

**THE RAYNE FOUNDATION**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 NOVEMBER 2019**

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

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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 2019

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#### **Trustees**

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

#### **Director**

Amelia Fitzalan Howard

#### **Charity registered number**

1179912

#### **Company Number**

11559926

#### **Registered 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

#### **Independent auditor**

Crowe U.K. LLP  
Carrick House  
Lypiatt Road  
Cheltenham  
Gloucestershire GL50 2QJ

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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 2019**

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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 (continued) FOR THE YEAR ENDED 30 NOVEMBER 2019

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The Rayne Foundation (referred to as "The Foundation" throughout this report) is now 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 made the decision to incorporate the charity (as governed by its Deed of Settlement of 1962) for a number of reasons which included the purchase of Bromley Place as its home for the future, to update its governance structure and recognising the unlimited liabilities of Trustees under the Deed of Settlement. This is the first full year of incorporation.

The Trustees present their report and financial statements for the year ended 30 November 2019.

#### **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 A Rayne and Lady Hilary 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.

Trustees' responsibilities include the setting of policy and strategy and deciding on grants above £10,000. They are advised on finance, investments and risk mitigation by the Joint Finance & Investment Committee. Grants of £10,000 and below are usually decided by the Chairman and the Director unless part of a larger application which would be brought to the Board.

During the year, there was the annual review of policies and procedures which were noted by the Board. The Foundation continued to ensure they were updated on recommended guidance from the Charity Commission regarding safeguarding both when assessing applicants as well as when monitoring grant reporting. The move over to electronic banking started a few years ago and continues to be rolled out for all payments across The Rayne Charities, supported by revised processes and procedures approved by the Trustees.

#### **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.

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## THE RAYNE FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2019

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During the year, 53 new grant commitments were made totalling £4,995,600 (2018: £2,117,500). In addition to the above themes, grants supported a diverse range of beneficiary groups including funding towards supporting women who live chaotic lives with more than one child taken into care, work with families to protect young girls from criminal exploitation and gang involvement, work with young men on the cusp of involvement in criminality and arts projects working with care leavers, older people and those recovering from drug or alcohol addiction or illness. In addition, there was particular support over the winter of 2018/19 to provide practical support for those who were homeless and living on the streets in London, Glasgow, Bradford and Leeds during the coldest months. Other programmes supported refugees and asylum seekers, rehabilitation of offenders, young people who need support with education and employment and young dads. The Foundation's interest in mental health and older people continues, in addition to using the arts as a tool for engagement. Examples include music making in acute mental health settings, a collaborative programme to enhance stroke recovery for patients and their carers alongside professional musicians and a choir bringing together children in care, the families that look after them and others with lived experience of being in care. See note 17 for a full list of the grants awarded.

The largest grant awarded was £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. Whilst the grant has been awarded, the payment, which will be released in tranches, will be dependent on confirmation that planning permission has been secured and the balance of funding is in place. See note 24.

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.

Applications are also 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. Many are visited as part of the assessment process, which includes meeting key staff, a Trustee and beneficiary, the latter if appropriate. These meetings cover due diligence including safeguarding processes and procedures, the project for which funds are being requested, management/governance and finance.

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 is 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.

### **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.

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## THE RAYNE FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2019

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Whilst The Foundation continues to be a predominantly reactive grant maker and no changes are planned in regard to this approach, there has been more targeted work in the year under review around older people.

The needs of older people, especially regarding quality of life for those in care homes, continues to be an important area set in the context of the growing need and pressures on care homes in terms of financial costs, staff skills and the limited time and space set aside for social activities. Accepting that whilst there was a need for improvement in so many areas, the Trustees decided to focus on the little things that make a difference and relationships between the care homes and wider community. The Trustees agreed to designate £2.5m (5 x £500,000) to be spent over 5 years towards this programme which it was hoped would lever other funds, support exemplar good practice and encourage sharing of new ideas amongst the sector. The year under review was the first year of the programme which saw some innovative grants awarded which included the education of care home staff around the role of nutrition in supporting improved quality of life, support for people with dementia and their partners to sustain quality of relationships and a pilot project whereby each resident in a home is given "protected time" to do something they choose with a member of staff they nominate each week. The Foundation also supported the first National Arts in Care Homes Day in 2018 alongside the Baring Foundation. This is now intended to be an annual event building on the wide interest and participation in this first year.

Recognising the strength of collaboration with others, The Rayne Foundation continued, with other funders, to work with Social Finance to explore two models designed to improve quality of life for older people – outside care homes. These have now been agreed as community transport and enabling people to work longer. The first focuses on helping older people to stay in work for longer, initially in the social care sector which has a high proportion of older employees and many challenges around staff retention impacting on staff and resident quality of life; the second on improving the quality of transport so that it would allow more older people to benefit from the independence, freedom and self-determination that accessible, affordable travel allows. The next phase will be to drill further into the challenges and opportunities for each of the two chosen areas and move onto the design of the proposed implementation programme. The choice of models was in part decided by maximum opportunity for leveraging funds, maximum gain for beneficiaries and leverage for strong cross sector partnerships with philanthropy, the statutory and voluntary sectors. This ties in well with support around care homes in a sector that traditionally receives far less philanthropic funding than others.

