

# Lankelly Chase

## The LankellyChase Foundation

Annual report and financial statements for the year  
ended 31 March 2022

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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 2022 and also include changes up to the date on which the accounts were signed.

Trustees	Myron Rogers (I,R)	Chair
	Morag Burnett (I,R)	Vice Chair – retired 27 <sup>th</sup> October 2021
	Asif Afridi (R)	
	Hilary Berg	Retired 27 <sup>th</sup> October 2021
	Amanda Hailes	
	James Keenan	Retired 10 <sup>th</sup> January 2022
	Marai Larasi (I)	
	Darren Murinas (R)	
	Baljeet Sandhu (I)	
	Simon Tucker (R)	Retired 27 <sup>th</sup> October 2021
	Robin Tuddenham (I)	

Co-optees	Andrea Marmolejo (I)
	Jeremy Rogers (I)

(I) indicates members of the Investment Committee

(R) indicates member of the Resources and Risk Committee

Any individual Trustee has the right to attend any committee meeting.

Staff team	Edel Brady-Jackson	Administrator, Place Action Inquiry
	Dominic Burke	Investment Director
	Lisa Clarke	Action Inquiry Manager (started 1 March 2022)
	Jessica Cordingly*	Director (on parental leave from 1 November 2021)
	Julian Corner*	Chief Executive
	Karen Crompton	Head of Operations
	Renee Davis	Communications Manager
	Joe Doran	Action Inquiry Manager

## The LankellyChase Foundation

Alice Evans*	Deputy Chief Executive (left 31 August 2021)
Oliver French	Action Inquiry Manager (on parental leave from 1 March 2021 to 31 August 2021)
Carrina Gaffney	Action Inquiry Manager
Rachael Gibbons	Action Inquiry Manager (started 15 November 2021)
Ania Jeleniewska-Kaczmarczyk	Head of Finance
Anita Kamyra	Finance Assistant (started 12 July 2021)
Joan Kirungi	Office and Admin Assistant (started 19 July 2021)
Habiba Nabatu	Action Inquiry Manager (on parental leave from 3 August 2020 to 2 August 2021)
Jenny Oppenheimer	Action Inquiry Manager
Cathy Stancer*	Director
Mary Ward	Executive Assistant (left 6 October 2021)
Key management personnel	Although in 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.

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Country of registration England and Wales  
Country of incorporation United Kingdom  
Charity registration number 1107583  
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## Report of the Trustees

### Introduction

In 2021-22 philanthropic institutions finally felt the heat of accountability. The rise of Black Lives Matter brought about a myriad of conversations about power and privilege that revealed to trusts and foundations the degree of disconnect between our funding approaches and the experiences of those who most urgently need resources.

In response to the scale of the world's interlocking crises, Lankelly Chase committed to striving for a world healed by justice, equity and inclusion, and to tackling the systems of oppression that keep us divided. We did so to make explicit our solidarity with those who face the daily harms of injustice and inequity, while being conscious that it is all too easy for powerful organisations to coopt concepts without an appreciation of what they mean to those they most affect or in ignorance of the struggle that gave them substance.

In measuring up to our vision, we know there is much we have to unlearn and relearn about the kind of relationships that can embody justice and equity in our work. We have taken great inspiration from the people we fund and partner with, but we know that we need to do the work ourselves if we are to offer effective solidarity and allyship. This report sets out some of the steps we are taking.

Before setting these out, we want to be clear about the path that brought us to this point. It not only explains some of the organisational DNA that shapes our work, but it also helps illuminate the wider case for change in philanthropy.

### Background

Ten years ago, Lankelly Chase set out to disrupt its own methodology of funding charitable service provision through a framework of siloed problems and solutions. Our new analysis of these problems tried to surface more of their complexity and interconnectedness. As a result, we argued for a 'systems approach' to understanding how solutions might be generated.

Without precedents for philanthropic foundations using systems approaches, we knew this work was an experiment. We didn't know whether a foundation, with all its power and privilege, could become a good practitioner of a marginal discipline like systems thinking. As our CEO Julian Corner wrote in a 2020 [article](#), "When Lankelly Chase embraced the goal of 'systems change' we asserted that to change systems, we had to change ourselves. In saying this, we didn't comprehend how fundamentally we embodied a harmful paradigm". The degree to which we needed to change in order to become a healthy systems actor is only now starting to come into view.

The harmful paradigm that Julian described was one that assumes a hierarchy of actors, with some better able to analyse, understand and make decisions. This assumption of hierarchy underpins the racism, sexism and other discriminatory mindsets that our work aims to tackle, but we had failed to see how little we had escaped it in our own work.

Any attempt to work at a systems level requires the practitioner to define the boundary of the system. In our case, we chose 'severe and multiple disadvantage' as the boundary, naming interlocking disadvantages such as homelessness and mental ill health. The difficulty we

discovered with a foundation choosing the system boundary is that our funding power causes others to have to choose that boundary as well. So, any problems with the choice become problems for them. If the systems practitioner is mainly in a facilitative role, then the effects might be manageable. But a funder has the power to influence the terms of engagement within the system. Those whose work is vital to the health of the system, but who don't share our analysis, are excluded.

By 2020/21, it had become clear that our systems analysis had disproportionately excluded people and communities of colour. This was disastrous for our social justice mission and highlighted that a white-dominated perspective had prevailed both within the executive and non-executive teams. As a result, people with racial justice expertise now sit on our board, and we disbanded the all-white leadership team in order to allow for more diversity of decision making and to shift decision making power to those with different expertise in the team.

Despite these changes, Lankelly Chase continues to embody the contradiction of a powerful wealthy organisation striving for equity. There remains a degree of 'power over' others that is neither in the interests of justice nor of interconnection. Like every philanthropic institution, our money continually creates the risk of a 'them and us' detachment in our relationship with others that is the reverse of a systemic approach.

So where does this leave us? If foundations like Lankelly Chase have reached for systems approaches because of the need to embrace complexity, but are struggling to square this with their power and privilege, then have we reached a stalemate? As Julian went on to ask in the same article: "can charity ever be an effective means of ending social harms? I have in mind here Audre Lorde's famous and wise warning: 'the master's tools will never dismantle the master's house. They may allow us temporarily to beat him at his own game, but they will never enable us to bring about genuine change'.

We are determined to keep pushing ourselves to learn lessons and to make Lankelly Chase as useful as it can be to the changes that need to happen. This certainly means us holding a different kind of system role or position, characterized by more meaningful accountability. We saw the beginnings of what this might look like in our relationship with Resourcing Racial Justice, in which they have held us to account for our racial justice practice as we redistributed money to their fund.

However, we have to go much further than accountability. We need to reimagine how funding and resourcing roles can align more clearly with the values that characterise a healthier and more sustainable world. We mean here values such as mutuality, interdependence, community and care. Nineteenth century models of philanthropy and charity, based on colonial capitalism, will never help us to understand how good work should be resourced in this world. We need to connect with the narratives and belief systems suppressed by that paradigm, as well as with our community.

Over 2022/23, we will be exploring with our community what it means to shift the role of money from hierarchical to collective power. This will be an open and generative inquiry, and it will aim to build on some of the clues that are starting to come from the work of our community.

## Our work in 2021/22

Our work, framed as action inquiries, is designed to help reveal and disrupt oppressive systems and to create space for reimagination and collective rebuilding. The themes of this work, including governance, knowledge, narratives and practices, are trying to get at the 'wiring' of systems, including how they are governed and organised, with whose knowledge, with what practices, and shaped by what narratives. As such, we are working at the level of the architecture of systems, especially the mindsets and behaviours that shape 'how things are done' and how things need to be done in a sustainable future.

For some time, however, the content of our work, 'the what', was not congruent with our approach, 'the how'. While we were funding work that was reimagining the status quo, this wasn't how we were behaving. Increasingly, we are moving towards greater congruence. We have formed strategic partnerships with experts such as the Centre for Knowledge Equity, Resourcing Racial Justice, Our Agency and a number of networks, where we are in deep dialogue about the values and principles of our collective work. Our Governance action inquiry, for example, is owned and led by partnerships of which we are only one part.

In our place-based work, these principles have come together in ever greater leadership of the work by local teams and networks, who hold most of the decision making and shape the strategy. These teams have sponsored several participatory grant making processes, opening up decision making to a much wider constituency of people.

This is a far cry from the days when Lankelly Chase set out its 'severe and multiple disadvantage' analysis and asked funded organisations to help it change the system. Who gets to define the problem is now frequently held by a wider collective, and we have had to cede control in order to allow more of the system in. None of this is perfect, there is a long way to go, but we are starting to feel that communities of accountability and mutuality, with philanthropic funded embedded but not determining, are a real possibility.

