

Charity number: 216291

# THE RAYNE FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2014

CHARITY COMMISSION  
FIRST CONTACT  
01 JUN 2015  
ACCOUNTS  
RECEIVED

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**THE RAYNE FOUNDATION**

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## THE RAYNE FOUNDATION

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE FOUNDATION, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 NOVEMBER 2014

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#### **Trustees**

Lady Rayne, Patron  
The Hon Robert A Rayne, Chairman  
Lord Moser  
Professor Dame Margaret Turner Warwick  
The Hon Natasha Rayne  
The Hon Nicholas Rayne  
Professor Sir Anthony Newman Taylor  
Lady Browne-Wilkinson  
Sir Emyr Jones Parry

#### **Charity registered number**

216291

#### **Principal office**

100 George Street  
London  
W1U 8NU

#### **Investment advisers**

Rathbone Brothers PLC  
1 Curzon Street  
London  
W1J 5FB

Cazenove Capital Management Limited  
12 Moorgate  
London  
EC2R 6DA

#### **Director**

Amelia Fitzalan Howard (appointed 12 January 2015)

#### **Statutory auditor**

Crowe Clark Whitehill LLP  
Carrick House  
Lypiatt Road  
Cheltenham  
Gloucestershire  
GL50 2QJ

#### **Bankers**

Barclays Bank Plc  
240 Whitechapel Road  
London  
E1 1BS

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**THE RAYNE FOUNDATION**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE FOUNDATION, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 30 NOVEMBER 2014**

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**Administrative details (continued)**

**Solicitors**

Farrer & Co LLP  
66 Lincoln's Inn Fields  
London  
WC2A 3LH

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## THE RAYNE FOUNDATION

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### TRUSTEES' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2014

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The Rayne Foundation (referred to as Foundation throughout this report) is an unincorporated association and registered as a charity with the Charity Commission under registration number 216291.

The Trustees present their report and financial statements for the year ended 30 November 2014.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

The Foundation is an unincorporated association and registered charity governed by its Deed of Settlement of 1962.

The selection and appointment of Trustees is carried out using criteria which include expertise in relevant areas and networks. New Trustees will have a tailored induction programme to ensure they meet their statutory obligations as well as understanding the focus of the Foundation. No new Trustees were appointed during the year.

Day to day responsibility for managing the Foundation is with the Director and three staff. During the year, there was a change of Director following Tim Joss's departure in June 2014. The Trustees wish to acknowledge and thank him for all he did during his tenure. Following a recruitment process, he was replaced by Amelia Fitzalan Howard who started in January 2015.

Trustees' responsibilities include the setting of policy and strategy and deciding on grants above £5,000. They are advised on finance, investments and risk mitigation by the Joint Finance & Investment Committee. Grants up to £5,000 are decided by the Chairman with the Director and Grants Manager.

#### OBJECTIVES AND ACTIVITIES

The Foundation's mandate, as determined by the Trustees, is to understand and engage with the needs of UK society which it does by providing financial support in response to applications, and taking practical steps to help address neglected national issues.

The Foundation's mission is bridge building in society. To realise its mission the Foundation works towards four main outcomes:

- Enlarging sympathies – increasing tolerance and understanding between communities and people of different backgrounds;
- Reduced exclusion – helping to bring people in from the margins of society;
- Reduced conflict in society – helping to heal divisions in society;
- New productive relationships – bringing unconnected people and organisations together to benefit society.

Its sectors of interest are broad: the arts, education, health and medicine, social welfare and development with some Areas of Special Interest in which it aims to develop a depth of knowledge and, where appropriate, to do more than fund projects – for example, co-commission research, or initiate targeted programmes.

There were no changes in the Areas of Special Interest during the year which continued to be:

- Arts in deprived communities;
- Developing numeracy skills for all ages;
- Improved quality of life for older people;
- Improved palliative care in the community;
- Young people's improved mental health.

The Foundation's work is measured by the degree to which each grant and/or partnership contributes to the bridge building outcomes. It aims to support innovative, high quality projects, backing exceptional people with

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## THE RAYNE FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2014

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vision and is particularly interested in programmes supporting the most vulnerable and disadvantaged people and/or communities. It normally prefers projects which have potential for replication, those which are likely to encourage funding from, or involvement of, other organisations, and/or those which are hard to fund.

Applications are assessed against the above criteria, but in addition are expected to demonstrate a clear need for the work, provide evidence of outcomes and demonstrate that the organisation has the skills and capacity to deliver the work or project proposed.

#### ACHIEVEMENT AND PERFORMANCE

2013/14 saw progress continuing to meet the strategic objectives concerning the venture philanthropy and culmination of the Rayne Fellowships. Less progress was made to further explore turning around failing care homes for older people, but this remains an area of interest.

