

**THE RAYNE FOUNDATION**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 NOVEMBER 2021**

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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 2021

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#### **Trustees**

Lady Rayne, Patron  
The Hon. Robert A Rayne, Chairman  
The Hon. Natasha Rayne  
The Hon. Nicholas Rayne  
Professor Sir Anthony Newman Taylor  
Lady Browne-Wilkinson (Deputy Chairman)  
Sir Emyr Jones Parry  
Rabbi Baroness Neuberger DBE

**Charity registered number**  
1179912

**Company Number**  
11559926

#### **Principal office**

3 Bromley Place,  
London W1T 6DB

#### **Investment advisers**

Rathbone Brothers PLC  
8 Finsbury Circus  
London EC2M 7AZ

Cazenove Capital Management Limited  
1 London Wall Place  
London EC2Y 5AU

#### **Director of The Rayne Foundation**

Amelia Fitzalan Howard (resigned December 2021)

#### **Independent auditor**

Crowe U.K. LLP  
4th Floor  
St James House  
St James Square  
Cheltenham  
Gloucestershire GL50 3PR

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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 2021**

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**Bankers**

Barclays Bank Plc  
Level 15,  
1 Churchill Place,  
London, E14 5HP

**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 2021

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The Rayne Foundation (referred to as "The Foundation" throughout this report) is an incorporated charity and registered in England and Wales, Charity Number: 1179912 and Company Number 11559926 as set out in the Memorandum of Articles.

The Trustees present their report and financial statements for the year ended 30 November 2021.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The selection and appointment of Trustees is carried out using criteria which considers the knowledge and skills they would bring to meet the charitable purposes of The Foundation. Should new Trustees be appointed, names would be proposed and any appointment then made upon the Board's approval. New Trustees have a tailored induction programme to ensure they meet their statutory obligations as well as understanding the focus of the Foundation. No new Trustee was appointed during the year. There is no Trustee remuneration policy as no Trustee receives any remuneration for being a Trustee but travel expenses can be claimed. The Trustees are volunteers in their role as Trustees, but The Foundation does not otherwise rely on the work of other volunteers.

There were no changes to the Trustee Board during the year and The Hon Robert Rayne and Lady Browne-Wilkinson continue to be Chairman and Deputy Chairman respectively.

Day to day responsibility for managing The Foundation is with the Director, Amelia Fitzalan Howard, four staff and one consultant. Staff remuneration is agreed by the Chairman of The Rayne Foundation, The Hon Robert A Rayne. Upon any new appointments being made, remuneration would be agreed in line with other comparable roles. The Director resigned in December 2021 and interim management arrangements were put in place to ensure the continued smooth running of the organisation. Shan Nicholas was appointed as Interim Chief Executive and The Foundation is in the process of recruiting a permanent Director. The interim arrangements will remain in place until a permanent Director takes up post.

The Trustees' responsibilities include the setting of policy and strategy and approving grants above £20,000. Trustees are advised on finance, investments and risk mitigation by the Joint Finance & Investment Committee.

During the year, there was the annual review of policies and procedures which were noted by the Board. The Foundation continued to ensure it was updated on recommended guidance from the Charity Commission regarding safeguarding both when assessing applicants as well as when monitoring grant reporting. This is now a standing Board agenda item. The move to electronic banking several years ago across The Rayne Charities, supported by revised processes and procedures, meant there was no adverse impact on financial management when home working and lockdown began.

#### **THE YEAR UNDER REVIEW**

##### **Covid 19**

The year 2020/2021 continued to be a year affected by Covid 19 with periodic lockdowns and continued working from home. The Board meetings and Finance Committee continued to operate remotely during the course of the year as they had done in the previous year. Whilst the Trustees met more frequently during the early months of the pandemic, meetings returned to their normal quarterly cycle in 2020/21. In the financial year ended 30<sup>th</sup> November 2020, the Foundation agreed to make an additional £2 million, drawn from capital, available to make additional grants and donations in response to the impact of Covid. This was alongside the already agreed grants budget. By 30<sup>th</sup> November 2021, £1,616,000 had been distributed through 102 grants/donations.

The Trustees ensured decision making was not a lengthy process, and grants covered a range of sectors covering immediate needs such as food poverty, domestic abuse, refugees and more. The remainder of this

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## THE RAYNE FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2021

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Covid fund will be allocated in 2022. The Trustees also increased the authority level of grants decided by the Chairman and Director from £10k to £20k in order to facilitate quicker decision making; this will continue for the duration of the Covid spend. All grants above this amount continue to go to the Board meetings for decision. Whilst Trustees continued to recommend organisations they knew personally for donations of a maximum of £5k to support Covid needs, greater emphasis was placed on extending existing commitments. The Director ensured regular liaison with other Trusts and Foundations and collaboration where appropriate to ensure the Foundation was as up to date as possible with what others were doing.

More details of expenditure follow below. The Foundation has not reduced its grant making budget and has no plans to do so.

### 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 to help address neglected national issues.

The theme that underpins The Foundation's grant making is bridge building to connect people and communities by bringing them together for the good of society, and ultimately to help create a more comprehending and cohesive world. The Trustees continue to consider projects in areas covering the arts, health and wellbeing, education – in its widest sense, and social issues. There have been no changes to the above theme or the three Areas of Special Interest:

- Arts as a tool to achieve social change;
- Improved quality of life for carers and for older people;
- Young people's improved mental health.

When assessing projects, The Foundation considers charities and organisations that demonstrate wider than local application and awareness of the bigger picture; real expertise and sector knowledge; commitment to demonstrating results and sharing learning; strong leadership, management and track record. The preference is to fund front-line organisations providing direct benefits to vulnerable and disadvantaged people. The Foundation wants to fund innovative, high quality projects, backing exceptional people with vision and continues to be particularly interested in programmes supporting the most vulnerable and disadvantaged people and/or communities.

During the year, 57 grants/donations (*115 grants commitments totalling £3,268,500 - 2020*) totalling £1,760,400 were made, of which 31 (£1,342,100) came from the main grants budget and were not in response to Covid. At the beginning of the pandemic in 2020, Trustees and staff had been focused on an emergency response and support for organisations and projects in need of immediate funding. As a result of this and the impact on staff workloads, Trustees agreed to close the open grants programme from February through to June 2021. During this time, staff put greater emphasis on supporting existing grantees and previously funded organisations to safeguard and develop ideas and projects which had begun prior to the pandemic. As a result, a number of one-year extension grants were offered supporting further wider application, for example, to Brighton Dome & Festival to support year-round Our Place co-creation work and share learning, and to Alive Activities and Mind the Gap for digital expansion of their existing programmes; plus further grants to safeguard existing work such as for The Baobab Centre, British Refugee Council, and Wishing Well.

