

# Paul Hamlyn Foundation

Trustee Report and Financial  
Statements 2012/13



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## Chair's statement

This year marked an important milestone in the history of the Paul Hamlyn Foundation. It is 25 years since the Foundation was set up in its present form, and we decided to mark this anniversary by making a small number of substantial donations to important organisations of very different kinds with whom we've enjoyed productive associations over the past decade.

These organisations exemplify a boldness of action alongside a generosity of spirit. Among them is the extraordinary Jaipur Foot clinic in India, which fits thousands of people each year with prosthetic limbs. The Roundhouse in north London empowers young people to get involved in the creative industries. Tate is setting in play a new national network for the arts, Circuit, enabling disenfranchised communities feel they have a real stake in their museums. All are making a potentially crucial difference to people's lives. Each of these organisations – and many more whom we fund in the fields of the arts, education and learning and social justice – are determined that what the Foundation gives creates an opportunity for them to give too – with intelligence, imagination and flair.

In addition to the anniversary gifts, a few highlights stand out for me. In July 2012 we hosted a 'digital camp' at our London offices, bringing together 70 young migrants, workers from the sector and technology developers to explore ways of offering online support to young people with irregular immigration status. The voices of these young people, their desire and determination to become involved in our society rather than living on its edges, could not have provided a more affirmative counterpoint to the demonising of 'undocumented' people in Britain which remains depressingly present in our public life.

A different but equally important aspect of our work, our desire to understand the range of outcomes of our funding, saw the publication of our first Impact Assessment which provides valuable insights into the effectiveness of some of the programmes we fund.

Initiatives such as these, and countless more, are testament to the imagination and drive of our Director Robert Dufton. Robert steps down in the summer of 2013 after leading the Foundation for almost a decade to join the Centre of Charity Effectiveness at Cass Business School in London as a senior Visiting Fellow. The Foundation has undergone a decade of very significant growth and change under Robert's inspiring leadership and we owe him a huge debt of gratitude.

Our new Director Martin Brookes joined us in June and we are looking forward to Martin leading the Foundation in next stage in the next phase of its life. Over the next year, Martin will be working with our Board of Trustees and advisors to develop a new strategic plan which will build on what the Foundation has achieved and learned over the past few years.

Finally I would like to extend my thanks to the exceptionally committed team at the Foundation, and to the trustees for the time, energy and ideas they bring to our work.

**Jane Hamlyn**

Chair

# Paul Hamlyn Foundation

Paul Hamlyn was an entrepreneur, publisher and philanthropist, committed to providing new opportunities and experiences for people regardless of their background. From the outset, his overriding concern was to open up the arts and education to everyone, but particularly to young people. In 1987, he established the Paul Hamlyn Foundation for general charitable purposes.

Since then, we have continuously supported charitable activity in the areas of the arts, education and learning and social justice in the UK, enabling individuals, especially children and young people, to experience a better quality of life. We also support local charities in India that help the poorest communities in that country gain access to basic services.

Paul Hamlyn died in August 2001, but the magnificent bequest of most of his estate to the Foundation enabled us to build on our past approaches.

## **Mission**

To maximise opportunities for individuals and communities to realise their potential and to experience and enjoy a better quality of life, now and in the future. In particular, we are concerned with children and young people and with disadvantaged people.

The objects of the Foundation are to further such charitable purposes and to benefit such charitable institutions as the Trustees see fit.

## **Values**

In line with our founder Paul Hamlyn's values, we believe in giving opportunities by realising people's potential and in fighting prejudice.

We are interested in finding better ways to do things and help organisations to sustain and develop their work. We pay particular attention to long-term issues. We are not afraid to address issues which others may find challenging or unpopular. Whilst being willing to work in partnership with government, we are also prepared to challenge its (and other people's) established thinking. We believe independent foundations have an important role to play in society.

## **Strategic aims**

Our strategic aims were originally set for the six years 2006-2012 but have been rolled forward for a further year. They are:

- 1 Enabling people to experience and enjoy the arts.
- 2 Developing people's education and learning.
- 3 Integrating marginalised young people who are at times of transition.

In addition, we have three related aims:

- 4 Advancing through research the understanding of the relationships between the arts, education and learning and social change.
- 5 Developing the capacity of organisations and people who facilitate our strategic aims.
- 6 Developing the Foundation itself to be an exemplar foundation, existing in perpetuity.

The Foundation will be reviewing its strategic plan in late 2013.

### **Programmes**

We seek to achieve our first five aims by establishing three partly overlapping programmes for our work in the UK: arts; education and learning; and social justice. Themes and priorities within each programme may change over time. Each of the three programmes has an open grant scheme and special initiatives, the latter targeted at issues we particularly want to address to achieve long term improvements in society. We have a separate programme for our work in India.

We expect the programmes and the work we support to have an impact at the levels of individuals, organisations, communities and policy.

### **Grant-making information**

Full information on the objectives of each programme, their themes and priorities, eligibility and assessment criteria, application and grant making processes is available on the Foundation's website. Eligible applicants are asked to submit online an outline application to the Foundation.

For further information, please see [www.phf.org.uk](http://www.phf.org.uk)

# Director's report

In a year when we marked a major anniversary it is particularly pertinent that we have been considering our impact and performance against the strategic aims of the last few years. This year the completion of a major impact assessment has revealed much about how far we have come, and will be helpful in thinking about where next we might go. The next phase for the Foundation will be under new leadership so in this, my final director's report, it is useful to acknowledge the significance of the Foundation's values. As the pages on the anniversary and those devoted to our work over the past year indicate, these have been an invaluable guide for the choices we make about how the Foundation works.

## **Changing relationships**

While the values remain consistent, we do of course need to be prepared to work in different ways as circumstances and strategy dictate. We have given much thought to the style of relationship we seek to have with organisations, whether through our Open Grants schemes or Special Initiatives. We produced new advice on this last year and have developed new resources to support applicants this year. But we have also begun to think about the various types of relationships we have. We carry out increasing amounts of work that we label 'grants plus', such as bringing organisations together to enable shared learning. In thinking about the different approaches we can take to grants, their evaluation and the learning that can be gained from them, we are moving towards a more varied and nuanced suite of relationship types.

So while the ethos in our grant-making to learn by doing remains constant, the ways in which we approach this have been developing. One significant area that we have been working on this year has been a programme to build resilience in organisations through practical support. 'Fitter for Purpose' was set up to respond to the tough times many of our grantees are facing, but also reflects a strategic aim to improve the capacity of organisations we support. We subcontracted the National Council for Voluntary Organisations (and via NCVO its sister organisations elsewhere in the UK) to provide tailored support from specialist consultants in different areas of organisational development, such as governance, strategy or action planning. We are running the scheme as a pilot, supporting 31 current or past grantees in three cohorts. An ongoing evaluation will inform future decisions on whether and how we will seek to carry forward this activity.

## **Impact and learning**

Our impact assessment exercise culminated in the publication of 'Assessing Impact' in October 2012. Based on a framework categorising observed outcomes from completed grants and Special Initiatives between 2007–12, it charts an 'Impact map', which provides an overview of how we have delivered change at our three target levels of individuals and communities, organisations, and policy and practice. The report, summarised here on pages 31–33, provides considerable evidence that we have met the aims of the strategic plan that we published in November 2006. The process we developed for looking at our impact has attracted considerable interest amongst other foundations in the UK and abroad.

Learning remains an important theme of our work, as we continue to strive to learn from the work we support, and as we seek to share what we learn. We jointly funded research, published this year, on approaches to learning and evaluation by European foundations, carried out by the European Foundation Centre.

Notable examples this year of us sharing our own learning include the production of toolkits for the new Language Futures scheme – an offshoot of our earlier Learning Futures Special Initiative. The Social Justice programme's Right Here initiative, a partnership with the Mental Health Foundation, ran a showcase event at which four youth-led projects shared the approaches developed for providing mental health services to 16–25 year olds.

In January we welcomed fellows from the Clore Cultural and Social Leadership programmes and staff from the Esmée Fairbairn and Calouste Gulbenkian Foundations, who joined PHF staff and trustees to deliberate on the theme of community engagement. Around 60 people took part in the two-day event at our offices. A Clore Fellow, John Orna-Ornstein from the British Museum, worked on a secondment with us during early 2013, exploring innovation in a sample of our grants. Niyati Mehta, Arts Manager with the Sir Dorabji Tata Trust in India, has spent time at the Foundation undergoing mentoring as part of her Clore fellowship. Beyond the Clore programmes we include funding within some grants for leadership development, particularly for new leaders of smaller organisations. We contributed to the Cabinet Office review by Dame Mary Marsh into third sector leadership and skills.

While we seek to have impact on practices, we also seek to affect policy. The programme reports within this Yearbook each contain examples of coalitions or other forums through which we seek to effect change at this level. In January, eight trustees wrote to The Times to express concern about Department for Education proposals for the new English Baccalaureate that excluded arts subjects from the core set of subjects against which schools would be measured. They argued that the consequences of this exclusion, which has been seen to reduce provision in many schools, would have a disproportionate effect on disadvantaged children. The letter encouraged the ongoing campaign from the Cultural Learning Alliance, of which we are a founder member. The Department's plans are now under review.

### **Strategy development**

We continue to work to improve our understanding of our own performance as a grant-maker. This year we repeated the Grantee Perception Report exercise that we first undertook with the Center for Effective Philanthropy in 2009. This time we also ran an applicants' survey to learn about perceptions among those we have not supported. As of press time the final results are not yet in but we are encouraged by high participation rates. The results will be invaluable to the Foundation's next strategic plan.

Taking that work forward with the trustees will be Martin Brookes, whose appointment as the next director of the Foundation we announced in March. A former Chief Executive of New Philanthropy Capital, with which the Foundation has worked on a number of projects during the last few years, he brings a strong track record within the philanthropic sector. I wish him every success in the post.

Other staff changes this year included welcoming Eve Dallas as grants officer in our Social Justice team. We said goodbye to Gillian Goode, grants officer in our Arts team, and wish her well in her new career. We thanked Denise Mellion and Julia Mirkin for covering the posts of staff on maternity leave (in each case the second time covering the same role). Our programme advisors Roger Graef, Rob Berkeley and Jennifer Izekor stood down this year and we welcomed Fiona Dawe and Benita Refson. Roderick Jack joined as an advisor to the Investment Committee.

On a personal note I wish to record my gratitude to Jane Hamlyn and the trustees, past and present, who have so ably guided my work for the last nine years. My thanks also go to my colleagues on the staff, our consultants and advisors, with whom it has been a pleasure and a privilege to work to deliver the mission of the Foundation: helping people realise their potential and to enjoy a better quality of life.

**Robert Dufton**

Director

# Arts Report

**The Arts programme's aim is to expand access to and enjoyment of the arts. During 2012/13 we have continued to pursue this in a number of ways, but have been acutely aware of the risk to access posed by cuts to local authority arts budgets. An important focus for the Arts programme has been on work to support communities' engagement with the arts, seeking ways to enable real empowerment to counter the greater risk of disenfranchisement currently faced.**

## Community agency

Our two action-research Special Initiatives – ArtWorks: Developing Practice in Participatory Settings and Our Museum: Communities and Museums as Active Partners – have spearheaded efforts at driving engagement. Through Our Museum, we are working to enable substantial organisational change within museums and galleries to make community 'ownership' permanent and embedded, rather than peripheral to institutions' main work. ArtWorks is seeking to build better infrastructure for artists to learn how to work better in participatory environments at various stages in their careers.

This year both initiatives entered more active phases, with publications, seminars, events and large residential conferences. Under the guidance of their respective steering groups – and chaired by members of the Arts Programme Committee – these programmes are also starting to communicate early findings. Each has a thriving online community of interest, in which hundreds of professionals – including many not directly involved with the initiatives – are able to share ideas and learn from the work taking place. Both initiatives aim to change practice across the UK and we will start to disseminate our findings more actively in the months to come.

Our Open Grants scheme has also included a number of grants geared towards helping communities to engage with the arts. The El Sistema model, which has enjoyed such success in social as well as musical terms in Venezuela, has been employed in the UK for some time. We were an early funder of Sistema Scotland and the 'Big Noise Raploch' scheme and have renewed our support for a further two years. We have also funded Sistema-inspired interventions in Liverpool with three years of support for Royal Liverpool Philharmonic Orchestra's 'In Harmony' project in West Everton.

We are underpinning targeted action-research for FilmClub to look at the impact of film on disadvantaged children, as well as supporting a collaboration between the National Portrait Gallery and five other museums across the country to explore how major historical anniversaries (such as the centenary of the First World War) can be relevant to young people today. While children and young people remain a focus of our grants, we also very much want to support work with adults and older people – such as the Sir Oswald Stoll Foundation's theatre project for veterans, which our funding is underpinning.

A further element in our approach to support communities is to seek to reach them in all parts of the UK. From this year's Open Grants scheme, about half of the grants were either UK-wide or across more than four regions, while funding in London accounted for only about 16 per cent of grants made. This reflects our long-term interest in funding outside the capital.

**Advocacy**

While the context for the arts is changing, so it is for education. Many in the arts have been alarmed by potential threats to arts provision in schools. The Cultural Learning Alliance, of which we are a founding member, has played an important role in articulating a collective voice, representing over 9000 signatories. It has served as an important, independent, critical friend in the National Curriculum review and the debate on changing performance measures for schools, consistently presenting evidence of how the arts and heritage have the power to transform people's lives. Following three grants, we have committed to cover half of the core costs of running the Alliance for the next two years, in partnership with the Clore Duffield Foundation.

We also followed with great interest the emergence of the What Next? movement. It started in London with leaders of about 20 arts organisations meeting weekly, but has now gathered significant national momentum with other groups meeting in Manchester, Liverpool, Coventry, Cambridge, Cardiff, Newcastle and the South West. An event held in late April 2013 at the Palace Theatre in London gathered over 600 people from across the UK to discuss how arts organisations, acting together, can enhance the national conversation about the value of art and culture. We feel that the meeting was a turning point and will lead to more groups meeting regularly in many new locations. We look forward to finding ways to play a part in this unfolding story.

Our support for the wider arts sector this year included two initiatives starting to re-think how to fundraise. We have witnessed a steady development of crowd funding, while the government hopes to encourage more private giving, including through Arts Council England's Catalyst scheme. While private giving simply cannot replace the public funding that is being withdrawn, we have supported DONATE, a funding scheme that enables giving to cultural institutions using mobile phones and tablets, and Redefining Values, a series of seminars and workshops in Newcastle and London to provide fresh thinking in sustainable fundraising strategies.

**Supporting visionary individuals**

Our support of outstanding individuals in the role of 'cultural entrepreneur' has continued through the Breakthrough Fund Special Initiative. While some of the initial 15 grants drew to a close in 2012/13, eight remain active. Following a thorough interim evaluation of the first iteration of the Breakthrough Fund, which highlighted the unique nature of our approach and its importance in the current UK funding landscape, trustees approved a further £3m for another two cycles of grants. While work continues to develop through the remaining current grants, we will also be commencing new relationships – with the next cohort of grants to be announced in 2014.

The busy Cultural Olympiad during summer 2012 included over 500 events throughout the UK. We are proud to have supported Serious over two years to develop and run four participatory projects in Scotland, Poole, Norwich and Barnet. They culminated in performances as part of the 'BT River of Music' extravaganza on 21 and 22 July, when hundreds of professional and amateur performers from all over the world took over six main stages across London. We were particularly attracted to this work because the projects showed a commitment to working with young people and communities over an extended period of time, rather than just for the duration of the Games. This commitment also ran through the other project we supported – 'Babel', part of World Stages London in Caledonian Park, Islington in May.

