

London Catalyst

TRUSTEES' REPORT AND ANNUAL ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER 2019

Registered Charity No. 1066739

Registered Company No. 3460296

CONTENTS	PAGE(S)
REPORTS	
Reference and administrative information	3 - 4
Trustees' Annual Report for the year ended 31 December 2019	5 – 15
Independent auditor's report to the Trustees of London Catalyst	16 – 18
ACCOUNTS	
Statement of financial activities	19
Balance sheet	20
Notes to the financial statements	21 – 29
GRANTS AND DONATIONS	
Summary of all grants paid or committed in 2019	30 – 34
The Hospital-Sunday Appeal donations in 2019	34

LONDON CATALYST

(formerly the Metropolitan Hospital Sunday Fund)

45 WESTMINSTER BRIDGE ROAD, LONDON, SE1 7JB

T: 020 3828 4204

E: london.catalyst@peabody.org.uk

W: www.londoncatalyst.org.uk

Charity Registration No. **1066739**

Registered Company No. **3460296**

PATRON

Her Majesty the Queen

PRESIDENT

The Right Hon the Lord Mayor of London (ex officio)

VICE-PRESIDENTS

The Rt. Reverend & Rt. Honourable The Lord Bishop of London

His Eminence the Cardinal Archbishop of Westminster

The Rt. Reverend the Lord Bishop of Chelmsford

The Rt. Reverend the Lord Bishop of Southwark

The Rt. Reverend the Bishop of Stepney

The Most Reverend the Archbishop of Southwark

The Rt. Reverend the Lord Bishop of Rochester

The Very Reverend the Dean of St. Paul's

The Very Reverend the Dean of Westminster

The Chief Rabbi

The Venerable the Archdeacon of London

The Free Churches Moderator

BOARD OF DIRECTORS (TRUSTEES)

Margaret Elliott (Chair)

Charles Davidson

Joan Major

Philippe Granger

Dr Muhammad Bari MBE, DL

Mark Palframan

Danny Daly

Emma Whitby

Dr Sarah Divall

Yasmin Hussain

Zoe Camp (retired July 2019)

SUB-COMMITTEES OF THE BOARD

Grants Scrutiny Committee

Margaret Elliott (Chair)

Dr Muhammad Bari MBE

Philippe Granger

Dr Sarah Divall

Emma Whitby

Yasmin Hussain

Mark Palframan

Danny Daly

Finance Committee

Charles Davidson (Chair)

Margaret Elliott

Joan Major

Rebecca Shepherd

Sundial London Catalyst Liaison Committee

Margaret Elliott (Chair)

Sally Codling (Sundial Centre Manager)

John Pulford

Victor Willmott

MEMBERS OF THE CHARITY

REPRESENTATION

Dorothy Martin	
Dr Caroline Vaughan	
Dr Ruth Kosmin	
Dr Steve Mowle	Medical Profession
Heather Williams	Church of England
John Pulford	
Judy Jones	
Revd Adrian McKenna-Whyte	Roman Catholic
Rick Holland	
Robert Buckland	
Robin Holland-Martin	Life Member
Sarah Humphreys	
The Reverend Paul Wright	Church of England
Tim Cook OBE	
Zoe Camp (appointed September 2019)	

Members are those who in addition to the Board of Directors subscribe to the Memorandum of Association and assist in the advancement of the objects of the charity. They may, but not exclusively, represent and are nominated by a faith group or religious denomination.

STAFF & PROFESSIONAL ADVISERS

Director and Company Secretary	Victor Willmott
Administrator	Honor Morris (from November 2019) Alison Beck (to November 2019)
Auditors	BUZZACOTT LLP 130 Wood Street London, EC2V 6DL
Bankers	CAF BANK LTD 25 Kings Hill Avenue, Kings Hill West Malling Kent, ME19 4JQ ROYAL BANK OF CANADA 54 Bath Street, St Helier, Jersey, JE4 8YD
Investment Advisers	STANHOPE CAPITAL LLP 35 Portman Square London, W1H 6LR
Solicitors	WITHERS 16 Old Bailey London, EC4M 7EG

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

HISTORY

London Catalyst, formerly the Metropolitan Hospital Sunday Fund, was established in 1873 following a meeting of religious and civic leaders hosted by the Lord Mayor of London. Appalled by the impoverished lives of many in the capital, they agreed that on one day each year, in places of worship throughout Greater London, a collection should be taken up to provide a fund to improve the health of the 'sick and poor' of London. The legacy of the original entreaty and subsequent annual appeal provides the income of the charity.

ADMINISTRATION

London Catalyst is a registered charity and company limited by guarantee. The company's governing document is its Memorandum and Articles of Association dated 4th November 1997. The charity comprises the Board of Trustees, Committees and Membership as shown on pages 3 - 4. The Board meets four times a year to conduct the formal business of the charity including recommendations and reports from its sub-committees. The day-to-day administration of the charity, including the processing of applications prior to consideration by the Grants Scrutiny Committee and the Board, is delegated to the Director of the charity who is supported by a part-time Administrator.

During the year, our Administrator Alison Beck left to take up a full-time position in social research. The Board would like to thank Alison for her hard work and commitment to the charity. The Board welcome Honor Morris, our new Administrator.

KEY MANAGEMENT

The trustees consider that they, together with the Director, comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. The trustees do not receive any remuneration in connection with their duties as trustees.

Staff remuneration and pay is decided by the Board at the second meeting of the year. This includes a 360° review of the Director's performance by trustees as part of an annual appraisal process conducted by the Chair. The trustees refer to the rate of increase of the Consumer Prices Index and the Retail Price Index, and the percentage salary award by Peabody as benchmarks. The charity does not have a performance related pay structure and expects staff to take all holiday entitlement within the year.

TRUSTEES

Trustees are appointed by the Board and serve for three years after which they may be reappointed. A trustee may serve three consecutive terms of office before retiring. The charity is required under its constitution to have two religious and one medical or social work representative on the Board.

Potential trustees are invited to submit a CV to the Board and to meet with the Director, Chair and other trustees as necessary. They are provided with information on the charity and a copy of the report and annual accounts. Once appointed, a handbook detailing the charity's procedures is provided and visits are arranged to the Sundial Centre and projects funded by the charity. Trustee training is arranged as required and the availability of such is circulated routinely and included on the agenda of Board meetings. Trustees' interests are recorded on appointment and updated annually. Any likely conflict of interest is declared at the start of each meeting, recorded in the minutes and if applicable the trustee would not participate in the decision.

TRUSTEES (CONTINUED)

A review of the membership is undertaken annually and any members who have not fulfilled the requirements for membership are removed from the register. All trustees and members are volunteers and the Board greatly appreciates all the voluntary assistance given to the charity.

In 2019 Zoe Camp retired as a trustee having completed three periods of office. The Board would like to record its thanks to Zoe who brought expertise, insight and warmth to the role and was instrumental in encouraging a strategic approach to fundraising and enthusiastically networking on behalf of the charity. We are very pleased that Zoe has agreed to join our membership.