Having set out some of the philosophy behind the action inquiries, we now set out a bit more detail about how they are progressing and what we are planning for 2022/23. Although they started as siloed, these action inquiries are now quite intertwined, as they are essentially different lenses on the same thing.

**Governance** - this action inquiry is based on the assumption that environments create mindsets and that mindsets create outcomes. By environments, we mean the architecture that shapes the way things are done: the forms and processes used, who gets to make decisions, where meetings take place, what the rules are. If the architecture were different (or at least viewed differently), could that change mindsets and therefore outcomes? We have been supporting three collaborative work strands to explore this:

- **Future of Regulation:** This is an exploration, led by the Centre for Public Impact, into whether a generative and positive relationship can exist between regulatory bodies and the people they regulate.
- **Beyond the Rules:** What started as a deep collaboration of Lankelly Chase, Black Thrive, York MCN Network, DemSoc and Dark Matter Labs exploring 'the rules of doing good', is now a network of over 500 people and organisations around the world



looking at building shared resources and a movement for how we do “good”.

- **Inquiry into Systemic Governance:** a collaboration of Transition Network, Shared Assets, Practical Governance, Forum for the Future and Lankelly Chase are working together to form a Community of Doing and Learning around systemic governance.

*Where next?* While the two latter pieces will hopefully move into their next respective phases, we are starting new partnerships with Citizen Network and the Neighbourhood Democracy Network and with the UBI Lab network (who will also be involved in work in Greater Manchester). We will hopefully work with an international working group exploring Funding Governance for Transformation and exploring new ways of resource redistribution beyond grant making with a new collaboration. The governance inquiry will continue to support explorations such as community governance and its interface with the local authority through reinforcing and bridging existing collaborations whilst seeking some new partnerships.

**Networks** – we have said for some time that the scale of change needed in the world will not result from a set of individual transactions between funders and organisations. We need to help foster the interrelations and sense of critical mass. So this action inquiry has been looking at ways of weaving and supporting infrastructure networks and hubs. We have homed in on the work of activist networks that focus on intersectionality and shifting power e.g., by sharing knowledge, creating identity and solidarity, centring lived experience and sharing common purpose, including War on Want, Tipping Point UK, Advocacy Academy, Breathe (hosted by NEON), and Imkaan. We have also been supporting work to explore the role and needs of community organising and organisers.

Lankelly Chase is pushing itself to work in a more networked way with other funders, and we have collaborated on a number of initiatives related to networks:

- with the Centre for Public Impact and the RSA on a Systems Convening Handbook, co-authored by Bev and Etienne Wenger, which was launched in July, with considerable interest across multiple sectors.
- with Joseph Rowntree Foundation, Centre for Knowledge Equity and Expert Citizens on a small collaborative fund that will allow experimentation at the intersection of poverty and racial justice. A networked mindset and participatory approach are key to groups being considered.
- with Joseph Rowntree Charitable Trust on a consultation process to enable the racial justice movement in the UK to flourish.

*Where next?* The Networks action inquiry has morphed into a focus on movements. We believe that movements are primary builders in the work that leads to wider social change, and they have enabled transformative gains for the whole of society. We will test out different approaches to how movements are funded, strengthened and cultivated, for instance, through infrastructure support, and we will seek to learn alongside movement leaders.

**Knowledge** – the basis on which knowledge is generated, legitimised and used is fundamental to our work. We have several long-standing partnerships in action inquiry. To join these, in early 2021 we opened a time limited knowledge fund providing small grants to eight new partners. These aimed at supporting set of partnerships which explore, demonstrate and

model:

- Principles of participation, democracy and equity in the creation, interpretation and use of knowledge
- Collective sense-making and the involvement of different perspectives, particularly at local community level
- Working across and/or challenging academic and evidential hierarchies, including equalizing the relationship of power and prestige between clinical, learned and lived experience
- Exposing and questioning core frameworks and assumptions (e.g., about what and who is deemed valuable, or concepts of progress, productivity, growth, success etc)
- Challenging the way that knowledge is created and used to separate rather than connect people, issues and communities.

Working with the Centre for Knowledge Equity, these organisations have formed a learning group that is guiding the next phase of the work.

*Where next?* Other than continuing to work with existing partners, and making further grants in this area, it is likely that we'll work to integrate the theme of knowledge into our wider work as it is showing up everywhere.

**Narratives** - narratives are our sense-making systems that drive our thoughts, decisions, and actions. To support a transition to a world healed by justice, equity, and inclusion, we need new narratives that don't seek to silence or oppress people.

This year, we worked with a cohort of 12 organisations and networks funded through our News and Media Fund. This included independent news and multi-media platforms such as Bristol Cable, The Ferret and Fully Focused. Untelevised and The Traveller Times centre people subject to marginalisation and explore different governance models. Amaliah and gal-dem are themselves from racialised communities and were excluded from newsrooms, so they established hugely successful platforms. There is also The Guardian Foundation supporting at-scale community-led journalism. Ethnic Minorities Youth Support Team (EYST) and The Student View primarily work with working-class young people to make the 'pipeline' of journalists more diverse. PINF are looking to provide infrastructure for and amplify the work of solutions journalism and public interest news.

We have agreed an additional three years' funding for Bureau Local, who are researching what shared infrastructure might be needed by community news organisations. They have launched The People's Newsroom, which 'builds community power' through journalism. Newsrooms created by, with and for everyone.

*Where next?* Over the next year, we will strengthen relationships with existing partners and look to distribute resources to creative practitioners and networks that support narrative frames around justice, equity, liberation, and post-extractive capitalism. We also know that we need to look at which creative practices such as Afrofuturism support different narratives frames to come into being.

**Systemic Practices:** this new action inquiry is focused on deepening and spreading systemic practices as identified by people we work with, not us. Particular emphasis will be on practices that i) enable us to have deep conversations across boundaries, while staying in relationships,

ii) enable collective caring work and iii) connect with cross sector alliances nationally and internationally.

What lies behind our focus on systemic practices?

Our work in place has showed that there is potential for change/shifts when people across boundaries come together to take responsibility for outcomes in 'systems'. But this work of creating cross boundary spaces is not often recognised, resourced, or understood properly, including by us. Covid 19 showed that grassroots networks responded to people's needs, as large organisations shut down. People subjected to marginalisation are often forced to create their own networks of care. We want to support more of this work. We are likely in the midst of a meta-crisis, where systems of domination, exploitation and separation are leading to and/or mainlining ecological disasters, poverty, racism, increasing pandemics, species extinction and inequality. The longer world governments take to fundamentally address climate change, the more drastic the solutions are likely to be. The easy scapegoats will be poor, racialised and 'othered' communities nationally and globally.

One way of responding to these challenges is to cultivate our collective capacity to engage in relationships that allow us to have difficult conversations about who we are, without falling out. While we do that, we fund and recognise that for people subjected to marginalisation collective care is how they thrive and survive. Additionally, if we are all interconnected and entangled, connecting cross sector alliances nationally & internationally might allow us to spread and share practices while building solidarity.

*What next?* This is long term work, with a group of about 10 organisations who already work across boundaries and are learning what it takes to do this. It will also include a fund for grassroots organisations working with refugees and asylum seekers; continuing to develop and expand our Systems Changers programme; commissioned work on healing, trauma and wellbeing; and practices used by people of South Asian heritage and Romany Gypsies, Irish Travellers, Scottish Gypsy Travellers and Roma. And there are also small grants to elders in the communities who have been doing work for years, but they have never been given space to articulate/write/share/codify their practices.

**Investments** – later in this report we explain our approach to investment. We have made a lot of progress, but we do not view this as an end point. As capital investment is one of the most powerful systems with which we are engaged, we have a wider responsibility to reveal and disrupt the harms it causes and to reimagine alternatives. Investments is therefore also an action inquiry. For example:

- We co-authored and published a [report](#) on behalf of the Charities Responsible Investment Network, exploring the compatibility of limitless growth in economic activity and investment returns with true sustainability.
- We [responded](#) to the Charity Commission's consultation on updated responsible investment guidance, and alongside this we were part of a steering group supporting two Sainsbury family trusts which were seeking a High Court review of the law as it applies to charity investment in the context of the climate crisis. The ruling came after the period covered by this report, in which the judge blessed the trustees' Paris-aligned investment policies, said they were responsible, diligent, careful and had acted

properly and lawfully and, importantly, in the process redefined the investment duties and powers of charity trustees generally.