During the year, a handful of previously funded organisations demonstrated that they were continuing to evolve and grow with potential to have further wider influence, which resulted in new three-year funding commitments: grantees in this category included Hope for Justice, Leap Confronting Conflict, OpenUp Music and Playlist for Life. New grants were made to some interesting projects which came about because of the pandemic, for example, two different arts organisations applied to us to explore how creativity could be used to support health professionals' and young people's understanding of compassion (China Plate) and empathy (Paper Birds) at a moment in time when healthcare staff were suffering from burnout and young people were really disconnected

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## THE RAYNE FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2021

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from each other due to lockdowns and social distancing. The increased understanding about using digital resources effectively helped make the case for supporting Over the Wall with a grant to develop a virtual, therapeutic activity programme for seriously ill children in hospital.

The pandemic has had a profound impact on many people's mental health and it is no surprise with young people's mental health as an area of special interest that we made a number of grants to support mental wellbeing including grants to 1625 Independent People, Caius House, The London Pathway, Partnership for Children, Rethink Mental Illness, and Soundcastle. In light of the forthcoming care review, we were interested to receive a number of applications supporting those in or leaving care, including creative approaches to supporting wellbeing – successful grantees in this space included Articulate Cultural Trust, Changing Tunes, Blue Cabin, and Pure Insight.

The Emmaus UK grants covering supporting communities to improve their retain offer, grow online sales (new software as well as dedicated staff) and to complete some capital projects continued during the year. No further commitments were made and arrangements for loan repayments were put in place. During Covid we put interest payments on hold, and they restarted in 2020/2021. At year end we had £40,000 outstanding in loans.

Last year, Trustees awarded a significant grant of £3million to King's College London to build the new Pears Maudsley Centre for Children and Young people in Denmark Hill, South London. This will bring together a range of clinical services spanning neurodevelopmental disorders beginning in early life to conditions which emerge later such as acute anxiety and self-harm. The building will incorporate inpatient and outpatient facilities, a hospital school, research and diagnostic facilities. It will be a state of the art building reflecting the significant size of this exceptional grant. Planning permission was successfully secured at the end of 2020 and construction began in 2021. Payments were delayed whilst arrangements were being finalised and the first tranche will be released in December 2021 with the final payment due at the end of 2022.

Whilst the Foundation funds a variety of charitable and not-for-profit organisations, funding is specifically targeted towards issues and organisations which do not enjoy widespread public support. Collaboration with other funders continues to be important in terms of wider learning as well as for leveraging other funding from those Foundations interested in similar client groups or sectors. An added benefit The Foundation seeks with grant recipients, is to introduce organisations to each other to enhance learning, share good practice and where possible, work together.

The Foundation's interest in later life continued. Alongside grant-making, the Foundation began consulting about how it might be more focused in its support for care homes. Previously, the Foundation had agreed to focus on the little things that make a difference and care homes' relationships with the wider community. However, it was recognised that staff are key to both of these aspects and that investing in staff development might lead to more lasting change than funding projects which would likely end when grant funding ran out. The Trustees agreed to explore how the Foundation might support development of the social care workforce and consulted with a number of relevant bodies and agencies for further advice; this was followed by a roundtable in October, chaired by Baroness Neuberger, to examine the subject in closer detail. Four key themes emerged from the roundtable: replication of existing good practice, mentoring and coaching, community ownership, and bullying & harassment. Over the next few months, four working groups will meet to explore these themes further. The aim is to listen and work with the social care sector, plus relevant charities, to develop ideas which have buy-in from all relevant stakeholders and potential for enduring impact. We hope that a number of ideas will emerge from the working groups and be presented to Trustees as formal proposals in the year ahead.

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## THE RAYNE FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2021

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#### ACHIEVEMENT AND PERFORMANCE

The Foundation's work is measured by the degree to which each grant contributes to agreed outcomes covering qualitative and quantitative data. The Foundation funds across a wide range of subject areas, as seen in the list of awards so outcomes are measured in different ways which may include feedback from beneficiaries, formal tracking from statutory agencies or others, data collection, estimation of cost savings and sometimes a more formal evaluation. Both hard and soft outcomes are gathered, and the Trustees consider each set of outcome requirements on a case-by-case basis. For multi-year grants (usually up to three years), the second or third year's payment are released upon receipt of satisfactory monitoring and financial reports.

Whilst the Foundation continues to be a reactive grant maker more targeted work has started on later life and social care and we plan to reassess our balance between reactive and proactive grant making moving forward.

The refurbishment of the building The Foundation purchased in February 2018 was completed during the year following delays during the pandemic. Staff returned to work with a mix of office and home-based working. Part of the building is let out on a commercial basis to set against running costs and from 2022 The Foundation will offer pro bono, meeting room space to other charities.

#### 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, The Foundation makes a careful judgment between investing in immediate calls on its funds and safeguarding the endowment to meet future needs and challenges.

#### RISK MANAGEMENT

Risks relating to financial performance and therefore future distribution, due to volatility of markets, are regularly reviewed by the Joint Finance & Investment Committee and include an annual impairment review.

The comprehensive risk register covers a range of issues which include loss of key staff, governance, fraud, reduction in capital and operational risks. Specific examples of risk management include keeping a watching brief on market volatility and portfolio diversification to mitigate loss of capital; reviewing governance and good practice from applicants before grants are awarded; maintaining up to date knowledge of policy or statutory changes/requirements in the sector and setting financial and reporting obligations for grant recipients to monitor multi-year grants before any subsequent payment is released.

The Trustees formally review risk on an annual basis and conclude that there are sufficient controls in place across the organisation. 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.

Covid 19 and its global impact affected the day-to-day operations of the Foundation in terms of moving to remote working, assessing projects and organisations via Zoom or equivalent, but grant making continued uninterrupted, alongside managing the additional funds available. In addition to the significant implication for millions of individuals, investment portfolios sharply fell but have since recovered. The Foundation holds high cash reserves, which cover all current grant commitments and operating costs and more, so no funding commitments will be cancelled for lack of funds.