**The year ahead**

Following closely in London's wake are the Derry-Londonderry City of Culture 2013 celebrations. We are supporting the Nerve Centre's Academy of Music, a programme that forms a major part of the City of Culture Children's Music Promise.

We will continue in our work to seek to extend and safeguard access to the arts for individuals and communities, while moving forward our initiatives to help strengthen the sector. The arts ecology has proved remarkably resilient in the face of increasing pressure on funding. We will do our best in the coming year to keep it that way.

## ***Arts Special Initiatives***

**ArtWorks: Developing Practice in Participatory Settings**

*A workforce development programme for artists  
£135,802 in 2012/13*

The ArtWorks Special Initiative supports five pathfinder partnerships in Wales, Scotland and England to develop new approaches to the training and development needs of artists at all stages of their careers across a range of art forms, locations and settings.

During 2012/13, the programme progressed from research and consultation into delivery of pilot schemes based on this learning. The pilots take diverse approaches including online learning, CPD provision and postgraduate programmes, salon events, peer-to-peer learning and new training delivery methods for further and higher education institutions.

In April 2013, ArtWorks hosted a conference, 'Changing the Conversation', in partnership with the Higher Education Academy and Creative Cultural Skills. The event brought together over 120 artists, employers and training providers to share knowledge and practice and generate more partnership working to enhance provision in the field. We believe it was the first time that these three groups of participants were represented in equal numbers and engaged in this kind of discussion.

The distinctive characteristic of ArtWorks is collaborative and reflective learning through action-research. Much research has been published and is available on the ArtWorks website. A regular monthly e-newsletter reaches over 400 people with an interest in this area of work. The ArtWorks 'Platform' seminar series is also attracting wide audiences across the UK.

Beyond the pathfinder work, we have commissioned a significant piece of research that will engage with employers and commissioners of artists working in participatory settings, to be published in 2013/14. We have also commissioned a series of 'working papers' that crystallise the learning to date and will assist the wider sector in developing practice.

An interim evaluation by DHA Communications and the Institute of Cultural Practices, University of Manchester was received in December 2012, looking at the initiative to date and identifying opportunities and challenges. The project's director, Dr Susanne Burns, continues to work closely with the pathfinder partnerships and the evaluation team, led by Tamsin Cox, to disseminate learning from the initiative.

### **Awards for Artists**

*Support for individual visual artists and composers*  
*£440,989 in 2012/13*

The Awards for Artists scheme supports individual artists to develop their creative ideas by providing funding with no strings attached over three years. The Awards are made on the basis of need, talent and achievement. In 2012, awards of £50,000, paid in three annual instalments, were made to eight recipients (the first year at this level, following a review in 2011/12).

#### **Composers**

Steve Beresford, Eliza Carthy, Edmund Finnis

#### **Visual Artists**

Ed Atkins, Pavel Büchler, Andy Holden, Elizabeth Price, Lis Rhodes

The November 2012 Awards for Artists announcement reception was held at the Foundation for the first time, following our move to new offices in King's Cross. The guest speaker was John Wilson, journalist and presenter of BBC Radio 4's Front Row, who spoke about young people in the creative industries.

In March 2013, the first Awards for Artists dinner took place at the Foundation, bringing together previous judges and recipients in the first or final year of their Award, to meet outside of the formal announcement reception and share experiences. We will continue to hold this dinner every year.

### **Breakthrough Fund**

*Funding for visionary cultural entrepreneurs*  
*£37,251 in 2012/13*

The Breakthrough Fund aims to unlock significant developments and outcomes in the arts that would not otherwise be achieved. It responds to the compelling visions of outstanding people working in the role of 'cultural entrepreneur' in a wide variety of art forms and contexts. This Special Initiative offers transformational and timely support for these individuals and their organisations to pursue these visions.

Three annual selection processes starting in 2008 led to 15 grants totalling £3,879,765 (all approved in previous financial years) – ranging from £83,000 to £360,000, with an average value of £255,000. By March 2013, seven of the grants were completed – the most recent being Nii Sackey/Bigga Fish; Stuart Bailie/Oh Yeah Music Centre; Tom Chivers, Sam Hawkins and Marie McPartlin/London Word Festival; and Natalie Abrahami and Carrie Cracknell/The Gate Theatre. Some of the remaining eight grants continue through to 2015.

We will be evaluating the impact and outcomes of the most recently completed grants during 2013. This will add to the growing picture established by an interim evaluation completed by our advisor, Kate Tyndall, during 2012. The evaluation considered the strategic role and position of Breakthrough Fund support within the wider arts funding context and made an initial assessment of the emerging outcomes and impacts of the fund's grants. This overall assessment will be maintained as the grants progress. It will also incorporate longitudinal reviews, two years after the completion of each grant.

Based on the findings of the interim evaluation, PHF trustees decided in March 2013 to allocate in principle £3m for two further cycles of the Breakthrough Fund (£1.5m for each).

### **Our Museum: Communities and Museums as Active Partners**

*Facilitating organisational change within museums and galleries*

*£206,806 in 2012/13*

Our Museum supports development and organisational change within nine museums and galleries to embed active partnership with their communities, with the ambition of affecting the museum sector more widely. This was the initiative's first full year of operation.

One of the year's highlights was a session on Our Museum at the Museums Association's annual conference in November 2012. The session was one of the best attended, with 120 participants.

The initiative's training and development programme began in early 2013. This is a major investment in the future of the organisations participating in Our Museum. It mixes a variety of approaches – from action learning sets to senior critical friends working with directors and community partners – across a range of carefully targeted personnel responsible for change. The programme brings in tested approaches from outside the museum sector and is led by Manchester-based consultancy Dovetail.

We published 'Is Revisiting Collections Working?' by Caroline Reed in March 2013. The report evaluates Revisiting Collections, a tool to help museums, galleries and archives to open up their collections to scrutiny by community groups and external experts, and to include these public interpretations as part of their permanent collection records. The Revisiting Collections approach provides a way for museums, galleries and archives to extend and deepen true participation in all aspects of their work.

The project's director, Dr Piotr Bienkowski, has continued to work closely with the evaluation team – Gerri Moriarty and Sally Medlyn – to support dissemination of emerging findings from the work.

# Education and Learning Report

**At the heart of our Education and Learning work is a desire to ensure that children and young people, particularly those from disadvantaged backgrounds, benefit fully from the springboard that education can give them to realise their potential.**

In the UK, there is a strong correlation between students' socio-economic background, family income levels and school attainment measures. Our contribution to tackling this fundamental issue can only ever be very small in relation to national policies, strategies and budgets. We therefore target areas of practice and understanding where we hope to make a distinctive contribution. Current government policy, such as the proliferation of academies, often focuses on improving school performance to ensure that more schools rated highly by Ofsted serve disadvantaged areas. However, analysis by the Institute for Public Policy Research, a current grantee, shows that this push on school improvement can never be sufficient to close the attainment gap between rich and poor pupils. We also need strategies that operate within schools, addressing classroom-level practice and providing well targeted interventions for those pupils who need them, to even up educational outcomes for all students. (IPPR's book, 'Excellence and Equity – tackling educational disadvantage in England's schools', funded through a PHF grant, was published in June 2013.)

This year, much of the work we have supported, and ourselves delivered, responds to this challenge. Strengthening the collective knowledge base in education, facilitating effective collaboration and learning, and building strategic partnerships between schools and the wider community, are themes that have continued to run strongly through our Special Initiative work and many of our Open Grants this year.

## **Building collective knowledge**

Evaluation and evidence building are integral to all of our Special Initiatives. This year the evaluation of our Learning Away initiative has been given a sharper focus, with data collection that will enable us to test much more directly our key hypotheses about the impact that high quality residential can have on both pupil and school-level outcomes. We have also launched a new phase of What Works?, our higher education initiative. Sixteen universities will be implementing the recommendations from phase one to enhance student retention and success. A multi-faceted evaluation will ensure we have hard data about impact and useful insights into the practical challenges of building student belonging through the academic domain.

Having transferred the leadership of our 2008-12 Learning Futures initiative to the Innovation Unit, we were pleased to see that the follow-on work will now include a rigorous evaluation, funded by the Education Endowment Foundation, to test the impact of project-based learning in schools.

An evaluation by OPM, of three organisations supported under our truancy and exclusion grants theme, has reached its final phase. SWIFT, Mounts Bay Academy and Teignmouth Community School are successfully using therapeutic approaches to improve children's and their families' engagement with schools. The exercise is generating useful learning for the wider sector as well as the three grantee organisations who have enthusiastically shared their practice with each other.

As many of our supplementary school grantees lack the capacity to manage an in-depth analysis of their impact, we have commissioned a research exercise to assess the impact that supplementary schools can have on pupil progress and attainment. The results will be available towards the end of 2013.

### **Effective collaboration and learning**

Manchester-based Radio Regent is one of several grantees that have been active in sharing good practice with others and working across a sector this year. Its 'Connect-Transmit' project is a two-year partnership project working in England and Scotland to grow the number of community radio stations providing high-quality speaking and listening development programmes for young people. Other grantees supported this year that will be actively sharing good practice and learning with others include Mulberry Bush in Oxfordshire, Shpresa in London, and the University of Central Lancashire through its 'Your Future, Your Life' programme.

Whole Education, a partnership organisation that we have supported since its inception, is playing an important role in facilitating practice-sharing among its growing network of more than 500 schools. As schools are given greater curricular freedom, Whole Education is stimulating important discussions and showcasing innovative learning approaches that foster a blend of knowledge and skills while ensuring high attainment against conventional, exam-focused measures.

All of our Special Initiatives seek to facilitate good practice sharing and ensure that ownership of new approaches is fostered among those working on the ground. A highlight of the year has been the launch of a new vocal and technology pilot for Year 7 students by Musical Futures. Overwhelming interest in the new pilot quickly led us to open it up more widely. Within two months, 178 schools had signed up, accessing support and training materials online. A weekly live chat on Twitter enables teachers to network and share ideas. An online 'sharing wall' is full of examples of the pilot strategies operating in classrooms across the world. It has become a way for teachers to document their students' progress, and a public forum for watching the work unfold. The ongoing development of the project is now being driven, in real-time, by the teachers and students involved.

We have continued to support the development of Language Futures, which motivates and engages students in language learning by giving them choices about what and how they learn. We have developed a toolkit with Linton Village College and others, to share new practices with schools and language teachers more widely.

### **School and community partnerships**

Through our Open Grants we have continued to encourage close working between mainstream and supplementary schools. We were pleased to award a significant grant (£262,738) to Paiwand, an exemplary supplementary school in north London. Paiwand will expand its three schools to provide maths and English support for 390 disadvantaged children and young people over three years. Eighteen mainstream schools will refer pupils and provide financial support and free premises, thus ensuring greater long-term sustainability and a more strategic partnership across the sectors.

Partnership building is at the heart of our Musical Bridges initiative. We were pleased to feature in one of eight partnership case studies that accompanied a new Ofsted report, 'Music in Schools: Sound Partnerships'. Over the coming year, we anticipate that around 40 music education hubs will use our resources and materials to facilitate effective partnership working between primary and secondary schools. This will help to ensure that pupils have their musical expectations met at secondary school and continue to see themselves as developing musicians.

### **The year ahead**

Over the coming year we look forward to drawing lessons from the Musical Futures pilot and sharing with others our learning about facilitating peer-to-peer online practice-sharing. We will be launching our Learning Away website and our first publications and resources for schools from this initiative. We will be refining our Musical Bridges offer to music education hubs and schools and building up our set of case studies of strong primary to secondary transition practice. As part of our continuing grants work we anticipate completing an internal grant mapping exercise to help us analyse our portfolio and its impact under each theme. Along with our Special Initiative evaluations, this will help to inform the Foundation-wide strategic planning process, leading us into our next phase of work to increase educational opportunity for all.

## ***Education and Learning Special Initiatives***

### **Musical Futures**

*A movement to transform music education in schools  
£365,908 in 2012/13*

As Musical Futures approaches ten years of operation there is continued demand and enthusiasm for the approach from schools across the UK and internationally. We have redefined the initiative as a movement to reshape music education, driven by teachers, which has at its heart a set of pedagogies designed to engage secondary school pupils in meaningful, sustainable music learning.

The focus of our work has been on supporting, and sometimes challenging, teachers and education professionals to implement Musical Futures teaching and learning strategies. This has primarily taken place through more than 50 training courses and networking events, through work with initial teacher training institutions, and through a best practice conference for our 40 Musical Futures 'Champion Schools'. The initiative's website has been redeveloped to improve the navigation of the vast bank of free resources, many created by teachers themselves, and we have added to these new materials on assessment and the potential whole-school impact of Musical Futures.

Perhaps the most exciting development during 2012/13 has been the development of a set of strategies to use the voice (in partnership with The Sage, Gateshead) and music technology, particularly in Year 7 (age 11–12), as Musical Futures currently has the least impact on this group. The strategies take as a starting point two instruments which are immediately accessible to the majority of students – the voice and the mobile phone. They focus on giving students skills, techniques and confidence to create music as part of a group, perform, improvise and compose. The pilot began in March 2013 and within two months 178 schools became involved. Many are already seeing an impact on student engagement and teacher confidence. The programme is already offering interesting insights and challenges to conventional thinking about how to pilot a new project.

More information can be found at the initiative's website, [www.musicalfutures.org](http://www.musicalfutures.org)

## **Learning Away**

*Achieving more through school residentials  
£174,539 in 2012/13*

Through this initiative, we aim to encourage schools to make a greater commitment to providing high-quality residential learning experiences for pupils. During 2012/13, the focus of our work has broadened from supporting the development of practice across 60 participating schools, to a more outward-looking phase, actively sharing our findings and learning with the wider sector.

A core aim of Learning Away is to generate new insights and understanding about how and why residential learning benefits students, teachers and schools. Initial findings from our external evaluator, York Consulting, support our hypothesis that high-quality residential learning can have a substantial positive impact across a range of outcome areas.

Findings clearly show that Learning Away residential are valued by pupils, staff, parents and schools. The evidence suggests that many positive impacts are also being sustained back at school, such as development of relationships, confidence and engagement with learning, and the development of teachers' practice. Schools that focused Learning Away activity on improving attainment are seeing good evidence of impact, reinforced by initial analysis of quantitative data. More than 70 per cent of secondary school students stated that, as a direct result of their Learning Away residential, they are less likely to give up when they find things difficult at school.

Our emerging impact evidence has attracted significant interest at a number of national events and conferences. Over the coming year, we will develop new ways to share our learning, launch a Learning Away website, organise our first national conference and publish an interim evaluation report.

The 60 participating Learning Away schools are beginning to share their practice with other schools. Working collaboratively across clusters, they are developing a suite of targeted tools and resources to enable other schools to adopt a Learning Away approach to the design, planning and organisation of residentials.

## **What Works? Student Retention and Success Programme**

*Helping universities ensure students' success*

*£247,650 in 2012/13*

The first phase of this initiative (2008–11) uncovered significant qualitative evidence that in higher education, a sense of belonging is critical to student retention and success. Although other studies have also pointed to this and many staff in universities would readily accept the contention, it seems that the implications are often not addressed in institutional priorities, policies and practices. Where strategies are employed to boost student engagement, they are often focused on narrow groups of students, and situated outside of the academic domain, failing to meet the needs of increasingly diverse student groups who may not access broader social and pastoral support services. This is particularly worrying in light of our finding that much larger numbers of students are at risk of withdrawal than are generally acknowledged.

