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Charity number: 216291

THE RAYNE FOUNDATION

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2015**

CHARITY COMMISSION
FIRST CONTACT
- 1 JUL 2016
ACCOUNTS
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THE RAYNE FOUNDATION

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THE RAYNE FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE FOUNDATION, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 NOVEMBER 2015

Trustees

Lady Rayne, Patron
The Hon. Robert A Rayne, Chairman
Lord Moser (deceased 4 September 2015)
Professor Dame Margaret Turner Warwick
The Hon. Natasha Rayne
The Hon. Nicholas Rayne
Professor Sir Anthony Newman Taylor
Lady Browne-Wilkinson
Sir Emyr Jones Parry
Rabbi Baroness Neuberger DBE (appointed 18 November 2015)

Charity registered number

216291

Principal office

100 George Street
London
W1U 8NU

Investment advisers

Rathbone Brothers PLC
1 Curzon Street
London
W1J 5FB

Cazenove Capital Management Limited
12 Moorgate
London
EC2R 6DA

Director

Amelia Fitzalan Howard (appointed 12 January 2015)

Statutory auditor

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

Bankers

Barclays Bank Plc
240 Whitechapel Road
London
E1 1BS

THE RAYNE FOUNDATION

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE FOUNDATION, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 NOVEMBER 2015**

Administrative details (continued)

Solicitors

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

THE RAYNE FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2015

The Rayne Foundation (referred to as the Foundation throughout this report) is an unincorporated association and registered charity, number 216291, governed by its Deed of Settlement of 1962.

The Trustees present their report and financial statements for the year ended 30 November 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Foundation is an unincorporated association.

The selection and appointment of Trustees is carried out using criteria which include expertise in relevant areas and networks. New Trustees have a tailored induction programme to ensure they meet their statutory obligations as well as understanding the focus of the Foundation.

It is with much sadness that the Foundation reports the death of Lord Moser, who had been an active Trustee from his appointment in 1995 up to his death in September 2015. His wisdom and wide ranging interests will be much missed by the Trustees who are enormously grateful for the contribution he made over very many years. In November 2015, Rabbi Baroness Neuberger was appointed as a new Trustee and will attend her first meeting in early 2016 following her induction.

Day to day responsibility for managing the Foundation is with the Director, Amelia Fitzalan Howard, and three staff. There were no staffing changes during the year.

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 can be decided by the Chairman with the Director and Grants Manager.

OBJECTIVES AND ACTIVITIES

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

The 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. Areas of interest remain unchanged and cover the arts, health and wellbeing, education – in its widest sense, and social issues. During the year, following a review of the Areas of Special Interest, it was decided to amend these to better reflect both Trustees' interest as well as to respond to changing needs and applications. As a result, Developing Numeracy Skills for all Ages and Improved Palliative Care in the Community were removed and funding around the arts was reworded to be more specific. It was also agreed to expand the support for older people to carers. Mental health, specifically for young people, has always been a particular focus, and this remains unchanged. The revised Areas of Special Interest are now:

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

Whilst The Foundation funds a variety of charitable and not-for-profit organisations, funding is specifically

THE RAYNE FOUNDATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2015

targeted towards issues and organisations which do not enjoy widespread public support.

The Foundation's work is measured by the degree to which each grant contributes to agreed outcomes. It aims to support innovative, high quality projects, backing exceptional people with vision and is particularly interested in programmes supporting the most vulnerable and disadvantaged people and/or communities.

ACHIEVEMENT AND PERFORMANCE

Following a substantial contributory grant of £2.4 million from the Foundation in 2012/13, the formal opening took place in January 2015 of the new production building at the National Theatre, called the Max Rayne Centre. The link with the National Theatre Foundation continues with the first annual £10,000 Bursary Award, to be called the Max Rayne Design Studio Assistant, made in November 2015. This was the first such award to be granted annually for nine years.

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

The £1million Social Investment Fund allocated to Emmaus UK is to provide loans to develop new Communities and support Emmaus Enterprises – primarily shops and a textile recycling business. During the year, no new awards were made to add to the £400,000 already allocated, leaving £350,000 in hand. The Foundation's focus is to help Emmaus UK increase the number of Companion bedrooms from 532 to 750. By December 2015, this had reached 679 rooms. With no further loans the recipient Communities continued to be Emmaus Hastings and Rother, Emmaus Hull, Emmaus Bristol and Emmaus Brighton and Hove.