- We began work as part of the 18-member Global Investor Panel for the [Deep Transition Futures Project](#), a collaboration with academics. The Panel will work over 18 months alongside academic experts in societal transitions to develop an investment philosophy which can help initiate, amplify and accelerate shifts toward socially just and environmentally sustainable futures, or a 'Second Deep Transition'.
- We co-hosted a roundtable discussion with Chatham House's Hoffman Centre for Sustainability and the Financial Systems Thinking Innovation Centre ('FinSTIC'), to explore the application of systems thinking to problems in the investment system.

*Where next?* In 22/23, we hope to have socialised both of our objectives within our investment manager, peer and wider networks, and to have assessed - through taking action - the potential of leverage points, including investor activism rooted in movement demands, legal interventions, influencing policy, standards and regulation.

We hope to deepen and expand our relationships with aligned actors and to identify and progress pathways for influence with investment system decision makers and stakeholders.

**Place** – we chose to work in places because we wanted a boundary for engaging with messy interconnected systems. We also knew that we needed to have skin in the game and commit to a set of real human systems rather than dabble in ideas. Nearly all of the learning and themes from our other action inquiries are showing up in these places. This isn't because we apply our learning to those places, but because when people work to reveal and disrupt systems of oppression and reimagine a different future, it is the architecture, wiring and behaviour and mindsets that most insistently surface in the work.

As a result, there is a great deal of cross pollination between the other action inquiries and the places, because people in those places are keen to connect with the wider network of activity that we are supporting and so draw in other partners into their work. This points to significant aspect of this place work: Lankelly Chase is becoming a minority partner in decision making about strategy and funding, as a local teams and networks draw on our funding and networks but act with more autonomy. Lankelly Chase does have staff members and Associates working with these teams and networks, but we are in a process of working out how to create space for yet more local and diversified leadership.

The work is necessarily quite different in each place, but there are a number of features in common:

- The importance of networks/'nourishing spaces' for people to come together outside of usual (more constrained) work and across multiple initiatives/parts of the system (which starts to build critical mass)
- Experiments with different devolved/participatory mechanisms for distribution of resources
- Deliberately centring people subject to marginalisation

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- Spreading conditions that enable people to be free to do the work that's needed/that's meaningful to them within networks of solidarity, mutual support and knowledge exchange
- Inability of traditional philanthropy to supply what's needed, requiring self-conscious dismantling of the inherent barriers
- Challenges for people locally doing this work while enmeshed in business as usual.

Towards the end of 2021/22, we launched the [Common Ground](#) series which spent a virtual week in each place. We also launched three new themed publications profiling different local approaches to shifts of power, participation and perspective. The series and all the content (which includes writing, photography, podcasts, events and film) has been developed with local partners.

Below we set out some detail of the five places. These sit alongside our commitment to two collaboratives, with LocalMotion (six funding partners working together in six places across England and Wales) and with Corra in Scotland. We also continue to support place-based work led by longstanding partners, including Leeds Gate, Birmingham Pathfinder, Wandsworth Community Empowerment Network and Coventry Grapevine.

**Gateshead** - the locally based Coordination Team has had devolved decision-making powers since April 2021. It is supporting a number of areas of work:

The Gateshead Futures Network, which is a place for people from more than 40 organisations 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), a number of community groups - [Jigsaw Recovery Project](#), [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.

The Teams and Dunston Initiative – a partnership with Lankelly Chase, the Gateshead Coordination Team, the Ballinger Trust and the National Lottery Community Fund – has allocated £200k to the neighbourhoods of Teams and Dunston to decide to use as they see fit and has hired a local community member to initiate conversations and try to unearth what matters to the community.

*Where next?* The Coordination Team has made two broad financial decisions: to continue with the Bensham Systemic Inquiry and recruit several “Bridge Builders” - people from Gateshead who will form part of the coordination team but also engage in community organising and research.

**Greater Manchester** - Decision making over Lankelly resources (both in terms of individual items of spend and proposal of the budget) is devolved to a local group - [GM Systems Changers](#) (otherwise known as the Core Team).

Their strategy is:

- To liberate and distribute resources to under-funded people in communities, organisations, and networks challenging injustice and creating the conditions for healthier systems to emerge
- To centre working-class women and young people of colour, but not exclusively
- To resource spaces for us to be in community together
- To learn alongside and from each other about where and how people see healthier and more equitable systems emerging; and to then support the spreading of this knowledge and practices.

Through **the spaces fund**, we centred women and young people of colour, but not exclusively. 39 grassroots charities, art organisations and community groups received small grants to host spaces to disrupt, heal or reimagine healthier systems. And through some serious listening and sense-making, we're redistributing over £1m of follow-on funding to 30 of them. This is essential for them to have the time and space to breathe, let alone think about participating in any more work with us.

We've hosted a **Disrupting Narratives Lab** with Culture Hack Labs, Whose Knowledge? and a group of creative activists who can now facilitate the process locally.

The **Elephant Trails** group has collaborated with *The Guardian* to become community reporters and published their film to wide acclaim. The process of Transformative Co-production is gaining more traction across GM with Changing Futures, GM Moving and Bury Council.

All this work is helping to create a critical mass of changemakers - people already doing fantastic work, so often underfunded, under-resourced and oppressed by white supremacist systems.

*Where next?* The work in Greater Manchester is burgeoning at an incredible pace, and we will be celebrating this at a festival in Spring 2022.

The intention is to cultivate deeper relationships with partners. To explore what we want to do together, and to see if we are a community, a collective, a network of networks, a self-organising system or even a movement.

We will continue to centre working-class women of colour (but not exclusively) in all the work. This includes multi-year core funding to Mama Health Network and SAWN and a group of women leaders participating in an inquiry around Feeding Our Resilience.

There is an ongoing commitment to look for 'who's missing?' from our networks and being explicit about connecting with Trans, Non-Binary, LGBTQ+ networks, people with disabilities and people with no recourse to public funds.

We'd like to resource a 'Young person's inquiry' where the young people from the 'spaces' collective have the freedom to explore what they'd like to do together.

We will continue to cultivate the role of narratives and creative practices, the importance of 'systemic practices' across the system, and work with policy makers to ready people in commissioning roles to redistribute (financial) resources and give up power.



**Oxford** - much of the work to date has focused on solidifying the network of actors within the locally based Core Group; distributing resources to community organisations to allow them to take part in the work; and delivering core grants to 'anchor' organisations such as The Old Fire Station.

The lines of inquiry are separated (though with significant overlap) into human services, meaningful measurement, and building and sharing power. These lines of inquiry also inform the content for Oxford's Marmalade festival in 2022.

Key areas of work have included:

- Participatory grant making: working with Oxford Hub to establish participatory grant making funds for communities in Blackbird Leys and Northfield Brooke.
- Parent power: a parent advocacy project in Blackbird Leys, designed and run by African Families in the UK and Oxford Hub.
- Storytelling methodology training: The Old Fire Station is supporting small community organisations across the region to use storytelling as an approach to evaluation. Lankelly Chase provided bursaries to some organisations to take part.
- Telling Our Own Tales: a collaboration between communities and community organisations, including Arts at the Old Fire Station, to build on the stories that emerged from the 'Oxford Together' covid response to create alternative narratives about life in Oxford.
- Systems Changers: developing a systems changers programme in Oxford, bringing together families and the professionals who make decisions about those families' lives, to work together to change the systems they occupy.

*Where next?* Over the next year, alongside and connected with exploration of the lines of inquiry above, here is a desire to cultivate deeper relationships with existing networks while expanding to different sections of the community.

In 2022 – 2023, it feels relevant and necessary to expand the reach of the work to a hyper-local level, with a view not just to create the foundations for grassroots groups and individuals to be part of our conversation, but also for us to be part of theirs. We have budgeted to recruit, train and welcome community organisers – those who exist in the communities who experience social injustice on a daily basis and to an extent already act as community leaders.

This period will also be significant for supporting the growth of existing community organisations and networks, especially those who focus on the most marginalised/oppressed in society.

**York** - there is now a network of 100+ people who come together because they want to change local systems around extreme marginalisation. There are several working groups taking forward action on priority areas decided by network members (e.g., commissioning, colocation spaces, 'doing with', cultural values).

There is a separate but connected network for people with direct experience of marginalisation in York hosted by the [Good Organisation](#).

The [York 'Deciding Together' participatory grant fund](#) is designed to support activity outside what is known by the Network (asking the question 'who is missing?') and to show it is possible to use more participatory methods to distribute funding.

A third round of the [Systems Changers programme](#) was delivered with 17 participants from across the city.