Construction of the new production building at the National Theatre, called the Max Rayne Centre, continued and was completed, formally opening in January 2015 following a substantial contributory grant of £2.4 million from the Foundation in 2012/13. Discussions also started with the National Theatre Foundation for an annual £10,000 Bursary Award, to be called the Max Rayne Award for a Designer. The first of these bursaries, to be granted annually for ten years, will be made in the autumn of 2015.

Progress continued on venture philanthropy initiatives with Age UK Cheshire, planning expansion of its Men in Sheds programme (to reduce isolation amongst older men) and Emmaus UK as set out below.

The Social Investment Fund allocated to Emmaus UK is to provide loans to develop new Communities and support Emmaus Enterprises – primarily shops and a textile recycling business. Of the £900,000, £700,000 was paid out during the year, leaving £200,000 committed, but not yet released. The Foundation's focus is to help Emmaus UK increase the number of Companion bedrooms from 532 to 750. By September 2014, this had reached 629 rooms. By the end of the 2012/13 financial year, loans had been made or agreed to Emmaus Hastings and Rother, Emmaus Hull, Emmaus Bristol, Emmaus South Wales and Emmaus Textiles totalling £900,000. £100,000 of the above was returned during the year.

The Rayne Choreography and Refugee Fellowship Programmes came to a close during the year, both of which were run in collaboration with another partner – Dance UK (Choreographers) and Praxis (Refugees). The final evaluation and impact reports were received which illustrated outcomes going well beyond the individual Fellows.

#### THE YEAR AHEAD

No changes to the areas of special interest are planned for the year ahead.

#### PUBLIC BENEFIT

The Trustees confirm that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. The Foundation provides public benefit through the making of grants to registered charities and not-for-profit organisations with charitable objects and through undertaking initiatives which contribute to the needs of UK society. This covers both proactive and reactive grant making. Each year, it makes a careful judgment between investing in immediate calls on its funds and safeguarding the Foundation's endowment to meet future needs and challenges.

#### RISK MANAGEMENT

The Trustees review risk on an annual basis and conclude that there are sufficient controls in place across the organisation. Processes and procedures continue to be reviewed to ensure that risks are mitigated as far as

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## THE RAYNE FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2014

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possible. The Chairman and Director also meet the auditor to discuss recommendations arising from their annual audit which may inform any approach to a particular risk.

#### FINANCIAL REVIEW

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Deed of Settlement, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

The Foundation had income for the year of £1,461,131 (2013: £1,411,421). Grants awarded in the year amounted to £1,254,773 (2013: £3,947,710). The value of the investment portfolio rose in the year from £80,460,814 to £93,934,754.

#### INVESTMENT PERFORMANCE AND POLICY AGAINST OBJECTIVES

The Foundation aims to maximise the total investment return and to achieve sufficient cash income to maintain the level of social investments. Trustees review spending guidelines and actual expenditure on a regular basis.

#### RESERVES POLICY

Reserves are held in order to ensure that outstanding commitments can be met and that, if necessary, levels of spending can be adjusted in a measured way. The Foundation holds cash balances to manage fluctuations in cash flow and cash liquidity is reviewed quarterly by the Joint Finance & Investment Committee. The Trustees are satisfied that the Foundation is in a position to meet all its current and anticipated future commitments.

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to Charities in England and Wales 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 Charity and of the incoming resources and application of resources of the Charity 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 judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### INTERNAL CONTROLS

The Trustees confirm that internal control procedures are in place to provide assurance against material misstatement or loss. This includes production of an annual budget, approved by the Trustees, and quarterly

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**THE RAYNE FOUNDATION**

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 30 NOVEMBER 2014**

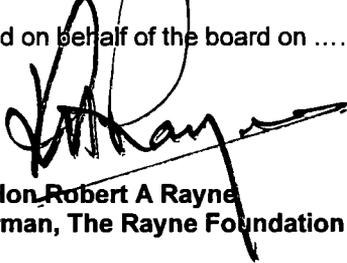
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financial reporting of actual spend against the budget.

**RELATIONSHIPS WITH CONNECTED PARTIES**

The Foundation has no relationships with connected parties other than with the exception of those transactions disclosed in Note 15.

Signed on behalf of the board on 19 May 2015 by:



**The Hon Robert A Rayne  
Chairman, The Rayne Foundation**

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## THE RAYNE FOUNDATION

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### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE RAYNE FOUNDATION

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We have audited the financial statements of The Rayne Foundation for the year ended 30 November 2014 set out on pages 9 to 24.