After a particularly challenging year for Emmaus Textiles, in which the textile recycling and related retail business struggled, liquidators were appointed. The result of this was that the social investment of £250,000 was thought to be irrecoverable and therefore an impairment was made to the financial statements to reflect this. Full repayment or further interest payments are not anticipated but the Foundation continues to remain in close contact with Emmaus UK. This does not affect the valuable and important work of the above individual Communities.

Please refer to note 13 for details of grants awarded during the year.

THE YEAR AHEAD

The Foundation continues to be a predominantly reactive grant maker and within the Areas of Special Interest and no changes are planned for the year ahead.

PUBLIC BENEFIT

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

RISK MANAGEMENT

The Trustees review risk on an annual basis and conclude that there are sufficient controls in place across the organisation. Processes and procedures continue to be reviewed to ensure that risks are mitigated as far as possible. The Chairman and Director also meet the auditors to discuss recommendations arising from their annual audit which may inform an approach to a particular risk.

THE RAYNE FOUNDATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2015

FINANCIAL REVIEW

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

The Foundation had income for the year of £1,473,360 (2014: £1,461,131). Grants awarded in the year amounted to £1,419,120 (2014: £1,264,773). The value of the investments rose from £93,934,754 to £108,533,331.

INVESTMENT PERFORMANCE AND POLICY AGAINST OBJECTIVES

The Foundation aims to maximise the total investment return and to achieve sufficient cash income to meet annual budgeted requirements. Trustees review spending guidelines and actual expenditure on a regular basis.

RESERVES POLICY

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to Charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

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

They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INTERNAL CONTROLS

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

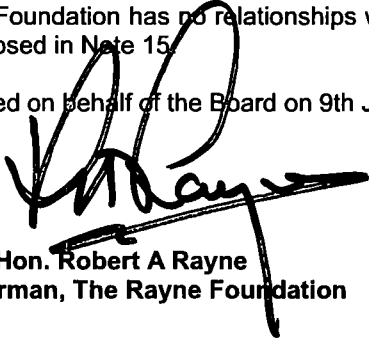
THE RAYNE FOUNDATION

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 NOVEMBER 2015**

RELATIONSHIPS WITH CONNECTED PARTIES

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

Signed on behalf of the Board on 9th June 2016 by:

A handwritten signature in black ink, appearing to read 'R. Rayne', is written over a horizontal line. The signature is stylized and cursive.

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

THE RAYNE FOUNDATION

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

We have audited the financial statements of The Rayne Foundation for the year ended 30 November 2015 set out on pages 9 to 25.

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

This report is made solely to the Charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's Trustees for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Foundation's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 30 November 2015 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

THE RAYNE FOUNDATION

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Crowe Clark Whitehill LLP

Statutory Auditor

Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Date: 21 June 2016

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

THE RAYNE FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 NOVEMBER 2015**

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Endowment funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	56,187	-	-	56,187	57,902
Investment income	3	1,417,173	-	-	1,417,173	1,403,229
TOTAL INCOMING RESOURCES		1,473,360	-	-	1,473,360	1,461,131
RESOURCES EXPENDED						
Costs of generating funds:						
Investment management costs		9,849	6,832	121,412	138,093	92,316
Charitable activities:						
Grant funding		1,385,292	275,800	-	1,661,092	1,678,191
Social investment impairment		250,000	-	-	250,000	-
Governance costs		25,405	-	-	25,405	27,340
TOTAL RESOURCES EXPENDED	4	1,670,546	282,632	121,412	2,074,590	1,797,847
NET RESOURCES EXPENDED BEFORE REVALUATIONS		(197,186)	(282,632)	(121,412)	(601,230)	(336,716)
Realised and unrealised (losses) / gains on investments	8	(31,541)	65,835	15,259,330	15,293,624	14,202,127
NET MOVEMENT IN FUNDS FOR THE YEAR		(228,727)	(216,797)	15,137,918	14,692,394	13,865,411
<i>Total funds at 1 December 2014</i>	12	<i>1,805,133</i>	<i>1,625,687</i>	<i>92,229,562</i>	<i>95,660,382</i>	<i>81,794,971</i>
TOTAL FUNDS AT 30 NOVEMBER 2015	12	1,576,406	1,408,890	107,367,480	110,352,776	95,660,382

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

All amounts relate to continuing operations.