At the AGM in July 2019 we formally welcomed Joan Major, Danny Daly and Yasmin Hussain to the Board of Trustees all of whom joined in December 2018. A survey of trustee views, skills and experience was conducted during the year. The trustees felt this was a useful exercise and highlighted the strengths and effectiveness of the Board and demonstrated satisfaction in the charity's processes. Trustees' skills are broad and we have professional expertise in all the key areas. The issue of how inclusive and representative the Board was of its area of benefit was raised and this would be addressed in the coming year. As stated in the previous report and annual accounts our ambition remains:

'To create a diverse, experienced Board of Trustees which understands the needs and wishes of the local communities ... (and we)... particularly welcome applications from women and people from black and minority ethnic groups, who are currently under-represented'.

The Board reviewed the charity's strategic plan which sets out clear pathways to achieving agreed objectives. The strategy review, first conducted in 2017 and updated each year thereafter, identifies three broad priorities: communications, income generation and improving grant making. During 2019, a 'Theory of Change' approach was used to augment the strategy document.

RISK MANAGEMENT

Trustees have identified and assessed the various risks to which the charity is exposed. A risk matrix details the system of internal controls needed to mitigate risk factors along with an appropriate plan of action. The trustees conduct a risk management exercise annually and a 'Register of Risks' is reviewed and updated accordingly. A summary is reviewed by the Board as a standing item at each of its meetings. The principal risks are as follows:

- **Loss of key staff:** The charity is dependent for its day-to-day operations on its full-time Director. To mitigate the effects of any unplanned departure or absence from office the trustees have in place a system of regular meetings between the Chair and Director, an internal audit by a trustee of documented processes, the support of a part-time Administrator, an annual appraisal system and support for professional development. A Salesforce grants management system and regularly updated office control documents are in place.
- **Loss of office and services:** The charity has a service level agreement (SLA) with Peabody. This is a commercial arrangement which may change in time. The SLA is agreed for two years and reviewed annually. The Director and trustees oversee all essential functions to ensure a smooth process of relocation if required.
- **Investment portfolio:** A comprehensive review of the charity's investment management was undertaken in 2016 which led to the appointment of Stanhope Capital LLP as investment advisers. To ensure the preservation of the charity's capital from which the income for grant-making is drawn the trustees set a target investment return of 3.25%. The Finance Committee meets quarterly and as required with the investment advisers to monitor the performance and the implementation of the long-term investment strategy.

GRANT APPLICATION AND SELECTION

Grant applications are made online via the charity's website. This allows for a seamless process by which applications are received, reviewed, managed and monitored. The website is regularly updated to provide greater detail on grant-making and improve advice and guidance to applicants. All applications reviewed by the staff against eligibility criteria before consideration by the Grants Scrutiny Committee and the Board.

NETWORKS AND AFFILIATIONS

The charity maintained its participation in grant-making sector networks as a member of London Funders and the Association of Charitable Associations and is registered with the Fundraising Regulator.

PEABODY

In 1995, London Catalyst entered a management agreement with Peabody by which it could share the resources and expertise of one of London's largest social housing providers. Peabody provides office space, accountancy and other services under the management agreement.

SUNDIAL CENTRE

The Sundial Centre was developed as a joint initiative between London Catalyst and Peabody to meet the health and social care needs of older people in Tower Hamlets. It was built at a cost of £1.8 million, shared between London Catalyst (then the Metropolitan Hospital Sunday Fund), Peabody, other charitable trusts and individual donors. Opened in 2000, the Sundial Centre offers a broad range of activities to day care members and to those who drop in to participate in daily health and social activities. London Catalyst remains involved in the Sundial Centre through its Liaison Committee which supports new initiatives and collaboration with other agencies including groups funded by London Catalyst.

The Grant Performance Standards Agreement (GPSA) for the Sundial Centre, made between Peabody and London Catalyst on 3rd February 1999, was set for a period of 30 years. It was updated in 2014 and is to be reviewed in 2020. An event to celebrate the 20th anniversary of the opening of the Sundial Centre, to showcase Sundial Centre activities, the work of its key community partners and of London Catalyst is to take place in 2020.

CHARITABLE OBJECTIVES & ACTIVITIES

THE OBJECT OF THE CHARITY

'The charity is established to relieve poverty, sickness, disability and infirmity among persons resident in the area bounded by the M25 London Orbital Motorway or persons who have a real and substantial connection with such area or any part of it, particularly but without prejudice to the generality of the foregoing by supporting and working with other charitable organisations established for relief of poverty, sickness, disability and infirmity and by providing grants to assist individuals and organisations for the aforementioned purposes.'

AIMS

- To improve the health and wellbeing of people living in poverty and affected by ill health, disability and social exclusion (Catalytic)
- To remove people from poverty (Compassionate)
- To raise awareness of the work of the organisations we fund and the needs of the sick and poor of London (Collaborative)

OBJECTIVES

To act as a catalyst through a programme of grant making to include:

- Support for agencies best placed to distribute one-off grants to people in need.
- Projects tackling unmet health needs and the effects of poverty.
- Working with other grant givers and philanthropists.

PUBLIC BENEFIT

London Catalyst makes grants to support the work of charities and voluntary, community and social enterprises operating in London that are established for public benefit. The trustees have complied with their duty to have due regard to the Charity Commission's public benefit guidance. The organisations funded by the charity are considered well placed to realise its charitable objects and to help make a difference to the lives of the sick and poor of London.

The charity ran the following grant programmes during the year:

- Project grants for initiatives tackling unmet health needs and the effects of poverty.
- The 'Partners for Health' grants programme run in collaboration with the Hospital Saturday Fund and the Sir Halley Stewart Trust for charities working with an expert health agency to deliver social action projects.
- Samaritan grants to social care and advice teams for distribution to people in need.

London Catalyst continued to target funding for the relief of poverty and to tackle social and health inequalities. This is not a static approach and consideration is given to the changes in the profile and distribution of poverty, poor health and inequality in London.

The trustees recognise that to meet the charity's objectives and to demonstrate public benefit a balanced approach to grant-making is required. In the case of the Samaritan grants the intention is to work with effective partner agencies to assist with the distribution of funds, particularly in the most deprived boroughs, and more generally to people in need in all London boroughs. Project grants are made in response to unmet health and social needs. It remains the Board's intention to work with other grant makers when possible and where common interests exist to maximise the impact and reach of our grant-making.

To encourage small groups to develop sustainable income from voluntary activities a 'Catalyst Match' is offered to selected applicants at the discretion of the trustees. This is an offer to match money raised through user led activities and is normally offered in addition to a grant.

At the Annual General Meeting (AGM) in July representatives of grant makers, the voluntary and community sector gathered with members of the charity for a presentation and workshop session from Ingrid Abreu Scherer of the 'What Works Centre for Wellbeing'. This was followed by a talk from Skye Curtis, social researcher and Masters student in Social Policy Research at the London School of Economics. Skye spoke of her findings on 'Understanding health messages by young people with learning difficulties'. The AGM is used to highlight issues that might impact on, and inform, the work of groups we fund and to provide an opportunity for sharing knowledge and networking.