Led by the Higher Education Academy and Action on Access, the second phase of What Works? was launched this year with a group of 16 universities from across the UK, selected to participate in an institutional change programme. The programme will support them in implementing the recommendations from phase one across a range of disciplines. A high priority will be the evaluation and analysis, over three years, of institutional and student survey data to assess and quantify the impact of the approaches implemented. Professor Mantz Yorke has been appointed as an advisor to help ensure the rigour and consistency of these processes.

Over the coming year, participating universities will focus on institutional-level priorities for change and then progress to implementing change at the course or discipline level. Learning from this phase of the initiative will be shared on an ongoing basis and through a final conference and report in 2016.

## **Musical Bridges**

*Improving practice to support young people as they progress from primary to secondary music education*

*£164,009 in 2012/13*

It is clear that there is no single model or set of activities that should be seen as a blueprint for transforming transition between Key Stages 2 and 3. Instead, Musical Bridges advocates use of a 'Five Bridges' framework (after Galton, Gray and Ruddock, 1999) that can help schools to develop a comprehensive strategy for improving transition through five processes: managing pupil information; supporting pupils' personal and social needs; joining up the curriculum; sharing pedagogies; and engaging pupils as active participants in the transition process and in their own musical learning.

This year, we have developed additional tools and resources to help schools assess their practice across these 'bridges' and work collaboratively to address weaknesses. We have also continued testing our approach through work with ten music education hubs across the country which have recruited music teachers for a professional development process.

At the core of the Musical Bridges approach is a commitment to partnership working – between schools, teachers, parents and pupils. Making this commitment is the starting point

for transforming transition. The University of Sussex, reporting on its evaluation of our early professional development work, highlighted ‘practitioner mobilisation’ as the most productive demonstration of partnership working, describing this as “encouraging practitioners to reflect upon and develop their own practice by observing and working alongside colleagues in other settings and across phases”. The report noted that this has “consistently been one of the most valued aspects of the Musical Bridges programme” with “clear evidence of multiple ways in which this has helped to develop self-reflection, curriculum, pedagogy, opportunities and cross-phase awareness”.

Over the coming year, we will further refine the Musical Bridges offer to schools and music hubs, increasing flexibility in how resources can be used to support strategies for change. A national award scheme will recognise further examples of strong transition practice from across the UK and new case studies will be developed to illustrate some of the strongest examples emerging from our work to date.

# Social Justice Report

**The Social Justice programme aims to help marginalised individuals and communities become integrated. We see integration as a two-way process in which society at large and specific communities adapt, understand and benefit.**

A key ambition is to help organisations give young people who are socially excluded greater voice and influence in public and policy discussions.

The programme does not focus solely on youth sector organisations. Since it was established in 2006, over 200 grants have been made to organisations across sectors including housing, health, refugees and migration, arts, education, disability, domestic violence and criminal justice.

Young people and organisations that support them face enormous challenges: high youth unemployment, austerity, service and welfare cuts. In this difficult and fast-changing context, our Open Grants scheme and Special Initiatives are designed to help organisations adapt by building capacity and undertaking innovation.

We support risk-taking in pursuit of greater impact and, alongside grant funding, may support grantees with evidence and evaluation, leadership development and networking. We particularly welcome collaborative approaches, exploring new ways of combining organisations' resources; we ourselves collaborate with funders and others where we can achieve more collectively.

## **Immigration initiative**

This year our Supported Options Initiative moved into its delivery phase. This work, focusing on the difficulties faced by young people with irregular immigration status, exemplifies the type of social issue PHF is likely to encounter more: problems characterised by being resistant to resolution and where the effort to solve one aspect of the problem may reveal or create other problems. Our approach has been to combine grant-making with inquiry, research and creative approaches that have included experimenting with digital technology, new partnerships between service providers, a learning set for frontline workers, and a blog documenting the lives of young undocumented migrants.

The Initiative, a partnership with US-based foundation Unbound Philanthropy, has engaged in learning and exchange with other US organisations. In February PHF hosted a seminar with Carlos Saavedra, a leading US campaigner on immigration issues. Following a training session with young activists, he addressed an audience of funders, policy makers and NGOs, explaining how a movement of young undocumented migrants made a big impact on US immigration policy. He helped open up a debate, in which we are engaged, about whether and how a similar movement might develop in the UK.

Through our Open Grants scheme we continue to make around 30 awards each year, now averaging around £125,000 each. This year saw our largest single grant to date, a £750,000 award to Inspiring Scotland to support 22 organisations in its 14:19 Fund. This is the first time the Foundation has invested in such a 'venture philanthropy' model. We will engage closely with Inspiring Scotland to share insights on how best to support organisations to spread and sustain high-impact work.

**Innovation and risk**

Half of our current grants focus on either the development of new services, the adaptation of proven approaches, or changing the way the organisation operates. For instance, this year Canopy Housing, Body and Soul, and Reclaim were all supported around income generation to increase their impact and sustainability.

The programme supports pilot programmes, action research, and work to influence policy. For instance, the Standing Committee for Youth Justice will help push young people's needs up the agenda as youth justice policy and funding enters a period of flux.

Indefinite Films received funding towards a feature-length film which will introduce to a wide audience the experiences of unaccompanied young asylum seekers in the UK. 'Leave to Remain' is a 'coming of age' drama in which established professional actors appear alongside young refugees whose acting skills had been developed through taking part in 'Film School' training, run by the grantee.

We have sought through our funding to encourage radical thinking around the design and delivery of services for young people. At a national level, Law Centres Network was funded to strengthen the capacity of law centres to support young people with legal issues. In the South East, we have enabled YouthAccess to give young people a central role in helping shape GP services, as part of a larger Department of Health strategic initiative.

We also support new approaches to issues that are emergent, complex and high risk. For example, Public Achievement Ltd initiated a partnership with the Police Service of Northern Ireland, testing a new model of civic youth work in North Belfast. In Glasgow, West of Scotland Regional Equality Council received a second grant to improve the way it captured outcomes data in its ground-breaking work with Roma young people, who face considerable challenges integrating and accessing education and leisure services.

Over the year we added to our growing cohort of 'start ups'. Chance for Change, The Reporters Academy, and BounceBack are young organisations building up their delivery programmes, and generating evidence of impact. The organisations the programme supports are mainly younger, and we have decided to partner up with other funders in commissioning some research into how charitable trusts can support 'start ups' most effectively.

The Foundation has also, alongside others, been at the forefront of generating different ways of bringing new financial models to the social sector, including social impact bonds. We will continue to do what we can to open up other funding sources for wider benefit.

**Collaboration for greater impact**

We collaborate with others in a variety of ways – from jointly funding organisations to participating in wider coalitions. We continue, for example, to be active in the Corston Independent Funders' Coalition. Its Women's Diversionary Fund, alongside the Ministry of Justice, supported the creation and development of holistic services for women in the criminal justice system in England.

We also continue our involvement with Changing Minds, a small group of foundations funding around negative attitudes to migrants. Our contribution to date has been a grant to Citizens UK to support diaspora young people to forge joint social projects in their local areas and, through a grant to University of Manchester Institute of Social Change, to combat a lack of rigorous data around attitudes to migration and migrants.

It remains unusual for most grants to have a straightforward impact on policy and government funding, but we were delighted with the outcome of an Open Grant to the Scottish Refugee Council and Aberlour Child Care Trust. It demonstrates that a collaborative approach by funders and delivery partners can achieve change that was unthinkable only several years ago. Our funding, with grants from Big Lottery in Scotland and the Scottish Government, established a pilot Guardianship Service for Unaccompanied Children. After two years' delivery and evaluation, the Scottish Government agreed to continue and increase funding for the Service, making it the only one of its kind in Europe. The evaluation is available on our website, and will inform similar services, should they emerge elsewhere in the UK and Europe.

### **The year ahead**

We have four main priorities for the year ahead.

First, we will continue to encourage more high-quality applications from across sectors and parts of the UK that meet our priorities for support. Second, we will work with clusters of grantees to help foster new alliances, knowledge exchange and learning. Third, we will launch a new Special Initiative focused on vulnerable girls and young women, with an emphasis on criminal justice, and our Initiative on young people and mental health will enter its final phase (details overleaf). Fourth, in anticipation of a medium-term future of far fewer services and opportunities, we will develop plans for an inquiry into how to unlock the potential of young people who have been excluded from mainstream opportunities.

## ***Social Justice Special Initiatives***

### **Supported Options Initiative**

*Support for children and young people with irregular immigration status  
£144,019 in 2012/13*

Supported Options aims to improve the lives of children and young people with irregular immigration status, through grant-making and assistance. Many children and young people in this situation can be extremely vulnerable and need assistance to address their legal status or consider return. Until now this area has not been funded.

The initiative funds new approaches to supporting young people and families without legal status, building on existing services. Six organisations are developing different approaches to supporting families or individual young people. The initial phases have included outreach sessions and home visits linked to children's centres, mental health services and faith settings. The projects are dealing with much immediate practical need for housing, clothes and emergency food. Two projects are providing direct legal representation, with several young people winning legal status to remain in the UK.

Project staff meet regularly as part of a 'learning community' to discuss emerging issues and challenges, including successful strategies for legal representation, and how to respond strategically to the concerns expressed by young people.

A second strand of the initiative is research and development to clarify the context for undocumented young people. In mid 2012, there were significant legal and immigration policy developments concerning young people. Grantees expressed concern about legal advisors' ability to give advice in the wake of these changes. We commissioned a leading barrister, who identified at least 15 potential legal routes for young people to explore with legal support. We shared her review with our grantees, enabling them to offer clear advice. The document has been published for a wider audience. We also chaired a meeting of lawyers, finance experts, funders and NGOs to explore finance models that might help to secure legal status, and have commissioned further work.

An ongoing action-inquiry into the potential for social media and digital technology to improve advice to young people began with an 'innovation camp', run by On Road Media, to generate ideas. We awarded seed funding to 'stress-test' three ideas: to help orientate newly arrived young people; to develop a safe and secure way for young people to get advice online; and pro-bono legal support for young migrants to access the 'exceptional funding' scheme, established by government to act as a safety net for those who become ineligible for legal aid. Following this, we established a working group of experts to guide our plans for implementation of the next steps.

For some undocumented young people, returning to their country of origin is the most appropriate outcome. We undertook a detailed scoping exercise on the advice and support needs of young people facing return. A small development grant to the Refugee Support Network will support 50 young people to return more safely as a result of receiving pre-departure emotional support and practical advice. We are working with our six advice projects on how they engage with the issue of return, and will hold a 'learning community' meeting on this topic. We are also engaging with the Scottish Refugee Council's Guardianship scheme (which we co-fund) to explore returns options with young clients.

A final aim of the Initiative is to bring the voice of young people who are undocumented to the fore, and to be able to reach new audiences. We commissioned photographer and writer Len Grant to work with young people in Manchester. In January 2013 he launched the blog 'Life Without Papers', which has been well received within migrant sectors. The blog won the inaugural 'Speaking Together' award at the Refugee and Migrant Woman of the Year awards.

The Special Initiative is jointly funded and managed with Unbound Philanthropy, and coordinated by a consultant. A reference group is chaired by Fiona Dawe OBE, advisor to the PHF's Social Justice Committee. The Institute for Voluntary Action Research is conducting an evaluation.

## **Right Here**

*Mental Health Special Initiative in Partnership with the Mental Health Foundation  
£320,804 in 2012/13*

Right Here is a £6m Special Initiative started in 2008 developing new approaches to support the mental health of young people. Working with four partnerships in Brighton and Hove, Fermanagh, Newham and Sheffield, the aim is to create effective support for young people at risk of developing mental health issues, and to raise awareness of mental health among young people and help tackle stigma. Each partner's approach is to engage young people in the design, delivery and management of projects. They are testing a variety of ways to meet the needs of young people and put young people's mental health on the policy map. The four Right Here projects have been engaged in another busy year as they approach the end of their funding. Highlights included the production of a good practice guide for GPs to improve the quality of emotional health advice for young people. This work began as a study by young volunteers at Right Here Brighton and Hove and we believe could have a major bearing nationally on how GPs can better support young people.

Elsewhere, young people's views have been strongly represented to policymakers, including through a policy roundtable event in Northern Ireland and contributions to Newham Council's review of mental health arrangements for adolescents and young people. Young volunteers in Sheffield contributed to a range of mental health service improvement initiatives, including an emotional wellbeing and mental health toolkit for schools.

An evaluation by the Tavistock Institute identified positive changes in the well-being and resilience of young people engaged in Right Here activities. Young people reported being better able to cope with challenges, increased confidence, better understanding of mental health issues, new skills and experience, and more constructive leisure activities. We have appointed the Institute for Voluntary Action Research (IVAR) to undertake additional evaluation work until the end of the initiative.

At a national level, Right Here joined Comic Relief and Nominet Trust to launch a new funding stream, to support the development of digital tools to support young people's mental health. A large-scale 'Innovation camp' over two days at the Foundation's offices brought together young people with developers and mental health professionals to develop ideas for digital technologies that can help young people with mental health issues. Seven partnerships will be implementing the best ideas by June 2014.

In February, Right Here held its first showcase event to demonstrate the work of the four projects and the new digital initiative. It was chaired by Gregor Henderson, Director of Wellbeing and Mental Health at Public Health England. Young people were prominent at the event, giving speeches, using social media and delivering workshops.

We will be publishing an evaluation of Right Here and pursuing a wide-ranging programme of dissemination as we seek to ensure that the most successful approaches developed through the initiative are taken up more widely.

# India Programme Report

**While 2012/13 marked the 25th anniversary of the Foundation, it also marked 20 years since PHF's first grant was made in India. Among the anniversary gifts was an endowment of £1m to one of our oldest partners in India - the Bhagwan Mahavir Viklang Sahayta Samiti (BMVSS), an organisation synonymous with the evolution of the Jaipur Foot, one of the most advanced prosthetics available in the developing world.**

The gift was an expression of the Foundation's faith in BMVSS, and will help it to evolve as a self-sustaining organisation and explore new ways to extend services to the poorest and most vulnerable people in India.

In November 2012, some PHF trustees and staff visited India, to announce the Jaipur Foot gift and to learn at first-hand about some of the issues being tackled by the India programme. Their visit first took them to a rural area to understand communities there, people's lives and livelihoods, social dynamics and aspirations. It provided a brief but critical view of vulnerability and poverty in rural India. This was followed by a seminar on rural to urban migration, an emerging area of development work in India. This helped to develop an understanding of how people in resource-poor areas were coping, and considered the link between India's rapid growth and aspects of society that are being overlooked. To connect the rural situation with the urban, and to understand urbanisation and the development of the services sector in India, the visit ended with a look at livelihoods and conditions for the migrant population in Savda Ghevra, a large resettlement area on the edge of Delhi.

The visit thus gave a good cross-sectional view of the development concerns that India faces and an insight into the role PHF is playing and could play in India.

## **New strategy**

The Foundation introduced its first strategic plan for the India programme in 2007. Since then the programme has operated through an Open Grants approach where a variety of well thought through, topical and appropriate works proposed by NGOs have received support. In total it has made 104 grants to 56 organisations (33 on a repeat basis) under the plan. Building on the review of our work undertaken in 2011, a new strategy for the India programme for the period 2013–18 was approved by trustees in December 2012.

The proposed strategy builds on the previous one and adds a few new areas of interest and concern. It continues to focus on the most vulnerable communities, to suggest that we work on ideas that fit well with the prospective plans of the organisations we support, and emphasises accountability and transparency.