The notes on pages 11 to 25 form part of these financial statements.

THE RAYNE FOUNDATION

**BALANCE SHEET
AS AT 30 NOVEMBER 2015**

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Investments	8		108,533,331		93,934,754
CURRENT ASSETS					
Debtors	9	89,535		436,795	
Investments	8	3,508,839		3,603,450	
Cash at bank		230,151		310,778	
			3,828,525		4,351,023
CREDITORS: Amounts falling due within one year	10		(1,541,680)		(1,666,584)
NET CURRENT ASSETS			2,286,845		2,684,439
TOTAL ASSETS LESS CURRENT LIABILITIES			110,820,176		96,619,193
CREDITORS: Amounts falling due after more than one year	11		(467,400)		(958,811)
NET ASSETS			110,352,776		95,660,382
CHARITY FUNDS					
Endowment funds	12		107,367,480		92,229,562
Restricted funds	12		1,408,890		1,625,687
Unrestricted funds	12		1,576,406		1,805,133
TOTAL FUNDS			110,352,776		95,660,382

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

9 June 2016

and signed on their


The Hon. Robert A Rayne (Chairman)
Trustee


Lady Rayne (Patron)
Trustee

The notes on pages 11 to 25 form part of these financial statements.

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 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. They continue to believe the going concern basis of accounting appropriate in preparing the financial statements.

1.3 Cash flow

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

1.4 Incoming resources

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

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

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

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

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.5 Resources expended

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

Costs of generating funds include expenditure associated with investment management.

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

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

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

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

1.6 Investments

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

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

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

Included in current asset investments are short term cash deposits.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the Balance Sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

1.8 Recognition of liabilities

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

1.9 Expendable endowment fund

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

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2015**

1. ACCOUNTING POLICIES (continued)

1.10 Restricted fund

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

1.11 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.

1.12 Taxation

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

1.13 Pension costs

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 this scheme.

2. VOLUNTARY INCOME

	2015 £	2014 £
Donation in kind for office space	<u>56,187</u>	<u>57,902</u>

3. INVESTMENT INCOME

	2015 £	2014 £
Income from listed investments	1,404,459	1,376,183
Income from unlisted investments	9,717	24,236
Interest receivable	2,997	2,810
	<u>1,417,173</u>	<u>1,403,229</u>

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2015**

4. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2015 £	Grant Funding 2015 £	Other costs 2015 £	Total 2015 £	Total 2014 £
Costs of generating funds:					
Investment management costs	-	-	138,093	138,093	92,316
Charitable activities:					
Support costs	204,509	-	72,463	276,972	436,718
Grant funding of activities	-	1,384,120	-	1,384,120	1,241,473
Social investment impairment	-	-	250,000	250,000	-
Total	204,509	1,384,120	322,463	1,911,092	1,678,191
Governance	-	-	25,405	25,405	27,340
	204,509	1,384,120	485,961	2,074,590	1,797,847

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

5. GOVERNANCE COSTS

	2015 £	2014 £
Governance costs	25,405	27,340

Governance costs are stated after recharging £8,469 to The Rayne Trust (2014: £9,114).

6. NET RESOURCES EXPENDED

This is stated after charging:

	2015 £	2014 £
Auditor's remuneration	8,000	7,850
Auditor's remuneration - non-audit	10,935	9,899
Pension costs	20,989	19,152

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2015**

7. ANALYSIS OF STAFF COSTS

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	164,137	237,268
Social security costs	19,383	24,818
Pension contributions	20,989	19,152
	<u>204,509</u>	<u>281,238</u>

These staff costs figures are stated after recharging £68,171 to The Rayne Trust (2014: £95,250).

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

	2015	2014
	No.	No.
Administration	3	3
Management	1	1
	<u>4</u>	<u>4</u>

The number of higher paid employees was:

	2015	2014
	No.	No.
In the band £60,001 - £70,000	1	0
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0
	<u>2</u>	<u>1</u>

Defined contribution pension scheme costs payable with regard to the above totalled £18,755 (2014: £8,266).