ACHIEVEMENTS AND PERFORMANCE

REVIEW OF ACTIVITIES

During the year, the trustees paid or committed £299,356 (2018: £291,710) in grants to charitable, not for profit and community organisations. Highlights of the year include:

- Assisting 167 organisations in 29 London boroughs and across the M25 area.
- Participation in '360Giving' sharing grant-making data in an open format.
- Promoting the work of the charity through Twitter, Funder Fairs, networking events and the introduction of a new quarterly update for members.
- Working with 135 active Samaritan partner agencies since January 2018.
- Collaboration with the Hospital Saturday Fund and the Sir Halley Stewart Trust on 'Partners for Health' and disbursement of additional funds on behalf of private philanthropists.

REVIEW OF ACTIVITIES (CONTINUED)

Reports on grants made in the previous year reveal that:

- Projects assisted >5,280 people; 592 volunteers participated in the projects.
- Samaritan grants helped 7,444 people in need; 1:3 beneficiaries identified as 'destitute: no income'. The average emergency hardship payment is £20.

The trustees have set as a strategic objective the intention to maximise support to funded organisations and participate in initiatives that support our charitable aims. To this end London Catalyst acted as a discrete broker for a private donor. This allowed a further £6,000 to be disbursed to selected projects, distributing vital additional resources to people in need during the winter months. The Brown Dog Family Foundation also donated £10,000 for the Samaritan Grants programme. The trustees are open to further collaboration with private benefactors who would like to donate to good causes.

PROJECT GRANTS

During the year, £270,181 (excluding 'Partners for Health') was allocated to 93 charitable and community organisations. The trustees acknowledge the wider social determinants of health and prioritise tackling an unmet health need, a development of service or to catalyse new work. The following case studies illustrate the range of projects the trustees funded during the year:

HEADWAY WEST LONDON (HWL) (Westminster, Hammersmith & Fulham: £5,000)

HWL promotes an understanding of brain injury and provides help, support and information to acquired brain injury (ABI) survivors and carers. It runs a helpline and a drop in at St Mary's Hospital Paddington. A grant was agreed for the running costs of its 'Reach Out Programme' to support people with ABI as they leave hospital.

SISTER SYSTEM (Haringey: £4,000)

A new charity set up to support young women in, or affected by, the care system. It offers early intervention, accredited training and support to improve life chances for 'Looked After Children'. A grant was agreed to establish an 'Ambassador' group of care affected 'Big Sisters' to provide an early intervention programme for girls in care and encourage mentoring relationships.

KENSINGTON CITIZENS ADVICE (KCA) (Kensington & Chelsea: £1,500)

KCA is part of the national network of advice and information services. A grant was agreed to facilitate workshops for health care providers to help improve the effectiveness and accuracy of the reports they provide in support of patients' claims for disability benefits.

CHILDREN ON THE AUTISTIC SPECTRUM PARENTS ASSOCIATION (CASPA)

(Bromley: £5,000)

CASPA provides opportunities to children and young adults with autism and social communication conditions and their families. A grant was made to assist the CASPA Community Café to provide employment and life skills training opportunities for young people with autism.

STREET STORAGE (Camden/London-wide: £3,000)

A new charity set up to provide free, accessible and secure storage for people experiencing homelessness. It offers short and long term storage that enables clients to overcome the mental and physical strain of carrying belongings, and provides the opportunity for people to engage with more support services. A grant was agreed to assist the development of the organisation and to introduce a new Volunteer Programme.

COMPLIMENTS OF THE HOUSE (Lambeth: £1,000)

This is a new food redistribution charitable social enterprise. Volunteers collect surplus food from businesses and redistribute to guests for free from its restaurant. A Catalyst Match was offered to help increase donations from a public sponsorship event.

'PARTNERS FOR HEALTH'

Our partnership with the Hospital Saturday Fund on the 'Partners for Health' programme continued in 2019 and the trustees were delighted to welcome a new funding partner, the Sir Halley Stewart Trust. The collaborative programme encourages joint work between expert health agencies and community organisations, targeting people experiencing significant barriers to health due to long-term illness, poverty and social inequalities. Projects include:

EASTSIDE COMMUNITY HERITAGE (Barking & Dagenham: P4H 1/3rd of £8,341)

For a 'Healthy Memories' project to work with people with long-term health conditions and engage them in heritage-related activities exploring the theme of health and wellbeing over time, to include reminiscence sessions in libraries and sheltered accommodation.

FREE YOUR INSTINCT (Newham/Tower Hamlets: P4H 1/3rd of £7,000)

To offer free Parkour courses to help people with mental health support needs through the delivery of specialist classes by qualified coaches.

E17 PUPPET PROJECT (Newham: P4H 1/3rd of £5,774)

To co-produce a community arts project with young people living with sickle cell disease attending the Rainbow Centre and to develop lesson plans and resources for future projects.

THE VOLUNTEER LINK SCHEME (BEFRIEND) (Ealing: P4H 1/5th of £15,000)

For the 'Linked Minds' befriending project to support those who are isolated because of their mental health by offering each client a year of support from a befriender.

During the year London Catalyst contributed £32,210 (2018: £30,046) which was paid to 14 organisations under 'Partners for Health'. The collaborative approach helps all contributors to extend the reach of their grant-making, attract new applicants and support new initiatives.

SAMARITAN GRANTS

In 2019, a total of £82,200 (2018: £78,900) was committed under this programme to frontline social work, health and advice services to distribute to people in acute need. Demand for the hardship fund continues to grow with changes to, and delays within, the benefit system frequently cited as a major factor in why the grants are needed. Last year the charity disbursed funds to 75 frontline agencies. The trustees have a target of maintaining 100 active partners and we currently provide grants via 135 agencies across London. Samaritan grants are an important part of our grant making reflecting our charitable purpose and providing direct public benefit. Reports from our partner agencies highlight the complex and often desperate circumstances faced by many of the poorest in society as shown in the following case studies:

- A 94-year-old gentleman lost his wife in an accident, the same week he became ill and was admitted to hospital. A neighbour who was preparing for his return found the patient's property infested. Through the charity we obtained clothes and toiletries for his transfer to respite, whilst his home was being cleaned. Hospital Social Work Team, Tower Hamlets
- Client 'A' became street homeless because his Employment Support Allowance was stopped and he lost his rented accommodation as the Jobcentre stated that he was not a qualified worker under the EEA rules. 'A' maintained that he had a permanent right to reside. However, he became homeless and destitute and had been sleeping rough in parks. We supported him to gather the evidence to make an appeal and gave him hardship payments for hot food and transport. Lewisham Refugee and Migrant Network

SAMARITAN GRANTS (CONTINUED)

- Our patients, who are predominantly depressed or anxious, are often unable to complete forms or face reviews and their benefits can suddenly be stopped, leaving them financially stranded. I recently assessed a patient in crisis at their home. They had been so anxious they were unable leave their property or open letters as the fear this activated was so acute. They had 14 unopened letters...including forms for final demands and suspending benefits. Without the grant, they would have been without food or electricity. SLAM Community Mental Health Team

The reports we receive include many such case studies and some are featured on our website's blog to raise awareness of the conditions of the lives of the poor of London.

A full list of all grants made in 2019 is shown at the end of the report and annual accounts.

