity investment powers and expectation. Building on our submission as part of a related consultation, we coordinated a letter from 12 charities impressing on the Commission the urgency and ambition required by the climate crisis, as well calling for it to progress a landmark legal case on trustee investment duties.

Finally, we initiated conversations with our outgoing and incoming investment managers on the connection between racism and investment practices, and committed to make this a collaborative priority with peers in the Charities Responsible Investment Network. We also provided grant funding to a partner organisation to examine foundations’ investment, grant-making and operational practices through the lens of racial justice, in a project which we hope will catalyse sector-wide change.

## Communications

We have continued on with the work covered in the last report, as well as working on new projects and introducing new things. We have also pivoted in the way we do comms internally and externally. The work has now split into Strategic Comms and Narratives, and Organisational Comms, where we share learning and focus on how we share our work, as well as supporting partners to do the same.

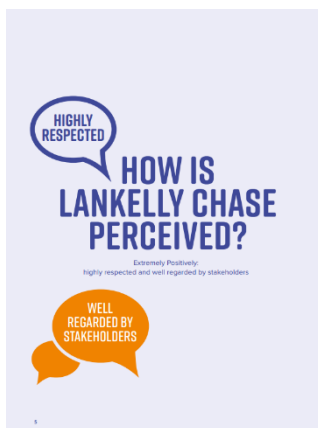
We have been busy with Sail Creative on our new website, and we are really excited by how it has shaped up – it is a much more inclusive space. It was fully launched in September to



the outside world. Throughout this report, you can see some of the illustrations of our key messages and system behaviours, which came out beautifully on the site, as you can also see here.

We have continued to adjust to new ways of working, and in the wake of the racial injustice taking place in America in May 2020, we felt it was crucial to communicate with our networks just how much [We Stand In Solidarity with the Black Community](#) via a statement on our website. We have since used our platform for black voices within our network to share their voices and stories about just how much racism has, and continues to, impact on their lives and different institutions in the UK. We also had some Twitter takeovers to accompany the blog pieces. Moving forward, we will be restarting the series on our new website, and taking the theme in a new direction since it will be 'one year on' – we look forward to having more conversations with different voices on this.

Our Twitter takeovers have continued as normal, but over Christmas 2020 and throughout January to February 2021, our partners Camerados plugged into our platform in a different way to livestream their new series 'A Bit of Company Lite.' This series was designed to keep people company during the pandemic. We have never done anything of this style before, so it was nice to give our partner the opportunity to do so.



The stakeholder insights report is now finished and fully designed, and has helped us understand how and what we as an organisation are communicating, along with what we might need to be doing differently. The team will be presenting and discussing the final presentation to the team in one of our reflective practice sessions.

We launched a £250,000 News and Media Fund to resource those interested in more generative forms of journalism such as public interest news, slow news and solutions journalism. It is a strategic choice to keep the scope of this fund broad, based on several conversations and group discussions both with people working in this space and current partners. We received a high volume of applications, and with the help of a panel of partners, Trustees and Associates we chose 12 organisations as initial partners.

As always, we continued to work with people, organisations or networks that we directly fund via the comms team, as well as providing comms support to other partners across the organisation.

We worked with Henry Bragg on a photography exhibition in collaboration with An Untold Story – Voices, called 'Absence of Evidence', which honoured 14 street sex workers who died. You can view the Moments from their Twitter takeover here:

<https://twitter.com/i/events/1289217421887385604?s=20>

On 30<sup>th</sup> July 2020, An Untold Story Voices, and Henry Bragg and supporters took the Absence Of Evidence performance to London to connect with the images at [Kings Cross](#), [Shoreditch](#) and [Soho](#). There were also two 14 minutes of silence to honour the women who had passed.

We agreed a three-year partnership with SoundDelivery. This long-term partnership will enable them to continue to grow the 'Spokespersons network.' They have done a number of exciting things this year, including receiving charitable status and extending their reach via pieces in the [Guardian](#) and audio recordings on [Woman's Hour](#) (*start at about 12:35 mins in*).

We are now in the third year of a long-term partnership with Bureau Local, who find themselves busier than ever and continue to bring journalism into a collaborative discourse with civic, charitable and other public interest groups to explore why and how people-powered journalism can contribute to positive change.

We have been supporting the Expert Citizens team with their National Insights Awards, which went ahead in March 2021 despite the pandemic, and working with them to think about what strategic core funding could look like.

### **Devolved decision-making**

As you will have read in the updates from our Greater Manchester and Gateshead teams, during 2020-21 we began to take steps to move towards devolved decision-making in place.

Devolved decision-making – the principle that decisions should be made by the people best placed to make them – is one of the System Behaviours. We had already taken steps to embed this in our practice, most recently in the establishment of specific work-stream teams and the collaborative budgeting process we followed in 2019-20.

We have been working to build shared intent, capacity and capability among cross-system groups of people in places to lead their own action inquiries around the question of 'how do you change the systems that perpetuate severe and multiple disadvantage in (Greater Manchester / York / Gateshead / Barking & Dagenham / Oxford / Barrow)?'

We're now at the point where 'Coordination Teams' have been or are being established in several places. They will steward the local action inquiry. We are members of these teams but we are not in the majority. We want these teams to be able to make financial decisions over spend within the budget for each place, and to propose future budgets. As we are members of these teams but not in the majority, this change would mean that financial decisions are made without a Lankelly majority or a Director present.

The staff team and the Board discussed this proposed way of working, weighing the potential risks which included conflicts of interest and less clarity for cross-place learning. There were some mitigating processes that alleviate some of the risk, such as 'role specifications' for Lankelly Chase members, and a checklist of processes that these teams must design before we delegate decision-making. There will also be clearly stated responsibilities for each group within the Coordination Team:



## The LankellyChase Foundation

Lankelly responsibilities	Coordination team responsibilities	Individual LC member responsibility	Internal resourcing PT responsibility
<ul style="list-style-type: none"> <li>– We have ensured our red lines and parameters are clear</li> </ul>	<ul style="list-style-type: none"> <li>– An agreed decision making process is in place</li> <li>– The team is clear about what due diligence is required, who will carry it out and how it will be recorded (so that it satisfies Lankelly's audit requirements)</li> <li>– Minutes are taken and shared with Lankelly</li> <li>– There is a review point – team members are not appointed in perpetuity</li> </ul>	<ul style="list-style-type: none"> <li>– Lankelly's red lines and parameters</li> <li>– Ensure due diligence has been carried out</li> <li>– Checklist for teams to think about.</li> <li>– Maintaining a register of interests, decision log and minutes of all meetings</li> </ul>	<ul style="list-style-type: none"> <li>– Ensure that the questions around due diligence etc have been asked, agreed, documented and adhered to within local core groups</li> <li>– Reiterating the documents based on learning</li> <li>– Invite Morag and Simon into discussion at different points to review the processes</li> </ul>

There will be a process of learning and review alongside this work, which will bring in voices from the team, voices from external members of the groups and other relevant work in which resources have been devolved (e.g. participatory grant-making, the Racial Justice Fund, Our Agency, and our partnership with Two Ridings Community Foundation in York). We will ask Northumbria University (our learning partners on the Place Action Inquiry) to help us with this.