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

Travelling and meeting expenses of £669 (2014: £797) were reimbursed to 2 Trustees (2014: 4) during the year.

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2015**

8. FIXED ASSET INVESTMENTS

	Quoted Investments £	George Capital £	Social Investments £	Works of Art £	Total £
Market value					
At 1 December 2014	91,030,654	1,150,000	850,000	904,100	93,934,754
Additions	1,351,895	287,500	-	-	1,639,395
Disposals/funds withdrawn	(1,786,706)	-	(200,000)	-	(1,986,706)
Unrealised gains/(losses) in the year	15,195,888	-	-	-	15,195,888
At 30 November 2015	<u>105,791,731</u>	<u>1,437,500</u>	<u>650,000</u>	<u>904,100</u>	<u>108,783,331</u>
Impairment					
At 1 December 2014	-	-	-	-	-
Charge for the year	-	-	250,000	-	250,000
At 30 November 2015	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Net book value					
At 30 November 2015	<u>105,791,731</u>	<u>1,437,500</u>	<u>400,000</u>	<u>904,100</u>	<u>108,533,331</u>
At 30 November 2014	<u>91,030,654</u>	<u>1,150,000</u>	<u>850,000</u>	<u>904,100</u>	<u>93,934,754</u>
Historical cost	<u>21,462,885</u>	<u>1,437,500</u>	<u>400,000</u>	<u>376,611</u>	<u>23,676,996</u>

Works of Art are valued for insurance purposes on a rolling basis at least every 5 years. In 2012 valuations were provided by Christie's and Sotheby's for pictures and by The Grand Panjandrum Limited for furniture. In 2013 valuations were provided by Bonhams for sculptures and furniture. These valuations have been used by the Trustees as a proxy for market value. Some of the items are on loan for display by public or charitable organisations. It is intended to revalue all items in 2016.

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 15 for details of the George Capital Investment.

The market value of investments held outside the UK was £9,224,383 (2014: £9,111,058).

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2015

8. FIXED ASSET INVESTMENTS (continued)

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

INVESTMENT

	Market Value £	%
Derwent London plc	78,466,292	74
LMS Capital plc	6,085,207	6

At the year end cash held by the investment managers totalled £3,508,839 (2014: £3,603,450).

9. DEBTORS

	2015 £	2014 £
Other debtors	84,512	418,110
Prepayments and accrued income	5,023	18,685
	<u>89,535</u>	<u>436,795</u>

10. CREDITORS:

Amounts falling due within one year

	2015 £	2014 £
Grants payable (see note 13)	1,519,761	1,443,185
Other taxation and social security	7,711	3,622
Accruals	14,208	19,706
Other creditors	-	200,071
	<u>1,541,680</u>	<u>1,666,584</u>

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2015

11. CREDITORS:

Amounts falling due after more than one year

	2015 £	2014 £
Grants payable (see note 13)	<u>467,400</u>	<u>958,811</u>

Reconciliation of grants payable:

	2015 £	2014 £
Commitments at 1 December 2014	2,401,996	3,103,049
Commitments made in the year	1,419,120	1,264,773
Commitments withdrawn	(35,000)	(23,300)
Grants paid during the year	(1,798,955)	(1,942,526)
Commitments at 30 November 2015	<u>1,987,161</u>	<u>2,401,996</u>

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2015**

12. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
Designated funds					
Emmaus UK	1,000,000	-	(250,000)	-	750,000
General funds					
General funds	805,133	1,473,360	(1,420,546)	(31,541)	826,406
Total Unrestricted funds	1,805,133	1,473,360	(1,670,546)	(31,541)	1,576,406
Expendable endowments					
Endowment fund	92,229,562	-	(121,412)	15,259,330	107,367,480
Restricted funds					
Rayne Fellowships for Choreographers	1,959	-	-	-	1,959
Gerry Nash fund	1,623,728	-	(282,632)	65,835	1,406,931
	1,625,687	-	(282,632)	65,835	1,408,890
Total of funds	95,660,382	1,473,360	(2,074,590)	15,293,624	110,352,776

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

Rayne Fellowships for Choreographers represents funds which remain unspent. These funds will be allocated to other projects working in the field of arts and dance during the forthcoming year.