There is a specific [inquiry about the experiences of children and young people](#), as it was recognised the network is mainly focused on the experiences of adults.

*Where next?* The main focus over the next year is to support and develop local leadership over the work that's been seeded in York over the last few years; to establish locally active teams taking their ideas forward; and to design a governance process for how people want decision making and resourcing to work. This includes building on the work that's started and the relationships which have formed and resourcing; the local infrastructure/capacity needed to support this, including the costs of people's participation in all of these initiatives.

**Barking and Dagenham:** Kingsley Hall and an associate of Lankelly Chase have been exploring the role of participatory processes including participatory grant-making in promoting power sharing and devolved decision making. Their experiences with a local group called Dagenham Dynamos suggest that participatory grant making is a helpful philanthropic tool alongside other participatory methods in promoting social justice. This sits alongside participatory grant making processes we have been supporting through Barking and Dagenham Giving.

This work forms part of a much larger piece of participatory and systemic place-based change work in Barking and Dagenham, where the theme of power and paternalism runs through a wider learning conversation surfacing the structural issues of inequitable power in the borough. There have been a series of large-scale dialogues facilitated by Art of Hosting, enabling participants to name and (to a certain extent) own the power problem in Barking and Dagenham. These are now starting to shift towards creating a vision of an equitable borough, to which everyone can be accountable.

*Where next?* A local learning group has emerged from the large-scale dialogue, and this is the group from which we hope a local core team will emerge. We hope that this will allow us to shift control over strategy and decision making to a group that is attending to the health of the Barking and Dagenham system.

## **Communications**

**Website:** we have launched a refreshed website, in collaboration with Sail Creative. In the first phase, Sail Creative worked closely with our partners to define what they needed from a digital platform. This included running creative workshops based on sprint methodologies, and consulting closely with the wider network.

The ambition was to create a website that was a space of stories for systemic change. The site also had to be accessible by the wider community, in which they could have their own sections of the site to edit and update, to truly act as a democratic platform for organisations.

Accessibility was crucial with best practices adhered to throughout the project. Sail Creative partnered with [ReciteMe](#) who have software that is constantly developed to ensure inclusive experiences.



**Black Lives Matter Blog Series:** in 2021/22, we have used our platform so that black voices within our network could share their voices and stories around just how much racism has impacted and continues to impact on their lives and different institutions in the UK. We have also hosted Twitter takeovers to accompany the blog pieces. In 2022/23, we intend to commission more video content that reflects and amplifies the work of Black- and Brown-led organisations that we may have weak ties with as a way of sharing their work, voice and activity and with the world.

**Stakeholder Insights:** we appointed [Mel Larsen and Associates](#) to conduct a third piece of Stakeholder Insight work. The report has helped us understand how and what we as an organisation are communicating, along with what we might need to be doing differently. We received feedback such as:

- Real world charity
- Progressive, proactive funder
- Funding issues less 'mainstream'
- Realistic & efficient funding strategy & support
- A funder who actively listens to their grantees
- A different type of funder.

The process also identified where we could sharpen and clarify how we communicate our role and messaging. As a result, we have worked with Mel Larsen on key messages.

## **Climate Justice**

We are a signatory to the Funder Commitment on Climate Change, and have prioritised two of the commitments in 2021/22:

- Stewarding investments: we describe elsewhere in this report the steps we are taking to steward our investments towards a post-carbon future, and to use our position as an investor to agitate for change.
- Integrating climate into existing funding programmes: a great deal of our investments in networks and movement leadership has been at the intersection of climate and racial justice. We also made grants to 14 of our existing partners to enable communities subject to marginalise to participate in COP26.

## **Racial Justice**

In our last annual report, we committed to make racial justice a central priority of our work. We hope it is clear that this commitment is becoming a reality across our action inquiries, thanks to the expertise, commitment and networks of colleagues, trustees and partners. We are daily being enriched by the community of extraordinary people with whom we are now connected, and as we began this report by saying, we want to be in deepening dialogue and relationship with this community as we continue to evolve and change.

Most of our racial justice funding has already been described, so we want to highlight four significant initiatives that are not covered elsewhere:

**Synergi Collaborative Centre** – after 5 extraordinary years leading this initiative on ethnic inequalities in mental health, our partners University of Oxford, University of Manchester and Words of Colour decided to step back and hand the baton to others within the network. After considerable reflection and dialogue among those supporting Synergi, the National Survivor User Network (NSUN) and Catalyst 4 Change stepped forward to offer leadership to the next phase.

**Synergi Phase 2** will initially run for 3 years and will centre lived experience, anti-racism and community action, under **five work strands**:

- **Remembrance as Resistance:** A multimedia and digital exhibition and festival programme on how community activism has tackled mental health and racial injustices over the last 40 years in the UK.
- **Building as Abolition:** A means to influence funders to better understand community action work in the mental health space so that it is resourced and elevated.
- **Creative Spaces:** Building on the existing place-based creative and collaborative system change work which was developed by the Synergi Collaborative Centre.
- **Democratising Policy:** By managing an annual small grants programme for grassroots campaigning groups working on the intersection of racial justice and mental health.
- **Transformational Governance:** To embed and champion ethical and collaborative ways of working within Synergi - and beyond it.

We want to thank Prof Kam Bhui, Joy Francis and Prof James Nazroo for the courage and tenacity that they have shown in carving out this territory. The legacy they leave for the next phase of the work cannot be overstated.

**Baobab Foundation:** we view Baobab Foundation as a significant step towards transforming the resourcing model of racial justice in the UK. We have committed grants to its operations and core fund, and we intend to go much further in 2022/23. There are several reasons for this, beside the real merits of the participatory and democratised models that have been designed by the Baobab team:

1. For decades, Lankelly Chase has had the space to learn, experiment, make mistakes, adapt and grow. The Baobab Foundation will need that space much more than we did.
2. The paths that led to Lankelly Chase and UK philanthropy being overwhelmingly white need to be purposefully disrupted if we are not going to repeat the patterns that led us to this point. The creation of the Baobab Foundation is an important opportunity for disruption that should have wider effects on the funding ecosystem.
3. Lankelly Chase and UK philanthropy have failed to resource communities of colour effectively. Now that we have acknowledged this failure, one part of the change strategy should be to support the Baobab Foundation to become a powerful source of accountability, learning and transformation.

4. Lankelly Chase and UK foundations have earned much of their money, and therefore power, from exploiting the Global South and the bodies of black and brown people. We cannot move forward towards a world healed by justice, equity and inclusion if we do not acknowledge that debt and the harms caused and start to make reparations.

**Black Thrive CIC:** we have known Black Thrive since its inception and provided some of its first funding. In retrospect, we should have continued to support its work, but despite that it has done incredible work to build leadership, knowledge and accountability models, and is now spreading beyond its initial base in Lambeth and becoming a necessary voice in national policy development. We are delighted to be providing core funding again and to be forming a 'wayfinding' partnership to deepen and widen the impact of this vital work.

**Resourcing Racial Justice (RRJ):** RRJ was an initiative that emerged from an established network of racial justice leaders during the first phase of the pandemic in response to the disproportionate impact of Covid on communities of colour and the failure of established funding models to reach grassroots organisations. Although the fund was limited to 2020/21, RRJ have continued to support the network of awardees who received funding and have been turning their learning into products that can be used by the network and by funders. We have benefited from an ongoing relationship with RRJ, who have continued to support our accountability and to provide training and frameworks for us as we deepen our understanding of racial justice work. A retreat in November 2021 allowed us to share space with the awardees in equitable dialogue and strategy making.

## **Conclusion**

In concluding, we would like to express our deep appreciation and gratitude to the community of organisations and leaders whose bravery, vision and longstanding commitment to see a more just and equitable society breathes daily inspiration and life into our work. We look forward to continuing the work of reimagining and building a sustainable future in 2022/23 with boldness, openness and determination.

## 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 of world healed by justice, equity and inclusion, 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, and 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 Lankelly Chase 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 Lankelly Chase 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 complemented 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. 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 sub-committees (both 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.

### **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. 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 to 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.

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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 Boardlevel 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 of 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 remain 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 as approved by Resources and Risk Committee on 29<sup>th</sup> September 2021. There is no longer a need for a Director to be present. 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.

### *Devolved decision-making in Place*

Decision making has been devolved to local ‘Coordination Teams’ (also known as ‘core teams’) in two of the places where Lankelly Chase works in a deep and sustained way – Greater Manchester and Gateshead. The process we are using is as follows:

- Two Lankelly Chase staff members (not necessarily Directors) must be present for financial decisions to be made. 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 have put in place an agreed set of processes regarding risk management, operations and due diligence before any decision-making has been devolved. These have been reviewed and signed off by the Resourcing Team in a process approved by Trustees.