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## THE RAYNE FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2021

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#### INTERNAL CONTROLS

The Trustees confirm that internal control processes and procedures are in place and continue to be reviewed to ensure that risks are mitigated as far as possible. This includes an annual budget, approved by the Trustees, and monthly financial reporting of actual against budget and other key performance indicators.

The charity was not involved directly or indirectly in any fundraising for its own benefit during 2021. The charity had no fundraising activities requiring disclosure under S162A of the Charities Act.

#### FINANCIAL REVIEW

The Foundation had income for the year of £1,987,662 (2020: £2,233,977). There were no exceptional dividends in the year under review. Grants awarded in the year amounted to £1,760,400 (2020: £6,268,500). The Joint Finance & Investment Committee agreed to hold a strong cash balance due to the uncertainty of global markets particularly affected by Brexit and for the planned expenditure on the new building.

#### INVESTMENT POLICY AND PERFORMANCE AGAINST OBJECTIVES

The Foundation aims to maximise the investment return and to achieve sufficient cash income to maintain the level of grants. The value of the investment portfolio, excluding cash balances increased from £86,896,448 in 2020 to £94,296,747 during the year. Trustees review expenditure on a regular basis, in particular at the start of the financial year, and consider new investments and changes in allocation on a case by case basis. The Trustees do not invest to meet a formal social, environmental or ethical investment policy. The Trustees hope to maintain distributions amounting to 2-4%, in the medium term, of the capital value of The Foundation primarily from income.

The distribution in the year was 1.83% (2020: 3.47%) of the average capital value of the twenty previous quarters. No changes were made to The Foundation's investment policies.

#### 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. Total reserves at the year end were £102,239,899 (2020: £93,349,281). Free reserves are calculated by deducting tangible fixed assets and designated funds from unrestricted funds, as well as adding back any loans used to purchase fixed assets (mortgage balance of £3,568,863 secured against Bromley Place). The free reserves held at the year-end were negative at £626,961 (2020: negative at £740,181). The position arises due to the significant value of Bromley Place purchased from unrestricted funds and mortgage funds. Included within unrestricted funds of £3,437,350 are designated funds of £1,378,200 and fixed assets of £6,254,974. However, the Foundation holds an expendable endowment fund of £98,797,045 which can be drawn upon if required in order to meet its obligations. The total amount of restricted reserves held at the year-end and not available for the general purposes of the charity were £5,630. £13,400 remains designated to Men in Sheds programme, £980,800 designated to support improving quality of life for older people in care homes and £384,000 continues to be designated as Covid 19 support funding. 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, given its financial reserves and fundamental assets, is in a position to meet all its current and anticipated future commitments.

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Rayne Foundation for the purposes of company law) 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

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THE RAYNE FOUNDATION

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TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 30 NOVEMBER 2021

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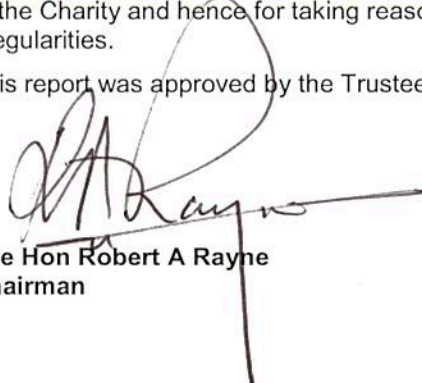
Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 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.

This report was approved by the Trustees, on 6<sup>th</sup> June 2022 and signed on their behalf by:



The Hon Robert A Rayne  
Chairman

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**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

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

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**Opinion**

We have audited the financial statements of The Rayne Foundation ('The Foundation') for the year ended 30 November 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 30 November 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 United Kingdom, including the Financial Reporting Council'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 charitable company'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.

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**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RAYNE FOUNDATION (CONTINUED)**

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**Other information**

The other information comprises the information included in the 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.

**Opinion 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' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of our 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' report.

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

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

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**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RAYNE FOUNDATION (CONTINUED)**

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**Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement, 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 is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011 and Charities SORP (FRS 102).

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence including that with the Charity Commission, reading minutes of meetings of those charged with governance, and designing audit procedures for the recognition and classification of income.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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**THE RAYNE FOUNDATION**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RAYNE FOUNDATION (CONTINUED)**

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These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Guy Biggin (Senior statutory auditor)**

for and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

Fourth Floor

St James House

St James Square

Cheltenham

Date: 11 August 2022

**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>						
Investments	4	1,987,662	-	-	1,987,662	2,233,977
<b>Total income</b>		<b>1,987,662</b>	<b>-</b>	<b>-</b>	<b>1,987,662</b>	<b>2,233,977</b>
<b>Expenditure on:</b>						
Raising funds:	5					
Investment manager's fees		9,245	240	125,287	134,772	135,645
Charitable activities	6	2,494,374	-	-	2,494,374	7,024,489
<b>Total expenditure</b>		<b>2,503,619</b>	<b>240</b>	<b>125,287</b>	<b>2,629,146</b>	<b>7,160,134</b>
<b>Net expenditure before net (losses)/gains on investments</b>		<b>(515,957)</b>	<b>(240)</b>	<b>(125,287)</b>	<b>(641,484)</b>	<b>(4,926,157)</b>
Net gains/(losses) on investments		(5,654)	111	9,537,645	9,532,102	(14,479,910)
<b>Net (expenditure)/income</b>		<b>(521,611)</b>	<b>(129)</b>	<b>9,412,358</b>	<b>8,890,618</b>	<b>(19,406,067)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		3,958,963	5,630	89,384,688	93,349,281	112,755,348
Net movement in funds		(521,611)	(129)	9,412,358	8,890,618	(19,406,067)
<b>Total funds carried forward</b>	21	<b>3,437,352</b>	<b>5,501</b>	<b>98,797,046</b>	<b>102,239,899</b>	<b>93,349,281</b>

The notes on pages 17 to 41 form part of these financial statements.