PERFORMANCE MONITORING

London Catalyst has a grants management system and applications and monitoring reports are submitted online. This provides a seamless submission, grant-making and reporting process. Reports are requested from all grant recipients after 12 months and these describe the activity and progress towards specific outputs and outcomes. The system allows the follow up of non-reporting and the production of detailed monitoring reports as required and as requested by trustees.

Larger grants are reviewed throughout the grant period to help track progress against the original purpose and outcomes. A random sample of funded organisations is followed up for review during the year. Monitoring reports and case studies are added to the London Catalyst website. During the year trustees participated in visits to funded projects which are included in the charity's business calendar, each offering a valuable insight into the work of the groups and extending the trustees' knowledge and understanding.

Joint work with other grant makers requires a thoughtful and measured approach which recognizes the distinctive nature of each funder and which avoids burdening grantees with unnecessary reporting requirements. As part of our commitment to collaboration with other funders London Catalyst offers to lead, if required, the administration and reporting of the collaborative programmes on behalf of our partners.

FUTURE PRIORITIES

The charity's priorities for the coming year are agreed by the trustees and recorded in the strategy and development plan. The following developments are planned for 2020.

- Communications and profile building: To continue to improve communications across the charity and further review the potential of the grants management system. To update the website and increase our social media presence. To continue publishing data in the '360° Giving' format and to publish regular quarterly updates for members.
- Increasing income and support to applicants: To continue with the investment strategy to grow the capital and increase donor income, building on the Hospital Sunday Appeal and encourage more individual donors to channel funds to good causes and our Samaritan grantees. To seek further collaborative funding opportunities with trusts and private wealth. To work with Peabody to showcase the Sundial centre, its activities and partners, at the 20th anniversary event.
- Improving grant-making: To continue to add value to our grant-making and ensure our grant-making reflects the aims of the charity. Trustees intend to visit selected grantees and hold a 'Partners for Health' impact evaluation event in 2020.

FUTURE PLANS AND GOING CONCERN

During the period from 31 December 2019 to the date that the financial statements were approved, the coronavirus (Covid-19) outbreak had spread worldwide and caused extensive disruption to businesses as well as economic activities globally including the UK.

We have considered the effects of the 2020 outbreak of Covid-19 on the charity's operations and have concluded that the impact on it is likely to be limited. Following the advice issued by the UK Government in March 2020 regarding employees working from home and other social distancing measures, we have enacted procedures to facilitate this and have a detailed plan that enables effective operations to continue whilst employees are not physically present in the charity's offices.

The office was closed on 19 March 2020 and the charity's two staff undertook to work from home. The arrangement with Peabody enables remote working and the trustees agreed a set of protocols to authorise actions by email. In response to the Covid-19 restrictions especially affecting our target beneficiaries' access to food and other essentials the trustees wrote to all current Samaritan grant holders to invite them to apply early for a continuation grant. Project grantees were informed that all restrictions attached to their grant would be removed to allow flexibility of use for core services. In addition, London Catalyst was an early supporter of the London Funders pledge to support the charitable sector and we have actively promoted the London Community Response Fund.

Trustees acknowledge and recognise the potential impact of the Covid-19 pandemic on the future operations of the charity, its beneficiaries, partners and stakeholders and on wider society. As well as the personal risk to the health of its staff, the charity may lose planned income as the result of the cancellation of events and/or the absence of key personnel although there may be some expenditure savings also. The reduced opportunities for scheduled face to face interaction may well impact on the ability to plan effectively for the medium term but it is not anticipated at the current time that the overall financial position of the charity will be adversely affected or its financial solvency threatened.

The value of the investment portfolio fell to £11,956,437 as of 31 March 2020 which was a 13.8% reduction from 31 December 2019. There is also a likelihood of dividend reductions in 2020 although these are difficult to predict. However, the trustees are satisfied that as the portfolio is invested for the long term and 3% of the portfolio is held in cash, this is enough to ensure grant making can continue within the current budget.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 income and expenditure 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 Accounting and Reporting by Charities Statement of Recommended Practice ('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 trustees are responsible for keeping proper accounting records that 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 Companies Act 2006. 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.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and 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 United Kingdom and Republic of Ireland (FRS102).

In preparing this report the directors have taken advantage of the small company exemptions in Part 15 of the Companies Act 2006.

STATEMENT AS TO DISCLOSURES OF INFORMATION TO AUDITORS

The trustees in office at the date of the report have confirmed, as far as they are aware, that there is no relevant audit information of which the Auditors are unaware. Each of the trustees has confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

FINANCIAL REVIEW

2019 RESULTS

There was a deficit of £106,270 (2018: £63,269) between income of £328,731 (2018: £365,859) and expenditure of £435,001 (2018: £429,128) in the year. The main reason for this deficit is a shortfall of investment income (interest and dividends) compared to withdrawals which the charity uses to allocate funds for grant making and administrative costs.

The value of the charity's investments at the year-end was £14,002,952 (2018: £12,640,370) which represents an increase of £1,362,582 over the year after cash withdrawals. Grant-making for 2019 was £299,356 (2018: £291,710), representing an increase of 2.6%.

Funds are required to maintain the ongoing efficient running of the charity. The annual operating costs for 2019 were £102,605 (2018: £104,169). A minimum of the equivalent of six months' operating costs is kept as cash to ensure the continuing efficient running of the charity.

RESERVES POLICY

All funds are available for the general purposes of the charity. The charity's net assets constitute unapplied and unrestricted free reserves. It is the trustees' normal policy to make grant commitments for one year and only occasionally for a maximum of two years.

Trustees acknowledge and recognise the potential impact of the Covid-19 pandemic on the future operations of the charity, its beneficiaries, partners and stakeholders and on wider society. The reduced opportunities for scheduled face to face interaction may well impact on the ability to plan effectively for the medium term but it is not anticipated at the current time that the overall financial position of the charity will be adversely affected or its financial solvency threatened.

INVESTMENT MANAGEMENT

The level of grants that can be made is dependent upon the return that can be generated from the charity's assets, which are mostly held in an investment portfolio. The trustees engage Stanhope Consulting, a division of Stanhope Capital LLP, in an investment advisory capacity. The Stanhope advisers attend the quarterly Finance Committee, as required, at which they present their financial review, discuss the market conditions, performance of the portfolio and the investment strategy.

INVESTMENT POLICY

It is the aim of the charity to maintain or grow the real value of the investment portfolio responsibly over the long term (greater than 10 years) and to support an annual drawdown of 3.25% of the portfolio per annum (averaged over a rolling 3-year period) for grant distributions and operating expenses.

The Finance Committee reviewed the investment policy during the year and following advice from Stanhope increased its investment in passive vehicles to 54%. The charity's position on socially responsible investments is regularly reviewed. It is the trustees' intention to choose investments with reasonable care and skill to meet the aims of the charity and achieve a balance between capital growth and income. The investment parameters are shown in the following table.