*This is a good start, but there is more to come...*

The Coordination Teams are still small groups of people, largely drawn from our networks and from established organisations. Our intention in the place work is to explore processes that support more distributed and democratic control of resources. These may include versions of participatory grant-making or participatory budgeting, or other processes we can't yet imagine. Part of the work in York and Gateshead over the next year will be to explore what this might look like.

### Governance

We have increasingly recognised that we needed to refresh our governance model, but we've been unclear how to go about this. There were three linked questions that we couldn't quite answer: how do we diversify our Board in a way that is meaningful, not performative or tokenistic? How do we govern work that is fundamentally systemic, where there are few clear indicators of success and little predictability about the work required? How do we embody justice in our governance, so that the process is simultaneously safe and liberating?

We held a number of events with valued stakeholders, which sent the clear message that Lankelly Chase needed to relinquish more power and allow different perspectives to inform its work. This resulted in us committing to co-creating a new kind of governance approach with a new set of Trustees. We recruited the following people to our Board, who all bring a track record of activating learned and lived experience in the pursuit of systemic change: Marai Larasi, Baljeet Sandhu, James (Jay) Keenan, Asif Afridi and Amanda Hailles. They joined the Board at the end of October.

## THE LEGAL REQUIREMENTS

### The 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 that underpin the Foundation's programmes and have agreed the following vision and mission statement. We want our values to communicate our passion and inform our everyday relationships, belief systems and attitudes across the delivery of our work.

**Our vision** is a world of justice, healing and liberation, where all people can live with dignity and opportunity in supportive communities.

**Our belief** is this can only be achieved if we fully embrace the interdependent nature of our existence.

**Our mission** is not one we can undertake alone. We work with partners to change systems of injustice and oppression that result in the mental distress, violence and destitution experienced by people subject to marginalisation in the UK.

**Our role** is to resource activity where people can come together to explore what it means to reveal, question and dismantle systems that perpetuate disadvantage, or to explore how to heal, reimagine and renew systems so that all people can live with dignity and opportunity in supportive communities.

### Values

**Determined:** real change takes tenacity, kindness and commitment. We work with humility and the knowledge that there are no simple answers.

**Open:** we want to build relationships based on shared humanity, kinship and respect. We are always open to new ideas and evidence and we share whatever we learn for the benefit of everyone.

**Reflective:** we want to find out what really works. We challenge assumptions and we use feedback as a powerful tool for learning.

### History

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

The Chase Charity was established on 18 May 1962 and the Lankelly Foundation on 18 March 1968. On 9 December 2004, the two Trustee bodies amalgamated the trusts and the new LankellyChase Foundation was incorporated.



## **Structure, governance and management**

The Board of Trustees administers the Foundation. The Board appoints Trustees who then serve for four years, after which they may be re-appointed to serve one further term of up to four years. In exceptional circumstances a Trustee may, if agreed unanimously by the Board, be asked to serve an additional four-year term. The Chair is appointed by the Trustees through external competition and serves for a maximum of two three-year terms.

Periodically the Board reviews the range of skills among Trustees and may recruit new Trustees to fill any gaps in the skillset of the Board. New Trustees have historically been recruited through external competition, a process that may be complimented or superseded by the use of the Foundation's networks to identify individuals who may not be reached by more traditional methods. In addition to making appointments based on the skills, values and connections deemed necessary by the Board, new Trustees may be recruited to bring challenge and alternative perspectives. This ensures the Board and the method of governance continues to evolve.

An induction programme is generally arranged for new Trustees, which includes the opportunity to 'buddy' with a member of the team to deep dive into some of the work. Involvement in external training is encouraged, and Trustees are provided with a £5,000 a year training budget each (this matches what is offered to staff).

The full Trustee Board currently meets three times a year to manage the Foundation, and the day-to-day administration continues to be delegated to the Chief Executive who is supported in this by the wider staff team.

The Board of Trustees currently has two<sup>1</sup> sub-committees (all of which meet three times a year, between two to four weeks before the full Board convenes). They are:

- The Resources and Risk Committee (Chaired by the Vice Chair of the Foundation) which oversees the main risk and audit requirements, and monitors and reviews budgets and human resources.
- The Investment Committee (Chaired by the Chair of the Foundation) which oversees the management of the Foundation's assets, as delegated by the full Board.

The Learning and Communications Committee has been replaced by an External Messaging Committee which meets monthly, with fixed staff and Trustee membership, and a rotating temporary membership process for staff and Trustees. The focus of this Committee is to ask the broad question: 'what is Lankelly Chase thinking now?'.

## **Risk management**

The Trustees are responsible for establishing and monitoring Lankelly Chase's internal control systems. The risk register is presented periodically for review to the Resources and Risk Committee annually, with risk updates provided to Committee members on an ongoing basis.

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<sup>1</sup> Until 2019-20 there were three sub-committees, and the Learning and Communications Committee was disbanded in May 2020. This was in part due to the evolving way the Foundation was undertaking its learning work (to some extent as a result of COVID-19), and a recognition that the Committee no longer felt like a necessary component.

The risk register is made available to all Trustees upon request, and the Resources and Risk Committee may recommend that the Board reviews the register at any point. The Trustees approach to risk is to manage rather than eliminate, and view risks as opportunities to be taken as well. Currently, Trustees are satisfied that the system of internal controls in place is adequate, and these internal controls are reviewed as part of the day-to-day management processes within the Foundation. The Board have agreed to appoint an external agency to carry out an internal audit function and this process is being managed by the Resources and Risk Committee. The Committee decides annually whether an internal audit is required.

The Trustees consider that the principal risk to Lankelly Chase is that it does not fulfil its core mission of changing systems of injustice and oppression. In order to address this, the Executive and Board regularly review strategy, governance and work practices. The Foundation does not do this work alone, and so learning and adapting is an ongoing process that happens in partnership with others in the field. The risk register is a live document which is held collectively by the staff team and reviewed regularly, and many of the risks identified remain live within the work. There is also a strong understanding at Executive and Board-level that much of the work we are engaged in might involve more risk than other funders would be comfortable with. However, we have management processes in place to manage those risks where possible, and we consider both success and failure to be crucial parts of the change journey.