Linking interest around older people and carers was the commitment made in 2017 of £300,000 to roll out the Men in Sheds model and set up new sheds with Age UK Cheshire and UK Men's Sheds Association throughout the country. Whilst there are often activities and groups for older women, it can be difficult to engage older and sometimes isolated male members of the community.

The relationship with Emmaus UK continues through the £1m Social Investment Fund allocated to Emmaus UK to develop new Communities, from which £750,000 has been drawn down. No new investments were made during the year. £250,000 remains unallocated, although Trustees have said they wish to continue to support Emmaus and would be willing to consider new proposals, but indicated that they would be more interested in supporting step changes to the model or infrastructure development rather than make further loans to set up new Communities. The Foundation's original focus was to help Emmaus UK increase the number of Companion places from 532 to 750 which has been met and continues to increase; by December 2019 they had 806 Companion rooms across the federation. The four Communities with investments were Emmaus Hastings & Rother, Emmaus Hull, Emmaus Brighton & Hove and Emmaus Bristol.

As the newest Community, Hull paid back £80,000 of the £200,000 loan during the year, Emmaus Brighton & Hove completed repayment of their £50,000 loan in the previous financial year, and Emmaus Hastings & Rother completed their loan repayment of £100,000 in this financial year. Emmaus Bristol repaid £100,000 of its £150,000 loan in 2014 and a further £25,000 during this financial year and are due to complete repayments by 2021. At the year end, the balance of outstanding loans from Emmaus Communities was £145,000 (£288,000 2018). The Foundation receives detailed quarterly reports on each Community, managed through Emmaus UK, in addition to an annual review.

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## THE RAYNE FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2019

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In parallel with the on-going grants work, the refurbishment of the building The Foundation purchased in February 2018 continued throughout the year. It is due to be completed in the spring of 2020 with the purchase and refurbishment funded from a combination of a mortgage and capital. The Foundation staff moved into part of it at the end of June 2018, and into the main building in October 2019. Once all the works are complete The Foundation will offer, pro bono, meeting room space to other charities as well as letting space out on a commercial basis to set against the running costs of the premises.

#### **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 judgement 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.

As these accounts were being audited, Covid 19 and its global impact became apparent. In addition to the significant implication for millions of individuals, investment portfolios sharply fell. 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. The Foundation will continue to operate and will increase the annual distribution in the financial year 2019/20 in order to better respond to the effects of this global pandemic in the UK.

#### **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 2019. The charity had no fundraising activities requiring disclosure under S16 2A of the Charities Act.



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## THE RAYNE FOUNDATION

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2019

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#### FINANCIAL REVIEW

The Foundation had income for the year of £1,983,283 (2018: £3,350,863). There were no exceptional dividends in the year under review (2018: £nil). Grants awarded in the year amounted to £4,995,600 (2018: £2,117,500).

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.

Trustees continue to hold a diverse portfolio, whilst recognising that 75.4% (2018: 68.56%) is held in Derwent London plc.

#### 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 £83,369,201 in 2018 to £100,838,240 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 5.10% (2018: 2.22%) 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 £112,755,348. 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 (a mortgage balance of £3,680,000 secured against Bromley Place). The free reserves held at the year-end were negative at £426,278. This position arises due to the significant value of Bromley Place purchased from unrestricted funds and mortgage funds. Unrestricted funds at the year end totalled £3,744,133. Included within unrestricted funds are designated funds of £1,623,800 and fixed assets of £6,226,611. There was also a mortgage balance of £3,680,000 which is secured against Bromley Place. However, The Foundation holds an expendable endowment fund of £108,987,579 which can be drawn upon if required in order to meet its ongoing obligations. Designated funds include £750,000 designated to provide social investments to Emmaus UK, £80,000 designated for the Men in Sheds programme and £793,800 designated to improve quality of life for older people in care homes. The total amount of restricted reserves held at the year-end and not available for the general purposes of the charity were £23,636. 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.

The report was approved by the Trustees, on 26 May 2020 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 2019 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 2019 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material

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

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misstatement in the financial statements or a material misstatement of the other information. 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.

**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.

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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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**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.