The new strategy, however, provides some key new directions:

- It focuses on ‘knowledge creation’ as an important intended outcome of the work that we will support (and have supported).
- It stresses the need to work on enhancing human and institutional capacities within the development sector.
- It rationalises the geographical reach of the Foundation’s work.
- It identifies some especially vulnerable groups which require more proactive support and positions the Foundation to provide that.
- It recognises the growing link between rural and urban development issues and attempts to expand the Foundation’s work in urban areas.
- It attempts to go beyond funding work that has direct impact on vulnerable communities, by proposing also to fund work, at the macro and meta levels, with an indirect impact on the lives of vulnerable people.
- It plans to enter into collaborations which help achieve strategic goals.

The new strategic plan will help us to strengthen our role in India and make our support more meaningful to the people it benefits and the development sector as a whole.

### **Runaway children**

The first especially vulnerable group that we have identified for in-depth focus under our new strategy is runaway children on railway platforms. We commissioned a study, ‘Lost Childhoods’, which paints a picture of the overall situation in the country as it stands today. While the issue affects a very large number of children, it remains largely hidden from public view. Covering the wide spectrum of situations and conditions that affect this vulnerable group, the study traced the evolution of the work on child protection in India. It outlined the legal and institutional framework that exists in the country to address child protection, discussed the various approaches that are being used by NGOs to address the issue, and evolved a strategic approach for our work.

We will use the study as a basis for initiating grants to selected NGOs which can together present a complete picture of the issue and generate experiences of addressing it. In this way we will develop ideas and recommendations to help people in India become conscious of the situation of this vulnerable group, and to prompt the government to take appropriate action.

Outside of our strategic framework, we made a couple of disaster relief grants in July 2012 following the sectarian violence that erupted in Assam. The grants helped two existing grantee organisations to set up relief and rehabilitation camps. The grants have completed their course and things are now normalised as much as can be expected. Though it will take some time for the situation between communities to stabilise completely, both organisations are now involved with facilitating the peace building process.

The India programme appointed a new advisor this year. Neera Burra is a development worker with experiences ranging from working with communities to managing grant programmes in the UN. Her work with children and child protection, and her research knowledge, will assist the India team.

**Knowledge creation**

Even excluding the anniversary gift, the past year has seen our highest expenditure in the India programme to date. This is partly due to the timings of committee meetings, as we have had three during the year instead of the normal two. However, with the roll-out of our new strategy, support in India is likely to remain at a higher level.

Our funding in recent years for programmes that strengthen local self-governance systems in India – the panchayats and municipalities – led us to host a conference in Ahmedabad in March 2013. Our focus has been on building the capacities of elected women representatives, helping communities to access their entitlements and work towards a more robust system. One of the most important concerns expressed at the conference was the need to fund programmes that expand the public domain and give more powers and control to elected representatives. Another was about strengthening the institutions as organisations using established development tools. The outcomes from the conference will help us to structure future initiatives.

The work we fund has much to contribute in terms of knowledge and experience. To create knowledge that can be made available to the wider development community, we have begun to consolidate the information received from grantees' reports and to compile common experiences. These have helped us to improve our programming and increase the possibilities of sharing between grantees. The coming year will see this work developing further and taking more significant form.

## Other grants

### **The Helen Hamlyn Trust**

*£2,000,000 in 2012/13*

The Helen Hamlyn Trust is an independent grant-making trust focusing on the initiation of medium and long-term projects linked to the shared interests of Lady Hamlyn and her late husband Lord Hamlyn. The Trust's core ethos is to develop innovative projects that aim to effect lasting change, improve quality of life and create opportunities to benefit the public.

The Trust's grant-making is centred on medicine, arts and culture, education and welfare, healthy ageing, international humanitarian affairs, heritage and conservation in India. Small grants of up to £10,000 are given to local and regional charities. The Trust establishes lasting relationships with leading organisations and individuals to enable new areas of work to develop.

The trust is pleased to be working with The University of Oxford – Bodleian Libraries supporting the design, construction, fitting out, professional fees and maintenance of the Helen Hamlyn Trust Treasury in the Weston Library as part of the Bodleian Libraries.

Amongst other projects, the Trust continued its work this year with Imperial College, London; the Royal Marsden; Moorfields Eye Hospital; London Symphony Orchestra; Royal Opera House; the Royal College of Art; and York University. In India it continued to work with INTACH on restoration projects in Goa and Rajasthan, and to support cultural development at Nagaur Fort, Rajasthan. In the US it supported the Vignelli Centre Endowed Professorship at the Rochester Institute of Technology. In Portugal it supported the Setubal Music Festival.

The Trust's Open Futures initiative ([www.openfutures.com](http://www.openfutures.com)) is a primary school curriculum programme that brings 'learning to life' for young children. It champions a fundamental shift in how the National Curriculum is delivered, by re-focusing education on intuitive approaches that ignite children's passion for learning.

This year the Helen Hamlyn Trust celebrated its 10th anniversary with the publication of 'Nurturing Innovation' and the creation of ten short films about major projects the Trust has initiated since it began. These can be viewed at [www.helenhamlyntrust.org](http://www.helenhamlyntrust.org)

### **Paul Hamlyn Clubs**

*£10,904*

Support costs: consultancy, travel and event costs related to the selection of participating organisations.

### **Association of Charitable Foundations**

*£45,000*

Support for policy, advocacy and communications work.

## ***Anniversary gifts***

*(chronologically by date of announcement)*

### **October 2012**

*£5m endowment to the Roundhouse Trust to underpin the work of the Paul Hamlyn Roundhouse Studios*

The Roundhouse Studios work with around 3,000 young people (aged 11–25) a year, providing opportunities for training in creative industries including music and video production, radio and filmmaking. The work of the Roundhouse - the iconic performance space in north London - feeds into the activities of the Studios, and the money raised by the Roundhouse business is channelled back into the Studios' work with young people.

Forty per cent of the opportunities at the Roundhouse Studios are used by young people whose circumstances mean they might not otherwise have been able to access them.

### **November 2012**

*£1m endowment to Bhagwan Mahaveer Viklang Sayahata Samiti (BMVSS, also known as 'Jaipur Foot'), for the Paul Hamlyn International Centre for Prosthetics and Orthotics*

Jaipur Foot makes and fits prosthetic limbs free of charge. Its support for disabled people, particularly the poor, enables them to regain mobility and become self-reliant and fully participating members of the community. Since its inception in 1975, Jaipur Foot has helped rehabilitate more than 1.3 million people, making it one of the largest organisations supporting disabled people in the world.

The gift is an endowment to support the ongoing work of BMVSS in making and fitting prosthetic limbs, and to support the work of the Paul Hamlyn International Research Centre for Prosthetics and Orthotics.

### **December 2012**

*£5m to Tate, for Circuit: A national youth network for the visual arts*

'Circuit: A National Youth Network for the Visual Arts', is a programme for 15-25 year olds being rolled out across the country through a partnership of art galleries.

The six lead organisations are Tate (working across its four galleries including Liverpool and St Ives), and five partners from the 'Plus Tate' network: firstsite, Colchester; MOSTYN, Llandudno North Wales; Nottingham Contemporary; Whitworth Art Gallery, Manchester; and Wysing Arts Centre in collaboration with Kettle's Yard, Cambridgeshire.

The partnership aims to reach 80,000 young people aged 15-25 over four years, providing opportunities for young people across the UK, particularly those who have the least access to the arts, to participate and shape their own cultural experiences.

The following gifts were made in the 2013/14 financial year and they are not included in the financial statements which follow.

### **May 2013**

*£2.5m for Paul Hamlyn Club Awards to five performing arts venues in the UK*

The Paul Hamlyn Club Awards were made to five performance venues across the UK to support audience development activities with a particular focus on extending access to sections of the community not currently attending performances.

The original Hamlyn Club, at the Royal Opera House, was created in 2005 as an audience engagement initiative, building on the success of the 'Paul Hamlyn performances', which for 20 years targeted people who had never attended a performance. The club offered subsidised tickets through a flexible booking system and tailored information about productions. More than 5500 new people attended the Opera House during its five-year span until 2010.

The recipients are: Citizens Theatre, Glasgow; Hall for Cornwall, Truro; Opera North, Leeds; Royal Liverpool Philharmonic, Liverpool; and Sherman Cymru, Cardiff.

### **July 2013**

*£1m to the Reading Agency for its 'Reading Activists' programme*

The Reading Agency was founded in 2002 and was supported by the Foundation early in its life. Its mission is to give everyone an equal chance in life by helping people to become confident and enthusiastic readers. It focuses particularly on people who need extra support to become readers – children in their formative years, disadvantaged young people and adults with poor literacy skills.

Our final anniversary gift supports the national roll-out of its 'Reading Activists' programme, which aims to engage 30,000 11-19 year olds through a range of activities including the creation of 6,000 volunteering opportunities and a programme of creative reading and writing road-shows.

# Impact report

**As we approach the end of our current strategic plan, we need to understand more fully what difference our funding has made in the areas we have chosen to target and to use this information in considering possible future directions. As noted in last year's Yearbook, we have been developing a new approach to assessing the impact of PHF funding. This has enabled us to create a 'map' of the outcomes that have resulted from our grant-making over the last few years, across the full range of PHF's types of funding and UK programmes.**

Our strategy has stemmed from a belief that the positive impact of our funding for individuals and communities can sometimes be increased by helping organisations to develop new strategies or implement changes in practice. We therefore intend our funding to have an impact not only on people directly, but also on the organisations that support them, and on practice and policy within their sectors.

## **Developing an impact framework**

We used grantees' reports to the Foundation to produce a 'big picture' of the changes brought about through PHF funding. By sorting grantees' reported evidence of change into categories, we developed a classification – a framework – of the outcomes achieved through PHF funding. We found 14 broad outcomes, which could be grouped into our three types of change – for individuals and communities, for organisations and for practice and policy.

These 14 broad outcomes provide an immediately accessible overview of the impact of work funded by the Foundation. A second level in the classification gives a finer grained understanding of the types of change. This has 37 sub-categories.

## **Meeting PHF's strategic aims?**

There were six main outcomes for individuals and communities, which contribute to the aims in the following ways.

*Strategic aim one: Enabling people to experience and enjoy the arts*

Funding has increased both access to and participation in arts and cultural activity by a wide range of people (outcome 5). This was achieved in four ways: reaching larger audiences; creating access for people with no previous experience of an art form; enabling participation in new arts experiences; and helping people to develop a longer-term interest in the arts. Grantees ranged from large and internationally renowned cultural venues, to local organisations rooted in communities.

Artists taking up new opportunities to develop their work (outcome 4) led also to opportunities for public engagement in the arts. Artists worked on projects in their work with communities, with vulnerable young people in schools, the community and in criminal justice settings. Continual professional development for artists working in participatory settings (outcome 3b) supported people's participation in a range of arts and cultural activity.

*Strategic aim two: Developing people's education and learning*

Funding has had an impact on the education of both children and young people and of adults (outcome 3). Children and young people progressed in educational attainment (1c) improved their school attendance and engagement in learning (1b and 1f) and improved speaking and listening skills (1e).

Skill development for adults, both paid staff and volunteers, was a common feature of funded projects' strategies to improve their own services and to spread new practice more widely. Continual professional development for teachers and others in educational settings (3c) has enhanced their practice, benefiting students' learning.

*Strategic aim three: Integrating marginalised young people who are at times of transition*

The outcomes for marginalised young people included the development of a wide range of skills and attributes to enhance their future prospects and wellbeing, including self-confidence and team working skills (1a, 1g, 1h) and moves into new jobs, training or volunteering.

Marginalised young people were supported to make their needs and experiences known to service providers whose decisions affect their lives (outcome 2). The young people involved in the projects came from varied backgrounds and experiences, including young people who were: 'NEET'; ex-offenders; from asylum seeker, refugee and migrant backgrounds; young male sex workers; experiencing mental health problems; living with HIV/AIDS; and had learning disabilities.

Within communities, some marginalised young people developed new or stronger relationships with others of the same age group and across generations (outcome 6).

*Strategic aim five<sup>1</sup>: Developing the capacity of organisations and people who facilitate our strategic aims*

All the types of change that have contributed to the first three strategic aims have been facilitated by and made more sustainable by investment in individuals and organisations.

As we have seen, many people in different settings have taken part in training and CPD (outcome 3) and artists have had new opportunities to develop their work (outcome 4). Organisations have changed too, by responding more effectively to groups with whom they previously had little contact or whose needs were poorly served (outcome 7). New business models were often ambitious and innovative, producing service improvements for users and, for some organisations, leading to new or more secure sources of income (outcome 8). New and stronger partnerships brought together the different areas of expertise, infrastructure and relationships that were needed to meet various types of shared objectives. Some partnerships involved close cooperation between small numbers of organisations; others were larger, cooperative networks (outcome 9).

<sup>1</sup> Strategic aims four and six were not intended to be achieved through grant-making

**Reflections and next steps**

One of the most useful effects of this sort of analysis is that it prompts thinking and suggests questions for discussion, at both strategic and operational levels. The findings also provide a baseline against which we can examine future trends and changing patterns.

The 'impact map' will inform PHF's thinking about policy and planning for the future. The map suggests a number of questions for further consideration, including:

- What desirable or intended outcomes are missing or are less numerous than we would like? If there are such gaps in the map of actual outcomes, how does our funding strategy need to change?
- Are some of our intended or actual outcomes more important than others? Which might be future priorities and how do we fund to achieve them?
- Are the outcomes for organisations the ones we want to see? Are there other outcomes that we should seek to encourage? Do different types of organisations have different needs?
- How important is it for the Foundation to try to bring about change by influencing wider practice and policy? What can we learn from where this has happened successfully? What could the Foundation do to be more effective in this area and enable grantees to have more influence?

More on the development of the impact framework and its findings can be found in the report 'Assessing Impact', which is published on our website.

# Reference and administrative details and audit report

The annual report (which comprises pages 1–74 and the list of trustees, staff and advisers) and financial statements are prepared on a combined basis for:

- The Paul Hamlyn (1987) Foundation (the Trust) established on 15 April 1987 by Trust Deed which has been amended in subsequent years. Registered charity number 327474.
- Paul Hamlyn Foundation (the Company), formed on 12 February 2004 as a charitable company limited by guarantee and not having a share capital. Company number 5042279 (registered in England and Wales) and registered charity number 1102927.

On 6 May 2004, the Trustees of the Trust transferred the activities and the majority of the assets of the Trust to the Company. A further transfer took place in 2010/11. On 31 March 2013 the assets of the Trust stood at £10.9m and these are included within the financial statements shown on pages 61 to 64.

The principal office of both the Trust and the Company is 5-11 Leeke Street, London WC1X 9HY, which is also the registered office of the Company.

## **Structure, governance and management**

The Board of Trustees, comprising not less than three and not more than eleven members, meets at least four times a year to agree the broad strategy and areas of activity of the Foundation, including consideration of grant-making, investment, reserves and risk management policies and performance. The Board considers grant applications above £150,000.

The principal committees, which all report to the Board of Trustees, are:

- Arts, Education and Learning, India and Social Justice Programme Committees (each comprising three trustees and up to four external advisory members) meet at least quarterly to consider applications up to £150,000. Decisions on applications to the UK programmes up to £10,000 may also be taken by staff committees and are reported through the Programme Committee to the Board of Trustees.
- Finance and Investment Committee, comprising up to five trustees and three or four external advisory members, meets quarterly to consider investment strategy, manager appointment and performance, and two or three times a year to consider financial matters.
- Remuneration Committee, comprising the Chair and the Chairman of the Finance and Investment Committee and at least one other trustee, meets at least once a year.

The day to day management of the Foundation is delegated by the Board of Trustees to the Director.