### *The ‘How’ Team*

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

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- 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 require discussion with, and sign-off by, the entire (quorate) 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.

<b>Organisation</b>	<b>Strategic area</b>	<b>Description</b>	<b>Grant amount (£)</b>
Adira CIC	Communications	A short film on the nuances and links between Black Hair and mental health	23,000
Advocacy Academy (The)	Networks	To enable their organisational transformation work	50,000
Advocacy Academy (The)	How cross-cutting	Support towards engagement in the crucial global debate during UN climate talks COP26	10,000
African Families in UK	Oxford	Core funding to deliver AFIUK's work and to provide capacity to collaborate with Oxford Hub	15,000
AFS Catalyst	Governance	To establish a HCD implementation circles of funders, communities and professionals for holistic social action	35,600
Age UK Gateshead Ltd	Gateshead	To act as host organisation for Bridge Builder role	45,004
Agenda CIO	National	Core costs	150,000
Ann Mathews Trust	Core Skills	Core costs towards the organisation working with young people from refugee and migrant backgrounds	170,000
Arts at the Old Fire Station	Oxford	To subsidise the costs of storytelling training for small community organisations as a way for them to explore meaningful measurement	10,000
Arts at the Old Fire Station	Oxford	Core funding 2022 to 2027 to provide capacity to do the centre's work and continue to be anchor organisation for collective work in Oxford	300,000
Arts at the Old Fire Station	Oxford	Towards the 'Storytelling Shared Endeavour' work to train more people in the methodology and to support organisations to use storytelling data collectively	15,000
Arts at the Old Fire Station	Oxford	Communications for Marmalade Festival	15,000



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Arts at the Old Fire Station	Place learning and communications	Small grant to support local comms work as part of the Common Ground series	2,430
Arts at the Old Fire Station	Oxford	Core funding to provide capacity for freelance contracting the work with Clear Signal	13,000
BAC-IN CIC	Knowledge	Production of book / collection of case studies of BAC-IN service users	15,000
Baobab Foundation	Who	Towards the operating costs of the new organisation	200,000
Baobab Foundation	Who	Contribution to the Collective Fund	300,000
Barking and Dagenham Giving	Barking and Dagenham	Facilitation for community investment workshop	900
Barrow Borough Council	Barrow	Contribution to Poverty Truth Commission in Barrow	20,000
Bensham Grove Community Centre	Gateshead	To act as host organisation for Bridge Builder role	58,693
Birmingham Pathfinder (via Lumen Christi)	Place learning and communications	Towards the time of Jenny McCabe on governance, fundraising and communications, and the development of a website	10,000
Black Thrive Global	Who	Core funding	328,000
Black Thrive Global	Governance	Beyond the Rules phase 1.5	21,000
Black Training and Enterprise Group (BTEG)	Governance	Development of community policing framework	36,156
Breathe (via NEON)	How cross-cutting	Support towards engagement in the crucial global debate during UN climate talks COP26	10,000
Breathe (via NEON)	Networks	Seed Funding to support the development of our organisational structure, strategic planning, website development and branding	21,000
Breathe (via NEON)	Networks	Core funding support the next stage development of Breathe	100,000
Bureau Local (Bureau of Investigative Journalism)	Communications Strategic	Extension for another 3 years' relationship. Focus on the People's Newsroom and infrastructure work in local news	300,000
Centre for Knowledge Equity	How cross-cutting	Support towards engagement in the crucial global debate during UN climate talks COP26	10,000

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Centre for Public Impact	Governance	Continuation of COPs for regulatory bodies	5,000
Centre for Public Impact	Place Other	Core costs to support the coordinating, convening, storytelling and learning work of the HLS collaborative for two years	53,800
Centre for Welfare Reform	Governance	To support Core costs of Citizen Network and Neighbourhood Democracy Movement	140,000
Collective Change Lab	Core Skills	To support a narratives and global philanthropy action learning set	50,000
Collective Impact Agency CIC	Place learning and communications	Small grant to support local comms work as part of the Common Ground series	1,952
Comfrey Project (The)	Gateshead	To act as host organisation for Bridge Builder role	99,760
Comfrey Project (The)	Gateshead	For two Link Workers to continue phase 2 of the Bensham System Inquiry	22,667
Community Centred Knowledge (via Social Change Nest)	Core Skills	Social Change Nest CIC will act as the fiscal host for Community Centred Knowledge. The funding is towards salary for one year so she can configure the space to work with, grow and develop the membership of Community Centred Knowledge to develop a collective vision and the appropriate legal structure.	45,500
Community Centred Knowledge (via Social Change Nest)	Core Skills	Social Change Nest CIC will act as the fiscal host for Community Centred Knowledge. The funding is to support build together 'The People's' Knowledge for 'The People's' Progress; and CCK as a resource for the community, not just for the members	165,000
Community Resources for Change	Barking and Dagenham	To cover participation and engagement costs associated with the Learning Group in Barking and Dagenham	26,000
Community Resources for Change	Barking and Dagenham	Continuation of the work with the learning partner for Barking and Dagenham Collective	60,000
Culture Hack Labs c/o New World Foundation	How cross-cutting	Support towards engagement in the crucial global debate during UN climate talks COP26	10,000
Cyrenians - Changing Lives	York	Work by the MCN Network Co-commissioning Working Group to look at service transformation through an ABCD (asset-based community development) lens to support collaborative	8,500

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		commissioning. Funds will go towards a training programme	
Cyrenians - Changing Lives	York	To co-ordinate a set of workshops on the York Resettlement Pathway including any commissioned facilitation support needed for this purpose	7,200
Cyrenians - Changing Lives	York	Towards salary and associated costs as a member of the Enabling Team coordinating the Multiple and Complex Needs Network in York	58,234
Dark Matter Labs	Governance	Beyond the Rules phase 1.5	63,000
Democratic Society	Governance	Beyond the Rules phase 1.5	63,000
Edge Effects Ltd	Place learning and communications	To enable Edge FX Limited to take part in the process for Lankelly's place-based team to find a new learning partner, including planning and facilitating a session with the LankellyChase team	1,500
Esmee Fairbairn Foundation (Localmotion)	Place	Esmee Fairbairn Foundation will host LocalMotion and will hold and administer LocalMotion funds. This project is to achieve long term systemic change that tackles the root causes of social, environmental and economic injustices, based on local communities' priorities	400,000
Expert Citizens	Who	Core funding to develop Expert Citizen's business model and work	553,108
Family Rights Group	National	Core costs to help Family Rights Group progress its family voices work	149,956
Feedback Global	Core Skills	To convene an assemblage of actors, organisations, and communities across disciplinary boundaries to re-historicise and recreate our responses to intersecting forms of oppression and plunder	160,000
Ferret (The)	How cross-cutting	Support towards engagement in the crucial global debate during UN climate talks COP26	4,000
Gal-dem	How cross-cutting	Support towards engagement in the crucial global debate during UN climate talks COP26	4,000
Geeks for Social Change	Greater Manchester	Funding towards the development of the PlaceCal platform by funding roles such as a Web Developer and Community Development Manager	60,000

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GemArts Ltd	Gateshead	To act as host organisation for Bridge Builder role	33,878
GM Spaces	Greater Manchester	Core Costs for partners identified by original GM Spaces Fund	1,170,000
Good Organisation CIC	York	To undertake research on the York Resettlement Pathway and feed in lived experience insights to the commissioning process	11,500
Imkaan	Networks	Preparation for a Twenty-Year Recovery Timeframe - Through a Social Change Framework Addressing the Challenges of Movement Building in the Black and Minoritised Women and Girls' Sector towards Structural Change	283,332
Impatience Ltd	How learning and communications	Contribution to Participatory Grantmaking Community	10,000
Institute of Development Studies (IDS)	Place learning and communications	Facilitate 1 hour session as part of the Learning Partner Process	1,500
Jigsaw Recovery Project	Gateshead	For two Link Workers to continue phase 2 of the Bensham System Inquiry	22,667
Kaizen Arts CIC	York	Towards work to link the network with York Design week	6,000
Kingsley Hall Church & Community Centre	Barking and Dagenham	To support the development of participatory practices with community members in Barking & Dagenham, particularly alongside people with lived experience of severe social harm and marginalisation	132,000
Leeds GATE	Who	Capital grant to buy their building	200,000
Living Rent	Communications Strategic	To support Living Rent towards Core costs to look at the narrative of secure housing	120,000
London Renters Union	Communications Strategic	To support London Renters Union towards Core costs to look at the narrative of secure housing	120,000
Maangamizi Educational Trust	Core Skills	To explore and share the practices for reparatory justice	10,000
Minority Communities Addiction Support Services (MCASS)	Core Skills	To support MCASS with Core costs to support individuals and families whose lives are impacted by Drugs and Alcohol Misuse	160,000
Moving Tu Balance	Core Skills	Funding to support the work of Moving Tu Balance specifically to explore how somatic arts especially African Holistic	140,000