### **Public benefit requirement**

The Trustees aim to meet their public benefit responsibilities, as laid out in Section 17 of the Charities Act 2011, by using the Foundation's resources to support agencies that seek to enable some of the most disadvantaged people in our society to lead full and independent lives.

## Review of grant activity

Portfolio Teams – teams predominantly made up from Lankelly Chase colleagues with expertise across the organisation – became the primary method by which grant proposals were discussed and agreed. The Executive Committee as a formal meeting place was effectively dissolved, although the entity and mandate remains to provide delegated authority to Portfolio Teams to act in this way.

The mandate for Portfolio Teams is as below:

- Each team will reflect the diversity of roles and experiences of the Organisation – and will include both internal and external facing Lankelly Chase roles. The teams may include third party participants. The quorum is three members, including one Director.
- The budget delegated to the Portfolio Team will be agreed by the Executive Committee following a formal request from the Portfolio Team. The formal request will include purpose, proposed activity and an understanding of how learning will be captured.
- Third party participants may be allocated voting rights on financial allocation – provided there is no conflict of interest e.g. awarding that participant money. The ability of the third party to hold voting rights will be decided by the Executive Committee.
- As with the Executive Committee, Portfolio Teams will flag to first the Executive Committee and then, as appropriate, Trustees if the grants are deemed to be political and/ or unusual in nature of risk e.g. controversial.

In addition, there were several other changes made to decision-making processes over the course of the year (more detail of which can be found in the relevant sections of the report of the Trustees), which are referred to in brief here.

### *The COVID-19 emergency grant-making team*

Trustees agreed to allow this team to make some changes to the general terms of reference for Portfolio Teams for the purpose of speedier decision-making. This reflected the urgent need by partners for funding, and the agreement by the Board to provide such emergency funding. As such, grants could be agreed without the presence of a Director, providing there were at least four members of the team present to agree.

### *Devolved decision-making in Place*

As highlighted in the report of the Trustees, we have begun the processing of devolving-decision making to local Coordination Teams in some of our places. The process we are using in these is as follows:

- Two members of Lankelly Chase must be present for financial decisions to be made, who do not need to be Directors. The rest of the team is made up of local people drawn from across different sectors and communities who are engaged in systems change-making work.

- The place leads from Lankelly Chase and the Coordination Team in the local area need to have put in place an agreed set of processes regarding risk management, operations and due diligence before any decision-making can be devolved.

### *The 'How' Team*

The 'How' team is working to a different mandate, as approved by Trustees, which further devolves decision-making to allow for more nimble and autonomous decision-making whilst maintaining scrutiny, fairness and accountability. It covers the following:

- Decisions up to £10,000 can be made by an individual, up to a limit of £50,000 per person, per year.
- Decisions up to £50,000 can be made by a proposer with a seconder drawn from the wider 'How' team on a rotational basis, up to a limit of £250,000 per proposer, per year.
- Decisions over £50,000 and up to £340,800 need to be made with a Director present and preferably the whole team.
- All decisions need to be minuted and logged in the tracking spreadsheet.
- All decisions made are reviewed by the whole 'How' team at the business meetings (which happen monthly).

***For the purposes of this report we have separated out the grants made as part of our two COVID-19 emergency funds (approved by the Board of Trustees in March 2020) – Cash Flow (urgent funding to prevent loss of income) and Response (to fund work that aims to respond differently to the pandemic, or to fund work that has been adapted to be deliverable) – from other grants made by the Foundation.***

Organisation	COVID-19 Fund	Grant amount (£)
(An) Untold Story- Voices	Cash Flow	4,800
(The) Social Change Agency	Response	20,000
(The) Ubele Initiative	Response	4,000
Advocacy Academy, The	Response	18,000
Arts at the Old Fire Station	Response	19,670
BAC-IN CIC	Cash Flow	20,000
Birmingham SEMH Pathfinder (Project)	Response	4,000
Birmingham SEMH Pathfinder (Project)	Cash Flow	20,000
Bureau of Investigative Journalism	Response	19,500
Collaborate CIC	Cash Flow	20,000
Cyrenians	Cash Flow	14,114
Each Other	Response	40,000
Edge Funders Alliance [FundAction]	Cash Flow	20,000

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Expert Citizens	Cash Flow	20,000
Expert Citizens	Response	20,000
Expert Link	Cash Flow	7,800
Hope into Action	Response	18,500
Justlife Foundation Ltd	Response	20,000
Likewise (formerly Holy Cross Centre Trust)	Cash Flow	20,000
Mayday Trust	Cash Flow	20,000
New Economy Organisers Network (NEON)	Response	20,000
NSUN (National Survivor User Network)	Cash Flow	16,300
NSUN (National Survivor User Network)	Response	10,000
Oxford Hub	Cash Flow	20,000
Real Insight Consultancy Cic	Response	19,195
Sound Delivery	Cash Flow	18,300
Sound Delivery	Response	20,000
Support and Action for Women's Network (SAWN)	Response	19,300
Support and Action for Women's Network (SAWN)	Cash Flow	17,900
Wandsworth Community Empowerment Network (WCEN)	Response	19,727
Women's Community Matters	Response	20,000
<b>TOTAL:</b>		<b>551,106</b>

Organisation	Strategic area	Description	Grant amount (£)
(The) Social Change Agency	Networks	To develop the Losing Control network	20,000
(The) Ubele Initiative	Core Skills	To develop a leadership programme in Manchester for BAME community organisations to engage in and eventually lead systems change initiative	118,030
(The) Ubele Initiative	Networks	For core costs	100,000
(The) Women's Environment Network Trust	Sustainability	Extension of core grant towards Feminist New Green Deal and COP	20,000
(The) Women's Environmental Network Trust	Sustainability	Core funding	90,000
Acorn (Association of Community Organisations for Reform Now Ltd)	Networks	To grow the community organising network and influence	180,000