The Board keeps the skill requirements for Trustees under review. The Trustees create a long list of appropriate people to meet identified gaps. A sub-committee interviews a shortlist of candidates. Trustees are initially appointed only until the next AGM by the Appointor provided for in the Articles of Association. The renewal of appointments (for a period of up to three years) is made by all trustees acting as members of the company. The current Appointor is Jane Hamlyn, who was designated so under Paul Hamlyn's will. The induction process for any newly appointed trustee comprises a meeting with the Chair, and meeting(s) with the Director and other staff, together with receipt of a pack containing copies of the Memorandum and Articles of Association, the annual report and accounts, board and committee minutes and Charity Commission guidance notes.

Trustees have identified and considered the major strategic, operational and financial risks to which the Foundation is exposed. They are satisfied with the procedures which have been established to review these risks regularly, and with the actions taken to mitigate exposure to them.

Trustees have considered the Charity Commission's guidance on public benefit and confirm their view that the Foundation's objects and aims as set out on page 2-3 are in alignment with the public benefit requirements of the 2011 Charities Act. The Trustees Report on pages 1 to 32 demonstrates the activities of the Foundation and how they meet the principles as defined in the Act.

#### **Statement of trustees' responsibilities**

The trustees (who are also directors of Paul Hamlyn Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# Auditors' Report To The Members Of The Paul Hamlyn Foundation

We have audited the financial statements of Paul Hamlyn Foundation for the year ended 31 March 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

## **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on pages 35-36 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Scope of the audit of the financial statements**

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

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2013 and of its incoming resources and application of resources, including its income and expenditure and cash flows, 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.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustee Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

We have nothing to report in respect of the following matters where 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.

**Clive Everest** (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

27th June 2013

# Financial Review

## **Endowment Fund and Investment Portfolio**

### *Against a tough economic backdrop a year of progress*

The Endowment Fund represents the original gifts by Paul Hamlyn, both in his lifetime and under the terms of his will, together with net gains from related investment assets. The Trustees have discretion to make disbursements from the Endowment fund in circumstances they consider appropriate. Investment returns from the Endowment investment portfolio are used to finance grant-making and other work.

After a sharp retreat in spring 2012, most developed world markets made steady progress throughout the rest of the financial year. The Investment Committee, who under specific terms of reference are charged by the Trustees with managing the Paul Hamlyn endowment portfolio, continue to position the investments with the view that the impact of the credit shortage the world over will be prolonged sub-par growth. During the year the Committee gradually increased the risk of the portfolio while maintaining an overall conservative view. The Foundation made gains of £58m from a portfolio exhibiting a low level of risk in both absolute and relative terms. The total size of the fund, including cash held in working capital, was £615m at 31st March 2013.

The Foundation has wide investment powers which are specified in its Memorandum of Association. All Trustees are involved in setting investment policy, but authority to decide strategy is delegated to the Finance and Investment Committee. The Finance and Investment Committee, with input from senior staff, consultants and Paul Hamlyn Foundation's own Investment Director Richard Robinson, sets asset allocation and engages professional managers running its multi-asset, multi-manager portfolio. Most of the managers have discretionary mandates although use of advisory and passive strategies is made for reasons of efficiency and cost saving.

The Foundation's investment policy is to:

- Maintain in the long run the real purchasing power of the Endowment fund.
- Invest in a diverse range of assets which are most likely to give good total returns in the long term, in order to maximise the total real value of the amounts available for grant-making and other work.
- Manage volatility as far as possible, while accepting that a degree of volatility is concomitant with seeking high returns.

Two years ago Trustees accepted the recommendation of the Investment Committee that, after a detailed review, spend at 3.5% - 4% per annum of the previous year's endowment value would be reasonable in the medium term albeit demanding in an era of low nominal returns. Ongoing review of this work will be undertaken, particularly if markets prove to be unrewarding over a period of years. Any decision to alter the agreed level of spending would not be taken lightly.

Marking our 25th year, however, in 2012/13 PHF Trustees decided to increase the level of spend by making available substantial additional funding for a set of 'Anniversary' gifts divided between a limited number of organisations we know well who are making a real impact in their areas of expertise. These are financed out of accumulated capital gains since the Foundation's inception and the gifts have begun to be drawn down from March 2012.

In terms of overall portfolio shape the Finance and Investment Committee continue to run a highly diversified portfolio with significant equity orientation. At Paul Hamlyn Foundation we also focus on absolute return funds together with assets that do well in both inflationary and deflationary periods in the attempt to build a conservative asset mix not overly dependent on any single economic scenario or asset class.

This last 12 months we have learnt more about social investment and begun to look at the pros and cons of incorporating some aspect of this into our process. The modified guidance from the Charity Commission for England and Wales, our regulator, in circular CC-14, is helpful in assisting in the decision making for what are termed 'mixed motive' investments. As yet the Foundation has, in the main, kept grants and investments separate. With our own consultants we reviewed our governance practices and were satisfied that overall our investment procedures were robust and sensible.

It was not a year of major change. Good investment is, as often as not, about resisting the temptation to meddle with a well constructed portfolio. We can report, however, that significant portfolio developments in the past year were as follows:

- Our listed equities bias, which is towards the largest capitalisation companies was rewarded. This trend may continue for some time although there is growing evidence that some exposure, on market weakness, to more value oriented stocks may be warranted. Overall, we moderately increased our equity exposure.
- We had maintained our exposure to both UK and global index linked bonds as a hedge against inflation but in 2012/13 began to sell down our position.
- We continued to fund our commitment to private equity, including venture. This now includes partnership with a specialist fund which manages music artists rights. Our overall private equity portfolio, whilst young, is beginning to return cash.
- Strong returns came from our emerging hedge fund portfolio. The Foundation continued to build out its exposure.
- In property our core holding in the sector remains the specialist 'Charity Property Fund', which had a solid year. The Investment Committee is well aware that the UK property sector is undergoing fundamental change as the impact of the downturn coupled with the structural challenges to retailing by the shift towards the internet are felt.

- We favoured the US dollar all year. As 2012 ended sterling rallied but we have maintained our bias against our own currency. We run our currency exposures on a 50% sterling/50% non sterling neutral position and can move to 70/30 or 30/70 when felt appropriate. We are aware that currency plays a key role in investment returns and monitor our positions and decision making carefully.
- We have added to our equity management resources by recruiting Rod Jack as a special adviser to our Investment Committee. He has considerable expertise in this area and will complement our existing team of Simon Gillis, Paul Woolley and Lord Gavron, to whom we are very grateful for their sage advice and support.

In terms of asset allocation the Endowment fund was positioned as follows during the year:

- Overall exposure to equities was 50.8%. This includes shares listed on stock exchanges both in the developed and emerging markets. We regard this equity-focused part of the portfolio as the major return driver for the Foundation over the long term.
- Alternative investments currently stand at around 22.8% of the portfolio. This includes both hedge funds, private equity and venture funds as well as some absolute return type strategies. The Foundation receives expert guidance on these asset classes from Cambridge Associates as it continues to build out its long-term programme of diversification.
- Because we fear inflation and the ravages of its effects on the real value of our portfolio, we have about 10.2% of the portfolio in investments which are usually good performers in such times, property and index linked bonds. This is lower than last year and reflects some profit taking in this area.
- Conventional bond exposure is low at 7.1%.

The balance of the portfolio, 9.1%, is held in liquid investments on deposit with leading banks, or in specialist emerging currency funds benefitting from the long-term strength in the currencies in the developing world.

The Foundation's Endowment investment portfolio rose by +12.4% for the financial year to 31st March 2013, making an overall advance, over the last 5 years of approximately +40.1%, in line with the Trustees' target of preserving the value of its purchasing power after taking into account spend and inflation.

**Unrestricted and Restricted Funds and Reserves**

The Foundation's unrestricted fund is used to finance the Foundation's tangible fixed assets and working capital and to provide a short term buffer for grant making and other costs. The unrestricted fund is financed by returns on investments, including investment income and transfers from the endowment fund. During the year, £17.1m was transferred from the endowment fund and at 31st March 2013 the unrestricted fund had a zero balance. The Finance Committee has agreed to manage its reserves by ensuring a sum equivalent to at least six months of working capital commitments (including grant commitments is held in readily accessible liquid assets. This policy is reviewed annually. At the end of 2012/13, investment holdings in cash and other liquid deposits were approximately £32m and six months of commitments are estimated at approximately £16.9m.

The restricted fund comprises grant income from partners jointly funding some of the Foundation's special initiatives. At the end of the year, the fund stood at £115,168.

**Expenditure**

Grants awarded before adjustments increased by 53% in 2012/13 when compared to 2011/12. This was because of the gifts awarded to mark the Foundation's 25th anniversary (£11m in total). When this figure is excluded there is a reduction in expenditure on grants when compared to last year of approximately £1.68m although the number of grants awarded has increased from 150 to 180. Spending on open grants stayed at a similar level to 2011/12 and the majority of the reduction in year on year expenditure can be seen in special initiatives where the timing of activity over years is variable.

Support costs have increased by £467,000 when compared to last year, but 2011/12 contained an exceptional write-back of a previously accounted for dilapidations provision on the Foundation's old office premises. When this is excluded, the increase is reduced to £272,000 (13%). This partly reflects some additional one-off costs around the 25th anniversary. 2012/13 was also the first year of full operation in our Leeke Street premises which brought with it some additional running costs when compared with previous years.

**Financial Risk**

The Foundation's principal material financial risks, including foreign exchange exposures, relate to its investment portfolio and are in line with similar long-term endowment funds in the sector. Overall investment risk management is predicated on running a diversified portfolio of high quality assets across a wide variety of asset classes and markets. The longer term strategic asset mix is set by the Finance and Investment Committee, with input from Cambridge Associates and others. Individual investment mandates are awarded to specialist managers after scrutiny by the Finance and Investment Committee with input from various sources. The Trustees consider the Foundation's risk profile on a regular basis.

**Tim Bunting**

Chairman, Finance and Investment Committee

# Grants awarded in 2012/13

## *Arts programme*

### *Special Initiatives*

#### **ArtWorks: Developing Practice in Participatory Settings**

Support costs : consultancy, events and dissemination	£135,801.54
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#### **Awards for Artists**

Eight awards to individual artists of £50,000 payable over three years

<b>Composers:</b> Steve Beresford, Eliza Carthy and Edmund Finnis	£150,000.00
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<b>Visual arts:</b> Ed Atkin, Pavel Buchler, Andy Holden, Elizabeth Price and Lis Rhodes	£250,000.00
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Support costs: administration and events	£40,989.33
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<b>£440,989.33</b>
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#### **Breakthrough Fund**

Support costs: consultancy and evaluation	£37,250.64
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#### **Our Museum: Communities and Museums as Active Partners**

Belfast Exposed	£1,492.00
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The Crosland Foundation (Ryedale Folk Museum)	£34,125.00
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Support costs: consultancy, research, dissemination and a peer review event	£171,188.60
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<b>£206,805.60</b>
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#### **Special Initiatives total**

<b>£820,847.11</b>
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## ***Open Grants***

### **20 Stories High**

Support towards the development and implementation of innovative national partnerships which will encompass professional touring theatre, engagement, participatory projects and digital activity.

£130,000.00

### **Apples & Snakes**

Funding for a contemporary celebration of the 50th Anniversary of Martin Luther King's 'I Have A Dream' speech through commissions, participation, events, spoken word, music and film.

£80,000.00

### **Artsadmin Ltd**

To facilitate a two-stage seminar for cultural leaders in the Newcastle Gateshead area, to follow up with participants in an earlier London pilot and to disseminate outcomes.

£8,000.00

### **Ballet Cymru**

Support for a partnership between Ballet Cymru and Rubicon Dance to enable greater access and opportunity in advanced training and participation for dancers and communities in Wales.

£137,300.00

### **CandoCo Dance Company**

To underpin the salary of a new post, Head of Learning and Research, for two years, supporting Candoco to embed learning across the organisation, and to nurture and influence others through its artistic practice.

£65,000.00

### **Caryl Jenner Productions Limited (Unicorn Theatre for Children)**

For the testing of a flexible ensemble repertory model that delivers work for young people of all ages.

£78,000.00

### **Celtic Neighbours Partnership**

For a three-day gathering, of organisations, artists and amateurs working in minority cultures, at Sabhal Mòr Ostaig in Skye at the end of June 2013.

£10,000.00

### **Clayground Collective**

To underpin a new phase of development in relationships with London institutions, policy-makers, community organisations and participants.

£10,000.00

### **Clore Duffield Foundation**

Support for championing and raising the profile of cultural learning, and for sharing information in the cultural and education sectors.

£10,000.00

### **Clore Leadership Programme**

Funding for a third Clore Cultural Leadership fellowship in Arts Participation and Engagement

£30,000.00

### **Contact Theatre Company**

Funding for 'Future Fires', creating sustainable cultural provision in communities with little or no provision by developing cultural leaders from within.

£50,000.00

### **Dance UK**

Core support over a 12-month period to enable Dance UK to explore how to develop a new national organisation to support the UK dance sector through the merger of existing bodies.

£136,000.00

<b>English Folk Dance and Song Society</b> For a professional development programme for emerging English Folk Music artists, to include an annual development conference, one-to-one mentoring, residential bursaries and professional support.	£33,000.00
<b>EXAUDI</b> Salary costs associated with a new Ensemble Manager for two years.	£50,000.00
<b>FILMCLUB</b> For targeted action research on emerging evidence that film and cultural engagement benefits children facing specific types of disadvantage: children from families that have recently arrived in the UK; children with SEN; and children living in rural and isolated areas.	£212,000.00
<b>Forward Theatre Project Limited</b> For a two-year collaboration between Forward Theatre Project, Pieces Productions, Nabokov and Theatre Uncut to share a General Manager, working simultaneously for all four companies. The appointment will allow each Artistic Director to focus on development, leading to increased production activity and greater organisational stability.	£64,000.00
<b>G Moriarity</b> Funding for a comparative study of three El Sistema-inspired music provision schemes for children: Big Noise in Raploch (Sistema Scotland); In Harmony West Everton (Royal Liverpool Philharmonic Orchestra); the Bridge Project (London Music Masters).	£10,000.00
<b>Get It Loud</b> For work with young people to develop a programme of live music and creative workshops in local libraries in areas of low arts engagement and provision.	£71,000.00
<b>Hackney Music Development Trust</b> Support for a unique jazz programme headed by Julian Joseph, to develop opera, dance and instrumental projects for young people, inspired by the historical roots of jazz.	£38,500.00
<b>Heart 'n Soul</b> Funding for a three-year programme of participatory creative events reaching adults with learning disabilities, adaptable to the new personalised budget model for social care.	£75,000.00
<b>Intoart</b> For a three-year programme to develop a Live Archive resource facilitated by people with learning disabilities as a public platform for critical dialogue, research, progression and peer-mentoring.	£60,000.00
<b>Ledbury Poetry Festival Ltd</b> To create a Listening Laboratory to experiment with and challenge how audiences listen to poetry, to benefit the work as well as the audience and participants.	£30,000.00
<b>Liverpool and Merseyside Theatres Trust</b> To support the development of Young Everyman Playhouse, an inclusive programme of participation, training and development for young people that will inform all aspects of the organisation's work.	£146,000.00
<b>London Centre for International Storytelling</b> Core support for public programming, audience building, venue, promoter and artist support, to help the organisation become a secure, high quality, creatively exciting flagship for the storytelling sector.	£67,000.00
<b>Music for Change</b> Core funding to underpin the salaries of two part-time staff, and support towards an organisational development review to improve the sustainability of the organisation.	£48,000.00

