

Charity number: 216291

THE RAYNE FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2018

THE RAYNE FOUNDATION

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THE RAYNE FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE THE FOUNDATION, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 NOVEMBER 2018

Trustees

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

Charity registered number

216291

Principal office

3 Bromley Place, London, W1T 6DB

Director

Amelia Fitzalan Howard

Independent auditor

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

Bankers

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

Solicitors

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

Investment adviser

Rathbone Brothers PLC, 8 Finsbury Circus, London, EC2M 7AZ

Investment adviser

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

THE RAYNE FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2018

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

During the course of the year under audit, The Foundation revised its Articles of Association and changed status to become an incorporated charity Charity number: 1179912 and Company number 11559926. All Trustees are Directors of the new Company. This was completed just after the 2018 year end on 3rd December 2018. The financial year remains unchanged and will continue to be 30th November. For the purpose of these accounts The Foundation was still unincorporated.

The Trustees present their report and financial statements for the year ended 30 November 2018.

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

Day to day responsibility for managing The Foundation is with the Director, Amelia Fitzalan Howard, four staff and one consultant. Staff remuneration is agreed by the Chairman of The Rayne Foundation, The Hon Robert A Rayne. Upon any new appointments being made, remuneration would be agreed in line with other comparable roles.

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, The Foundation reviewed and updated policies and procedures which included recommended guidance from the Charity Commission regarding safeguarding both when assessing applicants as well as when monitoring grant reporting. The Foundation also put in place the new requirements to ensure it was GDPR compliant when this came into effect in May 2018. The move over to electronic banking was also started which will be rolled out for all payments across The Rayne Charities in due course, 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.

THE RAYNE FOUNDATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2018

During the year, 45 new grant commitments were made totalling £2,117,500 (2017: £1,657,359). In addition to the above themes, grants supported a diverse range of beneficiary groups including funding towards a palliative care project to support homeless people die with dignity, development of a model of informal English classes for vulnerable migrants delivered through community groups and church settings, support for parents with a learning disability/and or complex support needs to care for themselves and their children by sharing a Shared Lives Carer's home, targeted support for offenders and others within or at risk of entering the criminal justice system and work with young people to raise aspirations and support of young people at risk of Child Sexual Exploitation through the night-time economy. See note 17 for a full list of the grants awarded.

Two particularly large grants were one of £175,000 awarded to Place2Be towards a Centre of Excellence as they established themselves in their new office and secondly of £300,000 to the National Heart and Lung Institute (Imperial College) as a cornerstone grant to set up the Dame Margaret Turner Warwick Research Centre for Fibrosing Lung Diseases. This award was in memory of Professor Dame Margaret Turner Warwick, who stepped down from the Board after 18 years as Trustee in 2016 and died in July 2017 aged 92. She had made a significant contribution to The Rayne Foundation over many years so the Trustees wished to mark this with a substantial grant towards a new research centre to be named after her, which will focus on her specialist area of research.

When assessing projects, The Foundation considered 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 diligence on the charity and 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.

ACHIEVEMENT AND PERFORMANCE

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

Whilst The Foundation continues to be a 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 Trustees of The Rayne Trust commissioned a report on the quality of life for older people in care homes which reviewed existing models of good practice and programmes, both in the UK and abroad. This was set in the context of the growing need and pressures on care homes in terms of financial costs, staff skills and the time and space set aside for social activities resulting in an all too frequent lack of stimulation for residents. From the many areas where there was a need for improvement, the Trustees decided to focus on the little things that make a difference and relationships between the care homes and wider community.

THE RAYNE FOUNDATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2018

This is an area which has received much publicity in recent times highlighting the paucity of stimulation and opportunities for residents resulting in a poor quality of life with an increasing lack of independence. 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. This was agreed shortly before the year end, so will be reported on in more detail in next year's accounts.

In parallel, recognising the strength of collaboration with others, The Rayne Foundation joined with three other funders to work with Social Finance to develop two models designed to improve quality of life for older people – outside care homes. The choice of which two areas will be decided by where there will be maximum opportunity for leveraging funds, maximum gain for beneficiaries and leverage for strong cross sector partnerships with philanthropy, statutory and voluntary sectors. The work has only recently started but 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 Mens 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 Trustees will watch with interest as this develops.

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 2018 they had 806 Companion rooms across the federation. There were no visits during the year to any of the four Communities with investments - Emmaus Hastings & Rother, Emmaus Hull, Emmaus Brighton & Hove and Emmaus Bristol, although all have been visited by the Director.