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		Dance can be a vehicle for inner and community liberation	
MURAAL/Kindred Dreaming (via Social Change Nest)	Core Skills	Practices that honour and build from ancestral legacies for people whose lineage is beyond Europe rather than from places of colonialism. Social Change NEST CIC will act as the fiscal host for MURAAL/Kindred Dreaming	10,700
New Economy Organisers Network (NEON)	Networks	Head of Facilitation to support on the development and roll out of a new flagship facilitation training	120,000
New Economy Organisers Network (NEON)	How cross-cutting	Support towards engagement in the crucial global debate during UN climate talks COP26	10,000
News and Media Partners (Journalism award)	Communications Strategic	Learning fund for news and media partners. To cover the time for people to participate in the learning programme over 6 months period	28,000
North East Young Dads and Lads	Gateshead	For two Link Workers to continue phase 2 of the Bensham System Inquiry	22,667
National Survivor User Network (NSUN)	Who	To lead the second phase of the Synergi Collaborative Centre	38,179
National Survivor User Network (NSUN)	Who	Funding for Synergi 2.0	1,500,000
On Road Media	Communications Strategic	Providing on-line training for strategic communications and narrative change work	49,827
OnCommons	Governance	To support the implementation and maintenance of a working group exploring how to fund governance for systemic transformation of which Lankelly Chase will be a contributing member (20,000 Euros)	17,511
OnCommons	Investments	To support advocacy and development of context-based sustainability standards for adoption by corporates and investors (10,000 Euros)	8,640
OnCommons	How learning and communications	To support accessibility and reach of the annual r3.0 conference (75,000 Euros)	63,816
OPUS	Governance	To support Core costs of UBI Lab Network	140,000
Oxford Hub	Oxford	Participatory grant making in Oxford	50,000

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Oxford Hub	Oxford	Core grant to release Sara Fernandez's time to be an associate for the Place work, and to bring in extra administrative support for the Oxford learning group	108,000
Oxfordshire Community Foundation	Oxford	Funding to cover the capacity of Suzy Donald contracted for Clear Signal	2,000
Peace Development Fund	How cross-cutting	Support towards engagement in the crucial global debate during UN climate talks COP26	10,000
Platform London	How cross-cutting	Support towards engagement in the crucial global debate during UN climate talks COP26	10,000
Public Interest News Foundation (PINF)	How cross-cutting	Support towards engagement in the crucial global debate during UN climate talks COP26	4,000
RadHR Ltd	Networks	To build a wiki-based website for radical and progressive social change organisations to share policies, processes and structures on how to organise based on values that are radical, anti-oppressive, collaborative and transparent	20,000
Recovery College Collective	Gateshead	For two Link Workers to continue phase 2 of the Bensham System Inquiry	11,333
Reos Partners	Place learning and communications	To enable Reos Partners to take part in the process for Lankelly's place-based team to find a new learning partner, including planning and facilitating a session with the Lankelly Chase team	1,500
Rivers Coaching Limited	Place learning and communications	Facilitate 1 hour session as part of the Learning Partner Process	1,500
Rivers Coaching Limited	Place learning and communications	To enable Rivers Coaching to take part in the process for Lankelly's place-based team to find a new learning partner, including planning and facilitating a session with the Lankelly Chase team	1,500
Say it With Your Chest Arts CIC	Core Skills	PAR around Positionality, Power and Community in the search for Liberation	10,000
Shared Assets	Governance	Support attendees to TransGov workshop	1,749
Shareholder Commons (The)	Investments	Strategic litigation at Facebook re system stewardship (\$150,000)	113,369
Social Change Nest CIC (The)	Governance	Development of Lankelly Chase in funding and commissioning partnership	10,000
Sound Delivery Media	Communications Strategic	To support Sound Delivery Media to hire a Governance expert who will help with all legal requirements	39,000

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St Chad's Community Project	Gateshead	For two Link Workers to continue phase 2 of the Bensham System Inquiry	22,667
Stir To Action	How learning and communications	Sponsorship of Festival for the New Economy	5,000
Support and Action for Women Network	Greater Manchester	Core costs to assist SAWN in delivering its mission and allow space for reflection and participation of SAWN employee(s) in the Systems Changers work in Greater Manchester	30,000
Support Fund	Other	Small grants for support and welfare fund	104,000
Supporting African Womens Network (SAWN)	How cross-cutting	Support towards engagement in the crucial global debate during UN climate talks COP26	10,000
Tax Justice Network	How cross-cutting	Support for UK tax justice movement ecosystem	50,000
Teams Medical Practice	Gateshead	To cover any expenses incurred by Christine Frazer during the course of the place-based Teams and Dunstan inquiry	3,884
Ten Years' Time Enterprises Ltd	Investments	Launch of 'Racial justice and social change' report	1,700
Ten Years' Time Enterprises Ltd	Investments	Pilot workshop on racial justice and investing, for investment decision makers in foundations	3,100
Thirty Percy Foundation (holding for collab)	Investments	Contribution to the costs of 'Transformation Capital x Community Capital' phase two, a collaboration with Dark Matter Labs and Civic Square	50,000
Tipping Point UK	Investments	Support movement building on climate justice and fossil fuel finance	10,000
Tipping Point UK	Networks	Support movement building on climate justice and fossil fuel finance	40,000
Tipping Point UK	How cross-cutting	Support towards engagement in the crucial global debate during UN climate talks COP26	10,000
Together with Young People (via Social Change Nest)	York	Social Change Nest CIC will act as the fiscal host for the 'Together With Young People' partnership in York and the group(s) undertaking this work	132,038
Transmit Enterprise CIC	Gateshead	To act as host organisation for Bensham System Inquiry Coordinator role for 18 months	62,990
Two Ridings Community Foundation	York	Holding the space' for the Together With Young People work	69,696

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Ubele Initiative (The)	Networks	Research to Develop Antiracist Movement Infrastructure in the UK	28,000
Unlimited Potential	Greater Manchester	Grant for the evolution plan for Elephants Trail	100,000
Untelevised c/o Filmanthropy	How cross-cutting	Support towards engagement in the crucial global debate during UN climate talks COP26	4,000
War on Want	Networks	As part of the Green New Deal programme funding towards the political education, outreach and movement building work	340,000
Winchester Project (The Winch)	How cross-cutting	Towards a participatory action research project led by Take Back the Power Alumni	15,000
Women Environmental Network (WEN)	How cross-cutting	Support towards engagement in the crucial global debate during UN climate talks COP26	10,000
Women's Community Matters	Barrow	Work with local partners to inform and influence unitary changes	100,000
York Centre for Voluntary Service	York	Work to take forwards a co-location experiment to create a physical space to nurture a culture of multi-agency working, information sharing, decision-making and solutions in York	38,996
York Centre for Voluntary Service	York	Costs of running the third cohort programme of Systems Changers in York	72,090
York Centre for Voluntary Service	York	Experimental work by the MCN Network's Creative Action working group to explore creative ways of engaging people, and creating opportunities, activities and environments for people to share their experiences/stories in a way that is comfortable and meaningful for them	18,500
York Centre for Voluntary Service	York	To continue resourcing Dogeacog as communications support for the Cultural Values working group	16,476
York Centre for Voluntary Service	Governance	Beyond the Rules phase 1.5	21,000
York Centre for Voluntary Service	York	To support the coordination and infrastructure ('backbone') function of the York Multiple Complex Needs Network and related activities, initiatives and conversations	181,247
York Centre for Voluntary Service	Place learning and communications	To commission technical support for the development of a podcast for the Place Communications Series	720



The LankellyChase Foundation

York Travellers Trust	Core Skills	To support York Travellers Trust with Core Costs towards the organisation's mission to enhance the vibrant and resourceful Gypsy and Traveller Communities in York	150,000
Young Women's Outreach Project	Gateshead	For two Link Workers to continue phase 2 of the Bensham System Inquiry	22,667
		<b>TOTAL:</b>	<b>11,044,899</b>

## Financial report

The Trustees authorised a total budget (excluding investment management and social investment fees) for 2021-22 of £16,128k made up of:

- £14,390k programme costs
- £1,738k staff costs, governance and office costs

There was also a budget of £21k for capital expenditure.