<b>Music Theatre Wales</b> For new activities in student training, artistic development and public performance that will enhance the public profile, educational role and artistic range of MTW in Cardiff.	£51,000.00
<b>National Funding Scheme</b> Support for the development of a new charity to deliver a freely available national donation scheme to bring in substantial new funds to arts and cultural institutions.	£50,000.00
<b>National Portrait Gallery</b> For 'National Memory, Local Stories', a project marking the centenary of the First World War, that aims to change the way major historical anniversaries are understood, increasing their relevance for young people today.	£165,000.00
<b>National Youth Theatre</b> Emergency core support for a year to help the organisation recover from a serious financial crisis	£100,000.00
<b>OTO Projects</b> Three years of support to enable the establishment of a sustainable operating model for delivery of OTO Projects' innovative programme, increasing engagement with experimental music and supporting the creative and professional development of musicians.	£105,000.00
<b>Paines Plough</b> To build a repertory of new plays performed by an ensemble of actors within the Roundabout Auditorium.	£140,000.00
<b>Pallant House Gallery</b> Funding for a transitional year for the 'Outside In' programme, to enable a sustainable delivery model for the national programme.	£50,000.00
<b>Panlogic</b> Underpinning of a research phase contributing to a business plan, prior to launching on 3 July 2012.	£23,500.00
<b>Philharmonia Limited</b> Additional support to enable one of the 'Universe of Sound' conducting pods to be installed in the Paul Hamlyn Roundhouse Studios for six weeks from June 2013.	£2,200.00
<b>Pop Up Projects CIC</b> Funding for the delivery of the Pop Up model to ten schools in 2012 and 12 schools in 2013, with evaluation and documentation of its impact on reading, writing and practice, and creation of new teaching resources.	£52,000.00
<b>Royal Liverpool Philharmonic Society</b> Core support for 'In Harmony', a programme of Sistema-inspired music-making activities for children, families and residents of West Everton.	£32,000.00
<b>Royal Liverpool Philharmonic Society</b> Funding for a further two years of core support for 'In Harmony'.	£120,000.00
<b>Sadler's Wells Trust</b> Core support for the launch and second year of the Sadler's Wells Proms from 2012-14.	£70,000.00
<b>Sinfonia Cymru</b> For the creation of a hub for cultural young entrepreneurs to devise and deliver the orchestra's associated performance, digital and educational activity/initiatives.	£67,000.00
<b>Sistema Scotland</b> To develop further Big Noise Raploch, enabling transition to an independent Local Authority-led funding model, and to open a new Big Noise Centre.	£200,000.00

<b>Spitalfields Music</b> Funding to commission, create and tour music for early years within three London boroughs with a view to developing a blueprint for working with this age range that can be shared with early years practitioners across art forms.	£87,000.00
<b>Stoll</b> To support the development of Combat Veteran Players, a theatre group led by veterans who have suffered mental trauma and who have no previous acting experience.	£75,000.00
<b>Strange Cargo Arts Company Limited</b> Funding to work with all 10,000 people in Cheriton to create a sustainable, innovative, inclusive and all-embracing community arts concept: Cheriton Arts Village.	£78,000.00
<b>The Arvon Foundation</b> To develop, extend and evaluate the effects of Arvon's Writing the Game residencies and activity so that learnt practice is embedded in participating schools' curricula.	£88,000.00
<b>The House of Fairy Tales</b> For the delivery of Interactive Creative Learning Packages, including exhibitions, artist-led events and artist-designed family guides to locations of interest.	£50,000.00
<b>The Little Angel Theatre</b> Funding for a biennial puppetry festival for adults linked with an ongoing annual programme of puppet making/performing masterclasses, R&D provision, a scratch performance festival and an Associate Artist scheme.	£68,000.00
<b>The Opera Group</b> To create a completely virtual operatic work using the latest digital search technology.	£10,000.00
<b>The Showroom</b> To increase capacity for further development of 'Communal Knowledge', which explores new forms of participation in The Showroom's neighbourhood, crossing between the fields of art, education and research.	£45,000.00
<b>Theatre Royal Bath</b> To enable the organisation to build on a pilot exploring the theatre's role in educating children, whereby children come to classes at the theatre every day for seven weeks instead of going to school.	£59,000.00
<b>Open Grants total</b>	<b>£3,436,500.00</b>
<b>Arts programme total</b>	<b>£4,257,347.11</b>

## *Education and Learning programme*

### *Special Initiatives*

#### **Learning Away**

Support costs: development, evaluation, events and school support	£174,539.14
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#### **Learning Futures**

Support costs: research, dissemination, website development and consultancy	£17,487.01
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#### **Musical Bridges: Transforming Transition**

Support costs: research, evaluation, advocacy, dissemination, events and consultancy	£164,008.82
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#### **Musical Futures**

Support costs: development, advocacy, dissemination, teacher CPD and school support, plus costs associated with the expansion of Musical Futures to schools in Scotland, Wales and Northern Ireland.	£365,907.54
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#### **What Works? Student retention and success**

Action on Access	£106,155.00
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The Higher Education Academy	£118,498.00
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Support costs: coordination, dissemination and evaluation	£22,996.69
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<b>£247,649.69</b>
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#### **Special Initiatives total**

<b>£969,592.49</b>
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## ***Open Grants***

### **Academy FM Folkestone**

For Motiv8, a work training programme for 16-19 year old NEETs to develop speaking and listening skills and improve employability skills and attitude to work through presenting on the radio.

£40,631.00

### **Active Citizens FE**

To widen access to public speaking - continuation of work by LSN which has gone into administration.

£74,317.00

### **Afghan Association Paiwand**

To strengthen the partnership between the supplementary school run by Afghan Association Paiwand in Barnet and mainstream schools for the benefit of the children and organisations.

£262,738.00

### **Aune Head Arts**

Core support and consultancy to seed fund implementation of a revised, sustainable business model.

£47,500.00

### **BANG Edutainment Ltd**

For a two-year pilot to develop a rigorous, flexible speaking and listening curriculum for use in community radio stations. Following a trial in ten cities in England and Wales, the project builds on learning generated by existing youth radio work to develop and disseminate a set of practical resources to increase high quality skills development opportunities in the sector.

£110,377.00

### **Boys Development Project**

For an early intervention programme for boys at Key Stage 1 who 'stand out' and are at risk of underachieving, to address behaviour that leads to truancy and/or exclusion.

£58,100.00

### **Castle Manor Academy**

For Language Futures development

£5,000.00

### **DigitalMe**

For 'Supporter To Reporter For Success', which will support 1,280 11-16 year olds to develop their speaking and listening skills through sports reporting. Participants will progress through a structured skills framework, going on to apply what they have learned at high profile sports events and access 'career tasters' offered by media partners including the BBC and Sky.

£198,754.00

### **Education for Employability**

To develop guidance and supporting materials for students, teachers and employers to improve the quality of students' speaking and listening skills when working with employers.

£9,772.00

### **Envision**

For 'Community Apprentice', an experiential learning programme to help young people develop the confidence, communication and relationship-building skills they need to become active citizens.

£90,000.00

### **Families Talking**

For child-centred intervention across transition years 6 and 7, supporting children to cope with family relationship breakdown, improving communication skills, training teachers and preventing disengagement with learning.

£149,394.00

### **Gladesmore Community School**

For Language Futures development

£5,000.00

<b>Gladesmore Community School</b> Two years of funding for Gladsemore to continue to develop its innovative community language practice and further develop partnerships with local primary, secondary and supplementary schools.	£11,200.00
<b>Goldsmiths University of London</b> For a two-year collaborative project between supplementary and mainstream schoolteachers and Goldsmiths researchers, to plan, implement and evaluate a multilingual digital storytelling project designed to engage secondary age students in language learning.	£129,628.00
<b>Linton Village College</b> For Language Futures development	£12,043.00
<b>MakeBelieve Arts</b> For 'Times of Transition', an innovative approach combining peer mentoring and blogging. This three-year multi-region pilot will reduce future incidences of truancy and behavioural problems by developing the literacy, teamworking and resilience skills of 1,160 young people during transfer from primary to secondary school, with sustained support for a targeted group of 240 vulnerable young people.	£155,023.00
<b>Mulberry Bush Organisation</b> To develop an outreach service, offering the expertise and ethos of the Mulberry Bush Organisation to mainstream and special schools across Oxfordshire and neighbouring counties.	£98,570.00
<b>My Voice London</b> To develop a transition mentoring pilot to train non-teaching school staff in primary and secondary schools supporting young people at risk of truancy and exclusion.	£9,900.00
<b>National Foundation for Educational Research</b> For school recruitment to a research project to build sector knowledge about approaches to (re-)engaging a sub-group (three in five) of NEET students, most likely to be able to achieve positive outcomes.	£10,000.00
<b>People and Work Unit</b> For the Glyncoch School Focused Communities Project, to develop a community response to chronic disengagement with education and learning and supporting a group of young people into further education, training or employment.	£125,413.00
<b>Phoenix Education Trust</b> For a two-year pilot working closely with six clusters of secondary schools across England to develop, test, and roll-out a peer-led speaking and listening training programme to support broader and more inclusive take-up of student voice opportunities.	£140,000.00
<b>Red Balloon of the Air</b> To develop, test and scale-up resources and delivery of an online school and create a sustainable model for the programme over a three-year period.	£ 160,000.00
<b>Saturday Polish School</b> For the Saturday Polish School. Working in close partnership with primary and secondary schools across Northumberland and Berwickshire, the school will deliver continuous language support to minority ethnic children and their parents through provision of specialist mainstream classroom support for children, sessions to support parents to understand what work children will be undertaking at each key stage and to acquire techniques to support their children's learning at home, and CPD for teachers and teaching assistants to build their capacity in working with newly arrived young people.	£86,040.00

<p><b>School Development Support Agency Limited</b> To develop mainstream school hubs that support either geographic or thematic groups of complementary schools, providing teacher training, head to head mentoring groups, guidance and support.</p>	£172,734.00
<p><b>School-Home Support Service (UK)</b> Investment in SHS's IT capacity to enable new forms of delivery and support to school-home link workers through IT (such as online training modules and membership services) as part of the organisation's remodelling and scale up plans</p>	£128,178.00
<p><b>Shpresa Programme</b> To develop clusters of mainstream schools working in partnership with supplementary schools by training, mentoring staff/volunteers and modelling excellent practice.</p>	£230,735.00
<p><b>Southwark Mediation Centre</b> To develop speaking and listening skills in youth mediators aged 17-19, and provide a conflict resolution service in Southwark schools and the wider community.</p>	£81,495.00
<p><b>Swavesey Village College</b> For Language Futures development</p>	£5,000.00
<p><b>Teignmouth Learning Trust</b> Working across a partnership of six schools, to extend a successful primary-age therapeutic intervention to support children and young people at risk of truancy and exclusion up to the age of 16.</p>	£68,500.00
<p><b>The Communication Trust</b> For a two-year pilot to launch a new national network of young 'communication leaders' to play a key role intackling the communication issues that they, theirsiblings, their family and friends experience.</p>	£149,416.00
<p><b>The Design and Technology Association</b> For UK-wide designing and making projects based in the community, which provide pupils with spontaneous and engaging opportunities to develop their speaking and listening skills</p>	£104,309.00
<p><b>The Further Educational Tutorial Network</b> Support for 220 foundation-level learners at eight further education institutions across England. They will develop speaking, listening and other research skills to investigate effective personal and social learning, engaging with a range of college, work-based and community stakeholders to develop and present recommendations for more relevant, authentic, personal and social skills programmes in their institution.</p>	£125,000.00
<p><b>The Philosophy Foundation</b> To run philosophical enquiries with Year 7 students to develop a deeper understanding of communication and questioning skills, and equipping them to facilitate enquiries with younger children.</p>	£57,801.00
<p><b>University of Central Lancashire</b> To develop a young people's peer-led package for self-development to overcome barriers to learning, achievement and motivation at school.</p>	£44,990.00
<p><b>Whole Education Ltd</b> Support for the strategic development of the Whole Education Schools Network, to enable increased practice sharing between schools, increased policy influence, and greater sustainability of Whole Education itself.</p>	£75,000.00
<b>Open Grants total</b>	<b>£3,302,308.00</b>
<b>Education and Learning programme total</b>	<b>£4,271,900.20</b>

## ***Social Justice programme***

### ***Special Initiatives***

#### **Girls in the Criminal Justice System**

Support costs: travel for conference attendance	£29.15
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#### **Right Here**

Enabled by Design Ltd Funding for Doc Ready, a mobile app to help young people prepare for visits to their GP	£47,000.00
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Sussex Central YMCA To support involvement in Doc Ready	£15,000.00
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Support costs: salaries for programme leadership, research and evaluation, capacity-building through consultancy and mentoring of young people.	£258,804.08
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**£320,804.08**

#### **Supported Options Initiative**

Coventry Law Centre Innovation camp runner up. This project will develop a prototype digital tool for young people who have recently arrived in the UK which could be used to improve their access to support and help them feel less disorientated.	£2,500.00
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On Road Media Innovation camp runner up. 'Second Friend' is an online and SMS text message system that can be used by migrant and youth support organisations increase their ability to communicate with young migrants.	£2,500.00
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Public Law Project Innovation camp winner. The project will develop a secure online referral system that can help migrant young people apply for the UK government 'exceptional funding' scheme when they have been refused legal aid.	£5,000.00
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Refugee Support Network Funding for the 'Youth on the Move' programme to enable young people who are forcibly removed to Kabul, Afghanistan to continue in education, training or employment.	£10,000.00
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Support costs: consultancy, events and dissemination	£123,858.47
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Young Undocumented Migrants Research	£160.33
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**£144,018.80**

#### **Special Initiatives total**

**£464,852.03**

## ***Open Grants***

### **1625 Independent People Ltd**

For community support for young people in transition delivering psychologically informed one to one support, learning and arts activities, alongside training and reflective practice for peer supporters, community mentors and staff across youth support services.

£149,620.00

### **Body and Soul**

To develop the generation of unrestricted income through delivery of youth-led training and building hire, building on three years' ground work.

£80,000.00

### **Bounce Back Foundation**

For 'through the gates' support, training and employment focused on painting and decorating for young offenders. In-prison support and mentoring leads to four weeks of accredited training and community volunteering following release, and up to 12 months' employment with their social enterprise.

£110,000.00

### **Canopy Housing Project**

To building the capacity and potential reach of a volunteering and community-based social housing renovation programme, which provides disadvantaged individuals with skills, supports them towards employment, and benefits local communities.

£100,000.00

### **Centre for Crime and Justice Studies**

To meet the post-research support needs of key participants in the 'My Story' research project. The research generated detailed personal stories from young people living with severe mental distress who had committed one or more serious violent acts. 'My Story' had therapeutic benefits for the storytellers and challenged preconceptions about young people who commit serious crimes.

£4,898.00

### **Chance for Change**

To enable disadvantaged 16-25 year olds in their transition to independent adulthood, placing emphasis on the individual taking control of their own development programme and peer group support. Through a link up with the YHA, the project makes use of self development through outdoor adventure and community engagement projects.

£120,000.00

### **Citizens UK Charity**

For new CITIZENS organising team expansion and the development of existing organising work to build community organising amongst the UK's diaspora communities.

£150,000.00

### **Citizenship Foundation**

To develop and mainstream the successful InterAct programme, which brings together groups of refugee and asylum-seeking and 'local' young people on joint social action projects.

£150,000.00

### **Coram Childrens Legal Centre Ltd**

Core support for Coram's Migrant Children's Project, which provides policy guidance, legal advice for young people, training for organisations working in the field, and policy advocacy. The grant follows the successful conclusion of previous PHF support for the project.