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  
Carrick House  
Lypiatt Road  
Cheltenham  
Gloucestershire  
GL50 2QJ

Date: 3 June 2020

**THE RAYNE FOUNDATION**  
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 30 NOVEMBER 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £	<i>Restated Total funds 2018 £</i>
<b>Income from:</b>						
Investments	4	1,983,283	-	-	1,983,283	3,350,863
<b>Total income</b>		<u>1,983,283</u>	<u>-</u>	<u>-</u>	<u>1,983,283</u>	<u>3,350,863</u>
<b>Expenditure on:</b>						
Raising funds:						
Investment manager's fees		10,965	2,127	154,032	167,124	146,400
Charitable activities	5	2,185,266	307,400	-	2,492,666	2,639,042
<b>Total expenditure</b>		<u>2,196,231</u>	<u>309,527</u>	<u>154,032</u>	<u>2,659,790</u>	<u>2,785,442</u>
Net gains/(losses) on investments	11	32,080	(20,624)	18,754,369	18,765,825	1,402,958
<b>Net (expenditure)/income</b>		<u>(180,868)</u>	<u>(330,151)</u>	<u>18,600,337</u>	<u>18,089,318</u>	<u>1,968,379</u>
<b>Reconciliation of funds:</b>	20					
Total funds brought forward as previously stated		3,885,001	353,787	90,387,242	94,626,030	92,697,651
Prior year adjustment		40,000	-	-	40,000	-
Total funds brought forward as restated	20	3,925,001	353,787	90,387,242	94,666,030	92,697,651
Net movement in funds		(180,868)	(330,151)	18,600,337	18,089,318	1,968,379
<b>Total funds carried forward</b>	20	<u><u>3,744,133</u></u>	<u><u>23,636</u></u>	<u><u>108,987,579</u></u>	<u><u>112,755,348</u></u>	<u><u>94,666,030</u></u>

The notes on pages 15 to 36 form part of these financial statements.

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

**BALANCE SHEET**  
**AS AT 30 NOVEMBER 2019**

	Note	2019 £	<i>Restated</i> 2018 £
<b>Fixed assets</b>			
Tangible assets	10	6,226,611	4,978,255
Investments	11	106,202,871	85,915,386
		<u>112,429,482</u>	<u>90,893,641</u>
<b>Current assets</b>			
Debtors	12	122,734	170,780
Investments	13	3,766,794	4,459,126
Cash at bank and in hand		2,536,395	5,206,807
		<u>6,425,923</u>	<u>9,836,713</u>
Creditors: amounts falling due within one year	14	(1,620,157)	(1,744,724)
<b>Net current assets</b>		<u>4,805,766</u>	<u>8,091,989</u>
<b>Total assets less current liabilities</b>		<u>117,235,248</u>	<u>98,985,630</u>
Creditors: amounts falling due after more than one year	16	(4,479,900)	(4,319,600)
<b>Net assets excluding pension asset</b>		<u>112,755,348</u>	<u>94,666,030</u>
<b>Total net assets</b>		<u><u>112,755,348</u></u>	<u><u>94,666,030</u></u>
<b>Charity funds</b>			
Endowment funds	20	108,987,579	90,387,242
Restricted funds	20	23,636	353,787
Unrestricted funds	20	3,744,133	3,925,001
<b>Total funds</b>		<u><u>112,755,348</u></u>	<u><u>94,666,030</u></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.

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

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The financial statements were approved and authorised for issue by the Trustees on 26 May 2020 and signed on their behalf by:



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



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

The notes on pages 15 to 36 form part of these financial statements.

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

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

	Note	2019 £	<i>Restated</i> 2018 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	22	(2,558,586)	(1,529,157)
<b>Cash flows from investing activities</b>			
Dividends and interest from investments		1,983,283	3,350,863
Purchase of tangible fixed assets		(1,280,431)	(4,978,255)
Proceeds from sale of investments		3,589,333	3,790,881
Purchase of investments		(2,584,734)	(3,253,860)
Proceeds from investment repayments		281,553	248,819
Movement in investments held as cash		984,521	302,911
Transfer to fixed asset investments		(3,100,000)	-
<b>Net cash used in investing activities</b>		<b>(126,475)</b>	<b>(538,641)</b>
<b>Cash flows from financing activities</b>			
Cash inflows from new borrowing		-	3,680,000
<b>Net cash provided by financing activities</b>		<b>-</b>	<b>3,680,000</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(2,685,061)</b>	<b>1,612,202</b>
Cash and cash equivalents at the beginning of the year		5,206,351	3,594,149
<b>Cash and cash equivalents at the end of the year</b>	23	<b>2,521,290</b>	<b>5,206,351</b>

The notes on pages 15 to 36 form part of these financial statements



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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 2019**

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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 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) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

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.

Restatement of comparative balances is explained in note 19 to the financial statements.

**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**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

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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
Assets under construction	- Nil

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**THE RAYNE FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

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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 2021.