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African Families in the UK	Oxford	Core funding to provide capacity to collaborate with Oxford Hub and in the community impact zone	21,000
Age UK Gateshead Ltd	Gateshead	Part of the community response to COVID-19 in Gateshead	15,000
Agenda	National	Towards the costs of a stakeholder insight exercise	14,640
Alliance Publishing Trust	Communications	For ongoing contributions to the philanthropic magazine and content for two years	10,000
An Untold Story Voices	National	Core costs for two years plus an additional sum for professional advice and support on organisational form and structure	70,000
Architecture 00 (trading as Dark Matter Labs)	Governance	For the collective inquiry into systemic governance	81,650
Arts at the Old Fire Station	Oxford	To help cover the cost of the Marmalade 2020 conference which had to be cancelled as a result of the COVID-19 pandemic	5,000
Barking and Dagenham Giving	Barking and Dagenham	Emergency COVID-19 funding for place	100,000
Barking and Dagenham Giving	Barking and Dagenham	To hold and coordinate a locally devolved fund for Barking and Dagenham	350,338
Birmingham SEMH Pathfinder project	National	Core funding	197,600
Breen Centre	Knowledge	Part of the Knowledge Fund: to explore issues of community knowledge and power with partners from the Rathcoole estate and in Northampton	30,000
Centre for Knowledge Equity CIC	Core Skills	For the Illuminate webinar series	10,000
Centre for Knowledge Equity CIC	Networks	Funding for additional core support via communications, network development and fundraising roles and a knowledge platform	144,074
Centre for Mental Health	National	Towards policy advice and support for the Synergi Collaborative Centre	20,600
Centre for Public Impact	Place	To create and support a Community of Practice, comprising national regulators and local public sector organisations and charities, who want to experiment with regulation differently	25,000
Centre for Welfare Reform	Governance	For core costs	50,000

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Chayn CIC	Knowledge	Part of the Knowledge Fund: to explore the use of creative methods in understanding experiences of trauma and concepts of mental wellbeing	30,000
Civic Square (Department of Dreams)	Knowledge	To support the next phase of Department of Dreams	160,000
Civic Square (Department of Dreams)	Knowledge	For a learning partner to support Department of Dreams	30,000
Collaborative Future	Networks	To capture Collaborative Future's way of engaging and approach to growing its network	3,500
Collective Impact Agency	Gateshead	To extend the Associate role until 2022	67,945
Collective Impact Agency CIC	Gateshead	For part-time admin support	10,000
Collective Impact Agency CIC	Gateshead	To fund admin support	29,250
Collective Impact Agency CIC	Gateshead	To extend the admin support until 2022	29,250
Collective Impact Agency CIC	Gateshead	For the Associate role	61,137
Community Resources for Change	Barking and Dagenham	To act as the learning partner for Barking and Dagenham Collective	40,890
Corra Foundation	National	The second instalment of a grant to co-design a local programme (based on Systems Changers)	230,000
Culture Hack Labs via New World Foundation	Manchester	For a six-month programme to learn skills on disrupting narratives and decolonising the internet experiment in Greater Manchester	50,000
Cyrenians	National	For a research project capturing the changes the COVID-19 pandemic has presented for people who are working or accessing services related to homelessness	18,714
Democratic Society	Governance	For the collective inquiry into systemic governance	77,150
Expert Link	National	Core costs for two years	100,000
Fairshare Educational Foundation t/a Share Action	Sustainability	To renew ShareAction's subscription to Proxy Insight	10,000
Forum for the Future	Core Skills	Core funding for the School for Systems Change	200,000
Forum for the Future	Core Skills	For the Illuminate webinar series	40,000

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Forum for the Future	Governance	For the development phase of the systemic governance COP	30,000
Friends Provident Foundation	National	To sign up to the Index of Foundation Diversity, Transparency and Accountability	40,000
Glitch	National	Towards the development of a '101 anti-racism course' which will be initially aimed at Jewish community organisations	3,750
Grapevine [Coventry and Warwickshire] Ltd	Networks	Towards the Connecting for Good place-based network / movement to end isolation, build, connect and distribute leadership and find community-led solutions to enable systems to shift	180,000
Hackney CVS	National	Towards the Research and Development phase of work to create a funding body with a specific focus on racially minoritised communities	25,000
Hackney CVS	Networks	Towards the research phase to develop a foundation that will be focused on racial injustice	5,000
Healing Justice London Ltd	Networks	To create an Open-Source community-led public health platform using a disability and anti-oppression lens	50,000
Healing Justice London Ltd	Networks	To support the operational development and scaling up of activities	35,000
Healing Justice London Ltd	Networks	For core costs	320,000
Healthwatch (Black Thrive)	Governance	For the collective inquiry into systemic governance	17,400
Homeless Link (for MEAM)	National	For core costs	150,000
Jigsaw Recovery Project (CIC)	Gateshead	To support with learning and experiments as part of the Bensham Systemic Action Inquiry	50,000
Joseph Rowntree Foundation	Governance	To develop a collaborative 'test and learn' fund with a focus on lived experience of poverty	60,000
Joseph Rowntree Foundation	Networks	To develop a collaborative 'test and learn' fund with a focus on lived experience of poverty	100,000
Journalism Award	Communications	Funding for the News and Media Fund – a number of mini grants to support journalists / organisations looking at public interest news and / or diversity in the media	339,620



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Kingsley Hall Church and Community Centre	Barking and Dagenham	For participatory activity and engagement with local community members and groups in Barking and Dagenham	210,243
Localmotion	National	To work as part of a group of six foundations to create a place-based collaborative	50,000
Love Barrow Families	Place	Transfer of funding for the Barrow Hub exploration to Women's Community Matters	(118,573)
Mandala Theatre Company	Oxford	To help cover the income disruption faced as a result of the COVID-19 pandemic	26,000
Mark Leonard Trust	Sustainability	Contribution to costs of legal review into Trustee investment powers	20,000
New Economy Organisers Network (NEON)	Networks	For work to empower change-makers to build just systems of care through improving movement consciousness, appreciation and leadership	330,000
NSUN (National Survivor User Network)	Knowledge	Part of the Knowledge Fund: to explore ideas of leadership, lived experience and capacity building in their work and networks	30,000
Our Agency CIC	Manchester	For core costs	100,000
Our Agency CIC	National	For core costs	200,000
Platform London	Sustainability	Core funding	90,000
Poverty Truth Network	Networks	To support PTN's network of commissions as an infrastructure and influencing organisation	180,000
Prism The Gift Fund (Resourcing Racial Justice)	ISMs	Funding for the Resourcing Racial Justice Coalition	535,000
Prism The Gift Fund (Resourcing Racial Justice)	National	Funding for the Resourcing Racial Justice Coalition	126,400
Prison Reform Trust	Knowledge	Part of the Knowledge Fund: to support the learning and development of the Prisoner Policy Network	30,000
Refugee & Asylum Participatory Action Research. RAPAR New grant	Manchester	A grant extension to continue the work with undocumented people	2,000
Refugee and Asylum Participatory Action Research. RAPAR	Manchester	For undocumented people in Greater Manchester to tell their stories	32,000