Total expenditure, excluding investment management fees was £13,301k. This was made up of:

- £11,858k programme costs (2021: £9,091k).
- £1,443k staff costs, governance and office costs (2021: £1,383k)

£35k was spent on capital items in the year (2021: £8k)

## Income

Total income during the year was £2,415k (2021: £2,700k).

Total investment income has declined from £2,700k to £2,415k, the largest part of this being income from listed investments which fell from £2,698k to £2,414k. This partly reflects the shift in our investment strategy during the year. The majority of our listed equity holdings are now held through accumulation shares in pooled funds, where previously we had greater, direct exposure to income-bearing holdings. Social investment income was £Nil which was in line with expectations (2021: £Nil). Other interest income has declined from £2k to £0.8k.

There was no donation received from Northwood Trust in the year (2021: £Nil).

## Fundraising practice

Lankelly Chase Foundation does not derive any income from fundraising. Lankelly Chase 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 workplan is developed by the staff team (plus external partners with regards to place-based work).

The budgeting process for 2021-22 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 developed budgets and work plans for the year ahead 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 purpose of our investments is to enable us to fulfil our mission, which is to help change the systems that perpetuate severe and multiple disadvantage.

During the year, we finalised and implemented our updated Investment Philosophy and Policy, as well as frameworks covering Manager Monitoring, Performance and Risk evaluation, and Rebalancing. Our current investment objectives are:

- to achieve a sustainable financial return, in a manner which is wholly consistent with our charitable objects, that will enable us to continue to fund our grant-giving over the long term;
- in seeking a sustainable financial return, to seek to avoid investments which contribute to systems that perpetuate severe and multiple disadvantage and to seek investments which contribute positively to addressing severe and multiple disadvantage; and
- in seeking a sustainable financial return, to support the reduction of global greenhouse gas emissions to net-zero by investing in a way which is carbon negative. We want to be as ambitious as possible and, at least, aligned with the Paris Agreement goals to limit global heating to 1.5 degrees in a way that is equitable and just.

### **Investment management**

We finalised the appointment of new investment managers based on their alignment with our updated investment objectives. The majority of our assets are now invested through pooled funds, which have diversified investment styles and objectives. We have produced Statements of Intent to guide our relationship with each manager and we evaluate success through our Manager Monitoring Framework.

### **Performance**

The Foundation's investment portfolio produced a financial return of negative 0.5% during the year, compared to a gain of 24% in the preceding year. After cash withdrawals, this saw the value of invested assets decrease from £156.8m at 31st March 2021 to £137.7m at 31st March 2022.

Financial performance was driven, particularly in the second half of the year, by ongoing disruption of global supply chains, Russia's invasion of Ukraine, and the related increases in inflation leading to monetary tightening by central banks.

## **Social investments**

Social investments are not an active part of the investment strategy, and no new social investments were made in the year to 31 March 2022. Following further repayments of capital during the year, legacy social investments at 31 March 2022 totalled £910,261 (2021: £962,283).

## **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 maintain cash reserves sufficient to meet 6 months' of projected expenditure, with access to 12 months' worth 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 Lankelly Chase 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).

## The LankellyChase Foundation

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 a '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. As far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- 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 29 June 2022 and signed on their behalf by

  
Myron E Rogers (Jul 18, 2022 11:14 GMT+1)

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 2022 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 2022 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 LankellyChase 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)

17 August 2022

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 2022**

	Note	All restricted and unrestricted funds 2022 £	All restricted and unrestricted funds 2021 £
<b>Income from:</b>			
Investments	2	2,415,243	2,700,129
Other income		-	87
<b>Total incoming resources</b>		<b>2,415,243</b>	<b>2,700,216</b>
<b>Expenditure on:</b>			
Investment management fees		780,691	849,225
Charitable activities	3	13,301,304	10,474,109
<b>Total expenditure</b>		<b>14,081,995</b>	<b>11,323,334</b>
<b>Net expenditure before net gains on investments</b>		<b>(11,666,752)</b>	<b>(8,623,118)</b>
Net (losses)/gains on investments		(2,570,923)	31,106,309
<b>Net movement in funds</b>	4	<b>(14,237,675)</b>	<b>22,483,191</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward at 1 April		158,096,262	135,613,071
<b>Total funds carried forward at 31 March</b>		<b>143,858,587</b>	<b>158,096,262</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.

The LankellyChase Foundation

**Balance sheet as at 31 March 2022**

	Note	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Tangible assets	10		47,158		27,424
Investments					
Managed funds	11		137,702,053		156,755,772
Social investments	12		910,261		962,283
			<hr/>		<hr/>
			<b>138,659,472</b>		<b>157,745,479</b>
<b>Current assets</b>					
Debtors	13	58,452		110,987	
Cash at bank and in hand		14,682,229		7,698,531	
		<hr/>		<hr/>	
		14,740,681		7,809,518	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	14	(6,045,206)		(5,933,058)	
		<hr/>		<hr/>	
<b>Net current assets</b>			8,695,475		1,876,460
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			<b>147,354,947</b>		<b>159,621,939</b>
Creditors: amounts falling due after one year	15		(3,496,360)		(1,525,677)
			<hr/>		<hr/>
<b>Total net assets</b>			<b>143,858,587</b>		<b>158,096,262</b>
			<hr/> <hr/>		<hr/> <hr/>
<b>The funds of the charity</b>					
Restricted funds	16		-		-
Unrestricted funds	16		143,858,587		158,096,262
			<hr/>		<hr/>
			<b>143,858,587</b>		<b>158,096,262</b>
			<hr/> <hr/>		<hr/> <hr/>

The financial statements were approved by the Board of Trustees and authorised for issue on 29 June 2022 and are signed on its behalf by:

*Myron E Rogers*

Myron E Rogers (Jul 18, 2022 11:14 GMT+1)

Myron Rogers  
Chair of Trustees

Company registration number 5309739

The LankellyChase Foundation

**Statement of cash flows for the year ended 31 March 2022**

	Note	2022		2021	
		£	£	£	£
<b>Cash flows from operating activities</b>					
<b>Net income/(expenditure) for the reporting period</b>					
As per the statement of financial activities		(14,237,675)		22,483,191	
Depreciation charges		15,154		11,035	
Losses/(gains) on investments		2,570,924		(31,106,309)	
Dividends and interest from investments		(2,415,243)		(2,700,129)	
Decrease/(Increase) in debtors		52,535.50		58,161	
Increase in creditors		2,082,831		1,606,543	
<b>Net cash used in operating activities</b>			(11,931,474)		(9,647,508)
<b>Cash flows from investing activities:</b>					
Dividends and interest from investments		2,415,243		2,700,129	
Purchase of fixed assets		(34,889)		(8,261)	
Return or impairments of social investments		52,022		30,918	
Movement on cash within investments		6,331,593		(1,488,682)	
Proceeds from sale of investments		179,233,483		46,875,173	
Purchase of investments		(169,082,280)		(34,903,151)	
<b>Net cash provided by investing activities</b>			18,915,172		13,206,126
<b>Change in cash and cash equivalents in the year</b>			6,983,698		3,558,618
Cash and cash equivalents brought forward at 1 April			7,698,531		4,139,913
<b>Cash and cash equivalents carried forward at 31 March</b>			14,682,229		7,698,531

## Notes to the financial statements for the year ended 31 March 2022

### 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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Listed investments	2,306,135	2,652,564
Interest on cash held as part of the investment portfolio	108,377	45,275
Bank interest	756	2,290
Social investment income	(25)	-
Total investment income	<u>2,415,243</u>	<u>2,700,129</u>

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

### 3. Expenditure on charitable activities

For 2021-22 we continued a thematic approach where Portfolio Teams 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>2022</b>	<b>2021</b>
	£	£
Programme-related costs		
Strategic areas:		
Who	3,539,625	1,032,845
Place	4,250,647	3,248,156
Comms	27,593	572,816
Grant Development	-	302,568
How	3,917,917	2,837,271
Other	121,886	1,097,302
	<u>11,857,668</u>	<u>9,090,958</u>
Governance costs (note 5)	44,829	31,505
Support costs (note 6)	1,398,807	1,351,646
	<u><b>13,301,304</b></u>	<u><b>10,474,109</b></u>

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

This is stated after charging/(crediting):