**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**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

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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 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Income from investments	1,909,057	<b>1,909,057</b>	3,328,978
Interest receivable	74,226	<b>74,226</b>	21,885
	<u>1,983,283</u>	<u><b>1,983,283</b></u>	<u>3,350,863</u>

**THE RAYNE FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

**5. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2019 £</b>	<b>Grant funding of activities 2019 £</b>	<b>Total funds 2019 £</b>
Support costs	507,066	-	<b>507,066</b>
Grant funding of activities	-	1,985,600	<b>1,985,600</b>
	<u>507,066</u>	<u>1,985,600</u>	<u><b>2,492,666</b></u>

	<i>Activities undertaken directly Restated 2018 £</i>	<i>Grant funding of activities Restated 2018 £</i>	<i>Total funds Restated 2018 £</i>
Support costs	561,542	-	561,542
Grant funding of activities	-	2,077,500	2,077,500
	<u>561,542</u>	<u>2,077,500</u>	<u>2,639,042</u>

**THE RAYNE FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

**5. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Staff costs (note 8)	<b>230,506</b>	238,427
Depreciation	<b>32,075</b>	-
Staff related costs	<b>13,978</b>	10,630
Premises cost	<b>126,666</b>	168,051
Travel and subsistence	<b>3,667</b>	586
Office costs	<b>57,429</b>	21,977
Governance costs (note 6)	<b>42,745</b>	121,871
	<b>507,066</b>	561,542

**6. Governance costs**

	<b>2019 £</b>	<i>2018 £</i>
Trustees' expenses	<b>348</b>	182
Legal fees	<b>4,037</b>	2,160
Professional fees	<b>24,476</b>	18,269
Audit and accountancy fees	<b>13,884</b>	13,884
Incorporation fees	-	87,376
	<b>42,745</b>	121,871

**7. Net income/(expenditure)**

	<b>2019 £</b>	<i>2018 £</i>
Fees payable to the The Foundation's auditor for the audit of The Foundation's annual accounts	<b>8,000</b>	8,000
Fees payable to the The Foundation's auditor in respect of:		
Preparation of the financial statements	<b>3,570</b>	3,570
Pension Costs	<b>25,768</b>	25,480

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**THE RAYNE FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

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**8. Staff costs**

	<b>2019</b>	<i>2018</i>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>184,214</b>	<i>192,251</i>
Social security costs	<b>20,524</b>	<i>20,696</i>
Contribution to defined contribution pension schemes	<b>25,768</b>	<i>25,480</i>
	<b>230,506</b>	<i>238,427</i>

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

	<b>2019</b>	<i>2018</i>
	<b>No.</b>	<i>No.</i>
Administration	<b>4</b>	<i>4</i>
Management	<b>1</b>	<i>1</i>
	<b>5</b>	<i>5</i>

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

	<b>2019</b>	<i>2018</i>
	<b>No.</b>	<i>No.</i>
In the band £100,001 - £110,000	<b>1</b>	<i>-</i>
In the band £110,001 - £120,000	<b>-</b>	<i>1</i>

Defined contribution pension scheme costs payable with regard to the higher paid employee totalled £14,250 (*2018: £14,250*).

Key management personnel employee benefits totalled £130,606 (*2018: £137,907*).

**9. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (*2018: £nil*).

During the year ended 30 November 2019, expenses totalling £348 were reimbursed or paid directly to one Trustee (*2018: £182 to two Trustees*), relating to travel costs.

**THE RAYNE FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2019**

**10. Tangible fixed assets**

	Freehold land and buildings £	Fixtures and fittings £	Computer equipment £	Assets under construction £	Total £
<b>Cost</b>					
At 1 December 2018	4,662,939	-	-	315,316	4,978,255
Additions	972,223	294,184	14,024	-	1,280,431
Transfers between classes	315,316	-	-	(315,316)	-
At 30 November 2019	<u>5,950,478</u>	<u>294,184</u>	<u>14,024</u>	<u>-</u>	<u>6,258,686</u>
<b>Depreciation</b>					
Charge for the year	20,280	9,806	1,989	-	32,075
At 30 November 2019	<u>20,280</u>	<u>9,806</u>	<u>1,989</u>	<u>-</u>	<u>32,075</u>
<b>Net book value</b>					
At 30 November 2019	<u>5,930,198</u>	<u>284,378</u>	<u>12,035</u>	<u>-</u>	<u>6,226,611</u>
At 30 November 2018	<u>4,662,939</u>	<u>-</u>	<u>-</u>	<u>315,316</u>	<u>4,978,255</u>