As the newest Community, Hull has not yet started to repay its loan, other than interest payments, but capital repayments were received during the year from Emmaus Brighton & Hove (£20,000) which completed repayment of their loan in this financial year, and Emmaus Hastings & Rother (£27,000) which will see their loan payments completed in 2019. Emmaus Bristol repaid £100,000 of its £150,000 loan in 2014 and continue to make interest payments. Their loan term was restructured during the year and is due to be repaid by 2021. At the year end, the balance of outstanding loans to Emmaus Communities was £288,000. The Foundation receives detailed quarterly reports on each Community, managed through Emmaus UK, in addition to an annual review.

Discussions have continued regarding plans for significant joint work between The Rayne Foundation and Imperial College around the re-development of Imperial's west London campus in White City. The Foundation has long been interested in wishing to determine and replicate the best way of supporting community based ventures and activities that have the characteristics of being caring and instructive for all stages of life. This can be seen in the list of grants made during the year. The concept behind this work will cover different elements from practical support to raising aspirations and improving lifelong opportunities for young people as well as looking at ways to encourage a healthier and more engaging life for older residents. The Foundation has a long history of involvement with charities around the country that support projects fitting the above and a key strength is that it can, and frequently does, introduce people and organisations to each other to share learning and good practice which is part of the added value it brings to the White City programme. No financial commitments have yet been made and discussions continue.

THE RAYNE FOUNDATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2018

THE YEAR AHEAD

The most significant event of the past year was the purchase of a future home for The Foundation in February 2018. Discussions had been ongoing for a number of years about investing in a central London property which The Foundation would own. Exchange on the 3,500 square ft. mews property in Bromley Place was in November 2017 and completed on 22nd February 2018, funded by a combination of a loan and capital. Work is well underway for remedial repairs, fit-out and decoration, which will be funded from capital. The Foundation staff moved into part of the building at the end of June 2018, and will move into the main building in the late spring 2019. Once all the works are complete The Foundation may offer space to other charities for meetings as well as let space out on a more 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 judgment between investing in immediate calls on its funds and safeguarding the endowment to meet future needs and challenges.

RISK MANAGEMENT

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

The 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.

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 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.

FINANCIAL REVIEW

The Foundation had income for the year of £3,350,863 (2017: £3,064,700). Grants awarded in the year amounted to £2,117,500 (2017: £1,657,359).

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 68.56% (66.26% 2017) is held in Derwent London plc.

THE RAYNE FOUNDATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 NOVEMBER 2018

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 £82,298,268 in 2017 to £85,915,486 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 2.22% (2017: 1.96%) 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 £94,626,030. The total free reserves held at the year-end were £1,278,590. The total amount of restricted reserves held at the year-end and not available for the general purposes of the charity were £353,787. £750,000 has been designated to provide social investments to Emmaus UK and £80,000 has been designated for the Men in Sheds programme. 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 endowment fund is expendable and the Trustees are able to draw on it when required. At the end of the year, the endowment fund alone totalled £90,387,242.

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:

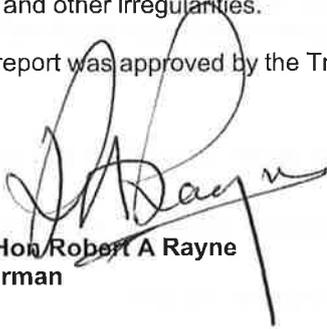
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed 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 in business.

THE RAYNE FOUNDATION

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 NOVEMBER 2018**

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.

This report was approved by the Trustees, on 3rd June 2019 and signed on their behalf by:



**The Hon Robert A Rayne
Chairman**

THE RAYNE FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE RAYNE FOUNDATION

Opinion

We have audited the financial statements of The Rayne Foundation ('The Foundation') for the year ended 30 November 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, 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 Charity's affairs as at 30 November 2018 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Charity'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 Auditors' report thereon. Our opinion on the financial statements does not cover the other information and 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 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.

THE RAYNE FOUNDATION

INDEPENDENT AUDITORS' 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 6, the Trustees are responsible for the preparation of financial statements which 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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. This description forms part of our Auditors' report.

THE RAYNE FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE RAYNE FOUNDATION