The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Charity's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's Trustees for our audit work, for this report, or for the opinion we have formed.

#### RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 145 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 30 November 2014 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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**THE RAYNE FOUNDATION**

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**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE RAYNE FOUNDATION**

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Crowe Clark Whitehill LLP**

Statutory Auditor

Carrick House  
Lypiatt Road  
Cheltenham  
Gloucestershire  
GL50 2QJ

Date: *26 May 2015*

Crowe Clark Whitehill LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**THE RAYNE FOUNDATION**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 NOVEMBER 2014**

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Endowment funds 2014 £	Total funds 2014 £	Total funds 2013 £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Voluntary income	2	57,902	-	-	57,902	82,710
Investment income	3	1,403,229	-	-	1,403,229	1,328,711
<b>TOTAL INCOMING RESOURCES</b>		<b>1,461,131</b>	<b>-</b>	<b>-</b>	<b>1,461,131</b>	<b>1,411,421</b>
<b>RESOURCES EXPENDED</b>						
Costs of generating funds:						
Investment management costs		-	-	92,316	92,316	112,910
Charitable activities - grant funding		1,640,691	37,500	-	1,678,191	4,283,777
Governance costs		27,340	-	-	27,340	33,707
<b>TOTAL RESOURCES EXPENDED</b>	4	<b>1,668,031</b>	<b>37,500</b>	<b>92,316</b>	<b>1,797,847</b>	<b>4,430,394</b>
<b>NET RESOURCES EXPENDED BEFORE REVALUATIONS</b>		<b>(206,900)</b>	<b>(37,500)</b>	<b>(92,316)</b>	<b>(336,716)</b>	<b>(3,018,973)</b>
Realised and unrealised gains on investments	8	23,482	98,737	14,079,908	14,202,127	10,363,796
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>(183,418)</b>	<b>61,237</b>	<b>13,987,592</b>	<b>13,865,411</b>	<b>7,344,823</b>
<i>Total funds at 1 December 2013</i>		<i>1,988,551</i>	<i>1,564,450</i>	<i>78,241,970</i>	<i>81,794,971</i>	<i>74,450,148</i>
<b>TOTAL FUNDS AT 30 NOVEMBER 2014</b>		<b>1,805,133</b>	<b>1,625,687</b>	<b>92,229,562</b>	<b>95,660,382</b>	<b>81,794,971</b>

The Charity has no other recognised gains and losses other than those included in the Statement of Financial Activities.

All amounts relate to continuing operations.

The notes on pages 11 to 24 form part of these financial statements.

**THE RAYNE FOUNDATION**

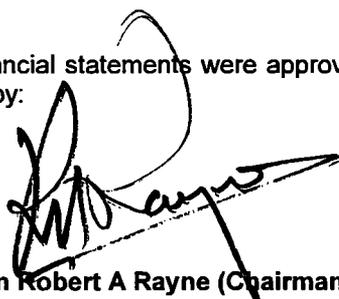
**BALANCE SHEET  
AS AT 30 NOVEMBER 2014**

	Note	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Investments	8		93,934,754		80,460,814
<b>CURRENT ASSETS</b>					
Debtors	9	436,795		131,566	
Investments	8	3,603,450		5,097,185	
Cash at bank		310,778		183,537	
			4,351,023	5,412,288	
<b>CREDITORS: Amounts falling due within one year</b>	10		(1,666,584)	(2,687,131)	
<b>NET CURRENT ASSETS</b>			2,684,439		2,725,157
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			96,619,193		83,185,971
<b>CREDITORS: Amounts falling due after more than one year</b>	11		(958,811)		(1,391,000)
<b>NET ASSETS</b>			95,660,382		81,794,971
<b>CHARITY FUNDS</b>					
Endowment funds	12		92,229,562		78,241,970
Restricted funds	12		1,625,687		1,564,450
Unrestricted funds	12		1,805,133		1,988,551
<b>TOTAL FUNDS</b>			95,660,382		81,794,971

The financial statements were approved by the Trustees on behalf, by:

19 May 2015

and signed on their



The Hon Robert A Rayne (Chairman)  
Trustee



Lady Rayne (Patron)  
Trustee

The notes on pages 11 to 24 form part of these financial statements.

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## THE RAYNE FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2014

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005 and applicable accounting standards.

##### 1.2 Cash flow

The financial statements do not include a Cash Flow Statement because the Charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

##### 1.3 Incoming resources

Donations, legacies and other forms of voluntary income that provide core funding, or are of a general nature, are recognised when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Charity has unconditional entitlement.