**THE RAYNE FOUNDATION**  
(A company limited by guarantee)  
REGISTERED NUMBER: 11559926

**BALANCE SHEET**  
AS AT 30 NOVEMBER 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	6,254,974	6,436,044
Investments	13	96,429,925	89,109,626
		<u>102,684,899</u>	<u>95,545,670</u>
<b>Current assets</b>			
Debtors	14	140,996	153,669
Investments	15	3,963,864	2,828,935
Cash at bank and in hand		4,075,586	4,002,534
		<u>8,180,446</u>	<u>6,985,138</u>
Creditors: amounts falling due within one year	16	<u>(3,471,035)</u>	<u>(3,823,001)</u>
<b>Net current assets</b>		<b>4,709,411</b>	<b>3,162,137</b>
<b>Total assets less current liabilities</b>		<b>107,394,310</b>	<b>98,707,807</b>
Creditors: amounts falling due after more than one year	18	<u>(5,154,411)</u>	<u>(5,358,526)</u>
<b>Total net assets</b>		<b>102,239,899</b>	<b>93,349,281</b>



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**THE RAYNE FOUNDATION**  
(A company limited by guarantee)  
REGISTERED NUMBER: 11559926

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**BALANCE SHEET (CONTINUED)**  
AS AT 30 NOVEMBER 2021

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	Note	2021 £	2020 £
<b>Charity funds</b>			
Endowment funds	21	98,797,046	89,384,688
Restricted funds	21	5,501	5,630
Unrestricted funds	21	3,437,352	3,958,963
<b>Total funds</b>		<u>102,239,899</u>	<u>93,349,281</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on \_\_\_\_\_ and signed on their behalf by:



.....  
**Lady Jane Rayne**  
Trustee



.....  
**The Hon. Robert A Rayne**  
Chair of Trustees

The notes on pages 17 to 41 form part of these financial statements.

**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	23	(2,840,863)	(3,886,818)
<b>Cash flows from investing activities</b>			
Dividends, interests and rents from investments		1,987,662	2,233,977
Purchase of tangible fixed assets		(39,484)	(417,040)
Proceeds from sale of investments		24,283,712	4,716,723
Purchase of investments		(22,151,909)	(4,600,344)
Proceeds from investment repayments		80,000	51,453
Movement in investments held as cash		(1,134,929)	283,293
Transfer from/(to) fixed asset investments		-	3,100,000
<b>Net cash provided by investing activities</b>		<b>3,025,052</b>	<b>5,368,062</b>
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(110,537)	-
Financing fees		(600)	-
<b>Net cash (used in)/provided by financing activities</b>		<b>(111,137)</b>	<b>-</b>
<b>Change in cash and cash equivalents in the year</b>		<b>73,052</b>	<b>1,481,244</b>
Cash and cash equivalents at the beginning of the year		4,002,534	2,521,290
<b>Cash and cash equivalents at the end of the year</b>	24	<b>4,075,586</b>	<b>4,002,534</b>

The notes on pages 17 to 41 form part of these financial statements

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THE RAYNE FOUNDATION

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Charity Number: 1179912  
Company Number 11559926

# **THE RAYNE FOUNDATION**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**1. General information**

The Rayne Foundation is a charitable company limited by guarantee, registered with Companies House (registered number: 11559926 England & Wales) and the Charity Commission (registered number: 1179912). Its registered principal office is 3 Bromley Place, London, W1T 6DB.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Companies Act 2006 and the Charities Act 2011.

The Rayne Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

The Foundation has cash resources and no requirement for external funding during the year. The Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue.

The Covid-19 pandemic has not had a significant impact on the Foundation's operations but the Trustees will continue to keep this under review.

Having regard to the above, the Trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

**2.3 Income**

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

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**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure is accrued as soon as a liability is considered probable. Grants are recognised when a constructive obligation arises that results in the payment being unavoidable.

Costs of raising 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 Foundation and its assets and are primarily associated with constitutional and statutory requirements and are included within support costs.

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

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

**2.5 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.

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £750 or more are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	- 30 years straight line
Freehold land	- Not depreciated
Fixtures and fittings	- 5 years straight line
Office equipment	- 5 years straight line
Computer equipment	- 3 years straight line

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**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**2. Accounting policies (continued)**

**2.7 Investments**

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

Non listed investments are measured at historic cost and are reviewed annually for impairment.

Included in current asset investments are short term cash deposits.

Works of art are valued periodically for insurance purposes, and this value is incorporated in the Balance Sheet. Gains and losses are shown in the Statement of Financial Activities and reflected in the relevant fund. The next valuation is due in 2022.

**2.8 Debtors**

Other debtors and accrued income are recognised at the settlement amount due.

Prepayments are valued at the amount prepaid.

**2.9 Cash at bank and in hand**

Cash at bank and 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.

**2.10 Creditors**

Liabilities are recognised once there is a legal or constructive obligation that commits the Foundation to the obligation. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

**2.11 Financial instruments**

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. Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method.

**2.12 Pensions**

The Foundation 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 the scheme.

**2.13 Expendable Endowment Fund**

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

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**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**2. Accounting policies (continued)**

**2.14 Restricted Funds**

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.

**2.15 Unrestricted Funds**

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

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

**3. Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires management to make judgements and estimates. The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

**4. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Licence income	44,216	<b>44,216</b>	14,035
Income from investments	1,940,256	<b>1,940,256</b>	2,192,470
Interest receivable	3,190	<b>3,190</b>	27,472
<b>Total 2021</b>	<u>1,987,662</u>	<u><b>1,987,662</b></u>	<u>2,233,977</u>
<i>Total 2020</i>	<u>2,233,977</u>	<u>2,233,977</u>	



**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**5. Investment management costs**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Investment management fees	9,245	240	125,287	<b>134,772</b>	135,645
<i>Total 2020</i>	<i>12,006</i>	<i>848</i>	<i>122,791</i>	<i>135,645</i>	

**6. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Support costs	774,974	-	-	<b>774,974</b>	755,989
Grant funding of activities	1,719,400	-	-	<b>1,719,400</b>	6,268,500
<b>Total 2021</b>	<b>2,494,374</b>	<b>-</b>	<b>-</b>	<b>2,494,374</b>	<i>7,024,489</i>
<i>Total 2020</i>	<i>4,004,489</i>	<i>20,000</i>	<i>3,000,000</i>	<i>7,024,489</i>	

**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2021**

**7. Analysis of expenditure by activities**

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Support costs	774,974	-	774,974	755,989
Grant funding of activities	-	1,719,400	1,719,400	6,268,500
<b>Total 2021</b>	<u>774,974</u>	<u>1,719,400</u>	<u>2,494,374</u>	<u>7,024,489</u>
<i>Total 2020</i>	<u>755,989</u>	<u>6,268,500</u>	<u>7,024,489</u>	