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LP

Crowe U.K. LLP

Statutory Auditor

Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Date: 17 JUNE 2019

Crowe U.K. LLP is eligible for appointment as the auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE RAYNE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 NOVEMBER 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £	Restated total funds 2017 £
Income from:						
Donations	2	-	-	-	-	305,351
Investments	3	3,350,863	-	-	3,350,863	2,759,349
Total income		3,350,863	-	-	3,350,863	3,064,700
Expenditure on:						
Raising funds		32,265	3,468	110,667	146,400	149,728
Charitable activities:						
Charitable activities		2,049,042	630,000	-	2,679,042	2,148,853
Investment impairment		-	-	-	-	212,318
Total expenditure	4	2,081,307	633,468	110,667	2,825,442	2,510,899
Net income / (expenditure) before investment gains/(losses)						
		1,269,556	(633,468)	(110,667)	525,421	553,801
Net gains/(losses) on investments	10	(87,368)	(593)	1,490,919	1,402,958	8,730,283
Net income / (expenditure) and net movement in funds		1,182,188	(634,061)	1,380,252	1,928,379	9,284,084
Reconciliation of funds:						
Total funds brought forward as restated	16	2,848,391	987,848	89,006,990	92,843,229	83,479,061
Prior year adjustment	15	(145,578)	-	-	(145,578)	(65,494)
Total funds brought forward as restated		2,702,813	987,848	89,006,990	92,697,651	83,413,567
Total funds brought forward as restated		3,885,001	353,787	90,387,242	94,626,030	92,697,651

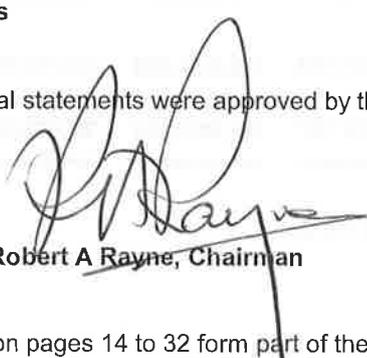
The notes on pages 14 to 32 form part of these financial statements.

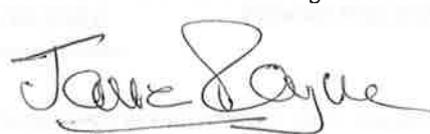
THE RAYNE FOUNDATION

**BALANCE SHEET
AS AT 30 NOVEMBER 2018**

	Note	£	2018 £	Restated 2017 £	£
Fixed assets					
Tangible assets	9		4,978,255		-
Investments	10		85,915,386		85,298,268
			90,893,641		85,298,268
Current assets					
Debtors	11	170,780		650,591	
Investments		4,459,126		4,762,037	
Cash at bank and in hand		5,206,807		3,594,149	
		9,836,713		9,006,777	
Creditors: amounts falling due within one year	12	(1,784,724)		(1,138,994)	
Net current assets			8,051,989		7,867,783
Total assets less current liabilities			98,945,630		93,166,051
Creditors: amounts falling due after more than one year	13		(4,319,600)		(468,400)
Net assets			94,626,030		92,697,651
Charity Funds					
Endowment funds	16		90,387,242		89,006,990
Restricted funds	16		353,787		987,848
Unrestricted funds	16		3,885,001		2,702,813
Total funds			94,626,030		92,697,651

The financial statements were approved by the Trustees on 3rd June 2019 and signed on their behalf, by:


The Hon. Robert A Rayne, Chairman
Trustee


Lady Rayne, Patron
Trustee

The notes on pages 14 to 32 form part of these financial statements.

THE RAYNE FOUNDATION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 NOVEMBER 2018**

	Note	2018 £	<i>Restated 2017</i> £
Cash flows from operating activities			
Net cash used in operating activities	19	(1,528,701)	<i>(2,391,530)</i>
Cash flows from investing activities:			
Dividends and interest from investments		3,350,863	<i>2,759,349</i>
Purchase of tangible fixed assets		(4,978,255)	<i>-</i>
Proceeds from sale of investments		3,790,881	<i>5,392,638</i>
Purchase of investments		(3,253,860)	<i>(2,250,475)</i>
Proceeds from investment repayments		248,819	<i>408,503</i>
Transfer from cash held for investments		302,911	<i>(2,014,739)</i>
New investment in George Capital		-	<i>(500,000)</i>
Net cash (used in)/provided by investing activities		(538,641)	<i>3,795,276</i>
Cash flows from financing activities:			
Cash inflows from new borrowing		3,680,000	<i>-</i>
Net cash provided by financing activities		3,680,000	<i>-</i>
Change in cash and cash equivalents in the year		1,612,658	<i>1,403,746</i>
Cash and cash equivalents brought forward		3,594,149	<i>2,190,403</i>
Cash and cash equivalents carried forward	20	5,206,807	<i>3,594,149</i>

The notes on pages 14 to 32 form part of these financial statements.

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2018

1. Accounting Policies

1.1 Legal status of the charity

The Rayne Foundation is an unincorporated charity. The Rayne Foundation was registered with the Charities Commission for England and Wales on 8 September 1965. Its registered principal office is 3 Bromley Place, London, W1T 6DB.

1.2 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) and the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The financial statements have been prepared under historical cost convention, as modified by the revaluation of listed investments. The Rayne Foundation meets the definition of a public benefit entity under FRS 102.