Income from investments is included in the Statement of Financial Activities only if received, or declared and receivable. Realised and unrealised gains or losses arising from the sale or revaluation of investments are dealt with in the Statement of Financial Activities.

Donations in kind for office space are included at an estimate of market value.

##### 1.4 Resources expended

Expenditure is recognised when a liability is incurred. Grants are recognised when a constructive obligation arises that results in the payment being unavoidable.

Costs of generating funds include expenditure associated with investment management.

Charitable activities include expenditure associated with grants payable and include both the direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

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## THE RAYNE FOUNDATION

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2014

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.5 Investments

Quoted investments are stated in the Balance Sheet at their market value as at the year end date.

Works of art are valued periodically for insurance purposes, and this value is incorporated in the Balance Sheet. Realised and unrealised gains and losses are shown in the Statement of Financial Activities and reflected in the relevant fund.

Included in current asset investments are short term cash deposits.

##### 1.6 Recognition of liabilities

Liabilities are recognised once there is a legal or constructive obligation that commits the Charity to the obligation.

##### 1.7 Expendable endowment fund

The expendable endowment fund is maintained to generate sustainable income for the unrestricted funds.

##### 1.8 Restricted fund

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### 1.9 Unrestricted funds

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the objects or administration of the Charity.

Designated funds comprise general funds, which have been set aside at the discretion of the Trustees, for specific purposes.

##### 1.10 Taxation

The Rayne Foundation is a registered charity, and as such is entitled to taxation exemptions on all its income and gains, properly applied for its charitable purposes.

##### 1.11 Pension costs

The Charity operates a defined contribution scheme on behalf of its employees. Contributions are charged in the Statement of Financial Activities as incurred. No further liabilities accrue under this scheme.

**THE RAYNE FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2014**

**2. VOLUNTARY INCOME**

	2014 £	2013 £
Donation in kind for office space	57,902	56,225
Other donations	-	26,485
	57,902	82,710
	57,902	82,710

**3. INVESTMENT INCOME**

	2014 £	2013 £
Income from listed investments	1,376,183	1,299,011
Income from unlisted investments	24,236	18,044
Interest receivable	2,810	11,656
	1,403,229	1,328,711
	1,403,229	1,328,711

**4. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	Staff costs 2014 £	Grant Funding 2014 £	Other costs 2014 £	Total 2014 £	Total 2013 £
<b>Costs of generating funds:</b>					
Investment management costs	-	-	92,316	92,316	112,910
	-	-	92,316	92,316	112,910
<b>Charitable activities:</b>					
Support costs	281,238	-	142,180	423,418	336,067
Grant funding of activities	-	1,254,773	-	1,254,773	3,947,710
	281,238	1,254,773	142,180	1,678,191	4,283,777
<b>Total</b>	281,238	1,254,773	142,180	1,678,191	4,283,777
<b>Governance</b>	-	-	27,340	27,340	33,707
	-	-	27,340	27,340	33,707
	281,238	1,254,773	261,836	1,797,847	4,430,394

See note 13 for a breakdown of new grants committed to in the year.

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THE RAYNE FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2014

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5. GOVERNANCE COSTS

	2014	2013
	£	£
Governance costs	27,340	33,707

Governance costs are stated after recharging £9,114 to The Rayne Trust (2013: £7,123).

6. NET RESOURCES EXPENDED

This is stated after charging:

	2014	2013
	£	£
Auditor's remuneration	7,850	7,700
Auditor's remuneration - non-audit	13,344	13,176
Pension costs	19,152	28,753

7. ANALYSIS OF STAFF COSTS

Staff costs were as follows:

	2014	2013
	£	£
Wages and salaries	237,268	164,534
Social security costs	24,818	27,449
Pension contributions	19,152	28,753
	281,238	220,736

These staff costs figures are stated after recharging £95,250 to The Rayne Trust (2013: £73,578).

The average number of employees during the year was as follows:

	2014	2013
	No.	No.
Administration	3	3
Management	1	1
	4	4

**THE RAYNE FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2014**

**7. ANALYSIS OF STAFF COSTS (continued)**

The number of higher paid employees was:

	2014 No.	2013 No.
In the band £70,001 - £80,000	1	0
In the band £100,001 - £110,000	0	1
	1	1
	1	1

Defined contribution pension scheme costs payable with regard to the above totalled £8,266 (2013: £12,375).

The Trustees received no remuneration in either the current or previous year.

Travelling and meeting expenses of £797 (2013: £617) were reimbursed to 4 Trustees (2013: 3) during the year.