**THE RAYNE FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2019**

**11. Fixed asset investments**

	Quoted investments £	George Capital £	Social investments £	Deposit accounts £	Works of art £	Total £
<b>Cost or valuation</b>						
At 1 December 2018	83,369,202	1,296,684	538,000	-	961,500	86,165,386
Additions	2,584,734	-	-	-	-	2,584,734
Disposals	(3,589,333)	-	-	-	-	(3,589,333)
Revaluations	18,765,825	-	-	-	-	18,765,825
Capital repayments	-	(138,553)	(143,000)	-	-	(281,553)
Transfers	-	-	-	3,100,000	-	3,100,000
Movements in cash	(292,188)	-	-	-	-	(292,188)
<b>At 30 November 2019</b>	<b>100,838,240</b>	<b>1,158,131</b>	<b>395,000</b>	<b>3,100,000</b>	<b>961,500</b>	<b>106,452,871</b>
<b>Impairment</b>						
At 1 December 2018	-	-	(250,000)	-	-	(250,000)
<b>At 30 November 2019</b>	<b>-</b>	<b>-</b>	<b>(250,000)</b>	<b>-</b>	<b>-</b>	<b>(250,000)</b>
<b>Net book value</b>						
<b>At 30 November 2019</b>	<b>100,838,240</b>	<b>1,158,131</b>	<b>145,000</b>	<b>3,100,000</b>	<b>961,500</b>	<b>106,202,871</b>
<i>At 30 November 2018</i>	<i>83,369,202</i>	<i>1,296,684</i>	<i>288,000</i>	<i>-</i>	<i>961,500</i>	<i>85,915,386</i>

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**THE RAYNE FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

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**11. Fixed asset investments (continued)**

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 27 for details of the George Capital investment.

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

	<b>Market value</b>	
	£	%
Derwent London plc	£76,605,290	75.4

**12. Debtors**

	<b>2019</b>	<b>2018</b>
	£	£
<b>Due within one year</b>		
Other debtors	<b>120,223</b>	165,538
Prepayments and accrued income	<b>2,511</b>	5,242
	<b>122,734</b>	170,780

**13. Current asset investments**

	<b>2019</b>	<b>2018</b>
	£	£
Cash held with Investment managers	<b>3,766,794</b>	4,459,126

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

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

	<b>2019</b>	<i>Restated</i>
	£	2018 £
Bank overdrafts	15,105	456
Other taxation and social security	8,283	8,951
Other creditors	69,664	200,793
Accruals	96,705	23,974
Grants payable	1,430,400	1,510,550
	<u>1,620,157</u>	<u>1,744,724</u>

**15. Reconciliation of grants payable:**

	<b>2019</b>	<i>Restated</i>
	£	2018 £
Commitments at 1 December 2018	2,150,150	1,579,400
Commitments made in the year	1,995,600	2,157,530
Commitments withdrawn	(10,000)	-
Grants paid during the year	(1,905,450)	(1,586,780)
<b>Commitments at 30 November 2019</b>	<u>2,230,300</u>	<u>2,150,150</u>

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

	<b>2019</b>	<b>2018</b>
	£	£
Bank loans	3,680,000	3,680,000
Grants payable	799,900	639,600
	<u>4,479,900</u>	<u>4,319,600</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

**16. Creditors: Amounts falling due after more than one year (continued)**

Included within the above are amounts falling due as follows:

	2019 £	2018 £
<b>Between one and two years</b>		
Bank loans	<b>107,174</b>	-
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
<b>Between two and five years</b>		
Bank loans	<b>298,556</b>	405,730
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
<b>Over five years</b>		
Bank loans	<b>3,274,270</b>	3,274,270
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

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

**17. Grants**

Name	Appeal Summary	Amount Awarded (£)
Action on Elder Abuse	Towards operating a volunteer-led Elder Abuse Recovery Service which supports older victims of financial, psychological, physical, sexual abuse and scams.	£10,000
Age UK South Lakeland	Towards the development of 'Compass': a new approach to tackling poverty, ill-health and loneliness amongst older people.	£60,000
Bluebell Care Trust	Towards the development of Dads in Mind, a service to support fathers experiencing anxiety and depression related to pregnancy and birth.	£40,000
Body & Soul	Towards 'You Are Not Alone' - a Graduate Group that will provide ongoing support for young people/adults aged 16-30 who have attempted suicide.	£57,000
Breaking Barriers	Towards the salary of a caseworker supporting refugees living in London into meaningful employment, commensurate with their skills and experience.	£60,000
Brighton Dome and Festival Ltd	Towards Our Place, a resident-led community programme of year-round arts activity for local people in Brighton & Hove.	£50,000
Capital Theatres	Towards working with older people living with and affected by dementia and expanding the demographics of those participants.	£20,000
Caritas Diocese of Salford	Towards a project that tests out a community asset based model of 'wrap around' support to refugees to fast track resettlement and integration.	£60,000
Circles South West	Towards adapting the Circles of Support and Accountability for men convicted of sexual offences, providing support pre-release, 'through the gate' and on into the community.	£30,000
Create London	Towards a pilot public programme as part of 'A House for Artists', a new residential space for artists in Barking Town Centre.	£40,000