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

1.4 Income

Donations and other forms of voluntary income that provide core funding, or are of a general nature, are recognised when there is entitlement, probability 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. Gains or losses arising from the revaluation of investments are dealt with in the Statement of Financial Activities.

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2018

1. Accounting Policies (continued)

1.5 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.

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. 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 Tangible fixed assets and depreciation

All assets costing more than £750 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
Assets under construction	-	Nil

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2018

1. Accounting Policies (continued)

1.8 Debtors

Other debtors and accrued income are recognised at the settlement amount due after any trade discount offered.

Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and short term deposits

Cash at bank includes cash and short term highly liquid investments with a short maturity of 3 months or less from the date of acquisition or opening of the deposit or similar account.

1.10 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.

1.11 Financial instruments

The Foundation only has financial assets and liabilities of the kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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 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 this scheme.

1.14 Critical accounting estimates and areas of judgment

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.

1.15 Expendable endowment fund

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

1.16 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.

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018**

1. Accounting Policies (continued)

1.17 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.

2. Income from donations and legacies

	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Donation in kind for office space	-	-	-	-	30,351
Unrestricted donation	-	-	-	-	275,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and legacies	-	-	-	-	305,351
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

3. Investment income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £	<i>Restated total funds 2017 £</i>
Income from investments	3,328,978	-	-	3,328,978	2,753,066
Interest receivable	21,885	-	-	21,885	6,283
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	3,350,863	-	-	3,350,863	2,759,349
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

4. Analysis of Expenditure by expenditure type

	Staff costs 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on investment management	-	146,400	146,400	149,728
Costs of raising funds	-	146,400	146,400	149,728
Support costs (note 5)	238,427	323,115	561,542	491,494
Grant funding of activities	-	2,117,500	2,117,500	1,657,359
Impairment of investment	-	-	-	212,318
Charitable activities	238,427	2,440,615	2,679,042	2,361,171
	238,427	2,587,015	2,825,442	2,510,899

See note 17 for a breakdown of grants committed to in the year.

Included within other costs are ex gratis payments totalling £nil (2017: £30,000).

5. Support costs

	2018 £	2017 £
Wages and salaries	192,251	234,478
Social security costs	20,696	21,426
Pension costs	25,480	31,165
Staff related costs	10,630	15,147
Premises cost	168,051	89,638
Travel and subsistence	586	3,841
Office costs	21,977	26,817
Governance costs (note 6)	121,871	68,982
Total	561,542	491,494

6. Governance costs

	2018 £	2017 £
Trustees expenses	182	609
Legal fees	2,160	20,223
Professional fees	18,269	34,266
Auditor's remuneration	13,884	13,884
Incorporation fees	87,376	-
Total	121,871	68,982

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018**

7. Net income/(expenditure)

This is stated after charging:

	2018	2017
	£	£
Pension costs	25,479	31,165
Auditors' remuneration - audit	9,600	9,600
Auditors' remuneration - other services	4,284	4,284
	238,427	287,069

During the year, no Trustees received any remuneration or benefits in kind (2017 - £NIL).
Two Trustees received reimbursement of expenses amounting to £182 in the current year, (2017 - Two Trustees - £609).

8. Staff costs

Staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	192,251	234,478
Social security costs	20,696	21,426
Other pension costs	25,480	31,165
	238,427	287,069

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

	2018	2017
	No.	No.
Administration	4	5
Management	1	1
	5	6

The number of higher paid employees was:

	2018	2017
	No.	No.
In the band £100,001 - £110,000	0	1
In the band £110,001 - £120,000	1	0

Defined contribution pension scheme costs payable with regard to the higher paid employee totalled £14,250 (2017: £14,250).

Key management personnel employee benefits totalled £137,907 (2017: £131,069).

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

9. Tangible fixed assets

	Freehold property £	Assets under construction £	Total £
Cost			
At 1 December 2017	-	-	-
Additions	4,662,939	315,316	4,978,255
At 30 November 2018	4,662,939	315,316	4,978,255
Depreciation			
At 1 December 2017 and 30 November 2018	-	-	-
Net book value			
At 30 November 2018	4,662,939	315,316	4,978,255
At 30 November 2017	-	-	-

Freehold land is not depreciated.