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Sanmathi Ltd (Whose Knowledge)	Knowledge	To support the work of the Whose Knowledge initiative to explore issues of knowledge justice relating to social harm, marginalisation and inequality	30,000
Sanmathi Ltd (Whose Knowledge)	Manchester	For a six-month programme to learn skills on disrupting narratives and decolonising the internet experiment in Greater Manchester	30,000
Sound Delivery	Communications	To support the nurturing and growth of Being the Story Spokespersons Network	135,000
Spaces Fund	Manchester	Open fund: a collection of independent, safe spaces where people can come together to explore what it means to reveal → question → dismantle systems that perpetuate disadvantage or to explore how to heal → reimagine → renew systems	250,000
St Chad's Community Project	Gateshead	Part of the community response to COVID-19 in Bensham specifically	20,000
St Chad's Community Project	Gateshead	To engage in a collective Systemic Action Inquiry in Bensham	30,000
Support and Action for Women's Network (SAWN)	Manchester	To fund a locally based coordination team to manage the work in Greater Manchester	25,000
Support and Action for Women's Network (SAWN)	Networks	To support the women founders who run the organisations who make up Mama Health with time and space to work out how they create meaningful and transformational change	50,000
Teams Medical Practice	Gateshead	To begin the Gateshead place-based inquiry in Teams and Dunston	8,333
Teams Medical Practice	Gateshead	To cover the expenses incurred by the Coordinator of the Teams and Dunston inquiry	1,000
Ten Years' Time	Sustainability	To research, produce and disseminate a report on racial justice, foundation practice and financial capital	20,000
The Ballinger Trust	Gateshead	To hold the funding for the collaboration to start the Teams and Dunston initiative	110,000
The Social Change Agency	Governance	For the development of the Accountable service and learning days	34,000
Thirty Percy (holding for collab)	Sustainability	For the scoping phase of the 'Transformation Capital' UK prototype project	50,000

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Transmit Enterprise CIC	Gateshead	To support the development of the SIGNAL poverty mapping methodology across Gateshead	10,600
Two Ridings Community Foundation	York	Emergency COVID-19 funding for place	108,000
Two Ridings Community Foundation	York	To set up and coordinate a devolved local fund in York and to undertake an action inquiry focused on children, young people and severe and multiple disadvantage	366,000
Two Ridings Community Foundation	York	To extend and expand the Partnerships Coordinator role leading work on the Local Fund and Children and Young People's Inquiry in York	33,248
Unlimited Potential	Manchester	To fund a project to look at what it takes to shift wealth and economic power in communities in Greater Manchester	100,000
Unlimited Potential	Manchester	The final grant for the Elephant Trails series to continue for the next piece of activity	200,000
Unlimited Potential	Manchester	To support the COVID-19 response in Greater Manchester	100,000
Voluntary Organisations' Network NE (VONNE)	Gateshead	To contribute to the VONNE Climate Action Alliance	60,000
Wandsworth Community Empowerment Network (WCEN)	National	For core costs	85,000
Women's Community Matters	Barrow	Emergency COVID-19 funding for place	100,000
Women's Community Matters	Barrow	To share learning from Love Barrow Together	30,000
Women's Community Matters	Place	Funding for the Barrow Hub exploration (transferred from Love Barrow Families)	118,573
York CVS	Governance	For the collective inquiry into systemic governance	17,400
York CVS	York	To undertake and make sense of the cultural values present in the York system	20,000
York CVS	York	To support the ambition that all the working groups which are part of the York MCN Network are underpinned by co-production and the voices of those with lived experience	3,700
		<b>TOTAL:</b>	<b>8,255,462</b>

## Financial report

The Trustees authorised a total budget (excluding investment management and social investment fees) for 2020-21 of £15,882k made up of:

- £14,403k programme costs
- £1,479k staff costs, governance and office costs

There was also a budget of £43k for capital expenditure.

Total expenditure, excluding investment management fees was £10,474k. This was made up of:

- £9,091k programme costs (2020: £6,361k).
- £1,383k staff costs, governance and office costs (2020: £1,327k)

£8k was spent on capital items in the year (2020: £25k)

## Income

Total income during the year was £2,700k (2020: £3,979k).

Total investment income has declined from £3,888k to £2,700k, the largest part of this being income from listed investments which fell from £3,820k to £2,653k. The primary reason for the fall in income is that many income-generating companies in the portfolio significantly reduced or even cancelled their dividends during financial year 2021, in response to the pandemic. In addition, interest from funds held in the investment portfolio was £45k in the year (2020: £49k). Social investment income was £Nil (2020: £8k), the fall being the impact of the reversal of capital repayments taken as income in prior years. Other interest income has declined from £11k to £2k.

There was no donation received from Northwood Trust in the year (2020: £50k). It is, however, expected that the donation will recommence in 2021/22.

## Fundraising practice

LankellyChase Foundation does not derive any income from fundraising. LankellyChase Foundation does not engage in public fundraising and does not use professional fundraisers or commercial participators. The Foundation nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and the Foundation received no complaints relating to its fundraising practice.

## Spending policy

Trustees and staff regularly review progress against the Foundation's strategic aims and a work plan is developed by the staff team (and with external partners with regards to place-based work).

In 2020-21, as highlighted in the Trustees' report above, a number of Portfolio Teams were rolled into larger strategic groups<sup>2</sup>: *How* and *Who* (*Where* encompasses the place work, and the individual place Portfolio Teams have remained).

The budgeting process for 2020-21 was a collective one, with the entire staff team encouraged to contribute to the programmatic budget, as well as some of the budgets in places. Portfolio Teams – and now the larger groups – developed budgets and work plans for the year ahead<sup>3</sup> which were approved by the Board.

It is our vision and mission that are the main determinants of each year's expenditure.

### **Investment policy**

The Foundation adopts a total return approach to investment, generating its investment return from income and capital gains or losses after deducting investment manager fees. This year saw a continuation of our objective to produce the best financial return within an acceptable level of risk for the bulk of the assets.

During the year, however, the Foundation updated its investment philosophy and policy to include additional objectives for investment capital to actively contribute to its mission, including by changing the systems which perpetuate disadvantage and contributing to rapid and just decarbonisation. This approach will be implemented over the next financial year.

### **Investment management**

The Foundation currently engages four investment management companies to manage its financial assets on a discretionary basis. These investment managers were chosen to complement each other, including by reducing style and manager concentration. They have been directed to deliver financial returns relative to agreed benchmarks through active, responsible relationships with investee companies. This involves both understanding and seeking to influence positively the quality of corporate governance, as well as environmental and social impacts and performance.

As noted earlier, during the year we appointed new investment managers to implement our updated Investment Philosophy and Policy, based on more holistic objectives aligned with our mission. We will be transitioning funds into these mandates during 2021.

### **Performance**

The Foundation's investment portfolio produced a financial return of +24% during the year, compared to a loss of -4.1% in the preceding year. This saw it increase from a value of £136.1m at 31st March 2020 to £156.8m at 31st March 2021.