ASSET CLASS	ALLOCATION AT 31 DEC 2019	STRATEGIC ASSET ALLOCATION	RANGE	BENCHMARK INDICES
Cash	3.8	5	0-15	Sterling 3 month LIBOR
Government bonds		7	0-20	FTSE All Stocks All Gilts
Index linked bonds		0	0-20	FTSE All Stocks Index Linked
Corporate bonds		8	0-20	Merrill Lynch Sterling Corporate Bonds
Overseas bonds		0	0-10	JPMorgan Global Government Bonds
Total bonds	11.2	15	10-30	---
UK equities		35	25-55	FTSE All Share
Overseas equities		35	15-45	MSCI AC World ex UK
Total equities	72.2	70	55-85	---
Property		10	5-15	MSCI UK Monthly Property Index
Absolute return		0	0-10	RPI +2.5% p.a.
Commodities		0	0-10	Rogers International Commodity
Total alternatives	12.8	10	5-20	---
Total	100	100	---	---

INVESTMENT POLICY (CONTINUED)

The political and economic uncertainty during the year ensured markets remained volatile. Overall the portfolio performed broadly in line with the benchmarks although overseas equities and corporate bonds underperformed. There was some rebalancing of the portfolio within asset classes during the year.

The value of the investment portfolio fell to £11,956,437 as of 31 March 2020 which was a 13.8% reduction from 31 December 2019. There is also a likelihood of dividend reductions in 2020 although these are difficult to predict. However, the trustees are satisfied that as the portfolio is invested for the long term and 3% of the portfolio is held in cash, this is enough to ensure grant making can continue within the current budget.

SOCIALLY RESPONSIBLE INVESTMENT

The trustees, in adopting a Socially Responsible Investment position, acknowledge their duty to maximise investment returns for the charity whilst adhering to the Principles of Responsible Investing (PRI) standards. The underlying managers within the portfolio are expected to consider best practice when assessing any individual investment. To this end it is agreed, in so far as it is possible, to encourage investment in companies that behave in a socially responsible fashion without adversely affecting the overall performance of the fund.

HOSPITAL SUNDAY APPEAL

The Hospital Sunday Appeal is an integral part of the charity's history. A target of £10,000 is set each year for the Appeal which is maintained to promote the charity's work to a wider audience and raise additional funds for grant-making. All proceeds are added to the allocation for the following year's Samaritan grants. The charity does not employ commercial fundraisers and relies on the charity's staff and volunteers to lead its fundraising. During the year, a recital was held on the steps of St Paul's by volunteers to raise funds for the Appeal. This has proved a popular and useful means of promoting our grant making and raising funds for the Samaritan grants. The charity is registered with the Fundraising Regulator and no complaints regarding our fund-raising activity were received during the year.

While the charity's main source of income is derived from its investment portfolio, it continues to receive generous support from individuals, companies, places of worship and charitable trusts. In 2019, the charity raised £13,656 (2018: £15,946) in donations for its annual appeal; 60% from individuals and 40% from faith, business and charitable institutions. A further £10,000 was received from a family foundation for Samaritan grants to be disbursed during the year. As with the 'Partners for Health' programme London Catalyst offers this facility without charge for the administration of the donations.

The charity also received a separate donation of £6,000 to be directed at homeless projects in London. The Director made recommendations to the donor and £3,000 was agreed for two projects; a safe storage project for street homeless people and an emergency night shelter.

The Board welcome donations from individuals, trusts and corporations to increase funds available to beneficiaries. The trustees would like to record their sincere thanks to all who contributed to the Appeal in 2019. A list of institutional donors is shown at the end of the report and accounts.

By Order of the Board



Margaret Elliott
Chair of Board of Directors
Date: 7 May 2020

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF LONDON CATALYST

Opinion

We have audited the financial statements of London Catalyst (the 'charitable company') for the year ended 31 December 2019 which comprise the statement of financial activities, the balance sheet, the principal accounting policies and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.



Katharine Patel
Senior Statutory Auditor
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

7 May 2020

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL
RECOGNISED GAINS AND LOSSES)
YEAR ENDED 31 DECEMBER 2019**

	Notes	2019 Total Funds £	2018 Total Funds £
Income and expenditure			
Income			
Donations	2	23,656	15,946
Investment Income	3	305,075	349,913
Total income		328,731	365,859
Expenditure			
Costs of Raising Funds			
Fundraising Costs	4	(3,599)	(3,683)
Investment Management Costs	4	(29,441)	(29,566)
Expenditure on Charitable Activities			
Grant-making	4, 6	(299,356)	(291,710)
Support Costs	4, 5	(102,605)	(104,169)
Total Expenditure	4	(435,001)	(429,128)
Net Expenditure before Investment Gains (Losses)		(106,270)	(63,269)
Gains/(Losses) on Investment Assets	7	1,477,507	(980,233)
Net Income/(Expenditure) and Net Movement in Funds for the Year		1,371,237	(1,043,502)
Reconciliation of Funds:			
Balances brought forward at 1 January		12,629,725	13,673,227
Balances carried forward at 31 December	10,11	14,000,962	12,629,725

All amounts relate to unrestricted funds in both financial years.

All recognised gains and losses arising in the year are included in the above Statement of Financial Activities.

All amounts relate to continued activities.

The notes on page 21 to 29 form part of these financial statements.

BALANCE SHEET AS AT 31 DECEMBER 2019

Registered Company No. 3460296

	Notes	£	2019 £	£	2018 £
INVESTMENTS					
Fund investments	7	14,002,952	<u>12,640,370</u>		
TOTAL FIXED ASSETS			14,002,952		12,640,370
CURRENT ASSETS					
Debtors	8	26,100	26,737		
Cash at Bank		11,344	<u>3,448</u>		
		<u>37,444</u>	<u>30,185</u>		
CURRENT LIABILITIES					
Creditors due within one year	9	(39,434)	<u>(40,830)</u>		
NET CURRENT LIABILITIES			(1,990)		(10,645)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>14,000,962</u>		<u>12,629,725</u>
Represented By:					
Unrestricted Funds	10		14,000,962		12,629,725
TOTAL FUNDS	11		<u>14,000,962</u>		<u>12,629,725</u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on



Margaret Elliott -

Chair of the Board



Charles Davidson -

Chair of the Finance Committee

Date: 7 May 2020

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. ACCOUNTING POLICIES

The following are the main accounting policies adopted by the charity:

Basis of accounting

The financial statements have been prepared for the year 31 December 2019.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006. In addition the accounts have been drawn up in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) (Charities SORP FRS102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS102. The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

There are no items in the financial statements which require the trustees and management to make significant judgements or estimates.

The full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy. Estimates used in the accounts, particularly with respect to the value of listed investments (see note 7) are subject to a greater degree of uncertainty and volatility.

As set out in these accounting policies under "going concern", the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. With regard to the next accounting period, the year ended 31 December 2020, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received. Income comprises donations and investment income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable.

In accordance with the Charities SORP FRS102, volunteer time is not recognised.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, and an apportionment of 5% of staff costs as being the amount directly attributable to raising funds.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations and support costs including governance costs.

Charitable grants and donations comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Grants approved but not paid at the end of the financial year are accrued.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs excluding staff related costs are allocated to the sole charitable activity. Staff related costs are allocated in accordance with the time spent on each activity.