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

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2015**

13. GRANTS AWARDED TO ORGANISATIONS

Grants awarded in the year:

NAME OF ORGANISATION	PURPOSE OF GRANT	£
Area of Special Interest: ARTS IN DEPRIVED COMMUNITIES		
Cardboard Citizens	National Forum Theatre Tour & Creative Residencies <i>A national theatre tour and residencies presenting Forum Theatre</i>	30,000
Changing Lives	Northumberland Recovery Art Project <i>The cost of delivering an art programme to help people sustain their recovery from substance misuse</i>	20,000
Drake Music Scotland	All Join in <i>A Programme of music-making for 20 special schools</i>	20,000
Helix Arts	Core Costs <i>Core costs as Helix Arts seeks to work more closely with disadvantaged communities and reach more people</i>	20,000
More Music	Hothouse Capital Project <i>The final phase of More Music's redevelopment plan in order to benefit participants, audiences and artists</i>	10,000
Project Art Works	Cultural Collaboration: People, Places, Practice - salary of programme lead <i>A collaboration with five mainstream cultural organisations to develop new practical approaches to meaningful involvement of people with learning disabilities in visual art</i>	30,000
The Lowry Centre Trust	Lowry Youth Employability Programme <i>A Youth Employability Programme contributing to raised aspirations and improved employability of NEETs</i>	30,000
Area of Special Interest: IMPROVED COMMUNITY PALLIATIVE CARE		
Princess Alice Hospice	Enhanced Support Service <i>The pilot of an in-patient model of support for patients receiving end of life care in their own homes</i>	20,000
Rennie Grove Hospice Care	Prevention of acute hospital admissions at night for patients approaching the end of their lives <i>A study assessing the role of the Night Nursing Team in preventing emergency admission to hospital</i>	25,800
The Rotherham Hospice Trust	Sunbeams Children's Bereavement Support Group <i>Activities for children of Hospice patients in the lead-up to and following bereavement</i>	2,000
Area of Special Interest: IMPROVED QUALITY OF LIFE FOR OLDER PEOPLE		
Aldeburgh Music	Dementia & Community Project <i>Music-making workshops, tea dances, care staff & musician training, and public events for people with dementia and the wider community</i>	30,000
Claremont Project	Core Costs <i>The salaries of the Membership and Engagement Officer and Chief Executive in order that Claremont can reach more older people and share its model more widely</i>	30,000
Live Music Now	New Age Music <i>A series of music-making sessions, staff & musician training in up to 24 care homes, contributing to an evidence base for the role of music in social care</i>	15,000

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2015**

Royal Exchange Theatre Company	Company of Elders <i>A theatre programme for older people</i>	30,000
Sadler's Wells Trust Ltd	The Elixir Forum: Professional Development for Older People's Dance Groups <i>Workshops and performances for Elders groups from around the country to come together, develop their work and increase their knowledge of dance techniques</i>	2,500
The Dukes Playhouse Ltd	A Life More Ordinary <i>A cultural programme for people with dementia and their families</i>	30,000
Area of Special Interest: NUMERACY		
Enabling Enterprise	Inspiring Maths <i>To test, develop and deliver two new maths-related Challenge Days</i>	22,720
Whole Education	Sustainable Whole School Numeracy at Scale <i>The testing of a whole-school approach to numeracy in ten schools</i>	29,400
Area of Special Interest: YOUNG PEOPLE'S IMPROVED MENTAL HEALTH		
Embrace CVOC (Child Victims of Crime)	Family Focused Therapy <i>The training of 20 therapists to help Embrace increase the availability of counselling for young victims of serious and life-changing crime</i>	30,000
Kidstime Foundation	Who Cares? <i>A package of resources for schools to help teachers to identify and support young people whose parents suffer from poor mental health</i>	15,000
OCD Action	OCD Youth Action <i>An online peer support network, helpline, support 'app' and social events for young people with OCD</i>	13,300
Off the Record (Bristol)	Core Costs <i>Core costs in order to reach more young people with mental health issues</i>	45,000
Trauma Recovery Centre	Core Costs of the Trauma Recovery Centre <i>Running costs of working with young people in need of intense and specialised support to help recover from trauma</i>	30,000
Other Education Grants		
City Gateway Ltd	Apprentice Support Programme <i>The costs of wrap-around support for 10 apprentices</i>	24,000
Clean Break Theatre Company	Beyond Clean Break <i>Part of an education programme which helps to prepare former female offenders for education, employment and volunteering</i>	30,000
TLG - The Education Charity	TLG Early Intervention <i>The expansion of an early intervention programme through which trained volunteers provide pupils with one-to-one support in literacy, numeracy and behaviour</i>	32,000
Vauxhall City Farm	Greener London <i>Expansion of the Farm's activities so that it can provide educational programmes to more young people</i>	5,000