**8. FIXED ASSET INVESTMENTS**

	Quoted Investments £	George Capital £	Social Investments £	Works of Art £	Total £
<b>Market value</b>					
At 1 December 2013	78,606,714	-	950,000	904,100	80,460,814
Additions	4,644,592	1,150,000	-	-	5,794,592
Disposals/returned funds	(5,980,992)	-	(100,000)	-	(6,080,992)
Unrealised gains/(losses) in the year	13,760,340	-	-	-	13,760,340
	91,030,654	1,150,000	850,000	904,100	93,934,754
<b>Historical cost</b>	21,716,198	1,150,000	850,000	376,611	24,092,809

Works of Art are valued for insurance purposes on a rolling basis at least every 5 years. In 2012 valuations were provided by Christie's and Sotheby's for pictures and by The Grand Panjandrum Limited for furniture. In 2013 valuations were provided by Bonhams for sculptures and furniture. These valuations have been used by the Trustees as a proxy for market value. Some of the items are on loan for display by public or charitable organisations.

Social investments represent funds made available to Emmaus UK for the provision of loans to develop new Emmaus Communities and to support Emmaus enterprises.

The market value of investments held outside the UK was £9,111,058 (2013: £7,373,485).

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**THE RAYNE FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2014**

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**8. FIXED ASSET INVESTMENTS (continued)**

The following investments comprise more than 5% of the portfolio:

**INVESTMENT**

	<b>Market Value £</b>	<b>%</b>
Derwent London plc	63,251,838	69
LMS Capital plc	6,065,504	7

At the year end cash held by the investment managers totalled £3,603,450 (2013: £5,097,185).

**9. DEBTORS**

	<b>2014 £</b>	<b>2013 £</b>
Other debtors	418,110	126,513
Accrued income	18,685	5,053
	<u>436,795</u>	<u>131,566</u>

**10. CREDITORS:  
Amounts falling due within one year**

	<b>2014 £</b>	<b>2013 £</b>
Other taxation and social security	3,622	7,269
Other creditors	200,071	950,000
Accruals	19,706	17,813
Grants payable (see note 13)	1,443,185	1,712,049
	<u>1,666,584</u>	<u>2,687,131</u>

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THE RAYNE FOUNDATION

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2014

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11. CREDITORS:

Amounts falling due after more than one year

	2014 £	2013 £
Grants payable (see note 13)	<u>958,811</u>	<u>1,391,000</u>

Reconciliation of grants payable:

	2014 £	2013 £
Commitments at 1 December 2013	3,103,049	1,251,527
Commitments made in the year	1,264,773	3,947,710
Commitments withdrawn	(10,000)	-
Grants paid during the year	<u>(1,942,526)</u>	<u>(2,096,188)</u>
Commitments at 30 November 2014	<u>2,415,296</u>	<u>3,103,049</u>

**THE RAYNE FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2014**

**12. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
<b>Designated funds</b>					
Emmaus UK	1,000,000	-	-	-	1,000,000
<b>General funds</b>					
General funds	988,551	1,461,131	(1,668,031)	23,482	805,133
Total Unrestricted funds	1,988,551	1,461,131	(1,668,031)	23,482	1,805,133
<b>Expendable endowments</b>					
Endowment fund	78,241,970	-	(92,316)	14,079,908	92,229,562
<b>Restricted funds</b>					
Praxis Fund	37,500	-	(37,500)	-	-
Rayne Fellowships for Choreographers	1,959	-	-	-	1,959
Gerry Nash fund	1,524,991	-	-	98,737	1,623,728
	1,564,450	-	(37,500)	98,737	1,625,687
<b>Total of funds</b>	<b>81,794,971</b>	<b>1,461,131</b>	<b>(1,797,847)</b>	<b>14,202,127</b>	<b>95,660,382</b>

The Emmaus UK Fund represents a social investment loan to be made available to Emmaus UK (see Note 8) which will be repaid.

The Praxis Fund represents monies held by the Foundation for the Refugees Fellowships Project. This was previously known as The Diana, Princess of Wales Memorial Fund.

Rayne Fellowships for Choreographers represents funds which remain unspent. These funds will be allocated to expenditure relating to the qualifying Arts grants awarded.

The Gerry Nash Fund (previously known as the Peggy Nash Legacy) is restricted for grants relating to medical research, general medical or health related projects.