**Analysis of direct costs**

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs (note 10)	239,220	255,429
Depreciation	220,554	207,607
Staff related costs	16,872	15,026
Premises cost	136,537	144,305
Travel and subsistence	464	1,040
Office costs	57,431	71,029
Governance costs (note 8)	103,896	61,553
	<u>774,974</u>	<u>755,989</u>

**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**8. Governance costs**

	2021 £	2020 £
Trustees' expenses	-	348
Legal fees	46,654	4,037
Professional fees	43,070	24,476
Audit and accountancy fees	14,172	13,884
	103,896	42,745

**9. Auditor's remuneration**

	2021 £	2020 £
Fees payable to the The Foundation's auditor for the audit of The Foundation's annual accounts	8,160	8,000
Fees payable to the The Foundation's auditor in respect of: Preparation of the financial statements	3,650	3,570
	11,810	11,570

**10. Staff costs**

	2021 £	2020 £
Wages and salaries	192,230	205,187
Social security costs	20,178	21,800
Contribution to defined contribution pension schemes	26,812	28,442
	239,220	255,429

The average number of persons employed by the The Foundation during the year was as follows:

	2021 No.	2020 No.
Administration	4	4
Management	1	1
	5	5

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**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**10. Staff costs (continued)**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2021</b>	<i>2020</i>
	<b>No.</b>	<i>No.</i>
In the band £100,001 - £110,000	<b>1</b>	<i>1</i>

Defined contribution pension scheme costs payable with regard to the higher paid employee totalled £14,729 (*2020: £14,393*).

Key management personnel employee benefits consisting of the Director totalled £136,856 (*2020: £134,307*).

**11. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (*2020 - £NIL*).

During the year ended 30 November 2021, expenses totalling £NIL were reimbursed or covered travel costs (*2020: £348 to one Trustee*).

**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**12. Tangible fixed assets**

	Freehold land and buildings £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
<b>Cost</b>					
At 1 December 2020	6,272,454	374,342	5,777	23,153	6,675,726
Additions	23,332	16,152	-	-	39,484
At 30 November 2021	<u>6,295,786</u>	<u>390,494</u>	<u>5,777</u>	<u>23,153</u>	<u>6,715,210</u>
<b>Depreciation</b>					
At 1 December 2020	149,398	81,404	232	8,648	239,682
Charge for the year	133,256	78,425	1,155	7,718	220,554
At 30 November 2021	<u>282,654</u>	<u>159,829</u>	<u>1,387</u>	<u>16,366</u>	<u>460,236</u>
<b>Net book value</b>					
At 30 November 2021	<u>6,013,132</u>	<u>230,665</u>	<u>4,390</u>	<u>6,787</u>	<u>6,254,974</u>
At 30 November 2020	<u>6,123,056</u>	<u>292,938</u>	<u>5,545</u>	<u>14,505</u>	<u>6,436,044</u>

Freehold land and buildings includes mixed use property. The element considered to be investment property is not separately identifiable.

**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**13. Fixed asset investments**

	Quoted investments £	George Capital £	Social investments £	Works of art £	Total £
<b>Cost or valuation</b>					
At 1 December 2020	86,896,448	1,106,678	395,000	961,500	89,359,626
Additions	22,151,909	-	-	-	22,151,909
Disposals	(24,283,712)	-	-	-	(24,283,712)
Revaluations	9,532,102	-	-	-	9,532,102
Capital repayments	-	-	(80,000)	-	(80,000)
<b>At 30 November 2021</b>	<b>94,296,747</b>	<b>1,106,678</b>	<b>315,000</b>	<b>961,500</b>	<b>96,679,925</b>
<b>Impairment</b>					
At 1 December 2020	-	-	250,000	-	250,000
<b>At 30 November 2021</b>	<b>-</b>	<b>-</b>	<b>250,000</b>	<b>-</b>	<b>250,000</b>
<b>Net book value</b>					
<b>At 30 November 2021</b>	<b>94,296,747</b>	<b>1,106,678</b>	<b>65,000</b>	<b>961,500</b>	<b>96,429,925</b>
<i>At 30 November 2020</i>	<i>86,896,448</i>	<i>1,106,678</i>	<i>145,000</i>	<i>961,500</i>	<i>89,109,626</i>

Works of Art are valued for insurance purposes on a rolling basis at least every 5 years. In 2016 valuations were provided by Christie's for the whole portfolio of art works. 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.

Please see note 28 for details of the George Capital investment.

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

	Market value	
Derwent London plc	£63,909,941	65%

**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**14. Debtors**

	2021 £	2020 £
Other debtors	126,485	134,158
Prepayments	14,511	19,511
	140,996	153,669

**15. Current asset investments**

	2021 £	2020 £
Cash held with Investment managers	3,963,864	2,828,935
	3,963,864	2,828,935

**16. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Bank loans	142,952	107,174
Other taxation and social security	7,653	8,529
Other creditors	40,172	25,577
Accruals	84,858	104,221
Grants payable	3,195,400	3,577,500
	3,471,035	3,823,001

**17. Reconciliation of grants payable:**

	2021 £	2020 £
Commitments brought forward	5,363,200	2,230,300
Commitments made in the year	1,760,400	6,268,500
Commitments withdrawn	(41,000)	-
Grants paid during the year	(2,158,700)	(3,135,600)
<b>Commitments carried forward</b>	<b>4,923,900</b>	<b>5,363,200</b>

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**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**18. Creditors: Amounts falling due after more than one year**

	2021 £	2020 £
Bank loans	3,425,911	3,572,826
Grants payable	1,728,500	1,785,700
	<u>5,154,411</u>	<u>5,358,526</u>

Included within the above are amounts falling due as follows:

	2021 £	2020 £
<b>Between one and two years</b>		
Bank loans	<u>151,641</u>	<u>146,915</u>
<b>Between two and five years</b>		
Bank loans	<u>484,820</u>	<u>469,712</u>
<b>Over five years</b>		
Bank loans	<u>2,789,450</u>	<u>2,956,199</u>

The mortgage is secured by a legal charge over the property 3 Bromley Place, London, W1T 6DB.