This strong performance was driven in part by a depressed starting point during the nadir of the pandemic's impact on many financial asset prices, coupled with the strong subsequent

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<sup>2</sup> Those teams were: Sustainability, Networks, Governance, Communications, Core Skills, Knowledge and Investments.

<sup>3</sup> These budgets and work plans were redressed in some cases to accommodate the significant changes brought about by COVID-19.

performance of many financial assets as policy-makers responded with public health and economic stability measures.

This compares to a 24.2% return for the aggregate benchmark which Lankelly Chase uses to contextualise the portfolio performance (70% MSCI World Index and 30% Iboxx Gilts All Stock Index).

### **Social investments**

The Foundation will consider making social investments where they directly support our mission and where the financial support required is different to that needed by grantees.

Financial return is not the overriding consideration in making these investments and in reviewing their success. The Trustees recognise that the returns from social investments come from a blend of social impact and traditional financial investment measures of income generated and increase in capital value. Income and the maintenance of capital value is important to demonstrate that social investments can produce a financial return as well as a social return, but the primary reason for the Foundation making social investments is, as for grant-making, to advance our charitable mission. Social investments are reviewed for both social impact and on financial measures to inform impairment considerations.

Social investments are not currently a core part of the investment strategy, and no new social investments were made in the year ended 31 March 2021. Following further repayments of capital during the year social investments at 31 March 2021 totalled £962,283 (2020: £993,201).

### **Reserves policy**

As the Foundation's endowment is expendable, it is all available for use at the discretion of the trustees in furtherance of the charitable objects of the Foundation.

Trustees consider it prudent to have short term access to cash equal to approximately 12 months' projected expenditure. This includes grants that are payable in the next 12 months, one year's programme, staff, governance and office costs and the value of any purchases of office furniture or equipment that are anticipated within the next 12 months. Some of the cash will be held by fund managers and not under the Foundation's direct control but would be accessible within 30 days' notice.

### **Remuneration policy**

The overall goal of the Foundation's remuneration policy is to ensure that staff members are remunerated fairly and in a way that ensures that the Foundation attracts and retains the right skills to have the greatest impact in delivering our charitable objectives.

Lankelly Chase aims to maintain a competitive and fair salary structure which is clearly defined and communicated to all employees with procedures that are applied consistently in a non-discriminatory manner. The Foundation benchmarks salaries against an appropriate

comparative sector/set of organisations. Benchmarked bands are agreed for each post and set by the Resources and Risk Committee. A Pay Committee comprising the senior management team approves individual salary changes up to and including Director roles. The Deputy Chief Executive salary is approved by Resources and Risk and the CEO salary by the Board.

Lankelly Chase is a living wage employer and commits to paying at least the London Living Wage to all employees, including interns.

Lankelly Chase offers an Enhanced Parental Leave policy offering all new parents the same opportunity to take paid leave, regardless of gender, sexual orientation or how they became a parent (whether through birth, adoption, parental responsibility or surrogacy). This has been made available after passing probation, rather than the original requirement of 12 months of service and reflects a commitment to living the values of the Foundation.

The Foundation does not currently pay remuneration to Trustees or Co-optees.

### **Statement of responsibilities of the Trustees**

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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. In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and

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- 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 auditors are aware of that information.

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

The report of the Trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees on 27 October 2021 and signed on their behalf by

  
Myron E Rogers (Nov 5, 2021 13:16 GMT)

Myron Rogers  
Chair of Trustees



## **Independent auditor's report to the members of The LankellyChase Foundation**

### **Opinion**

We have audited the financial statements of The LankellyChase Foundation (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 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
- Have been prepared in accordance with the requirements of the Companies Act 2006

### **Basis for opinion**

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

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Foundation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

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

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

### **Responsibilities of Trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

### **Capability of the audit in detecting irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the resources and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements,

as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

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



Jonathan Orchard (Senior statutory auditor)

Date: 17 November 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

## Statement of financial activities for the year ended 31 March 2021

	Note	All restricted and unrestricted funds 2021 £	All restricted and unrestricted funds 2020 £
<b>Income from:</b>			
Investments	2	2,700,129	3,888,204
Donations		-	90,909
Other income		87	201
<b>Total incoming resources</b>		<b>2,700,216</b>	<b>3,979,314</b>
<b>Expenditure on:</b>			
Investment management fees		849,225	983,413
Charitable activities	3	10,474,109	7,688,220
<b>Total expenditure</b>		<b>11,323,334</b>	<b>8,671,633</b>
<b>Net expenditure before net gains on investments</b>		<b>(8,623,118)</b>	<b>(4,692,319)</b>
Net gains/(losses) on investments		31,106,309	(7,551,786)
<b>Net movement in funds</b>	4	<b>22,483,191</b>	<b>(12,244,105)</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward at 31 March		135,613,071	147,857,176
<b>Total funds carried forward at 31 March</b>		<b>158,096,262</b>	<b>135,613,071</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 16 to the financial statements.

All income and expenditure was unrestricted in both periods.

**Balance sheet as at 31 March 2021**

	Note	£	2021 £	£	2020 £
<b>Fixed assets</b>					
Tangible assets	10		27,424		30,198
Investments					
Managed funds	11		156,755,772		136,132,803
Social investments	12		962,283		993,201
			<b>157,745,479</b>		<b>137,156,202</b>
<b>Current assets</b>					
Debtors	13	110,987		169,148	
Cash at bank and in hand		7,698,531		4,139,913	
		<b>7,809,518</b>		<b>4,309,061</b>	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	14	(5,933,058)		(4,022,960)	
<b>Net current assets</b>			<b>1,876,460</b>		<b>286,101</b>
<b>Total assets less current liabilities</b>			<b>159,621,939</b>		<b>137,442,303</b>
Creditors: amounts falling due after one year	15		(1,525,677)		(1,829,232)
<b>Total net assets</b>			<b>158,096,262</b>		<b>135,613,071</b>
<b>The funds of the charity</b>					
Unrestricted funds	16		158,096,262		135,613,071
			<b>158,096,262</b>		<b>135,613,071</b>

The financial statements were approved by the Board of Trustees and authorised for issue on 27 October 2021 and are signed on its behalf by:

*Myron E Rogers*  
Myron E Rogers (Nov 5, 2021 13:16 GMT)