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2015**

Other HEALTH & MEDICINE grants		
International Health Partners UK	Providing Health and Hope in the Refugee Crisis <i>Improving access to medicine for the most vulnerable displaced people and refugees in Jordan, Lebanon, Macedonia and Northern Iraq</i>	50,000
Other SOCIAL WELFARE & DEVELOPMENT grants		
Birmingham YMCA	Community Engagement Officer <i>The salary of the Community Engagement Officer at The Orchard Community Hub</i>	21,000
Caritas Anchor House	Community Resilience Centre Manager <i>A new Community Resilience Centre Manager post</i>	81,600
Chance UK	Girls' Mentoring Programme Hackney & Islington: Girls' Programme Manager <i>The salary of the Girls' Programme Manager</i>	45,000
Chaos Theory	Violence Interruption Project: Salary of a Violence Interrupter <i>The salary of a Violence Interrupter to develop relationships with the local community, identify conflict and provide street outreach and welfare support</i>	23,000
Families Outside	Family Support Work <i>The staffing costs of the Family Support Team which helps families affected by imprisonment to cope with the experience</i>	60,000
Families United Network	Link and Youth Services Co-ordinator Salary <i>A programme of social activities for young people with a range of disabilities designed to develop independence, nurture friendships and help navigate the transition to adulthood</i>	2,500
FareShare	FareShare Merseyside: Core Costs <i>Core costs to help distribute food to more charities in North Wales and the North West</i>	45,000
Fitzrovia Youth in Action	The Warren Project <i>The development of a range of sporting activities for the local community</i>	2,500
Gatwick Detainees Welfare Group	Core Costs <i>Supporting asylum seekers and other migrants, detained at Gatwick Airport's Immigration Removal Centre.</i>	30,000
Groundswell Network Support UK	Core Costs of Health First! <i>Core costs as it increases its reach to 10,000 people per year across London, adds support for substance misuse and mental health issues, and pilots alternatives to advocacy</i>	20,000
Help on Your Doorstep	Canonbury Connect <i>Running costs supporting the most vulnerable and isolated Islington residents</i>	30,000
LGBT Centre for Health and Wellbeing	Glasgow Transgender Support Programme <i>A transgender support programme to provide information, confidence-building and friendship to those considering or undergoing gender reassignment</i>	40,000

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**NOTES TO THE FINANCIAL STATEMENTS
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National Family Mediation	The STEP Programme: Salary Costs <i>The salary of an addition call handler/advisor who will help to increase the number of enquirers taking up mediation</i>	40,000
Relate Greater Manchester South	Awareness & Motivational Group <i>A new Motivational and Awareness Group for perpetrators of domestic violence</i>	50,000
St Michael's Fellowship	Caring Dads; Safer Children <i>A programme for young fathers perpetrating domestic violence which aims to motivate them to change their behaviour</i>	24,500
The Carers' Support Centre	Young Carers in Education <i>To identify more young carers and improve the support available to them in 12 more schools, with a particular emphasis on transition from primary to secondary school</i>	20,000
The Fostering Network NI	Supporting Kinship Carers <i>The set-up of a Kinship Care support programme</i>	15,000
The Springboard Charity	Into Work in Lambeth <i>A programme to support young people into hospitality-related employment</i>	29,300
West London Synagogue of British Jews	Interfaith, Social and Youth Activities of West London Synagogue <i>For core interfaith, social care and youth/young adult projects</i>	150,000
Youth at Risk	Time for Positive Choices in Thetford <i>For personal development workshops and coaching for young people aged 14-16 who have been, or who are at risk of offending</i>	18,000
TOTAL		<u>£1,419,120</u>