**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**19. Grants**

Company Name	Appeal Summary	Covid Grant	Main Grant	Total
1625 Independent People Ltd	Towards the salary of a Wellbeing Coach (Mental Health), helping young people aged 16-25 who are homeless, at risk of homelessness or leaving care.		60,000	60,000
Alive Activities Limited	Towards core costs while Alive seeks to consolidate its digital expansion.	20,000		20,000
Ambitious about Autism	Towards a one-year extension grant for the salary of the Project Manager, Autism Exchange project.	20,000		20,000
Articulate Cultural Trust	Towards employing a specialist Arts and Mental Well-being Co-ordinator.		58,500	58,500
Arts 4 Dementia Ltd	To support the delivery and development of its UK Arts Programme.		15,000	15,000
Birth Companions Ltd	Towards developing its community based antenatal education programme in Hackney and Islington; and evaluating its impact to support sustainability and future growth.		60,000	60,000
Blue Cabin CiC	Towards Blue Cabin's work with young people who have experience of being in care or 'looked-after'.		15,000	15,000
Brighton Dome and Festival Ltd	Towards a dedicated Community Producer to develop year-round co-creation work and share learning through learning resources for community organisers.	15,000		15,000
British Refugee Council	Towards therapeutic support for unaccompanied asylum seekers and refugees to improve their emotional wellbeing and help their integration into the UK.	20,000		20,000
Bromley by Bow Centre	Towards Covid-19 support for The Bromley By Bow centre.	5,000		5,000
Caius House	Towards developing an accessible high quality service which meets the immediate mental health needs of young people from BAME communities who have been impacted by Covid-19.		48,000	48,000

**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**Grants (continued)**

Company Name	Appeal Summary	Covid Grant	Main Grant	Total
Changing Tunes Ltd	Towards researching and developing a music rehabilitation programme for Secure Children's Homes.	20,000		20,000
China Plate Theatre Ltd	Towards a 1-year creative healthcare programme aiming to improve healthcare worker wellbeing and develop self and workplace compassion during and post the pandemic.		20,000	20,000
City Gateway Ltd	Towards an innovative remote work placement product that removes identified barriers preventing the connection between employers with opportunities, and disadvantaged young people with potential.	15,700		15,700
Displaced People In Action (DPIA)	Towards Afghan Refugee Women - Need for Smartphones.	1,900		1,900
Family Lives Ltd	Towards support for children and their parents in families where young people have caring responsibilities.	12,500		12,500
Fitzrovia Youth in Action	Towards expanding its youth social action programme and creating new community based mental health models through embedding peer support in all of its delivery.		20,000	20,000
Flora Cultura	Towards salary costs.	5,000		5,000
Grapevine Coventry and Warwickshire Ltd	Towards organising a critical mass of Coventry's 300,000 people to become active participants and leaders of Connecting For Good which aims to end isolation.	60,000		60,000
Hope for Justice	Towards the salary of an Independent Modern Slavery Advocates (IMSAs) to deliver intensive long-term legal and social support for victims across the UK.		80,000	80,000
Hospital Rooms	Towards support to realise an ambitious project that will result in fifteen extraordinary artworks being installed across three mental health wards at Torbay Hospital.		15,000	15,000
Leap Confronting Conflict	Towards developing the next phase of a pilot programme supporting young people in care and the adults who care for them to manage conflict more effectively.		60,000	60,000

**THE RAYNE FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**Grants (continued)**

Company Name	Appeal Summary	Covid Grant	Main Grant	Total
LGBT Healthy Living Centre	Towards a Telefriending Service to support older community members who are digitally excluded, living alone and becoming increasingly isolated.	15,000		15,000
LIFEbeat	Towards the salary of the Operations and Programmes Manager.	20,000		20,000
Lifeworks Charity Ltd	Towards the development of mindfulness practice online and in-person for young people with learning disabilities and their families.		9,000	9,000
Mind the Gap Limited	Towards the extended digital roll-out of Anna, an interactive forum theatre piece looking at people with learning disabilities as parents.	9,800		9,800
My Life Films Limited	Towards the three-year national roll out of My Life TV, the world's first Video on Demand streaming service specifically designed for people living with dementia.		60,000	60,000
NoFit State Community Circus Ltd	Towards core costs to safeguard NoFit State's community team and redesign to better meet the needs of the communities it serves.	10,000		10,000
OpenUp Music	Towards core costs as OpenUp expands its digital offer and shares its learning with others so that more disabled people can participate in music ensembles.		60,000	60,000
Over The Wall	Towards transforming the mental health and wellbeing of seriously ill children emerging from the Covid-19 crisis through virtual therapeutic activity programmes.	15,000		15,000
Partnership for Children	Towards training of professionals to deliver Pfc's programmes to young carers, aged 7-12, contributing to increased social, coping and emotional skills in this group.		30,000	30,000
Playlist for Life	Towards materials and staff time to deliver training and webinars to healthcare professionals throughout the UK.		60,000	60,000
Pure Insight 1628	Towards a psychological wellbeing project for young care leavers in Cheshire East.		75,000	75,000

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**Grants (continued)**

Company Name	Appeal Summary	Covid Grant	Main Grant	Total
RefuAid	Towards the cost of a Language Programme which provides a crucial stepping-stone for refugees in rebuilding their lives in the UK.		60,000	60,000
Resurgo Trust	Towards the salary of the Employer Partnership Manager.	20,000		20,000
Rethink Mental Illness	Towards expanding a project which co-produces mental health workshops for young people at university.		37,000	37,000
Royal Academy of Dramatic Art	Towards the Scholarship Fund.		19,000	19,000
Royal National Theatre	Towards the Max Rayne Design Bursary.		50,000	50,000
SafeLives	Towards dedicated research about young people using harm in their intimate and peer relationships.		20,000	20,000
Safer Living Foundation	Towards a contribution to salary of the Co-ordinator of its young people's projects.		60,000	60,000
Soundcastle Ltd	Towards the development and expansion of a music group that encourages and celebrates the creative talent of adults with lived experience of mental ill health.		36,000	36,000
Spurgeons Children's Charity	Towards an extension grant to contribute to the running costs of the BeLeave service.	20,000		20,000
St Ann's Hospice	Towards a Homeless Palliative Care Service to deliver support to homeless people living with terminal illness.	20,000		20,000
St Margaret's Somerset Hospice	Towards the palliative care network which provides advice and support to care homes on managing end of life.	10,000		10,000
Tender Education and Arts	Towards preventative education and training in alternative education settings that work with young people who are at high risk of domestic and sexual violence.		48,000	48,000