Fund accounting

Unrestricted funds are those funds which are available for use at the discretion of the trustees, in furtherance of the general objectives of the charity, and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Pensions

The charity contributes a defined contribution to the personal pension plans of its two employees. Contributions are charged on the statement of financial activities when they are payable to the schemes

The charity's contributions are restricted to the contributions disclosed in note 5. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

Taxation

London Catalyst is a registered charity and, therefore, is not liable to income tax or corporation tax on income on gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

Statement of cash flows

The financial statements do not include a statement of cash flows because the charity is considered a small charity and is therefore exempt from the requirement to prepare such a statement under the Charities SORP FRS102 Update Bulletin1.

Agency arrangements

The charity has acted as an agent in distributing grants on behalf of private donors. Payments received from the donor and subsequent disbursements to grant recipients have been excluded from the statement of financial activities as the charity does not have control over the charitable application of the funds.

The funds received and disbursed and any balances held are disclosed in note 13.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. DONATIONS

	2019	2018
	£	£
At places of worship/Institutional	-	538
Other donations including deeds of covenant & Gift Aid	13,656	15,408
Brown Dog Family Foundation	10,000	-
	<u>23,656</u>	<u>15,946</u>

See page 34 for the list of donations received in the year.

3. INVESTMENT INCOME

	2019	2018
	£	£
Dividends on UK/Foreign trust	305,075	349,913
	<u>305,075</u>	<u>349,913</u>

4. TOTAL EXPENDITURE

	£	£	2019	2018
	£	£	£	£
	STAFF COSTS	OTHER	TOTAL	TOTAL
Costs of raising funds				
Fundraising costs	3,599	-	3,599	3,683
Investment Management costs	-	29,441	29,441	29,566
Charitable activities				
Grant making (note 6)	-	299,356	299,356	291,710
Support costs (note 5)	68,383	34,222	102,605	104,169
Total Expenditure	<u>71,982</u>	<u>363,019</u>	<u>435,001</u>	<u>429,128</u>

Peabody charged £19,963 (2018: £19,602) for the provision of office and administration services specified under a Management Agreement.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

5. SUPPORT COSTS

	2019	2018
	£	£
Wages and salaries (95%)	68,383	69,969
Management fees	19,963	19,602
Insurance	783	1,273
Sundry expenses and other expenses	5,976	5,825
Auditor's remuneration (including VAT)	7,500	7,500
	<u>102,605</u>	<u>104,169</u>

Staff Costs and Remuneration of Key Management Personnel:

	2019	2018
	£	£
Wages and salaries	62,326	63,730
Social security costs	3,521	3,549
Pension	6,135	6,373
	<u>71,982</u>	<u>73,652</u>

No employee earned £60,000 or more in the year (2018: none).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees and the Director. The total remuneration (including taxable benefits but excluding employer's pension contributions) of the key management personnel for the year was £55,247 (2018: £53,527)

None of the trustees of the charity were remunerated during 2019 (2018: £nil) and no trustees were reimbursed for expenses incurred during 2019 (2018: £nil). The total pension cost for the year ended 31 December 2019 is £6,135 (2018: £6,373).

The total number of employees for the year 2019 was 2, full time equivalent (FTE) 1.4 (2018: 2, FTE 1.4). The average number of employees, expressed as a full-time equivalent, analysed by function, was:

	2019	2018
	No.	No.
Support Staff	1.4	1.4

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. GRANTS

	2019	2018
	£	£
Institutional	302,391	291,890
Prior year grants withdrawn/returned	(3,035)	(180)
	299,356	291,710
	(167 grants)	(147 grants)

Grants withdrawn/returned represent unutilised prior year grants returned of £3,035 (2018: £180).

See pages 30 to 34 for the analysis of grants made in the year.

7. FUND INVESTMENTS

	2019	2018
	£	£
Listed investments		
Market value at 1 January	12,540,115	13,580,291
Additions	4,350,914	2,084,183
Disposal Proceeds	(4,433,028)	(2,144,126)
Net Realised and Unrealised Gains/(Losses)	1,477,507	(980,233)
Market value at 31 December	13,935,508	12,540,115
Cash deposits held for investment	67,444	100,255
Total investments at 31 December	14,002,952	12,640,370
Historical cost at 31 December (including deposits)	12,399,281	11,959,761

The charity engages Stanhope for investment advice and invests in pooled funds from which investment manager's fees are deducted before the market value is established. Consequently, the valuation of investments is net of investment manager's fees, any third party managed funds and custody fees, total: £29,441 (2018: £29,567).

The value of the investment portfolio fell to £11,956,437 as of 31 March 2020 which was a 13.8% reduction from 31 December 2019. There is also a likelihood of dividend reductions in 2020 although these are difficult to predict. However, the trustees are satisfied that as the portfolio is invested for the long term and 3% of the portfolio is held in cash, this is enough to ensure grant making can continue within the current budget.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

7. FUND INVESTMENTS (continued)

Investments including cash deposits are held in the following geographical areas:

	2019	2018
	£	£
UK	8,761,787	9,413,318
Europe (Ex UK)	488,846	546,826
North America	695,186	721,669
Pacific	474,298	457,128
Global	3,323,992	1,501,429
International	258,843	-
	14,002,952	12,640,370

Material Investments

Included within the investments held at the year-end are the following investments which individually comprise more than 5% of the total market value of non-cash investments.

	2019	2018
	£	£
Ishares III PLC - Core MSCI World	1,897,521	1,544,898
Legal & General – UK Index Trust	1,749,215	1,531,857
Charities Prop Property Fund	1,372,894	1,401,545
Evenlode Inv Mgmt Ltd	1,369,108	-
Vanguard Funds PLC – FTSE 250 UCITS ETF	954,686	-
Link Fund Solutions LTD	771,059	-
Vanguard Funds PLC – S&P 500 UCITS	725,922	698,265
Schroder Unit TST – Equity Trust for Charities	-	929,446
SSGA SPDR ETFS Europe 1 PLC	-	716,849
Artemis Fund Manager - Global Income	-	669,669

8. DEBTORS

	2019	2018
	£	£
Accrued Income	26,100	26,737
	26,100	26,737

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

9. CREDITORS DUE WITHIN ONE YEAR

	2019	2018
	£	£
Accruals for grants payable	8,000	15,335
Taxation and Social Security	8,389	8,416
Trade Creditors	22,785	17,079
Other Creditors	260	-
	<u>39,434</u>	<u>40,830</u>

10. UNRESTRICTED FUNDS

	2019	2018
	£	£
Balance at 1 January	12,629,725	13,673,227
Net expenditure in the year	(106,270)	(63,269)
Gain/(loss) on investment assets	1,477,507	(980,233)
Balance at 31 December	<u>14,000,962</u>	<u>12,629,725</u>

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	£	£	2019	2018
	£	£	£	£
	FIXED ASSETS	NET CURRENT LIABILITIES	TOTAL	TOTAL
Unrestricted funds	14,002,952	(1,990)	14,000,962	12,629,725
	<u>14,002,952</u>	<u>(1,990)</u>	<u>14,000,962</u>	<u>12,629,725</u>

The total unrealised gains as at 31 December 2019 constitute movements on revaluation and are as follows:

	2019
	£
Unrealised gains included above on investments	<u>1,603,671</u>
Reconciliation of movements in unrealised gains:	
Unrealised gains at 1 January 2019	680,609
Add: in respect of disposals in the year	4,433,028
Minus: net losses arising on revaluations in the year	<u>(3,509,966)</u>
Total unrealised gain at 31 December 2019	<u>1,603,671</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

12. RELATED PARTY TRANSACTIONS

Owing to the nature of the charity's operations and the composition of the Board of Trustees being drawn from local public and charitable sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the charity's financial regulations and normal procurement procedures. Any Trustee who has any interest in a potential grant recipient will withdraw from all related grant discussions.