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

**17. Grants (continued)**

Empire Fighting Chance	Towards core costs that will support scaling the programme of non-contact boxing and intensive personal support in deprived communities across Wales and South West England.	£20,000
Family Action	Towards trialling expansion of the Post Sexual Abuse (PSA) service in Leicestershire to provide pre trial support for young children.	£51,000
Fine Cell Work	Towards establishing and embedding a new programme supporting ex-offenders after release at a textiles workshop in Battersea.	£60,000
Football Beyond Borders	Towards the salary costs of a Counsellor who can provide a specialist intervention for participants of its core schools programme who require additional therapeutic support.	£20,000
Glasgow City Mission	Towards Glasgow Winter Night Shelters	£20,000
Hestia Housing and Support	Towards a longer-term support service to male victims of modern day slavery no longer entitled to state-funded support.	£60,000
Hospital Rooms	Towards commissioning six world class artists to co-produce highly inventive, and NHS compliant artistic environments for a locked acute mental health unit in St Pancras.	£10,000
Jamie's Farm	Towards core operational costs to refine and enhance its 'Farming, Family, Therapy and Legacy' model.	£90,000
Key4Life	Towards the salary of a caseworker in the South West team to work with young men on the cusp of involvement in serious youth violence or other crime.	£60,000
Leeds Community Foundation	Towards cold weather provision for the homelessness in Leeds and Bradford	£20,000
Liberty Choir UK	Towards the salary of an Operations & Partnerships Manager to enable expansion into new prisons.	£30,000
LIFEbeat	Towards the salary of an Operations and Programmes Manager to develop a London-based community hub and to seed and establish three further regional LIFEbeat hubs.	£40,000
Manchester Jewish Museum	Towards addressing growing racial intolerance in Greater Manchester through the recruitment, training and support of non-Jewish volunteers from local migrant communities.	£10,000
Mental Health Innovations	Towards the salary of a Mental Health Innovations Fellow.	£90,000
National Activity Providers Association	Towards a National Arts in Care Homes Day	£10,000
New Note Projects	Towards a multi-media project that will see members of a 'recovery' orchestra create a new musical score and film.	£5,000
Nightingale Hammerson	Towards a Dietician to implement & evaluate nutritional strategies for residents and to educate more care staff around the role of nutrition in supporting quality of later life	£124,200

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

**17. Grants (continued)**

Off the Record (Bristol)	Towards core costs to transition from being a provider of specialist mental health services treating young people to becoming a mobiliser of young people and communities so they can look after themselves.	£90,000
One25 Limited	Towards the development of a service for women in recovery from addiction and street sex work, to help them to secure an escape route and prevent further relapsing.	£10,000
Ormiston Families	Towards the delivery of a service that works with women living chaotic lifestyles who have had one or more children removed and placed into care.	£60,000
Philharmonia Ltd	Towards a creative music-making project for Looked After Children.	£10,000
Refugee Support Network	Towards a specialist education and wellbeing support programme that provides regular, personalised holistic support to young refugees and asylum seekers.	£45,000
Resurgo Trust	Towards the salary of a Corporate Partnerships Manager (Apprenticeships) to lead a programme that aims to help bridge the gap between businesses and disadvantaged young people.	£40,000
Royal Exchange Theatre Ltd	Towards the Elders Programme at the theatre so it can further develop work with older people and share learning.	£60,000
Royal Philharmonic Orchestra Limited	Towards a pioneering collaborative programme, STROKESTRA, designed to enhance stroke recovery for patients and their carers using group creative music-making alongside professional musicians.	£10,000
Safer London	Towards the salary costs of an Evidence and Insight Coordinator to better understand the impact its services have on vulnerable young people in London, to share expertise and to map provision.	£60,000
School-Home Support Services (UK)	Towards the salary of the Parent Engagement Coordinator.	£40,000
Spurgeons Children's Charity	Towards a service in Greater Birmingham which uses a whole family approach to protect young girls from criminal exploitation and the dangers of gang involvement.	£40,000
St Margaret's Somerset Hospice	Towards Project Echo which will share specialist palliative care knowledge with care staff, improving identification and care of residents approaching the end of life.	£10,000
St Mungo's	Towards cold weather provision for the homeless in London	£20,000
Student Hubs	Towards a pilot project that aims to develop summer workshops for unaccompanied asylum-seeking children.	£5,000
Tavistock Institute of Medical Psychology (TIMP)	Towards a project that seeks to equip care staff to support people with dementia and their partners to sustain the quality of their relationships.	£10,000