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**Grants (continued)**

Company Name	Appeal Summary	Covid Grant	Main Grant	Total
The Baobab Centre for Survivors in Exile	Towards core costs in order to provide psychotherapy and practical support to young people who are survivors of extreme violence, trafficking or rape, and who are refugees or asylum seekers.	20,000		20,000
The Bluecoat	Towards the additional costs of Where the Arts Belong, a collaboration with the Belong Care Group exploring how the arts can support people with dementia.	10,000		10,000
The Choir With No Name	Towards supporting the transformation of its choirs for homeless and marginalised people through its new 2021-24 strategy.		60,000	60,000
The Jewish Volunteering Network	Towards the salary of a Volunteer Broker who will help rebuild JVN's capacity to place volunteers post-Covid-19.	20,000		20,000
The London Pathway	Towards Resilient, a long-term programme to protect children & young people with severe mental illness and experience of trauma and deprivation, following discharge from CAMHS, from becoming homeless.		90,000	90,000
The Paper Birds Theatre Company	Towards a pilot digital project exploring the concept of empathy and what makes us care for others with 90 young people.	10,000		10,000
The Talent Foundry Trust	Towards a series of targeted pre-apprenticeship and apprenticeship programmes for disadvantaged young people in the aftermath of the Covid-19.		20,000	20,000
The Turnaround Project	Towards a bike enterprise that will reduce social isolation and improve the mental and physical health of young people leaving the criminal justice system.		10,000	10,000

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Grants (continued)**

Company Name	Appeal Summary	Covid Grant	Main Grant	Total
UK Men's Sheds Association	Towards research to understand and demonstrate the intrinsic value of men's sheds.		26,600	26,600
Upswing Aerial Ltd	Towards a three-year programme to positively affect the lives of care home staff, care home residents and professional circus artists.		60,000	60,000
Wigmore Hall Trust	Towards Music for Life Evaluation.	5,000		5,000
Wishing Well CIC	Towards core costs to continue delivery of music sessions in dementia assessment units and reflect on and develop further Wishing Well's offer to older people.	18,400		18,400
<b>Total Grants Awarded</b>		<b>418,300</b>	<b>1,342,100</b>	<b>1,760,400</b>

**20. Financial instruments**

	2021 £	2020 £
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	<b>95,258,247</b>	<b>87,857,948</b>

Financial assets measured at fair value through income and expenditure comprise investments.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**21. Statement of funds**

**Statement of funds - current year**

	Balance at 1 December 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 November 2021 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Mens Sheds	40,000	-	(26,600)	-	13,400
Improved Quality of Life for Older People in Care Homes	1,100,800	-	(120,000)	-	980,800
Covid-19 allocation	802,300	-	(418,300)	-	384,000
	<u>1,943,100</u>	<u>-</u>	<u>(564,900)</u>	<u>-</u>	<u>1,378,200</u>
<b>General funds</b>					
General Fund	2,015,863	1,987,662	(1,938,719)	(5,654)	2,059,152
	<u>3,958,963</u>	<u>1,987,662</u>	<u>(2,503,619)</u>	<u>(5,654)</u>	<u>3,437,352</u>
<b>Endowment funds</b>					
Expendable Endowment Fund	89,384,688	-	(125,287)	9,537,645	98,797,046
<b>Restricted funds</b>					
Gerry Nash Fund	5,630	-	(240)	111	5,501
	<u>93,349,281</u>	<u>1,987,662</u>	<u>(2,629,146)</u>	<u>9,532,102</u>	<u>102,239,899</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2021**

**21. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 December 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 30 November 2020 £</i>
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Emmaus UK	750,000	-	-	(750,000)	-	-
Mens Sheds	80,000	-	(40,000)	-	-	40,000
Improved Quality of Life for Older People in Care Homes	793,800	-	(193,000)	500,000	-	1,100,800
Covid-19 allocation	-	-	(1,197,700)	2,000,000	-	802,300
	<u>1,623,800</u>	<u>-</u>	<u>(1,430,700)</u>	<u>1,750,000</u>	<u>-</u>	<u>1,943,100</u>
<b>General funds</b>						
General Fund	2,120,333	2,233,977	(2,585,795)	250,000	(2,652)	2,015,863
<b>Total Unrestricted funds</b>	<u>3,744,133</u>	<u>2,233,977</u>	<u>(4,016,495)</u>	<u>2,000,000</u>	<u>(2,652)</u>	<u>3,958,963</u>
<b>Endowment funds</b>						
Expendable Endowment Fund	108,987,579	-	(3,122,791)	(2,000,000)	(14,480,100)	89,384,688
<b>Restricted funds</b>						
Gerry Nash Fund	23,636	-	(20,848)	-	2,842	5,630
<b>Total of funds</b>	<u><u>112,755,348</u></u>	<u><u>2,233,977</u></u>	<u><u>(7,160,134)</u></u>	<u><u>-</u></u>	<u><u>(14,479,910)</u></u>	<u><u>93,349,281</u></u>



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**21. Statement of funds (continued)**

The Emmaus UK Fund represents a social investment loan to be made available to Emmaus UK which will be repaid.

The Mens Sheds fund represents money put aside to be granted to the Mens Sheds Programme in future periods.

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 Improved Quality of Life for Older People in Care Homes designated fund will be used to focus on the little things within care homes that will make a difference and relationships between the care homes and wider community.

The Covid-19 allocation relates to funding designated by the Trustees to provide additional support for the charity sector in light of the impact of the pandemic.

**22. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Endowment funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	6,254,974	-	-	<b>6,254,974</b>
Fixed asset investments	3,502,429	-	92,927,496	<b>96,429,925</b>
Current assets	(917,705)	228,601	8,869,550	<b>8,180,446</b>
Creditors due within one year	(1,271,035)	(200,000)	(2,000,000)	<b>(3,471,035)</b>
Creditors due in more than one year	(4,131,311)	(23,100)	(1,000,000)	<b>(5,154,411)</b>
<b>Total</b>	<b>3,437,352</b>	<b>5,501</b>	<b>98,797,046</b>	<b>102,239,899</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2021**

**22. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Endowment funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	6,436,044	-	-	6,436,044
Fixed asset investments	3,461,498	-	85,648,128	89,109,626
Current assets	(248,352)	496,930	6,736,560	6,985,138
Creditors due within one year	(1,554,801)	(268,200)	(2,000,000)	(3,823,001)
Creditors due in more than one year	(4,135,426)	(223,100)	(1,000,000)	(5,358,526)
<b>Total</b>	<u>3,958,963</u>	<u>5,630</u>	<u>89,384,688</u>	<u>93,349,281</u>