**THE RAYNE FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2014**

**13. GRANTS PAYABLE TO ORGANISATIONS**

Grants payable in the year:

NAME OF ORGANISATION	PURPOSE OF GRANT	£
<b>Area of Special Interest: ARTS IN DEPRIVED COMMUNITIES</b>		
Arts & Minds	Arts on Prescription <i>To provide creative arts activities to alleviate adults' mild to moderate depression and to test the model on new groups including people with dementia and children at risk of poor mental health</i>	24,000
BOP Consulting	Aesop: background research <i>Research into arts and health organisations</i>	5,000
Dance UK	Cre8ting Change <i>A partnership project with Street Factory (Plymouth) and Youth Dance England, Cre8ting Change will provide a 25-week programme of dance, boxing and mentoring with 16 young men aged 16 to 24 who are not in education, employment or training to test the premise that dance can change lives</i>	20,000
Heart n Soul	Allsorts <i>Regular creative and social opportunities for adults with learning disabilities at The Albany</i>	20,000
Hijinx Theatre	Regional Academies: pods <i>Small-scale theatre productions or 'pods' created by adults with complex needs who are training as acting professionals at Hijinx' academies</i>	32,100
MUSE (now Open Up Music)	Disabled Youth Orchestras Project <i>Regular music making sessions and performances through the creation of youth orchestras in nine special education centres in the South West</i>	75,000
National Theatre of Wales	The BIG Democracy <i>A programme of 'Assemblies' - community dialogue in four local communities and one national Assembly to explore a Wales-wide or global issue selected by the public on-line</i>	60,000
Opera North	Opera Sistema, Hull <i>A partnership with Bude Park Primary School which aims to improve achievement, attendance and aspiration through singing, expressive movement and dramatic performance</i>	30,000
Punch Drunk	The Lost Lending Library <i>An immersive experience for four Hackney primary schools which aims to excite and energise pupils, acting as a catalyst for creative follow-up activities in the classroom</i>	10,000
Roma Support Group	Bridging Sounds: Roma Youth Orchestra <i>A youth orchestra for young Roma and non-Roma to develop their music skills alongside each other</i>	18,389
Royal Court Theatre Liverpool	Development of the 'Terriers Project' <i>An evaluation and toolkit for the Terriers Project, a drama performance which addresses the dilemmas faced by young people around gun and gang crime</i>	10,000

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**THE RAYNE FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2014**

South East Dance	Dance for women affected by substance misuse <i>A two-year partnership with Brighton Oasis Project to explore the potential for dance to support recovery and abstinence</i>	25,000
 <b>Area of Special Interest: IMPROVED PALLIATIVE CARE IN THE COMMUNITY</b>		
The Carers' Resource	Carer Pathways in End of Life Care <i>Specialist whole-family support work for families in which one member has received a terminal diagnosis</i>	20,000
The Rainbow Trust	Family Support Worker (Neo-natal Unit) <i>A new post providing practical and emotional support to parents and siblings of very early or sick babies while on the neo-natal unit and on return home</i>	17,500
St Margaret's Hospice	Sunflower Suite: running costs <i>An on-site one-bedroom apartment which will be used to mimic a patient's home, test whether they will be able to manage, and prepare for discharge</i>	30,000
St Michael's Hospice	St Michael's at Starbeck: new community hub <i>A new community hub to help St Michael's become more accessible to local people, reach more people, and support patients in their choice of where to die</i>	10,000
Sue Ryder	Manorlands Hospice: clinical nurse specialist <i>A new clinical nurse specialist post for the community nursing team to improve support for patients with neurological conditions</i>	50,000
 <b>Area of Special Interest: IMPROVED QUALITY OF LIFE FOR OLDER PEOPLE</b>		
Age UK Oxfordshire	Mass for Our Age: the Lonely Roads <i>A new choral work about overcoming loneliness to be created and performed in partnership with groups of older peoples, schools, and young people not in education or employment</i>	20,250
Alive Activities	Staying Alive! Core costs <i>To enable Alive Activities to reach more older people in residential settings with its specialist workshops, introduce a lay assessment scheme for residential settings and develop new tools, contributing to improved quality of life for residents</i>	30,000
Big Telly Theatre Company	Spring Chickens Programme <i>A wide-ranging programme encouraging older people to design, participate in, lead and manage a variety of activities, contributing to increased confidence, improved social networks and positive representations of ageing</i>	15,000
Broadening Choices for Older People	Animal Assisted Activities <i>Development of BCOPs national training centre for animal assisted activities, including a toolkit, study of similar initiatives internationally, and open days for other school and community groups, contributing to greater understanding of the therapeutic benefits of animals for care home residents</i>	4,100
Care + Comfort Community Services	Orchid Day Service <i>A day service for older people hosted at the Dukeries Academy where students for the Health and Social Care qualifications will gain hands-on experience of caring for older people with support from Care + Comfort professionals</i>	5,000

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**THE RAYNE FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2014**