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

**17. Grants (continued)**

Team Domenica	Towards the salary of a Training Mentor who will support the progression of young people with learning disabilities through an employment programme.	£45,000
The Bluecoat	Towards Where the Arts Belong, a collaboration with the Belong Care Group exploring how the arts can support people with dementia.	£42,000
The Clay Foundation	Towards artist-facilitated workshops, visits and residencies for people in recovery from drug and alcohol addiction.	£22,200
The Forward Trust	Towards a specialist housing service enabling more people in recovery to find and sustain tenancies in the private rented sector, contributing to their wider recovery and desistance from crime.	£75,000
The Jewish Volunteering Network	Towards the provision of volunteering opportunities for 30 offenders, contributing to research by the University of Cambridge measuring the effect of a range of interventions on offending rates.	£36,000
UK Men's Sheds Association	Towards the construction of a shed building at Anchor Hanover's West Hall retirement village in partnership with UKMSA and Woking Men's Shed to pilot a working shed in a care setting.	£10,000
University of Oxford, Dept. of Experimental Psychology	Towards a national research project that will evaluate the effectiveness of KiVa, an anti-bullying intervention, in primary schools to improve the well-being and mental health of c.7000 children.	£48,200
Wales Millennium Centre	Towards a choir project bringing together children in care, the families who care for them, and care-experienced people of all ages.	£10,000
West London Mission	Towards resources to meet the needs of the increasing number of refugees who require support, particularly in finding accommodation and employment.	£10,000
Wishing Well CIC	Towards participatory music making activities in acute mental health settings for people with dementia and two focus group sessions with the National Alliance of Musicians in Healthcare.	£40,000
<b>Total Grants Awarded</b>		<b>£1,995,600</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**18. Financial instruments**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	<b><u>106,202,871</u></b>	<b><u>85,915,485</u></b>

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

**19. Prior year adjustments**

During the preparation of the financial statements it was identified the prior year balance from grant commitments was understated by £40,000. A prior year correction has been reflected in the comparative results, with the impact noted below.

Funds brought forward have been increased by £40,000.

Prior year expenditure has reduced by £40,000.



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**20. Statement of funds**

**Statement of funds - current year**

	As restated Balance at 1 December 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 November 2019 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Emmaus UK	750,000	-	-	-	-	750,000
Mens Sheds	80,000	-	-	-	-	80,000
Improved Quality of Life for Older People in Care Homes	500,000	-	(206,200)	500,000	-	793,800
	<u>1,330,000</u>	<u>-</u>	<u>(206,200)</u>	<u>500,000</u>	<u>-</u>	<u>1,623,800</u>
<b>General funds</b>						
General Fund	2,595,001	1,983,283	(1,990,031)	(500,000)	32,080	2,120,333
<b>Total Unrestricted funds</b>	<u>3,925,001</u>	<u>1,983,283</u>	<u>(2,196,231)</u>	<u>-</u>	<u>32,080</u>	<u>3,744,133</u>
<b>Endowment funds</b>						
Expendable Endowment Fund	90,387,242	-	(154,032)	-	18,754,369	108,987,579
<b>Restricted funds</b>						
Gerry Nash Fund	353,787	-	(309,527)	-	(20,624)	23,636
<b>Total of funds</b>	<u><u>94,666,030</u></u>	<u><u>1,983,283</u></u>	<u><u>(2,659,790)</u></u>	<u><u>-</u></u>	<u><u>18,765,825</u></u>	<u><u>112,755,348</u></u>

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

**Statement of funds - prior year**

	<i>Balance at 1 December 2017</i>	<i>Income</i>	<i>As restated Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>As restated Balance at 30 November 2018</i>
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Emmaus UK	750,000	-	-	-	-	750,000
Mens Sheds	80,000	-	-	-	-	80,000
Improved Quality of Life for Older People in Care Homes	-	-	-	500,000	-	500,000
	<u>830,000</u>	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>1,330,000</u>
<b>General funds</b>						
General Fund	1,872,813	3,350,863	(2,041,307)	(500,000)	(87,368)	2,595,001
<b>Total Unrestricted funds</b>	<u>2,702,813</u>	<u>3,350,863</u>	<u>(2,041,307)</u>	<u>-</u>	<u>(87,368)</u>	<u>3,925,001</u>
<b>Endowment funds</b>						
Expendable Endowment Fund	89,006,990	-	(110,667)	-	1,490,919	90,387,242
<b>Restricted funds</b>						
Gerry Nash Fund	987,848	-	(633,468)	-	(593)	353,787
<b>Total of funds</b>	<u><u>92,697,651</u></u>	<u><u>3,350,863</u></u>	<u><u>(2,785,442)</u></u>	<u><u>-</u></u>	<u><u>1,402,958</u></u>	<u><u>94,666,030</u></u>

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**20. 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.