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018**

10. Fixed asset investments

	Quoted investments £	George Capital £	Social Investments £	Works of Art £	Total 2018 £
Market value					
At 1 December 2017 as Restated (George Capital)	82,503,265	1,498,503	585,000	961,500	85,548,268
Additions	3,253,860	-	-	-	3,253,860
Disposals/funds withdrawn	(3,790,881)	-	-	-	(3,790,881)
Capital repayments	-	(201,819)	(47,000)	-	(248,819)
Gains/(losses) on investments	1,402,958	-	-	-	1,402,958
At 30 November 2018	<u>83,369,202</u>	<u>1,296,684</u>	<u>538,000</u>	<u>961,500</u>	<u>86,165,386</u>
Impairment					
At 1 December 2017	-	-	(250,000)	-	(250,000)
Charge for the year	-	-	-	-	-
At 30 November 2018	<u>-</u>	<u>-</u>	<u>(250,000)</u>	<u>-</u>	<u>(250,000)</u>
Net book value					
At 30 November 2018	<u>83,369,202</u>	<u>1,296,684</u>	<u>288,000</u>	<u>961,500</u>	<u>85,915,386</u>
At 30 November 2017 as Restated	82,503,265	1,498,503	335,000	961,500	85,298,268
Historical cost	<u>18,905,179</u>	<u>1,296,684</u>	<u>288,000</u>	<u>961,500</u>	<u>21,451,363</u>

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 15 for details of the George Capital Investment.

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

	Market value £	%
Derwent London plc	<u>59,245,844</u>	<u>68.56</u>

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

11. Debtors

	2018	2017
	£	£
Other debtors	165,538	649,685
Prepayments and accrued income	5,242	906
	<u>170,780</u>	<u>650,591</u>

12. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	456	-
Other taxation and social security	8,951	13,300
Other creditors	200,793	1,935
Accruals and deferred income	23,974	12,759
Grants payable (see Note 17)	1,550,550	1,111,000
	<u>1,784,724</u>	<u>1,138,994</u>

Reconciliation of grants payable:

	2018	2017
	£	£
Commitments at 1 December 2017	1,579,400	1,365,450
Commitments made in the year	2,117,500	1,673,359
Commitments withdrawn	-	(16,000)
Grants paid during the year	(1,506,750)	(1,443,409)
	<u>2,190,150</u>	<u>1,579,400</u>

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018**

13. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Bank loans	3,680,000	-
Grants payable	639,600	468,400
	4,319,600	468,400

Included within the above are amounts falling due as follows:

	2018 £	2017 £
Between two and five years		
Bank loans	405,730	-
	405,730	-
Over five years		
Bank loans	3,274,270	-
	3,274,270	-

Creditors include amounts not wholly repayable within 5 years as follows:

	2018 £	2017 £
Repayable by instalments	3,274,270	-
	3,274,270	-

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

14. Financial instruments

	2018 £	Restated 2017 £
Financial assets measured at fair value through income and expenditure	85,915,485	82,503,327
Financial assets measured at amortised cost	11,413,359	10,840,392
	97,328,844	93,343,719
Financial liabilities measured at amortised cost	6,094,917	1,594,094
	6,094,917	1,594,094

Financial assets measured at fair value comprise assets held as investments.

Financial assets measured at amortised cost comprise cash, current asset investments, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise grants payable, accruals and other creditors.

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

15. Prior year adjustment

During the process of preparing these financial statements it has come to light that in the two prior periods an error had been made in the valuation of the George Capital investments at 30 November 2016 and 2017. This led to an overstatement of investment income and the George Capital investments in 2016 and 2017, which consequently led to an overstatement of unrestricted general funds at both year ends. Funds were received of £145,578 in relation to the George Capital investment over the two years, and were incorrectly recognised as investment income, instead of capital repayments on the original investments. A prior year correction is required and the amount of the correction for each line item effected is stated below.

Funds brought forward at 1 December 2016 have been reduced by £65,494.

Investment income for the year ended 30 November 2017 has been reduced by £80,084.

The value of investments at 30 November 2017 have been reduced by £145,578.

The closing unrestricted funds 30 November 2017 have been reduced by £145,578.

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018**

16. Statement of funds

Statement of funds - current year

	Restated balance at 1 December 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 November 2018 £
Designated funds						
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>
General funds						
General Fund	1,872,813	3,350,863	(2,081,307)	(500,000)	(87,368)	2,555,001
Total Unrestricted funds	<u>2,702,813</u>	<u>3,350,863</u>	<u>(2,081,307)</u>	<u>-</u>	<u>(87,368)</u>	<u>3,885,001</u>
Endowment funds						
Expendable Endowment Fund	89,006,990	-	(110,667)	-	1,490,919	90,387,242
Restricted funds						
Gerry Nash Fund	987,848	-	(633,468)	-	(593)	353,787
Total of funds	<u><u>92,697,651</u></u>	<u><u>3,350,863</u></u>	<u><u>(2,825,442)</u></u>	<u><u>-</u></u>	<u><u>1,402,958</u></u>	<u><u>94,626,030</u></u>

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 in the prior year to be granted to the Mens Sheds Programme in future periods.

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

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

The transfer of £500,000 between funds, is for the Improved Quality of Life for Older People in Care Homes programme, which is to be spent over the next 5 years.