Myron Rogers  
Chair of Trustees

Company registration number 5309739

## Statement of cash flows for the year ended 31 March 2021

	Note	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
<b>Net income/(expenditure) for the reporting period</b>					
As per the statement of financial activities		22,483,191		(12,244,105)	
Depreciation charges		11,035		6,765	
(Gains)/losses on investments		(31,106,309)		7,560,254	
Dividends and interest from investments		(2,700,129)		(3,888,204)	
Decrease/(Increase) in debtors		58,161		(61,922)	
Decrease in creditors		1,606,543		2,205,434	
<b>Net cash used in operating activities</b>			(9,647,508)		(6,421,778)
<b>Cash flows from investing activities:</b>					
Dividends and interest from investments		2,700,129		3,888,204	
Purchase of fixed assets		(8,261)		(25,483)	
Return or impairments of social investments		30,918		23,702	
Movement on cash within investments		(1,488,682)		(611,473)	
Proceeds from sale of investments		46,875,173		41,764,931	
Purchase of investments		(34,903,151)		(37,542,289)	
<b>Net cash provided by investing activities</b>			13,206,126		7,497,591
<b>Change in cash and cash equivalents in the year</b>			3,558,618		1,075,813
Cash and cash equivalents brought forward at 1 April			4,139,913		3,064,100
<b>Cash and cash equivalents carried forward at 31 March</b>			7,698,531		4,139,913



## Notes to the financial statements for the year ended 31 March 2021

### 1. Accounting Policies

#### Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

#### Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

#### Going concern

Whilst acknowledging the current volatility in the markets the Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

#### Income

Investment income is accounted for when received by the Foundation or its agents. Social investment interest income is recognised when receivable on an accruals basis. Other income is accounted for when the amount receivable can be identified with reasonable certainty. In practical terms this is generally the date of receipt.

#### Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity heading: expenditure on charitable activities which includes the costs of programme activities and grantmaking undertaken to further the purposes of the charity and their associated support costs.

Charitable activities are those costs relating to the programme activities of the Foundation and include grants, governance and support costs. Grants 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. 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.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Investment managers' fees are grossed up for any rebates received.

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

Support costs are those related to all the other activities of the organisation and are apportioned on the basis set out in note 4.

### **Allocation of support costs**

Resources expended are allocated to the activity where the cost relates directly to that activity. However, the cost of the overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of the proportion of staff time attributable to each activity.

### **Operating lease commitments**

Rental charges are charged on a straight line basis over the term of the lease.

### **Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold improvements	over the remaining life of the lease
Office furniture and equipment	25% per annum

### **Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be included in unrestricted reserves in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities (SOFA). The Foundation does not acquire put options, derivatives or other complex financial instruments.

### **Social investments**

Social investments are carried at fair value or impaired cost where it is not practicable to recognise at fair value. Such investments are subject to regular review and any impairment is charged to the SOFA. Investment valuations are not enhanced to more than original cost.

### Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### Pension costs

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

As the Foundation's endowment is expendable, unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objects of the Foundation. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors.

## 2. Income from investments

	2021 £	2020 £
Listed investments	2,652,564	3,820,157
Interest on cash held as part of the investment portfolio	45,275	49,112
Bank interest	2,290	10,711
Social investment income	-	8,224
Total investment income	2,700,129	3,888,204

Interest on cash includes income received from Index Linked Treasury bonds that have been held during the year.

### 3. Expenditure on charitable activities

For 2020-21 we followed a more thematic approach and set up Portfolio Teams that looked after a particular area of the Foundation's work. The budget was set up in this way and so expenditure for the statutory accounts has followed the same approach, as set out below.

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
Programme-related costs		
Strategic areas:		
Who	1,032,845	992,474
Power	-	937,775
Field	-	1,143,707
Place	3,248,156	2,487,292
Unanticipated grants opportunities	-	545,183
Comms	572,816	120,302
Learning	-	60,868
Grant Development	302,568	73,747
How	2,837,271	-
Other	1,097,302	-
	<hr/> 9,090,958	<hr/> 6,361,348
Governance costs (note 5)	31,505	53,207
Support costs (note 6)	1,351,646	1,273,665
	<hr/> <b>10,474,109</b> <hr/>	<hr/> <b>7,688,220</b> <hr/>

### 4. Net income/(expenditure) for the year

This is stated after charging/(crediting):

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
Depreciation	11,035	6,765
Operating lease rentals		
Property	87,172	86,975
Other	9,307	9,173
Auditor's remuneration (excluding VAT):		
Audit	12,000	11,700
Other services	-	5,000
VAT on audit cost	2,400	3,340
	<hr/> <hr/>	<hr/> <hr/>

## 5. Governance costs

	2021 £	2020 £
Legal expenses	-	3,295
Auditor's remuneration	14,400	19,890
Membership of PRI	1,028	1,028
Trustee expenses reimbursed	-	2,846
Trustee training	96	210
Trustee meeting costs	(109)	13,354
Governance review	16,000	11,760
Other governance related administration expenses	90	824
	<u>31,505</u>	<u>53,207</u>

## 6. Support costs

The key elements of support costs are set out below:

	2021 £	2020 £
Staff costs (note 7)	1,061,857	1,032,017
Recruitment costs	4,200	-
HR-related costs	11,385	15,453
Premises costs including utilities and repairs	101,539	105,669
Legal and professional costs	27,083	13,542
Travel, subsistence and hosting of events	295	3,469
Training and conferences	48,058	39,085
Subscriptions and memberships	22,123	25,185
Telephone, postage, stationery and printing	14,218	15,931
Website and IT costs	51,036	15,578
Bank charges	1,490	807
Sundries	(2,673)	164
Depreciation	11,035	6,765
	<u>1,351,646</u>	<u>1,273,665</u>

## 7. Analysis of staff costs, Trustee expenses and the cost of key management personnel

Staff costs were as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Salaries	844,588	807,140
Social security costs	73,302	82,194
Employer contribution to defined contribution pension schemes	86,341	84,472
Temporary staff	53,797	54,616
Other forms of employee benefits	3,829	3,595
	<b>1,061,857</b>	<b>1,032,017</b>

The following number of employees received benefits in excess of £60,000 (excluding employer pension costs and employer National Insurance contributions) during the year between:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
£60,001 - £70,000	1	2
£70,001 - £80,000	2	-
£100,001 - £110,001	1	1

The total employee benefits including employer pension contributions and employer National Insurance contributions of the key management personnel were £472,830 (2020: £477,202).

The Chief Executive received a gross salary after salary sacrifice of £109,151 with employer pension contributions of £18,027 (2020: £106,668 and £17,617 respectively).

## The LankellyChase Foundation

The key management personnel (including the Chief Executive) received salary payments (gross salaries after sacrifice) plus employer pension contributions and other benefits in the following bands.