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

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

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Endowment funds 2019 £</b>	<b>Total funds 2019 £</b>
Tangible fixed assets	6,226,611	-	-	<b>6,226,611</b>
Fixed asset investments	3,695,287	-	102,507,584	<b>106,202,871</b>
Current assets	(740,008)	685,936	6,479,995	<b>6,425,923</b>
Creditors due within one year	(1,079,957)	(540,200)	-	<b>(1,620,157)</b>
Creditors due in more than one year	(4,357,800)	(122,100)	-	<b>(4,479,900)</b>
<b>Total</b>	<b>3,744,133</b>	<b>23,636</b>	<b>108,987,579</b>	<b>112,755,348</b>

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

	<i>As restated Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Endowment funds 2018 £</i>	<i>As restated Total funds 2018 £</i>
Tangible fixed assets	4,978,255	-	-	4,978,255
Fixed asset investments	4,103,157	292,998	81,519,231	85,915,386
Current assets	258,013	710,689	8,868,011	9,836,714
Creditors due within one year	(1,224,824)	(519,900)	-	(1,744,724)
Creditors due in more than one year	(4,189,600)	(130,000)	-	(4,319,600)
<b>Total as restated</b>	<b>3,925,001</b>	<b>353,787</b>	<b>90,387,242</b>	<b>94,666,030</b>

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

	<b>2019</b>	<i>Restated</i>
	£	2018
		£
Net income for the year (as per Statement of Financial Activities)	<b>18,089,318</b>	1,968,379
<b>Adjustments for:</b>		
Depreciation charges	<b>32,075</b>	-
Gains on investments	<b>(18,765,825)</b>	(1,402,958)
Dividends and interest from investments	<b>(1,983,283)</b>	(3,350,863)
Decrease in debtors	<b>48,045</b>	479,811
Increase in creditors	<b>21,084</b>	776,474
<b>Net cash used in operating activities</b>	<b>(2,558,586)</b>	<i>(1,529,157)</i>

**23. Analysis of cash and cash equivalents**

	<b>2019</b>	2018
	£	£
Cash in hand	<b>2,536,395</b>	2,918,517
Notice deposits (less than 3 months)	-	2,288,290
Overdraft facility repayable on demand	<b>(15,105)</b>	(456)
<b>Total cash and cash equivalents</b>	<b>2,521,290</b>	5,206,351

**24. Grant commitments**

At the year end the charity had a conditional grant commitment amounting to £3,000,000.

**25. Capital commitments**

	<b>2019</b>	2018
	£	£
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	<b>433,749</b>	772,238

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**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 £25,768 (2018: £25,480). £nil contributions (2018: £nil) were payable to the fund at the balance sheet date.

**27. Related party transactions**

Lady Jane 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 £116,587 (2018: £162,738). At the year end the balance within TRF debtors due from TRT is £116,587 (2018: £162,738).

The Hon. Robert A Rayne also serves as a director of LMS Capital Plc and Derwent London Plc. The Rayne Foundation holds 6.64% (2018: 6.61%) of shares in LMS Capital plc and 1.86% (2018: 1.87%) of shares in Derwent London plc.

The Rayne Foundation holds an investment of £710,237 (£1.44 of capital commitment and £710,235.56 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 (2018: 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 (2018: 11.25%) and Trustee, The Hon. Nicholas Rayne, holding 8.53% of total commitments in Fund 1 (2018: 8.53%).

The Rayne Foundation holds an investment of £447,993 (£0.50 of capital commitment and £447,992.66 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 (2018: 2.33%). Other limited partners include The Rayne Foundation Chairman, The Hon. Robert A Rayne (SQP Ltd), holding 7.19% as at 30 November 2019 of total commitments in Fund 2 (2018: 8.32%). 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 fifth year. At the year-end, £50,000 was included within grant creditors, of which £40,000 is due to be paid in greater than one year.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2019**

**28. Restated Comparative Statement of Financial Activities for the year ended 30 November 2018**

	Unrestricted funds	Restricted funds	Endowment funds	Total funds
	£	£	£	£
<b>Income from:</b>				
Investments	3,350,863	-	-	<b>3,350,863</b>
<b>Total income</b>	<b>3,350,863</b>	<b>-</b>	<b>-</b>	<b>3,350,863</b>
<b>Expenditure on:</b>				
Raising funds: Investment manager's fees	32,265	3,468	110,667	<b>146,400</b>
Charitable activities	2,009,042	630,000	-	<b>2,639,042</b>
<b>Total expenditure</b>	<b>2,041,307</b>	<b>633,468</b>	<b>110,667</b>	<b>2,785,442</b>
Net (losses)/gains on investments	(87,368)	(593)	1,490,919	<b>1,402,958</b>
<b>Net movement in funds</b>	<b>1,222,188</b>	<b>(634,061)</b>	<b>1,380,252</b>	<b>1,968,379</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward as restated	2,848,391	987,848	89,006,990	<b>92,843,229</b>
Prior year adjustment	(145,578)	-	-	<b>(145,578)</b>
<b>Total funds brought forward as restated</b>	<b>2,702,813</b>	<b>987,848</b>	<b>89,006,990</b>	<b>92,697,651</b>
<b>Total funds carried forward</b>	<b>3,925,001</b>	<b>353,787</b>	<b>90,387,242</b>	<b>94,666,030</b>