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 December 2016 £	Restated income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Restated Balance at 30 November 2017 £
Designated funds						
Emmaus UK	750,000	-	-	-	-	750,000
Mens Sheds	-	-	-	80,000	-	80,000
	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>80,000</u>	<u>-</u>	<u>830,000</u>
General funds						
General Fund	902,110	3,064,700	(2,036,776)	(80,000)	22,779	1,872,813
Total Unrestricted funds	<u>1,652,110</u>	<u>3,064,700</u>	<u>(2,036,776)</u>	<u>-</u>	<u>22,779</u>	<u>2,702,813</u>
Endowment funds						
Expendable Endowment Fund	<u>80,780,409</u>	<u>-</u>	<u>(135,796)</u>	<u>-</u>	<u>8,362,377</u>	<u>89,006,990</u>
Restricted funds						
Rayne Fellowships for Choreographers	1,959	-	(1,959)	-	-	-
Gerry Nash Fund	979,089	-	(336,368)	-	345,127	987,848
	<u>981,048</u>	<u>-</u>	<u>(338,327)</u>	<u>-</u>	<u>345,127</u>	<u>987,848</u>
Total of funds	<u><u>83,413,567</u></u>	<u><u>3,064,700</u></u>	<u><u>(2,510,899)</u></u>	<u><u>-</u></u>	<u><u>8,730,283</u></u>	<u><u>92,697,651</u></u>

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018**

17. Grants awarded to organisations

Company Name	Appeal Summary	Total Amount Awarded (£)
Academy Concerts Society	Towards the creation of an intergenerational orchestra in Newham for older and younger learners to explore classical music together.	£ 10,000.00
Action Foundation	Towards the development of a model of informal social English classes for vulnerable migrants delivered through community groups and churches.	£ 10,000.00
Alive Activities Limited	Towards Alive's coaching programme for 240 care staff in 60 care homes, providing on-the-job training for care staff in developing meaningful activities and relationships with their residents.	£ 45,000.00
Ambitious about Autism	Towards the part-funding of a Project Manager to increase the employability of young people with autism by raising awareness of autism through training employers/ education partners, and providing work.	£ 45,000.00
Barnardo's	Towards a network of child sexual exploitation (CSE) prevention advocates operating in the night-time economy who will know to recognise and respond to CSE with ongoing support from a Specialist Nightwatch Co-ordinator.	£ 60,000.00
Bounce Back Foundation	Towards the operational costs of the community training centre where ex-offenders will gain skills in construction, furniture-making and upcycling.	£ 60,000.00
Brent, Wandsworth and Westminster Mind	Towards a programme for young people leaving care that will include wellbeing workshops, creative therapies and 121 support to help them manage their emotions and build resilience.	£ 10,000.00
British Refugee Council	Towards therapeutic support for unaccompanied asylum seekers and refugees to improve their emotional wellbeing and help their integration into the UK.	£ 60,000.00
Campaign Against Living Miserably	Towards the extension of CALM's webchat services to reach more young men in crisis and support male suicide prevention.	£ 45,000.00
Children and Families across Borders	Towards improving the lives of unaccompanied children arriving in the UK by piloting a programme of tailored post-placement support to families for up to 12 months.	£ 60,000.00
Christians Against Poverty	Towards the expansion of CAP Release, an eight-week programme for people with an identified low-grade habit or addiction who have decided they want to stop.	£ 30,000.00
Dementia UK	Towards a two-year pilot Admiral Nurse service to provide specialist family centred support to people living with a diagnosis of young onset dementia.	£ 10,000.00
Family Lives Ltd	Towards a Support Worker to support parents of young carers in their parenting role.	£ 25,000.00
Film Nation UK	Towards a pilot project that will engage a cohort of young people in care in a bespoke, intensive, immersive, youth directed film intervention.	£ 30,000.00
Future Frontiers	Towards a school programme that aims to build an ethos of aspirations and achievement among a selected year group of young people through face to face coaching, aspirational assemblies and workshops.	£ 30,000.00
Gendered Intelligence Community Interest Company	Towards the salary of the Trans Youth Work Project Manager who will manage and develop the network of support groups for young people who are trans or gender questioning.	£ 60,000.00
Grampian Hospitals Art Trust SCIO	Towards the development of work with older patients and carers.	£ 10,000.00
Hijinx Theatre	Towards Hijinx' Acting for Screen and Television course to improve the work opportunities for learning disabled actors and to address the under-representation of learning disability on screens.	£ 50,000.00
Impact Arts (Projects) Ltd	Towards the Art Therapy Programme in North Ayrshire providing one-to-one art therapy, therapeutic group work and dyadic therapy to children and families affected by adverse childhood experiences.	£ 60,000.00
Leap Confronting Conflict	Towards the Data and Impact Manager Post.	£ 30,000.00
LGBT Healthy Living Centre	Towards the continued delivery of the Glasgow Transgender Support Programme.	£ 45,000.00
Literature Works	Towards a rolling programme of activity which places specially trained practicing poets into community settings for dementia.	£ 20,000.00
Mind the Gap Limited	Towards the development and roll-out of Anna, an interactive forum theatre piece looking at people with learning disabilities as parents.	£ 29,500.00