Trustees make voluntary donations to the charity's Hospital Sunday Appeal and in support of other fundraising initiatives including the London Marathon and public collections.

The aggregate amount of donations made by the trustees to the charity was £385 (2018: £1,161).

13. AGENCY ARRANGEMENTS

During the year, the charity received £40,210 (2018: £2,100) to disburse as grants to nominated charities on behalf of private donors. Of these funds £39,950 was paid during the year and £260 is held in other creditors.

14. POST BALANCE SHEET EVENTS

Trustees acknowledge and recognise the potential impact of the Covid-19 pandemic on the future operations of the charity, its beneficiaries, partners and stakeholders and on wider society. As well as the personal risk to health of its staff, the charity may lose planned income as the result of the cancellation of events and/or the absence of key personnel although there may be some expenditure savings also. The reduced opportunities for scheduled face to face interaction may well impact on the ability to plan effectively for the medium term but it is not anticipated at the current time that the overall financial position of the charity will be adversely affected or its financial solvency threatened.

The value of the investment portfolio fell to £11,956,437 as of 31 March 2020 which was a 13.8% reduction from 31 December 2019. There is also a likelihood of dividend reductions in 2020 although these are difficult to predict. However, the trustees are satisfied that as the portfolio is invested for the long term and 3% of the portfolio is held in cash, this is enough to ensure grant making can continue within the current budget.

The following pages do not form part of the statutory accounts. They are included for illustrative purposes and show the range of grant making, including those made under agency arrangements, that the charity undertakes during the year

SUMMARY OF ALL GRANTS PAID OR COMMITTED IN 2019

PROJECT GRANTS

Organisation	Purpose	Borough	£
Headway West London	Reach Out Programme	Westminster	5,000
Hoarding UK Ltd	Support Group Development	Hammersmith & Fulham	3,600
Carers' Support	Stroke Club	London-wide	3,000
Capital Mass	Winter Night Shelter Training	Bexley	2,500
Room To Heal	'Healing Trauma' Therapy programme	London-wide	3,000
Entelechy Arts	Entelechy Choir	Lewisham	2,000
Our Barn Community	Gardening Outreach	Hounslow	1,500
Healthy Generations	'Exercise For Health' Project	Islington	2,000
Latin American DPP	Mental Health Project	Southwark	2,000
Henna Asian Women's Group	Tech Divas Training	Camden	1,464
Blooming Blossoms Trust	Sensory Castle Play Hub	Hackney	1,000
Claudia Jones Organisation	Peer Support Women's Group	Hackney	2,000
Volunteer Centre Hackney	Step Up Mental Health Volunteering	Hackney	3,000
Reasons Why Foundation	Lifechanger Programme	Lambeth	3,000
KCAH	Housing Adviser	Kingston	5,000
Misgav	Aqua Champs	Hackney	1,500
Traumatic Stress Clinic	Yoga Sessions	Camden	4,200
Age UK Waltham Forest	Scams Awareness	Waltham Forest	3,000
Age UK Redbridge	Befriending Project Coordinator	Redbridge	4,000
Sudbury Neighbourhood Centre	Garden Therapy' Flower Arranging	Brent	2,500
Elmbridge Rentstart	PRS Agency	Surrey	5,000
Sister System	Ambassador Mentors	Haringey	4,000
Shapeshifter Productions	Singing Care Homes	Waltham Forest	2,900
Unity Project	Project Co-Ordinator	Islington	4,980
Ovacom	Choir	Hackney	2,000
Age UK Westminster	Visual Impaired Project	Westminster	2,000
Afro-Brazilian Arts	Carers Project	Southwark	1,500
SEN Family Saturdays	Support Group for Children with SEN	Islington	1,500
Islington Chinese Association	Activities Programme	Islington	1,500
Islington Mind	Warm Kitchen: LGBTQ Drop In	Islington	2,000
Caritas Anchor House	Your Space	Newham	4,000
Kazzum Arts	Wellbeing Workshops	Croydon	3,000
Ascension Community Trust	SEN Summer Programme	Newham	1,500
Welcare	Family Learning Programme	Lambeth	1,000
Childhood Trust	Summer Give Campaign: Me Too & Co; Bayis Sheli	Richmond Hackney	2,000

PROJECT GRANTS (continued)

Organisation	Purpose	Borough	£
Wheels For Wellbeing	Inclusive Cycling Programme	Croydon	3,000
St Vincent's Family Project	Pimlico Family Outreach	Westminster	2,000
Studio 306 CIC	Makers' Markets	Haringey	1,500
ILAYS	Women's Yoga Programme	Hounslow	1,000
Kensington CAB	Health Care Providers Outreach	Kensington & Chelsea	1,500
Paxton Green Time Bank	'Time2connect'	Lambeth/ Southwark	3,000
London HIV Chaplaincy	Reading Groups	Westminster	3,000
CASPA	Community Cafe	Bromley	5,000
Aphasia Re-Connect	London Drop-In Centres	London-wide	3,000
Re-Instate Ltd	It 4 Work	Bexley	1,623
Family Friends	Family Mentoring Project	Kensington & Chelsea	2,000
Lambeth Elderly Assoc. Vietnam	Healthy Living Project	Lambeth	1,000
The Hive Food Bank	The Hive Food Bank	Haringey	1,500
Firm Foundation	Winter Night Shelter	Harrow	1,000
Vineyard Community Centre	Community Nurse	Richmond	3,000
Magpie Dance	Voice Through Dance	Greenwich	2,500
Create	Arts Workshops	Southwark	2,500
Crossroads Care Richmond	The Transition Project	Richmond	2,000
Hope For The Young	Mentoring	Barking & Dagenham	3,000
Women's Inclusive Team	Awareness Mental Health	Tower Hamlets	2,500
KAG Advocacy	Universal Credit	Kingston	2,000
Homestart Ealing	Family Group	Ealing	1,272
Bexley Voluntary Service Council	Community Buddies	Bexley	2,500
Merton Mencap	Cooking Courses	Merton	1,500
Street Storage (1)	Volunteer Programme	Camden/London	3,000
Outside Edge Theatre	Drama Taster Sessions	Hammersmith & Fulham	2,500
Disability Sports Coach	Specialist disability coach	Wandsworth/ Sutton	2,000
The Maytree	Running costs	London-wide	3,000
CP Sport	Adapted athletics	Newham	1,000
Battersea Community Gardeners	Community Garden Project	Wandsworth	2,000
Hackney Doorways	Winter Shelter Advocacy	Hackney	3,000
Westminster Befriend Family	Befriending Reach Out project	Westminster	2,500
Barnet Refugee Service	Refugee Allotment Project	Barnet	2,000
Jeremiah Project	Debt advice outreach	Merton	3,500
BIHR	Community Rights Learning sessions	London-wide	2,000
Fruit Fly Collective	Terminal Illness Information Resource	London-wide	1,956
Woman's Trust	Domestic abuse counselling	Newham	2,000