Royal Voluntary Service	Berkshire Volunteer-led Dementia & Socialisation Programme <i>A network of volunteers working in pairs to provide companionship and practical support to patients with dementia during their hospital stay</i>	17,402
The Sensory Trust	Creative Carers Network <i>A project using the outdoors and nature-based activities to support older carers of people with dementia, improving their skills, confidence and mental health</i>	25,500
Thrive	Gardening Together <i>Structured gardening activity for 25 care homes and sheltered housing schemes, including training for care staff to provide on-going gardening clubs</i>	10,000
St Monica Trust	The Soundtrack of my Life <i>An intergenerational project pairing care home residents and teenage composers to create and perform new pieces of music reflecting their dialogue and discovery</i>	5,000
Yorkshire Dance	Shall We Dance <i>A pilot project in which older people will be supported to take on leadership roles in the delivery of choreography and community dance activities with their peers</i>	5,000
<b>Area of Special Interest: YOUNG PEOPLE'S IMPROVED MENTAL HEALTH</b>		
After Adoption	Talk Adoption Wales <i>A youth group for young adopted people providing an opportunity for fun, discussion about adoption, focussed support, and as a forum to share their views with decision-makers</i>	25,000
The Baobab Centre	Core Costs <i>A core grant to help the Baobab Centre grow and provide more child and adolescent asylum-seekers with practical and therapeutic support on an open-ended basis, contributing to their reduced isolation, improved mental health and ability to plan meaningful futures in the UK</i>	22,500
Beatbullying Ltd	MindFull <i>An online service for 11 to 17 year olds providing support, information and advice about mental health and emotional wellbeing</i>	20,000
Campaign Against Living Miserably	Webchat Service <i>An evening web-chat service specifically targeted at young men contributing to improved wellbeing, improved ability to cope and to seek further help</i>	10,000
Cybersmile Foundation	Cybersmile Helpline <i>A helpline for anyone affected by cyberbullying</i>	3,000
Hertfordshire Practical Parenting Programme	Change Together <i>A training programme and manual to assist those professionals working with families in which children are persistently violent towards their parents</i>	14,750
Impact Arts	The Young Gallery: art therapy programme <i>Creative projects and one-to-one art therapy to help children of substance misusers to develop their resilience and cope with adverse situations</i>	30,000
Kidstime Foundation	Who Cares Project <i>A suite of resources for secondary schools to help them support young people caring for parents with mental health concerns</i>	5,000

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**THE RAYNE FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2014**

Partnership for Children	Zippy's Friends for Special Schools: evaluation <i>A study of Zippy's Friends programme for special schools to understand how effective it is in helping children to improve their coping skills</i>	10,300
Post Adoption Centre (PAC-UK)	Salary of an Educational Psychologist <i>A new post to help co-ordinate PAC-UK's specialist education service on a national level and to find innovative solutions for adopted children and their families beyond the statutory requirements</i>	15,000
YouthNet	The Site's Live Chat Service <i>To help YouthNet reach more young people who want to use livechat to help them feel more supported and able to make decisions with confidence</i>	24,000
<b>Other Education Grants</b>		
Made in Europe	Developing active citizenship among black and minority Muslim young people <i>A citizenship programme in 12 schools in Leicester, London, Loughborough and Manchester to improve feelings of belonging, confidence in identity and motivation, and to improve understanding and tolerance amongst different communities</i>	25,000
School-Home Support	New comprehensive service <i>To increase the support offered by School-Home Support to over 100,000 children and families each year, contributing to improved attendance at school</i>	30,000
The Shannon Trust	A National Reading Network for Prisoners <i>A core grant to help develop the National Reading Network for Prisoners in all public prisons in England</i>	50,000
Skidz	Core Costs <i>A core grant to help Skidz during a transition to becoming more self-sustaining and to enable expansion to new parts of the UK</i>	20,000
The Tutor Trust	Tutor Trust Leeds <i>To help Tutor Trust expand its one-to-one and small group tuition for school-age pupils in Leeds</i>	20,000
<b>Other HEALTH &amp; MEDICINE grants</b>		
Facial Palsy UK	Support Services Project <i>To appoint two health professionals to develop its national helpline and email support service, recruit and develop volunteers, conduct home visits and to create a network of up to 30 local support groups</i>	31,982
<b>Other SOCIAL WELFARE &amp; DEVELOPMENT grants</b>		
Action for ME	Employment Support Project <i>A specialist employment service running alongside ME clinics to help people with ME retain or secure relevant work, training, education or volunteering, contributing to improved wellbeing</i>	15,000
Action on Addiction	The Brink <i>A contribution towards the running costs of The Brink, a dry café bar where people can socialise without any pressure to drink and where they can find ongoing support to seek and maintain recovery</i>	40,000