	<b>2021 No.</b>	<b>2020 No.</b>
£40,001 - £50,000	-	2.0
£50,001 - £60,000	-	1.0
£60,001 - £70,000	0.8	-
£70,001 - £80,000	0.9	1.8
£80,001 - £90,000	1.9	-
£120,001-£130,000	1.0	1.0
	<hr/>	<hr/>
<b>Total</b>	<b>4.6</b>	<b>5.8</b>
	<hr/> <hr/>	<hr/> <hr/>

Trustees' expenses represent the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £12,512). No Trustees incurred any expenses (2020:4) relating to attendance at meetings of the Trustees.

The Foundation's Trustees were not paid nor received any other benefits from employment with the Foundation in the year (2020: £nil).

### **8. Staff numbers**

The average monthly number of employees (head count based on number of staff employed) during the year was 15 (2020: 16).

### **9. Related party transactions**

The LankellyChase Foundation undertook a governance review in the year 2020 and as part of this review consultants who have subsequently become Trustees of the charity were paid consultancy fees. These payments were agreed and approved in advance of the individuals becoming Trustees.

The fees paid are listed below (2020: none):

	<b>£</b>
Amanda Hailes	1,000
Asif Afridi	1,000
James Keenan	1,000
Marai Larasi	1,000
	<hr/>
	<b>4,000</b>
	<hr/> <hr/>



There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

## 10. Tangible assets

	Leasehold improvements £	Furniture & equipment £	Total £
<b>Cost</b>			
At 1 April 2020	144,620	91,358	235,978
Additions	-	8,261	8,261
At 31 March 2021	144,620	99,619	244,239
<b>Depreciation</b>			
At 1 April 2020	134,715	71,066	205,780
Charge for the year	2,971	8,064	11,035
At 31 March 2021	137,686	79,129	216,815
<b>Net book value at 31 March 2021</b>	<b>6,935</b>	<b>20,489</b>	<b>27,424</b>
Net book value at 30 March 2020	9,906	20,292	30,198

All assets are used for charitable purposes.

## 11. Investments – managed funds

Investments comprise:

	2021 £	2020 £
Listed investments	148,137,079	129,002,792
Cash held as part of the investment portfolio	8,618,693	7,130,011
<b>Total market value</b>	<b>156,755,772</b>	<b>136,132,803</b>

## The LankellyChase Foundation

	2021 £	2020 £
Fair value at 1 April	129,002,792	140,785,688
Additions at cost	34,903,151	37,542,289
Disposal proceeds	(46,875,173)	(41,764,931)
Net gain/(loss) on change in fair value	31,106,309	(7,560,254)
	<hr/>	<hr/>
Fair value at 31 March	<b>148,137,079</b>	<b>129,002,792</b>
Cash balances	8,618,693	7,130,011
	<hr/>	<hr/>
<b>Total Market Value</b>	<b>156,755,772</b>	<b>136,132,803</b>
	<hr/> <hr/>	<hr/> <hr/>

## 12. Investments – social investments

The movement in social investments held by the Foundation during the year ended 31 March 2021 and the previous year are shown in the two tables below:

Year end 31 March 2021	At 1 April 2020 £	Purchases in year/ (return of capital) £	Impairment £	At 31 March 2021 £
Big Issue Invest	75,392	(23,351)	-	52,041
Charity Bank	200,000	-	-	200,000
Ethex	-	(16,286)	16,286	-
Social Justice and Human Rights Centre	500,000	-	-	500,000
Resonance Real Lettings Property Fund	217,809	(7,567)	-	210,242
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>993,201</b>	<b>(47,204)</b>	<b>16,286</b>	<b>962,283</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

At the year-end, the Foundation had committed to no further social investments (2020: £nil) to be made in the following year.

## The LankellyChase Foundation

Year end 31 March 2020	At 1 April 2019 £	Purchases in year/ (return of capital) £	Impairment £	At 31 March 2020 £
Big Issue Invest	91,527	(13,924)	(2,210)	75,393
Charity Bank	200,000	-	-	200,000
Ethex	-	-	-	-
Social Justice and Human Rights Centre	500,000	-	-	500,000
Resonance Real Lettings Property Fund	225,376	(7,567)	-	217,809
	<b>1,016,903</b>	<b>(21,492)</b>	<b>(2,210)</b>	<b>993,201</b>

### 13. Debtors

	2021 £	2020 £
Other debtors	72,626	115,891
Prepayments	36,469	51,365
Accrued income	1,892	1,892
	<b>110,987</b>	<b>169,148</b>

### 14. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	55,558	46,085
Grants payable within one year	5,464,684	3,696,912
Other creditors	5	8,540
Accruals	412,811	271,423
	<b>5,933,058</b>	<b>4,022,960</b>

## Reconciliation of movement in grants creditors

	2021 £	2020 £
At 1 April 2020		
Grants falling due within one year	3,696,912	2,004,669
Grants falling due after more than one year	1,829,232	1,367,804
Total grants creditor	5,526,144	3,372,473
Prior years' grants cancelled/returned in year	(391,045)	-
New grants awarded in year	8,806,568	5,848,051
Grants paid in year	(6,951,306)	(3,694,380)
At 31 March 2021	6,990,361	5,526,144
At 31 March 2021		
Grants payable within one year	5,464,684	3,696,912
Grants payable after more than one year	1,525,677	1,829,232
Total grants creditor	6,990,361	5,526,144

## 15. Creditors: amounts falling due after one year

	2021 £	2020 £
Grants payable (all payable in 2-5 years)	1,525,677	1,829,232
	<b>1,525,677</b>	<b>1,829,232</b>

## 16. Movement in funds

As the Foundation's endowment is expendable, there is no distinction between the endowment and unrestricted reserves. These funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation.

### Current year

	At 1 April 2020 £	Incoming resources & gains £	Outgoing resources & losses £	At 31 March 2021 £
Unrestricted funds	135,613,071	33,806,525	(11,323,335)	158,096,261
Total funds	<b>135,613,071</b>	<b>33,806,525</b>	<b>(11,323,335)</b>	<b>158,096,261</b>

All income and expenditure in the year related to unrestricted funds.

## Prior year

	At 1 April 2019 £	Incoming resources & gains £	Outgoing resources & losses £	At 31 March 2020 £
Unrestricted and total funds	147,857,176	3,979,314	(16,223,419)	135,613,071
Total funds	147,857,176	3,979,314	(16,223,419)	135,613,071

## 17. Operating lease commitments

The Foundation's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Land and buildings		Other assets	
	2021 £	2020 £	2021 £	2020 £
Less than one year	87,172	87,172	8,642	8,927
One to five years	123,494	210,667	10,260	19,589
	210,666	297,839	18,902	28,516

## 18. Legal status of the charity

The Foundation is a charitable company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.