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
Designated funds	1,000,000	-	(250,000)	-	750,000
General funds	805,133	1,473,360	(1,420,546)	(31,541)	826,406
	<u>1,805,133</u>	<u>1,473,360</u>	<u>(1,670,546)</u>	<u>(31,541)</u>	<u>1,576,406</u>
Endowment funds	92,229,562	-	(121,412)	15,259,330	107,367,480
Restricted funds	1,625,687	-	(282,632)	65,835	1,408,890
	<u>95,660,382</u>	<u>1,473,360</u>	<u>(2,074,590)</u>	<u>15,293,624</u>	<u>110,352,776</u>

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2015**

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Endowment funds 2015 £	Total funds 2015 £	Total funds 2014 £
Fixed asset investments	1,979,689	1,424,721	104,728,921	108,133,331	93,084,754
Social investments	400,000	-	-	400,000	850,000
Current assets	1,040,797	149,169	2,638,559	3,828,525	4,351,023
Creditors due within one year	(1,461,680)	(80,000)	-	(1,541,680)	(1,666,584)
Creditors due in more than one year	(382,400)	(85,000)	-	(467,400)	(958,811)
	<u>1,576,406</u>	<u>1,408,890</u>	<u>107,367,480</u>	<u>110,352,776</u>	<u>95,660,382</u>

15. RELATED PARTY TRANSACTIONS

Lady Rayne and The Hon. Robert A Rayne also serve as Trustees of The Rayne Trust (TRT), a company limited by guarantee and a registered charity. Included in other debtors is £82,067 due from TRT for management costs (2014: £130,453). For the year under review, The Rayne Foundation (TRF) recharged expenses to TRT totalling £82,067 (2014: £130,453).

Lady Rayne, a Trustee of The Rayne Foundation (TRF), holds 5.72% (2014: 1.51%) of shares in LMS Capital plc and 1.15% (2014: 3.50%) of shares in Derwent London plc.

The Hon. Robert A Rayne, a Trustee of The Rayne Foundation (TRF), holds 2.97% (2014: 2.43%) of shares in LMS Capital plc and 1.08% (2014: 1.37%) of shares in Derwent London plc.

The Rayne Foundation holds 5.17% (2014: 5.35%) of shares in LMS Capital plc and 1.87% (2014: 2.05%) of shares in Derwent London plc, thus making this a related party disclosure.

During the year, The Rayne Foundation paid £Nil (2014: £29,105) on behalf of The Rayne Concert Party for advisory fees in relation to the potential sale of shares.

The Rayne Foundation holds an investment of £1,437,500 (£1.15 of capital commitment and £1,437,498.85 of Loan commitments) in George Capital Real Estate Fund LP (the "Partnership"). During the year, £287,500 held as a loan was converted to equity. The commitments invested represent 11.38% of the total commitments in the Partnership (2014: 23%). Other limited partners include Rayne Foundation Chairman The Hon. Robert A Rayne (aka SQP Ltd, holding 14.44% of total commitments in the Partnership (2014: 25%)) and Trustee, The Hon. Nicholas Rayne (holding 14.44% of total commitments in the Partnership (2014: 25%)).

During the year £150,000 (2014: £Nil) was awarded as a grant to West London Synagogue of which Rabbi Baroness Neuberger DBE presides as Senior Rabbi.

During the year £10,000 (2014: £Nil) was awarded as a grant to More Music, Lord Mosers' son is the Chief Executive of this charity.

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**NOTES TO THE FINANCIAL STATEMENTS
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15. RELATED PARTY TRANSACTIONS (continued)

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 and is now in its second year. At the year end, £80,000 was included within grant creditors, of which £70,000 is due to be paid in greater than one year. The final payment of £600,000 (totalling £2,400,000) will be released in the summer of 2016 towards the construction of the Max Rayne Centre (Production Building) at The National Theatre which opened in January 2015. This was also committed to in the year ended 30 November 2013 and the final payment is included within grant creditors due within one year as at 30 November 2015.