	<b>2022</b>	<b>2021</b>
	£	£
Depreciation	15,154	11,035
Operating lease rentals		
Property	87,004	87,172
Other	10,126	9,307
Auditor's remuneration (excluding VAT):		
Audit	12,600	12,000
VAT on audit cost	2,520	2,400
	<u>15,200</u>	<u>12,802</u>



## 5. Governance costs

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Legal expenses	-	-
Auditor's remuneration	15,120	14,400
Membership of PRI	1,049	1,028
Trustee training	2,092	96
Trustee meeting costs	1,934	(109)
Governance review	23,950	16,000
Other governance related administration expenses	684	90
	<u>44,829</u>	<u>31,505</u>

## 6. Support costs

The key elements of support costs are set out below:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Staff costs (note 7)	1,114,623	1,061,857
Recruitment costs	19,260	4,200
HR-related costs	24,200	11,385
Premises costs including utilities and repairs	103,219	101,539
Legal and professional costs	24,730	27,083
Travel, subsistence and hosting of events	10,308	295
Training and conferences	28,157	48,058
Subscriptions and memberships	16,811	22,123
Telephone, postage, stationery and printing	14,661	14,218
Website and IT costs	20,899	51,036
Bank charges	1,136	1,490
Sundries	5,649	(2,673)
Depreciation	15,154	11,035
	<u>1,398,807</u>	<u>1,351,646</u>

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

Staff costs were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Salaries	910,941	844,588
Social security costs	87,042	73,302
Employer contribution to defined contribution pension schemes	93,101	86,341
Temporary staff	19,380	53,797
Other forms of employee benefits	4,160	3,829
	<b>1,114,624</b>	<b>1,061,857</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>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
£60,001 - £70,000	1	1
£70,001 - £80,000	2	2
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-

The total employee benefits including employer pension contributions and employer National Insurance contributions of the key management personnel were £483,846 (2021: £472,830).

The Chief Executive received a gross salary after salary sacrifice of £111,645 with employer pension contributions of £18,439 (2021: £109,151 and £18,027 respectively).

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.

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	<b>2022 No.</b>	<b>2021 No.</b>
£60,001 - £70,000	0.9	0.8
£70,001 - £80,000	-	0.9
£80,001 - £90,000	0.9	1.9
£90,001 - £100,000	2.0	-
£120,001-£130,000	-	1.0
£140,001-£150,000	1.0	-
Total	<b>4.8</b>	<b>4.6</b>

Trustees' expenses represent the payment or reimbursement of travel and subsistence costs totalling £1,131 (2021: £nil) incurred by 3 members relating to attendance at meetings of the Trustees and Retreats with staff team (2021: Nil).

The Foundation's Trustees were not paid nor received any other benefits from employment with the Foundation in the year (2021: £nil).

### 8. Staff numbers

The average monthly number of employees (head count based on number of staff employed) during the year was 15.2 (2021: 15.0).

### 9. Related party transactions

The Lankelly Chase 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 consultants and their fees paid in 2022 is listed in the table below and totalled £1,000 (2021: £4,000):

	<b>31 Mar 2022</b>	<b>31 Mar 2013</b>
	<b>£</b>	<b>£</b>
Amanda Hailes	-	1,000
Asif Afridi	-	1,000
James Keenan	-	1,000
Marai Larasi	-	1,000
Baljeet Sandhu	1,000	-
	<b>1,000</b>	<b>4,000</b>

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 2021	144,620	99,619	244,239
Additions	-	34,889	34,889
At 31 March 2022	144,620	134,508	279,128
<b>Depreciation</b>			
At 1 April 2021	137,686	79,129	216,815
Charge for the year	2,972	12,182	15,154
At 31 March 2022	140,658	91,311	231,969
<b>Net book value at 31 March 2022</b>	<b>3,962</b>	<b>43,197</b>	<b>47,159</b>
Net book value at 31 March 2021	6,935	20,489	27,424

All assets are used for charitable purposes.

## 11. Investments – managed funds

Investments comprise:

	2022 £	2021 £
Listed investments	135,414,953	148,137,079
Cash held as part of the investment portfolio	2,287,100	8,618,693
<b>Total market value</b>	<b>137,702,053</b>	<b>156,755,772</b>

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	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fair value at 1 April	148,137,079	129,002,792
Additions at cost	169,082,280	34,903,151
Disposal proceeds	(179,233,483)	(46,875,173)
Net gain/(loss) on change in fair value	(2,570,923)	31,106,309
	<hr/>	<hr/>
Fair value at 31 March	<b>135,414,953</b>	<b>148,137,079</b>
Cash balances	2,287,100	8,618,693
	<hr/>	<hr/>
<b>Total Market Value</b>	<b>137,702,053</b>	<b>156,755,772</b>
	<hr/> <hr/>	<hr/> <hr/>

## 12. Investments – social investments

The movement in social investments held by the Foundation during the year ended 31 March 2022 and the previous year are shown in the two tables below:

<b>Year end 31 March 2022</b>	<b>At 1 April 2021</b>	<b>Purchases in year/ (return of capital)</b>	<b>Restatement of Income to Return of Capital in Year</b>	<b>At 31 March 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Big Issue Invest	52,041	(45,731)	-	6,310
Charity Bank	200,000	-	-	200,000
Social Justice and Human Rights Centre	500,000	-	-	500,000
Resonance Real Lettings Property Fund	210,242	(8,158)	1,867	203,950
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>962,283</b>	<b>(53,888.99)</b>	<b>1,866.65</b>	<b>910,260</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

During the course of the year the loan notes with Ethex was converted into a grant. This change was signed on 22<sup>nd</sup> April 2022, but the change was effective as of 31<sup>st</sup> December 2021. Consequently, both the loan asset and its full impairment have been removed from social investments. At the year-end, the Foundation had committed to no further social investments (2021: £nil) to be made in the following year.

<b>Year end 31 March 2021</b>	<b>At 1 April 2020</b>	<b>Purchases in year/ (return of capital)</b>	<b>Impairment</b>	<b>At 31 March 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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/>

**13. Debtors**

	<b>2022</b>	<b>2021</b>
	£	£
Other debtors	61	72,626
Prepayments	58,391	36,469
Accrued income	-	1,892
	<u><b>58,452</b></u>	<u><b>110,987</b></u>

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

	<b>2022</b>	<b>2021</b>
	£	£
Trade creditors	86,238	55,558
Grants payable within one year	5,772,191	5,464,684
Taxation and social security	29,114	0
Other creditors	9,613	5
Accruals	148,050	412,811
	<u><b>6,045,206</b></u>	<u><b>5,933,058</b></u>

**Reconciliation of movement in grants creditors**

	<b>2022</b>	<b>2021</b>
	£	£
At 1 April 2021		
Grants falling due within one year	5,464,684	3,696,912
Grants falling due after more than one year	1,525,677	1,829,232
Total grants creditor	<u>6,990,361</u>	<u>5,526,144</u>
Prior years' grants cancelled/returned in year	(92,129)	(391,045)
New grants awarded in year	11,044,899	8,806,568
Grants paid in year	<u>(8,674,580)</u>	<u>(6,951,306)</u>
At 31 March 2022	<u>9,268,551</u>	<u>6,990,361</u>
At 31 March 2022		
Grants payable within one year	5,772,191	5,464,684
Grants payable after more than one year	3,496,360	1,525,677
Total grants creditor	<u><b>9,268,551</b></u>	<u><b>6,990,361</b></u>

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

	<b>2022</b> £	<b>2021</b> £
Grants payable (all payable in 2-5 years)	3,496,360	1,525,677
	<b>3,496,360</b>	<b>1,525,677</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**

	<b>At 1 April 2021</b> £	<b>Incoming resources &amp; gains</b> £	<b>Outgoing resources &amp; losses</b> £	<b>At 31 March 2022</b> £
Unrestricted funds	158,096,262	(155,680)	(14,081,995)	143,858,587
Total funds	<b>158,096,262</b>	<b>(155,680)</b>	<b>(14,081,995)</b>	<b>143,858,587</b>

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

**Prior year**

	<b>At 1 April 2020</b> £	<b>Incoming resources &amp; gains</b> £	<b>Outgoing resources &amp; losses</b> £	<b>At 31 March 2021</b> £
Unrestricted and total funds	135,613,071	33,806,525	(11,323,334)	158,096,262
Total funds	135,613,071	33,806,525	(11,323,334)	158,096,262

### 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:

	<b>Land and buildings</b>		<b>Other assets</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Less than one year	87,172	87,172	6,483	8,642
One to five years	36,322	123,494	6,176	10,260
	<u>123,494</u>	<u>210,666</u>	<u>12,658</u>	<u>18,902</u>

### 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.