PROJECT GRANTS (continued)

Organisation	Purpose	Borough	£
CCIW Bereavement Service	Traumatic Bereavement Counselling	Camden	1,500
St Peters Community Project	Women's Well-Being Club	Tower Hamlets	1,500
Foundation for Change	Clothing for Change training	Camden	2,500
One North East	Counselling for young people affected by addiction	Waltham Forest	2,500
CARAS	Women Trauma Therapy Group	Wandsworth/ Sutton	3,000
Hornbeam Centre	Food Rescue Outreach Project	Waltham Forest	3,000
Compliments of The House	Catalyst Match	Lambeth	1,000
Street Storage (Private Donation)	Volunteer Programme	Camden	3,000
This is Growth (Private Donation)	Training room refurbishment	Tower Hamlets	3,000
Total			£198,495

'PARTNERS FOR HEALTH'

Eastside Community Heritage	Healthy Memories Programme	Barking & Dagenham	2,780
Inclusion Barnet	Hospital Mental Health Peer Outreach Programme	Barnet	2,916
The Magpie Project	Research in Accessing Health Services for Parents of Under Fives Living In Temporary Accommodation.	Newham	2,166
Living on Bereavement Service	Bereavement Help Point and Drop-In Bereavement Support	Bromley	3,273
One Place East	Inclusive Café Enterprise at Goodmayes Hospital	Redbridge	2,496
E17 Puppet Project	Arts For Health And Wellbeing: Young people With Sickle Cell	Newham	1,925
The Mulberry Centre	Wellbeing Therapeutic Provision For End-Of-Life Palliative Care At West Middlesex University Hospital	Hounslow	3,333
The Cedar House Support Group	Support Group for Postnatal Depression.	Wandsworth	3,333
Evelina Children's Heart Organisation	Antenatal Classes for Parents with unborn child with heart condition.	Lambeth	1,654
Volunteer Link Scheme (BEfriend)	Linked Minds (Mental Health Befriending Project)	Ealing	3,000
Free Your Instinct	Parkour for Good Mental Health	Tower Hamlets	2,333
Art & Soul/Collective Arts	Perinatal Wellbeing Art Therapy	Hounslow	1,000
Talk for Health	Coaches: Café Peer Support	Islington	2,000
Total			£32,210

SAMARITAN GRANTS

Organisation	District	£
Greenwich And Bexley Community Hospice	Bexley	1,000
St Christopher's Hospice	Bromley	1,300
School Home Support	Newham	1,000
Haringey Migrant Support Centre	Haringey	1,500
Enfield Citizens Advice Bureau	Enfield	1,250
The Manna	Islington	1,000
Albert Kennedy Trust	London-wide	1,000
All People All Places	Haringey	1,250
Action for Refugees In Lewisham	Lewisham	800
Richmond MH Social Care Team	Richmond	500
Bexley Voluntary Service Council	Bexley	1,000
The Caridon Foundation	Croydon	1,000
Ace of Clubs	Lambeth	1,500
The Upper Room	Hammersmith & Fulham	1,500
Homerton Hospital Charitable Fund	Hackney	1,000
Welcare	Lambeth/Southwark	1,000
Harrow Citizens Advice	Harrow	1,500
Hospital Social Work Team	Tower Hamlets	800
Helen Bamber Foundation	London Wide	1,300
Refugee Council	Hackney/London Wide	2,000
Project 17	Hackney/London Wide	2,000
St Giles Trust	Southwark	1,500
CARAS	Wandsworth	1,000
King's College Hospital	Southwark	1,000
Headway East London	Hackney/East London	1,500
Glass Door	Kensington and Chelsea	1,500
Age UK Redbridge	Redbridge	1,000
London CLT	Tower Hamlets	1,000
Traumatic Stress Clinic	Camden	2,500
King's College Hospital - Palliative Care Team	Lambeth/Southwark	1,000
Praxis Community Projects	Tower Hamlets	2,000
Carers Centre Tower Hamlets	Tower Hamlets	1,300
East Wandsworth CMHT	Wandsworth	500
Harrow Hospital Social Work	Harrow	500
Big Issue Foundation	London-wide	1,000
Norwood	Hackney	1,200
Birth Companions	London-wide	1,500
St John the Evangelist Church	Hackney	800
Compliments of The House	Lambeth	750
London Jesus Centre	Camden/Westminster	1,000
Bromley Brighter Begins	Bromley	1,500
Advice 4 Renters	Brent	500
Cardboard Citizens	Tower Hamlets	1,000
Royal Hospital for Neuro-Disability	London-wide	1,000
Migrants Organise	Kensington and Chelsea	1,500
Hillingdon Mind	Hillingdon	1,000

SAMARITAN GRANTS(continued)

Organisation	District	£
Lee Green Lives	Lewisham	750
The Food Chain	London-wide	1,000
SWLST NHS Kingston REIS	Kingston	500
City Gateway	Tower Hamlets	800
Shaftesbury Clinic	Wandsworth	750
Slam Traumatic Stress Service	Wandsworth/London	800
Hackney Doorways	Hackney	1,500
This Is GrowTH LTD	Tower Hamlets	1,000
Sophie Hayes Foundation	London-wide	1,000
River House Trust	Hammersmith & Fulham	800
Sufra NW London	Brent	1,300
Slam Southwark Assessment Liaison Team	Southwark	800
Z2k	Westminster/London	1,300
IRMO	Lambeth	750
Young Roots	Croydon/Brent	1,200
Jeremiah Project	Merton	750
Vineyard Community Centre	Richmond	1,000
Body & Soul	London-wide	1,000
Westminster RC Diocesan (Bakhita House)	Hammersmith & Fulham	1,000
The Magpie Project	Newham	750
West London Day Centre	Westminster	1,500
Hackney Migrant Centre	Hackney	2,000
Doctors Of The World UK	Newham	1,500
C4WS Night Shelter Homeless Project	Camden	1,000
Freedom from Torture	Islington/London	1,200
Chelsea and Westminster Hospital	Kensington & Chelsea	1,000
LB B&D NRPF	Barking & Dagenham	1,000
	Total	£82,200

THE HOSPITAL SUNDAY APPEAL: DONATIONS IN 2019

Donor	£
Antony Hornby Trust	1,000
BE Rodmell Trust	64
Barking United Reform Church	54
Tolworth United Reform Church	90
Share Certificate Auction (Spink & Son Ltd)	2,473
St Paul's Cathedral Recital Collection	661
The Loveday Charitable Trust	1,000
Institutions Total	5,342
Individuals & anonymous	7,929
Trustees	385
Total Donations	13,656