**23. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2021</b> £	<b>2020</b> £
Net income/expenditure for the year (as per Statement of Financial Activities)	<u>8,890,618</u>	<u>(19,406,067)</u>
<b>Adjustments for:</b>		
Depreciation charges	220,554	207,607
(Gains)/Losses on investments	(9,532,102)	14,479,910
Dividends, interest and rents received from investments	(1,987,662)	(2,233,977)
Decrease/(Increase) in debtors	12,693	(30,935)
(Decrease)/Increase in creditors	(444,964)	3,096,644
<b>Net cash used in operating activities</b>	<u>(2,840,863)</u>	<u>(3,886,818)</u>

**24. Analysis of cash and cash equivalents**

	<b>2021</b> £	<b>2020</b> £
Cash in hand	<u>4,075,586</u>	<u>4,002,534</u>
<b>Total cash and cash equivalents</b>	<u>4,075,586</u>	<u>4,002,534</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**25. Analysis of changes in net debt**

	At 1 December 2020 £	Cash flows £	Other non- cash changes £	At 30 November 2021 £
Cash at bank and in hand	4,002,534	73,052	-	4,075,586
Debt due within 1 year	(107,174)	111,137	(146,915)	(142,952)
Debt due after 1 year	(3,572,826)	-	146,915	(3,425,911)
Liquid investments	2,828,935	1,134,929	-	3,963,864
	<u>3,151,469</u>	<u>1,319,118</u>	<u>-</u>	<u>4,470,587</u>

**26. Pension commitments**

The Foundation operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Foundation in an independently administered fund. The pension cost charge represents contributions payable by the Foundation to the fund amounted to £26,812 (2020: £28,422). Contributions of £3,288 (2020: £3,169) were payable to the fund at the balance sheet date.

**27. Operating licence commitments**

At 30 November 2021 The Foundation had commitments to receive future minimum licence receipts as follows:

	2021 £	2020 £
Not later than 1 year	32,780	32,780
Later than 1 year and not later than 5 years	84,682	117,462
	<u>117,462</u>	<u>150,242</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**28. 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.

During the year The Rayne Foundation (TRF) recharged expenses to TRT totalling £125,551 (2020: £134,684). At the year end the balance within TRF debtors due from TRT is £125,591 (2020: £133,285).

The Hon. Robert A Rayne also serves as Chairman of LMS Capital Plc and was a director of Derwent London Plc until May 2019. The Rayne Foundation holds 6.64% (2020: 6.64%) of shares in LMS Capital plc and 1.68% (2020: 1.85%) of shares in Derwent London plc.

LMS Capital Plc signed a License to Occupy Agreement from 24th June 2020 with the Rayne Foundation, to occupy part of 3 Bromley Place. During the year The Rayne Foundation received rental income of £32,780 (2020: £14,035).

The Rayne Foundation holds an investment of £661,183.69 (£1.44 of capital commitment and £661,182.25 of Loan commitments) in George Capital Real Estate Fund LP (the "Fund 1"). The commitments invested represent 7.98% of the total commitments in Fund 1 (2020: 7.98%). Other limited partners include The Rayne Foundation Chairman The Hon. Robert A Rayne (SQP Ltd), holding 11.25% of total commitments in Fund 1 (2020: 11.25%) and Trustee, The Hon. Nicholas Rayne, holding 8.53% of total commitments in Fund 1 (2020: 8.53%).

The Rayne Foundation holds an investment of £445,493.16 (£0.50 of capital commitment and £445,492.66 of Loan commitments) in George Capital Real Estate Fund 2 LLP (the "Fund 2"). The commitment invested represents 2.02% of the total commitments in the Partnership (2020: 2.02%). Other limited partners include The Rayne Foundation Chairman, The Hon. Robert A Rayne (SQP Ltd), holding 7.19% as at 30 November 2021 of total commitments in Fund 2 (2020: 7.19%). No other partners included in Fund 2 have any connections with The Rayne Foundation.

The Hon. Robert A Rayne is Emeritus Trustee of The National Theatre, currently in receipt of a grant of £100,000 (£10,000 per annum for ten years) towards the Max Rayne Studio Design Award, which was committed to in the year ended 30 November 2013, now in its seventh year. An additional grant was awarded in March 2021 for £50,000. At the year-end, £100,000 was included within grant creditors, of which £80,000 is due to be paid in greater than one year.

£5,000 (2020: £150,000) was awarded to the Bromley by Bow Centre – The Chair of Trustees, Professor Ajit Lalvani, is a Principal Investigator at Imperial College and was line managed by Sir Anthony Newman Taylor until Sir Anthony's retirement in September 2020.

*The following transactions occurred in the prior year where there were no transactions this year.*

£5,000 was awarded to the Cardinal Hume Centre – the Director of The Rayne Foundation, Amelia Fitzalan Howard, is a Trustee of the Centre.

£5,000 was awarded to Place2Be – Dame Benita Refson is President, and wife of The Hon Robert A Rayne.

£5,000 was awarded to Chickenshed Theatre Trust. Lady Jane Rayne and The Hon Natasha Rayne are both Directors/Trustees and Lady Jane Rayne is Honorary President Emeritus and The Hon Natasha Rayne is Honorary President.

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**Related party transactions (continued)**

£128,000 was awarded to West London Synagogue in December 2019. Rabbi Baroness Neuberger was Senior Rabbi at the time of the grant but retired in March 2020. She remains as Rabbi Emerita.

£100,000 was awarded to The Royal United Kingdom Beneficent Association (known as Independent Age) in August 2020. Rabbi Baroness Neuberger is Chair of their Trustees, appointed in October 2019.

Hospital grants – small donations were given to UCLH, The Royal Free, The Whittington, ICHT (Imperial - Hammersmith, St. Mary's, Charing Cross), Chelsea & Westminster, Guy's and Thomas's, St. George's and North Middlesex.

Rabbi Baroness Neuberger is Chair of University College Hospitals Foundation NHS Trust and of Whittington Health NHS Trust, two separate Trusts. The charitable Trusts of both received £5,000 each towards cream and lip balm for hospital staff wearing PPE and for small treats such as spa days or vouchers for NHS staff. She is not involved any of the other hospitals.