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

Grants awarded to organisations (continued)

Company Name	Appeal Summary	Total Amount Awarded (£)
National Heart and Lung Institute, Imperial College	Towards A Research Centre for Fibrosing Lung Diseases.	£ 300,000.00
NHS Confederation: Mental Health Network	Towards an in-depth review of some of the most promising voluntary sector services for people with severe mental health problems.	£ 10,000.00
NL Cares Ltd	Towards outreach work that identifies isolated older neighbours and connects them to a network that includes younger people, to tackle isolation and loneliness in communities.	£ 30,000.00
OpenUp Music	Towards the expansion of Open Orchestras enabling more young people to improve their music skills and to develop musical progression routes.	£ 75,000.00
Playlist for Life	Towards core costs in order that Playlist for Life can help an estimated 15,000 people with dementia to create and use their own playlists.	£ 30,000.00
Redthread Youth Ltd	Towards the Youth Violence Intervention Programme at Homerton University Hospital.	£ 50,000.00
Scottish Ballet	Towards the delivery of Dance for Parkinson's sessions in five new areas of Scotland, creating seven regional hubs.	£ 60,000.00
Shared Lives Plus	Towards developing Shared Lives support for parents who have a learning disability and/or complex support needs, to care for themselves and their children by sharing a Shared Lives carer's home.	£ 68,000.00
Shophords Bush Families Project and Children's Centre	Towards the costs of Parent & Child family support services.	£ 5,000.00
SignHealth	Towards digital transformation of its specialist face-to-face psychological therapy service for Deaf people 'BSL Healthy Minds' and developing an on-line facility.	£ 60,000.00
Social Finance	Towards the development of two models that will be designed to improve quality of life for older people.	£ 59,000.00
Spitalfields Festival Ltd	Towards a cross-arts project in three Tower Hamlets care homes, aiming to reduce isolation, reimagine care relationships and improve the wellbeing of up to 180 older people.	£ 30,000.00
St Mungo's	Towards a palliative care service to help homeless people die with dignity in a place of their choosing.	£ 60,000.00
The Baobab Centre for Survivors in Exile	Towards core costs in order to provide psychotherapy and practical support to young people who are survivors of extreme violence, trafficking or rape, and who are refugees or asylum seekers.	£ 45,000.00
The Kendal Brewery Arts Centre Trust Limited	Towards a pilot of an arts programme which draws on motivational theories from sports psychology and which aims to build resilience in students making the transition from primary to secondary school.	£ 25,000.00
The Place2Be	Towards a new centre of excellence for children's mental health.	£ 175,000.00
The Verbal Arts Centre (Northern Ireland) Ltd	Towards an evidence based pilot monitoring the impact of a 30-week Reading Rooms programme on the mental health and wellbeing of 'hard to reach' adults in the criminal justice system.	£ 35,600.00
The West London Synagogue of British Jews	Towards the Wall of Memory at West London Synagogue.	£ 5,000.00
TLC: Talk, Listen, Change	Towards the extension of the Striving to Change Project, delivering awareness and motivational work with perpetrators of domestic abuse, both male and female.	£ 60,000.00
Told by an Idiot Ltd	Towards Let Me Play the Lion Too, a professional training opportunity to give power to emerging disabled and non-disabled artists to effect change in the performing arts industry.	£ 2,000.00
West London Zone	Towards a model of early intervention support for pre-school children in nursery.	£ 60,000.00
Working Chance Limited	Towards a contribution to the salary of the Head of Office – Manchester, for a restorative Recruitment Consultancy that supports women ex-offenders and care leavers.	£ 38,400.00
Total grants awarded		£2,117,500

THE RAYNE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018**

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £
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	9,836,713
Creditors due within one year	(1,264,824)	(519,900)	-	(1,784,724)
Creditors due in more than one year	(4,189,600)	(130,000)	-	(4,319,600)
	<u>3,885,001</u>	<u>353,787</u>	<u>90,387,242</u>	<u>94,626,030</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2017 £	Restricted funds 2017 £	Endowment funds 2017 £	Total funds 2017 £
Fixed asset investments	1,629,145	1,023,190	82,645,933	85,298,268
Current assets	2,401,162	244,558	6,361,057	9,006,777
Creditors due within one year	(948,994)	(190,000)	-	(1,138,994)
Creditors due in more than one year	(378,500)	(89,900)	-	(468,400)
	<u>2,702,813</u>	<u>987,848</u>	<u>89,006,990</u>	<u>92,697,651</u>