£120,000.00

### **Edinburgh Cyrenians**

To support conflict resolution and mediation for young people at risk of homelessness and their families. Edinburgh Cyrenians is an existing grantee with successful work - its application for a bridging grant pends other funding decisions

£54,000.00

<p><b>Freedom from Torture</b> For a Children, Young People and Families Development Worker working directly with torture survivors in the North-East and, primarily, providing training and supervision to others also doing so in the region.</p>	£150,000.00
<p><b>Iceni</b> For a project working with young parents with addiction problems to reduce the number of children removed into local authority care.</p>	£100,000.00
<p><b>Indefinite Films / Leave to Remain</b> To support the development and production of a film which depicts the experiences of three young asylum seekers. The film supported young people to develop acting skills and work with established professional actors in a drama filmed in London and Wales.</p>	£100,000.00
<p><b>Inspiring Scotland</b> To support work of 14-19 Fund, which aims to reduce the number of young people who struggle to make a successful transition between school and further education, training or work.</p>	£750,000.00
<p><b>Institute for Criminal Policy Research</b> For research to explore the scope for, and implications of, volunteering by young ex-prisoners, with a view to creating practical, evidence-based guidance and policy recommendations.</p>	£59,873.00
<p><b>MAC UK</b> To enable MAC UK to test its model of 'street therapy' for young people involved in highly antisocial and gang behaviour in new settings, with new groups of deprived young people.</p>	£150,000.00
<p><b>Public Achievement Limited</b> For a pilot project to test a 'Civic Youth Work' model as a way of developing stronger relationships between young people, their communities and the police.</p>	£148,000.00
<p><b>Reclaim Project Ltd</b> Funding for two years to consolidate the position Reclaim has reached and develop its youth enterprise activities to provide progression routes for programme 'graduates'.</p>	£150,000.00
<p><b>Standing Committee for Youth Justice</b> To increase capacity to sustain the independent voice of the youth justice sector at a time of significant change, delivering a two-year campaign to reform the youth justice system so that it delivers social justice for children in trouble, their families and communities, and wider society.</p>	£37,000.00
<p><b>The Koestler Trust</b> To expand the 'Arts Mentoring for Released Prisoners' project and for the UK-wide roll out of the Arts Award Scheme's exhibitions, curated by marginalised young people.</p>	£15,000.00
<p><b>The Mens Room</b> To develop work to support young male sex workers and young male offenders with multiple and complex needs to progress out of chaotic lives and into education, employment and training.</p>	£18,746.00
<p><b>The Reporters Academy</b> For a two-year pilot to adapt The Reporters' Academy model to support positive transitions into employment, education and training for young people in care.</p>	£108,750.00
<p><b>Venture Scotland</b> To support a 12-month programme of personal development and volunteering for vulnerable young people.</p>	£149,999.00

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West of Scotland Regional Equality Council To enable young people of a Central and Eastern European Roma background in Glasgow to have an equal chance to live, learn and eventually work in an environment free from isolation, poverty, racial discrimination and harassment	£63,000.00
WomenCentre Ltd For a multi-agency pilot to identify and engage co-productively with girls and young women who would otherwise enter adulthood with severe and escalating levels of disadvantage.	£150,000.00
Youth Access For work across ten sites to improve the way that GPs work with local voluntary sector organisations to deliver health services to young people.	£75,000.00
<b>Open Grants total</b>	<b>£3,263,886.00</b>
<b>Social Justice programme total</b>	<b>£3,728,738.03</b>

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## ***India programme***

### ***Open Grants***

#### **Aajeevika Bureau Trust**

For service centres for migrant workers in two cities, legal clinics, literacy training, community kitchens and health camps. ABT will provide employment advice and conduct a study on migrant workers' access to banking services and their usage.

£38,576.57

#### **Aakanksha Lions School for Mentally Handicapped**

For community-based rehabilitation of children with special needs, and to explore the mobilisation of local resources to run service centres. Work with local government and schools will help disabled children access mainstream education and services.

£65,266.33

#### **Area Networking and Development Initiatives**

To create a sustainable model of a community resource centre in 100 villages, taking a rights-based, feminist and citizenship perspective to help men and women access their entitlements.

£35,434.00

#### **Bhoomika Vihar**

Continued funding for the protection of vulnerable children and young women from trafficking and exploitation. This involves building awareness, providing information, educational support, vocational training, and livelihood assistance.

£100,365.30

#### **Chaupal Gramin Vikas Prashikshan Evam Shodh Sansthan**

Continued support to enable tribal communities to monitor food and health entitlements with the aim of improving the quality and coverage of social security programmes.

£27,575.12

#### **Chetna Vikas**

To work in a tribal belt where children's education has been a low priority. There will be a special focus on maths, language and supporting all disabled children.

£13,729.59

#### **Committee Of Resource Organisation (CORO) for Literacy**

To work with selected individuals to help them become grassroots leaders of their organisations, with a comprehensive understanding of development issues.

£22,027.06

#### **Gopabandhu Seva Parisad**

Support to prevent children from being exploited by the sex tourism industry in a coastal area. GSP will set up a vigilance group, build awareness, and provide activities and counselling services for children.

£13,435.29

#### **Gramin Mahila Vikas Sanstha (GMVS)**

To give women a voice in socio-economic development and create violence-free villages, through education, legal awareness, asset creation, and mobilisation of women's self-help groups.

£32,993.52

#### **Gramin Punarrachana Kendra (GPK)**

Continue support for orphaned children affected by HIV/AIDS, providing health insurance, education, food, counselling, a safe place to stay, clothes and medical check-ups.

£15,163.61

#### **Gramin Vikas Sanstha**

To train a cadre of young people to develop participative community-based plans that will gain government approval. The cadre will work with government staff as well as challenging them to ensure that local concerns are effectively addressed.

£10,098.82

<p><b>Gramya Vikas Trust</b> To build the capacity of a federation of women entrepreneurs, develop good governance and create links with financial institutions. The work aims to strengthen six committees on health, livelihoods, rights and justice, water, agriculture and governance.</p>	£14,498.64
<p><b>Holistic Action Research and Development</b> To strengthen tribal organisations, enabling them to address issues related to livelihood and food security. HARD will identify livelihood activities, develop business plans and seek funding from banks and other financial institutions.</p>	£28,861.71
<p><b>Indian Institute of Cerebral Palsy</b> A second phase of funding to enhance the capacities of six organisations to work with disabled people in rural areas. The aim is to set up a rural programme and get funding for the organisations to run the programme on their own.</p>	£99,695.42
<p><b>Iswar Sankalpa</b> For a programme to help homeless people with mental health issues in Kolkata to rebuild their lives after treatment, through rehabilitation and provision of vocational training skills.</p>	£11,811.76
<p><b>Jan Chetna Manch, Bokaro</b> To empower women's self-help groups, ensuring they are accessing their entitlements, and to facilitate an interface between self-help groups and elected representatives to ensure better implementation of government programmes.</p>	£15,765.66
<p><b>Janvikas Samajik Sanstha (JVSS)</b> Further funding for work improving access to education for children from the tribes in Maharashtra. The grant will consolidate JVSS's work and shift responsibility onto the community through six educational promoters and early childhood centres which can be replicated.</p>	£50,655.29
<p><b>Kolkata Sanved</b> Continued funding for 'Dance Movement Therapy' and other creative therapies for traumatised women and children living in state shelter homes.</p>	£41,965.71
<p><b>Kutch Mahila Vikas Sangathan (KMVS)</b> A final phase of funding to strengthen a federation of elected women representatives, which has significantly improved the political participation of women. The grant will also enable KMVS to initiate an outreach programme to encourage other organisations to engage in similar work.</p>	£70,786.44
<p><b>Kutch Nav Nirman Abhiyan</b> A six-month grant for KNNA to develop a long-term strategy to enable cluster-level outreach institutions, known as Setus, to take its work forward. Initially, PHF funded KNNA to encourage Panchayati Raj bodies to function as effective institutions of self-governance and to build a stronger base for devolution.</p>	£30,235.29
<p><b>Nirantar Trust</b> Support for continued strategic interventions towards the education of girls from a specific tribe in 30 villages, to ensure effective implementation of the Right to Education (RTE) Act, reduce the chance of girls dropping out, and ensure the education of these girls is addressed within the mainstream system.</p>	£11,306.20
<p><b>North East Research and Social Work Networking (NERSWN)</b> To increase communities' understanding and awareness of the public health system to encourage higher expectations, in areas that have experienced conflict over long periods.</p>	£35,439.87
<p><b>North East Research and Social Work Networking (NERSWN)</b> Emergency relief for victims of the violence in Assam in July 2012.</p>	£8,991.52

<b>Pradeepan</b> To continue working with tribal groups, ensuring food and livelihood security and developing their capacity to access entitlements under the employment guarantee scheme.	£26,786.12
<b>Professional Assistance for Development Action (PRADAN)</b> To continue a programme with 6,000 households through women's groups, addressing issues such as alcoholism, domestic violence and health concerns, and to support women's self-help group members elected to the Panchayat.	£124,609.78
<b>Regional Centre for Development Cooperation</b> A final phase of support aimed at consolidating community-based organisations to help them build stronger links with local government, work with the poorest people in the community and develop suitable interventions.	£48,534.83
<b>Research Academy for Rural Enrichment</b> To develop individual plans for people with disabilities, including home and community-based therapy, care and rehabilitation. The programme will begin to focus more on the needs of women with disabilities.	£45,367.80
<b>Resource and Support Center for Development</b> To promote and encourage a better environment for the political participation of women, develop the political perspective of elected women representatives, and bring together issues of development and governance on a common platform.	£21,151.02
<b>Ruchika Social Service Organisation</b> To continue working to get children living in slums enrolled in government schools. Additionally, RSSO will develop a therapy and inclusion plan to help children with disabilities to access education.	£34,871.15
<b>Saath Charitable Trust</b> Continued funding to consolidate work at a rehabilitation colony set up after a flood in 1973. PHF has supported work on early childhood and school education, microfinance, health, infrastructure development, livelihood development and employability, community development and local governance.	£67,128.64
<b>Samaj Vikas Sanstha (SVS)</b> Funding to prevent violence against women. The work will focus on participating in the women's court, providing legal aid services, organising public hearings, raising awareness of the law against domestic violence and continuing with training initiatives.	£40,050.59
<b>Samavesh Society for Development and Governance</b> To support women's forums to address three specific tasks in 30 villages: to improve the quality of early childcare service delivery; to monitor schools; and to help identify livelihood activities, develop business plans and access funds.	£29,004.71
<b>Sangini Mahila Kalyan Samiti</b> To strengthen the trade union of domestic workers. It will increase membership and spread awareness of labour laws and entitlements. Domestic workers will receive training to increase alternative employment opportunities. Taskforces will be developed to intervene in cases of violence or abuse.	£17,332.94
<b>SATHI</b> A final grant to strengthen a programme working with children on railway stations. It will lead towards local organisations being able to take over the programme.	£64,786.37
<b>Shaishav</b> Continued support for children and youth groups to improve quality of education in municipal schools. Shaishav will spread its message through street-plays in 46 areas of Bhavnagar city. It will also build a strong network to address issues of child labour.	£25,696.65

<p><b>Shishuadhar - For the Child</b>  A final phase of funding to develop a foster care resource centre for 139 NGOs and district child development officers. Shishuadhar will continue to implement its own field programme covering camps and residential training for adolescent girls, children and mothers.</p>	£24,869.61
<p><b>Social Animation Towards United Liberative Action (SANTULAN)</b>  Continued funding for quarry workers to develop workers' co-operatives and access basic services such as health, nutrition, education, subsidised food and insurance schemes. The grant will help build leadership to take up the government's decision to allot future mines to cooperatives.</p>	£28,255.57
<p><b>Society for Rural Urban and Tribal Initiative</b>  A grant to establish a link between ten social action movements and Panchayati Raj Institutions in three different states. The aim is to incorporate the concerns of the people's movements into the PRI planning processes.</p>	£27,991.57
<p><b>Street Survivors India</b>  To build awareness of health and provision of services, particularly reproductive and sexual health for young women and girls in ten villages.</p>	£24,858.56
<p><b>SWATI - Society for Women's Action and Training Initiative</b>  To undertake a detailed study of the impact of the Right to Information Act (Rtl) in Surendranagar district, Gujarat. An active cadre of activists will sustain activities and be part of any future planning and strategy formulation.</p>	£43,436.29
<p><b>The Action Northeast Trust (The Ant)</b>  Emergency relief for victims of the violence in Assam in July 2012.</p>	£6,224.02
<p><b>The Nuffield Foundation</b>  Funding for a research report on 'Global grantmaking'.</p>	£6025.00
<p><b>Tomorrow's Foundation</b>  Continued support for 150 children affected by insurgency-related violence, providing access to coaching, computer education, libraries, an English language programme, health checks and sports. Child protection training will be provided to teachers to reach out to thousands more children.</p>	£69875.80
<p><b>VAANI Deaf Children's Foundation</b>  Continued funding for VAANI to build the capacity of local NGOs to help children with deafness overcome their disability. VAANI will continue its work with government, teachers, parents and children.</p>	£40176.65
<p><b>Vikash</b>  For work in rural areas with children with disabilities. Vikash will expand and increase its reach to 520 children, and work with government to help it realise its role in making provisions for children with disabilities.</p>	£83091.58
<b>Open Grants total</b>	<b>£1,694,803.97</b>
<b>Exchange rate adjustments</b>	<b>-£32,626.27</b>
<b>India programme total</b>	<b>£1,662,177.70</b>

## *Other grants*

### *Open Grants*

Bhagwan Mahaveer Viklang Sahayata Samiti 25th Anniversary gift for the Jaipur Foot	£1,000,000.00
Roundhouse Trust 25th Anniversary gift for the Roundhouse Studios	£5,000,000.00
Tate 25th Anniversary gift for Circuit - a national youth network for the visual arts	£5,000,000.00
Paul Hamlyn Clubs Support costs: consultancy, travel and event costs related to the selection of participating organisations	£10,904.23
Association of Charitable Foundations Support for policy, advocacy and communications work	£45,000.00
The Helen Hamlyn Trust Support for the Helen Hamlyn Trust 2012-13	£2,000,000.00
<b>Exchange rate adjustments</b>	<b>£ 450.62</b>
<b>Other grants total</b>	<b>£13,056,354.85</b>
<b>Total Grants Awarded and Special Initiative Support Costs</b>	<b>£26,976,517.89</b>

# Statement of Financial Activities for the year ended 31 March 2013

(Incorporating Income and Expenditure Account)

	Notes	2013 Unrestricted fund £m	2013 Restricted fund £m	2013 Endowment fund £m	2013 Total £m	2012 Total £m
<b>Incoming resources from generated funds</b>						
Other income	16	0.045	-	-	0.045	0.103
Investment income	2	15.999	-	-	15.999	13.899
Grants receivable	15	-	0.181	-	0.181	0.254
<b>Total incoming resources</b>		<b>16.044</b>	<b>0.181</b>	<b>-</b>	<b>16.225</b>	<b>14.256</b>
<b>Resources expended</b>						
Investment management	3	4.006	-	-	4.006	4.293
Charitable activities including grant-making	4 & 15	29.074	0.262	-	29.336	19.027
Governance	7	0.069	-	-	0.069	0.034
<b>Total resources expended</b>		<b>33.149</b>	<b>0.262</b>	<b>-</b>	<b>33.411</b>	<b>23.354</b>
<b>Net (outgoing)/incoming resources and net income for the year before transfers</b>		<b>( 17.105 )</b>	<b>( 0.081 )</b>	<b>-</b>	<b>( 17.186 )</b>	<b>( 9.098 )</b>
<b>Transfers between funds</b>	<b>15</b>	<b>17.105</b>	<b>-</b>	<b>( 17.105 )</b>	<b>-</b>	<b>-</b>
<b>Net expenditure</b>		<b>-</b>	<b>( 0.081 )</b>	<b>( 17.105 )</b>	<b>( 17.186 )</b>	<b>( 9.098 )</b>
<b>Other recognised gains and losses</b>						
Realised and unrealised gains on fixed asset investments	9	-	-	58.044	58.044	1.973
<b>Net movement in funds</b>		<b>-</b>	<b>( 0.081 )</b>	<b>40.939</b>	<b>40.858</b>	<b>( 7.125 )</b>
Funds balances brought forward at 1 April 2012		-	0.196	559.364	559.560	566.685
<b>Funds balance carried forward at 31 March 2013</b>		<b>-</b>	<b>0.115</b>	<b>600.303</b>	<b>600.418</b>	<b>559.560</b>

All amounts relate to continuing operations. All gains and losses recognised in the year are included in the Statement of Financial Activities.