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2014**

The Bike Project	Core Costs <i>A core grant to help The Bike Project increase the number of refurbished bicycles so that more refugees can gain access to essential services and create a meaningful life in London</i>	20,000
Bounce Back Foundation	Core Costs <i>To help Bounce Back increase the number of ex-offenders trained and employed on its painting and decorating scheme</i>	20,000
Christians Against Poverty	Job Clubs <i>Towards the creation of 47 new job clubs for the long-term unemployed</i>	10,000
FoodCycle	Expansion of the FoodCycle Hubs Programme <i>To help FoodCycle expand its franchise model to 18 new centres</i>	20,000
Leap Confronting Conflict	Managing Conflict, Changing Lives: Delivery Manager salary <i>A new post to help Leap Confronting Conflict increase its capacity and reach more young people through its programmes</i>	40,000
SHE UK	Core costs for expansion <i>To help SHE UK develop its model of holistic support for survivors of childhood sexual abuse and to reach more people in more parts of the country</i>	24,000
Spark Inside	Core Costs <i>To help Spark Inside work with more young offenders and engage them in employment, education and training</i>	20,000
St John's Waterloo	The Bridge at Waterloo <i>A capital grant to help St John's transform its building into a multipurpose space, in order that resident organisations can collaborate more closely on their shared goal of reduced youth unemployment locally</i>	20,000
West London Synagogue	Interfaith, Social Work and Youth Work <i>Interfaith, social work and youth activities at the Synagogue</i>	75,000
<b>TOTAL</b>		<b><u>£1,254,773</u></b>

**SUMMARY OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
Designated funds	1,000,000	-	-	-	1,000,000
General funds	988,551	1,461,131	(1,668,031)	23,482	805,133
	<u>1,988,551</u>	<u>1,461,131</u>	<u>(1,668,031)</u>	<u>23,482</u>	<u>1,805,133</u>
Endowment funds	78,241,970	-	(92,316)	14,079,908	92,229,562
Restricted funds	1,564,450	-	(37,500)	98,737	1,625,687
	<u>81,794,971</u>	<u>1,461,131</u>	<u>(1,797,847)</u>	<u>14,202,127</u>	<u>95,660,382</u>

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**THE RAYNE FOUNDATION**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2014**

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**14. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2014 £	Restricted funds 2014 £	Endowment funds 2014 £	Total funds 2014 £	Total funds 2013 £
Fixed asset investments	1,684,596	1,582,124	89,818,034	93,084,754	79,510,814
Social investments	850,000	-	-	850,000	950,000
Current assets	1,895,932	43,563	2,411,528	4,351,023	5,412,288
Creditors due within one year	(1,666,584)	-	-	(1,666,584)	(2,687,131)
Creditors due in more than one year	(958,811)	-	-	(958,811)	(1,391,000)
	<u>1,805,133</u>	<u>1,625,687</u>	<u>92,229,562</u>	<u>95,660,382</u>	<u>81,794,971</u>

**15. RELATED PARTY TRANSACTIONS**

Lady Rayne and The Hon Robert A Rayne also serve as Trustees of The Rayne Trust (TRT), a company limited by guarantee and a registered charity. Included in other debtors is £130,453 due from TRT for management costs (2013: £100,402). For the year under review, The Rayne Foundation (TRF) recharged expenses to TRT totalling £130,453 (2013: £100,402).

Lady Rayne, a Trustee of The Rayne Foundation (TRF), holds 1.51% (2013: 1.57%) of shares in LMS Capital plc and 3.50% (2013: 3.51%) of shares in Derwent London plc.

The Hon Robert A Rayne, a Trustee of The Rayne Foundation (TRF), holds 2.43% (2013: 2.97%) of shares in LMS Capital plc and 1.37% (2013: 2.27%) of shares in Derwent London plc.

The Rayne Foundation holds 5.35% (2013: 5.35%) of shares in LMS Capital plc and 2.05% (2013: 2.03%) of shares in Derwent London plc, thus making this a related party disclosure.

During the year, The Rayne Foundation paid £29,105 (2013: £12,344) on behalf of The Rayne Concert Party for advisory fees in relation to the potential sale of shares.

The Rayne Foundation invested £1,437,500 this year (being £287,500 by way of a loan, £1.15 of capital commitment and £1,149,998.85 of Loan commitments) in George Capital Real Estate Fund LP (the "Partnership"). The commitments invested represent 23% of the total commitments in the Partnership. Other limited partners include Rayne Foundation Chairman The Hon Robert A Rayne (aka SQP Ltd, holding 25% of total commitments in the Partnership) and Trustee, The Hon Nicholas Rayne (holding 25% of total commitments in the Partnership).