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

	2018 £	<i>Restated</i> 2017 £
Net income for the year (as per Statement of Financial Activities)	1,928,379	9,284,084
Adjustment for:		
Losses on investments	(1,402,958)	(8,808,054)
Dividends and interest from investments	(3,350,863)	(2,759,349)
Decrease/(increase) in debtors	479,811	(538,747)
Increase in creditors	816,930	218,218
Impairment on investments	-	212,318
Net cash used in operating activities	<u>(1,528,701)</u>	<u>(2,391,530)</u>

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

20. Analysis of cash and cash equivalents

	2018 £	2017 £
Cash in hand	2,918,517	827,014
Notice deposits (less than 3 months)	2,288,290	2,767,135
Total	<u>5,206,807</u>	<u>3,594,149</u>

21. Capital commitments

At 30 November 2018 the The Foundation had capital commitments as follows:

	2018 £	2017 £
Contracted for but not provided in these financial statements	<u>772,238</u>	<u>-</u>

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2018

22. Related party transactions

Lady Rayne and The Hon. Robert A Rayne also serve as Trustees of The Rayne Trust (TRT), a company limited by guarantee and a registered charity.

During the year The Rayne Foundation (TRF) recharged expenses to TRT totalling £162,738 (2017: £153,487). At the year end the balance within TRF debtors due from TRT is £162,738 (2017: £153,487).

The Hon. Robert A Rayne also serves as a director of LMS Capital Plc and Derwent London Plc. The Rayne Foundation holds 6.61% (2017:6.64%) of shares in LMS Capital plc and 1.87% (2017:1.87%) of shares in Derwent London plc.

The Rayne Foundation holds an investment of £833,689.83 (£1.44 of capital commitment and £833,688.39 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 (2017: 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 (2017 11.25%) and Trustee, The Hon. Nicholas Rayne, holding 8.53% of total commitments in Fund 1 (2017: 8.53%).

The Rayne Foundation holds an investment of £462,993.16 (£0.50 of capital commitment and £462,992.66 of Loan commitments) in George Capital Real Estate Fund 2 LLP (the "Fund 2").

The commitment invested represents 2.33% of the total commitments in the Partnership (2017 3.38%). Other limited partners include The Rayne Foundation Chairman, The Hon. Robert A Rayne (SQP Ltd), holding 8.32% as at 30 November 2018 of total commitments in Fund 2 (2017: 12.04%). 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 fourth year. At the year-end, £60,000 was included within grant creditors, of which £50,000 is due to be paid in greater than one year.

During the year the following grants/awards were made which note related party transactions:

- £5,000 (2017: £150,000) was awarded towards The Wall of Memory at West London Synagogue where Rabbi Baroness Neuberger DBE presides as Senior Rabbi;
- £Nil (2017: £10,000) was awarded to Chickenshed Theatre Trust, where both The Hon. Natasha Rayne and Lady Jane Rayne are trustees;
- £175,000 (2017: £Nil) was awarded as a grant towards Place2Be where The Hon. Robert A Rayne was a Trustee at the time of the award, but who ceased to be a Trustee in June 2018; and
- £300,000 (2017: £Nil) was awarded as a grant towards setting up The Dame Margaret Turner Warwick Research Centre for Fibrosing Lung Diseases at the National Heart and Lung Institute, Imperial College. Professor Sir Anthony Newman Taylor is employed by Imperial College.

THE RAYNE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2018

23. Restated comparative Statement of Financial Activities for the year ended 30 November 2017

	Restated unrestricted funds £	Restricted funds £	Endowment funds £	Restated total funds 2017 £
INCOME FROM:				
Donations	305,351	-	-	305,351
Investments	2,759,349	-	-	2,759,349
Total income	3,064,700	-	-	3,064,700
EXPENDITURE ON:				
Raising funds	9,964	3,968	135,796	149,728
Charitable activities	1,814,494	334,359	-	2,148,853
Investment impairment	212,318	-	-	212,318
Total expenditure	2,036,776	338,327	135,796	2,510,899
Net income / (expenditure) before investment gains	1,027,924	(338,327)	(135,796)	553,801
Gains on investments	22,779	345,127	8,362,377	8,730,283
Net income and net movement in funds	1,050,703	6,800	8,226,581	9,284,084
Reconciliation of funds:				
Total funds brought forward as restated	1,652,110	981,048	80,780,409	83,413,567
Total funds carried forward	2,702,813	987,848	89,006,990	92,697,651