The notes on pages 64 to 76 form part of these financial statements

# Balance Sheet at 31 March 2013

	<i>Notes</i>	<i>2013 Total £m</i>	<i>2012 Total £m</i>
<b>Fixed assets</b>			
Tangible assets	8	6.119	6.158
Investment assets	9	611.881	565.852
		<b>618.000</b>	<b>572.010</b>
<b>Current assets</b>			
Debtors	10	1.819	0.498
Other investments	11	1.653	6.240
Cash at bank and in hand		1.483	0.048
		<b>4.955</b>	<b>6.786</b>
<b>Creditors</b> - amounts falling due within one year	12	( 13.607 )	( 12.381 )
<b>Net current assets</b>		<b>( 8.652 )</b>	<b>( 5.595 )</b>
<b>Total assets less current liabilities</b>		<b>609.348</b>	<b>566.415</b>
<b>Creditors</b> - amounts falling due after more than one year	13	( 8.930 )	( 6.855 )
<b>Net assets</b>		<b>600.418</b>	<b>559.560</b>
<b>Funds at 31 March 2013</b>		<b>600.418</b>	<b>559.560</b>
<b>Represented by:</b>			
Unrestricted Funds		-	-
Restricted Funds	15	0.115	0.196
Endowment Funds			
- Investment revaluation reserve		151.837	102.801
- Other endowment funds		448.466	456.563
<b>Total Funds</b>		<b>600.418</b>	<b>559.560</b>

The notes on pages 61 to 76 form part of these financial statements

The financial statements on pages 61 to 76 were approved by the trustees on 27th June 2013 and were signed on their behalf by:

**Jane Hamlyn**  
Trustee

**Tim Bunting**  
Trustee

# Cash Flow Statement for the year ended 31 March 2013

	<i>2013</i>	<i>2012</i>
	<i>Total</i>	<i>Total</i>
	<i>£m</i>	<i>£m</i>
<b>Net (outgoing) resources for the year</b>	( 17.186 )	( 9.098 )
Less investment income earned	( 15.999 )	( 13.899 )
Add back investment management charges	4.006	4.293
Less other income	( 0.045 )	( 0.103 )
Less grants receivable	( 0.181 )	( 0.254 )
Add back depreciation	0.155	0.052
Decrease in debtors	0.027	0.465
Increase/(Decrease) in creditors due within one year	1.146	( 0.090 )
Increase/(Decrease) in creditors falling due after more than one year	2.075	( 0.232 )
<b>Net cash outflow from operating activities as defined by FRS 1</b>	<b>( 26.002 )</b>	<b>( 18.866 )</b>
<b>Returns on investment</b>		
Investment income received	14.651	14.114
Investment management charges paid	( 3.926 )	( 4.283 )
<b>Capital expenditure and financial investments</b>		
Purchase of tangible fixed assets	( 0.127 )	( 1.489 )
Sale of tangible fixed assets	0.011	
Purchase of fixed assets and other investments	( 97.294 )	( 72.357 )
Sale of fixed assets and other investments	113.896	77.046
<b>Increase/(decrease) in cash for the year before financing</b>	<b>( 1.209 )</b>	<b>( 5.835 )</b>
<b>Financing</b>		
Other income	0.045	0.103
Grants receivable	0.181	0.254
<b>Increase/(decrease) in cash for the year</b>	<b>1.435</b>	<b>( 5.478 )</b>
<b>Movement in cash and short term deposits</b>		
Cash and short-term deposits at 1 April 2012	6.288	15.552
Decrease in short-term deposits	( 4.587 )	( 3.786 )
Increase/(Decrease) in cash	1.435	( 5.478 )
Decrease in cash and short-term deposits	( 3.152 )	( 9.264 )
<b>Cash and short-term deposits at 31 March 2013</b>	<b>3.136</b>	<b>6.288</b>

# Notes to the financial statements for the year ended 31 March 2013

## 1. Principal accounting policies

The financial statements have been prepared on a going concern basis and in accordance with applicable Accounting Standards in the United Kingdom, the Statement of Recommended Practice for Charities (2005) the Companies Act 2006 and the Charities Act 2011. A summary of the more important accounting policies, which have been applied consistently, is set out below.

### (a) Basis of accounting

The financial statements are prepared in accordance with the "Statement of Recommended Practice Accounting and Reporting by Charities" issued in March 2005, and the historical cost convention as modified by the revaluation of fixed asset investments.

The foundation has three funds (endowment, unrestricted and restricted), and their operation is explained on page 34 to 35.

In June 2005, the Charity Commission issued a uniting direction for the Paul Hamlyn Foundation (Charity No.1102927) and the 1987 Foundation (Charity No. 327474) made under s.96(6) of the Charities 1993 Act. It is purely an administrative and accounting linkage. The subsidiary 1987 Foundation has been transferred to the registration number of the main charity Paul Hamlyn Foundation and its old registration removed. Details of both entities which are included in these accounts are given in the reference and administrative details on page 31.

### (b) Incoming resources

All incoming resources, including grants, are included in the Statement of Financial Activities when the Foundation is legally entitled to the funding and the amount can be quantified with reasonable certainty. Investment income from the endowment fund is treated as income in the unrestricted fund.

Restricted funds have restrictions imposed by donors and can only be applied for the particular purposes specified by donors. The funds are not available for work performed by PHF other than that specified by the donor.

### (c) Resources expended

Resources expended are the cost of generating funds, charitable activities which are largely grant-making and governance costs.

Investment management fees and internal investment management costs are the only cost of generating funds.

Grant-making represents the costs of activities in furtherance of the Foundation's objects and includes the grants awarded by the Foundation, and the support costs associated with them. Where they cannot be directly derived, support costs are allocated between grant-making activities on the basis of the value of grants awarded. Direct charitable activities represents non grant-making activity in support of the Foundation's beneficiaries.

Governance costs are the costs associated with the strategic direction and corporate management of the Foundation and include the cost of providing the infrastructure which allows the Foundation to operate and to generate information required for public accountability.

The full value of charitable grants are recognised in the year in which the grant commitment is awarded and the grantee has been informed and is shown as a long or short term creditor as appropriate.

#### **(d) Tangible fixed assets**

All of the tangible fixed assets are held for charitable use.

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition and any costs directly attributable to bringing the asset into working conditions for its intended use. Tangible fixed assets with a cost of less than £500 are not capitalised.

Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful economic lives of the assets concerned. During the year 12/13 the Foundation disposed of the lease on its previous office premises and some furniture and fittings installed at the premises. The principal useful economic lives used for items depreciated in the 2012/13 financial statements are as follows:

	<i><b>No of years</b></i>
Furniture and fittings	4
Computer equipment	4
Freehold building	50

#### **(e) Fixed asset investments**

Listed investments are stated at their market value at the year end. The Statement of Financial Activities includes unrealised gains and losses arising from the revaluation of the investment portfolio in the year and realised net gains and losses arising on disposals.

Pooled property investments are stated at net asset value as calculated by the various managers.

The carrying value of unlisted investments is the trustees' best estimate of the market value at the balance sheet date.

**(f) Foreign currencies**

Income denominated in foreign currencies is recorded at the rate of exchange ruling on the date of receipt. Foreign currency investments are valued at their year-end market value translated into sterling at the year-end exchange rate or at the contract rate where foreign currency investments are subject to an underlying hedge. All gains or losses on translation are taken to the Statement of Financial Activities in the year in which they occur.

**(g) Operating leases**

Costs in respect of operating leases are charged on a straight line basis over the lease term.

**(h) Pension costs**

The Foundation makes payments to the defined contribution personal pension plans of all its employees. The payments are based on a salary percentage and are charged to the Statement of Financial Activities in the period to which they relate.

**(i) Taxation**

Irrecoverable VAT is included as part of the expenditure to which it relates under 1c) resources expended.

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, if these profits are applied solely for charitable purposes.

**(j) Transfers between funds**

Under the terms of Paul Hamlyn's will, the endowment of the Foundation is expendable although the current policy of the trustees is, where possible, to invest the assets of the Foundation to retain the real value of the endowment whilst also generating sufficient return to fund grant-making. In 2012/13 the trustees agreed to transfer a proportion of consolidated endowment funds to fund in year expenditure and this is shown on the statement of financial activities.

**(k) Impairment policy**

Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

**(l) Provisions and Contingent liabilities policy**

Provisions are recognised where there is a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If these conditions are not met, no provision is recognised. However, contingent liabilities are disclosed in the notes to the financial statements, unless the possibility of a transfer of economic benefits is remote.

**2. Investment income**

	<i>2013</i>	<i>2012</i>
	<i>£m</i>	<i>£m</i>
UK equities	2.433	2.608
Overseas equities	5.468	4.726
Fixed interest securities	1.318	1.810
UK investment property	1.809	1.886
Term deposits	0.216	0.296
Unlisted investments	4.755	2.168
Alternatives	-	0.405
<b>Total</b>	<b>15.999</b>	<b>13.899</b>

**3. Investment Management Costs**

	<i>2013</i>	<i>2012</i>
	<i>£m</i>	<i>£m</i>
Investment management fees and consultancy	3.910	4.200
Internal investment management costs	0.096	0.093
<b>Total</b>	<b>4.006</b>	<b>4.293</b>

With respect to investments in hedge funds and some private equity funds, the management agreements of the underlying funds provide for compensation to the respective managers in the form of management and performance fees determined as a percentage of net assets. Fees in these cases are deducted from the funds' assets and are reflected in the net asset values reported. Internal investment management costs include a part-time Investments Director.

#### 4. Charitable activities: Grant-making

During the year ended 31 March 2013, the following charitable donations were awarded by the Foundation:

	<i>2013 Grants awarded  £m</i>	<i>2013 Support costs  £m</i>	<i>2013 Direct charitable activity  £m</i>	<i>2013 Charitable including grantmaking  £m</i>	<i>2012 Charitable including grantmaking  £m</i>
<b>Grants awarded by value</b>					
Arts	4.257	0.603	-	4.860	6.582
Education and Learning	4.272	0.600	0.094	4.966	5.502
Social Justice	3.729	0.544	0.019	4.292	4.771
India	1.662	0.443	-	2.105	0.554
Other Grants	2.045	0.284	0.062	2.391	2.324
25th Anniversary	11.011	-	-	11.011	-
<b>Sub Total</b>	<b>26.687</b>	<b>2.474</b>	<b>0.175</b>	<b>29.625</b>	<b>19.733</b>
Returned Grants and adjustments to previous years awards	( 0.282 )	-	-	( 0.282 )	( 0.648 )
Exchange rate adjustments for awards in previous years	( 0.007 )	-	-	( 0.007 )	( 0.058 )
	<b>26.687</b>	<b>2.474</b>	<b>0.175</b>	<b>29.336</b>	<b>19.027</b>
				<b>2013</b>	<b>2012</b>
<b>Number of grants awarded</b>					
Arts				58	57
Education and Learning				38	47
Social Justice				32	34
India				47	8
Other Grants				5	4
				<b>180</b>	<b>150</b>

A schedule of the grants awarded in each programme area is given elsewhere in this report. All grants were awarded to organisations with the exception of £0.40 million (2012: £0.360 million) awarded to eight (2012: eight) individuals.

£261,984 of these costs relate to activity funded by restricted funds (see note 15).

## 5. Support costs

	<b>2013</b>	<b>2012</b>
	<b>£m</b>	<b>£m</b>
Payroll and related costs	1.568	1.296
Operations support	0.335	0.256
Property expenses	0.088	0.335
Communications	0.046	0.040
Office expenses	0.282	0.027
Depreciation and loss on disposals	0.155	0.052
	<b>2.474</b>	<b>2.006</b>

Support costs reflect the management structure of the organisation. Operations support includes the costs of temporary staff and recruitment. Office expenses in 2012 were reduced by a one-off write-back of £195,000.

## 6. Total Staff Costs

	<b>2013</b>	<b>2012</b>
	<b>£m</b>	<b>£m</b>
Wages and salaries	1.269	1.059
Social security costs	0.133	0.118
Other pension costs	0.157	0.139
Other employment costs	0.104	0.073
<b>Total payroll and related costs</b>	<b>1.663</b>	<b>1.389</b>

The average number of persons employed by the Foundation during the year was 31 (2012: 28). The number of employees whose salaries were above £60,000 was:

	<b>2013</b>	<b>2012</b>
	<b>Number</b>	<b>Number</b>
£60,000 to £70,000	1.0	3.0
£70,001 to £80,000	1.0	2.0
£80,001 to £90,000	1.0	
£100,001 to £110,000		1.0
£110,001 to £120,000	1.0	

During the year the Foundation made contributions of £62,313 (2012: £78,978) to the personal pension plans of these employees.

The above figures include a provision of £81,800 for costs relating to the end of employment for two members of staff which the Foundation has committed to pay by August 2013.

## 7. Governance costs

	<i>2013</i>	<i>2012</i>
	<i>£m</i>	<i>£m</i>
Audit fees	0.020	0.018
Legal and professional fees	0.016	0.007
Office expenses	0.033	0.009
	<b>0.069</b>	<b>0.034</b>

The trustees are not employed by the Foundation and do not receive any emoluments in respect of their services.

Travel and subsistence expenses of £25,861 (2012: £470) were reimbursed to ten (2012: five) trustees during the year. £24,464 related to a visit to PHF's India programme by 6 trustees in November/December 2012

The trustees are the directors of the Company. During the year and up to the date of approval of the financial statements, there was a qualifying third party indemnity in place for directors as allowed by Section 234 of the Companies Act 2006.

## 8. Tangible fixed assets

	<i>Freehold property &amp; land £m</i>	<i>Leasehold property £m</i>	<i>Furniture and fittings £m</i>	<i>Computer equipment £m</i>	<i>Total £m</i>
As at 1 April 2012	5.976	0.511	0.221	0.348	7.056
Additions	0.103	-	0.006	0.018	0.127
Disposals	-	(0.511)	(0.094)	(0.137)	(0.742)
<b>As at 31 March 2013</b>	<b>6.079</b>	<b>-</b>	<b>0.133</b>	<b>0.229</b>	<b>6.441</b>
<b>Depreciation</b>					
As at 1 April 2012	0.007	0.511	0.126	0.253	0.897
Charge for the year	0.092	-	0.023	0.041	0.156
Disposals	-	(0.511)	(0.083)	(0.137)	(0.731)
<b>As at 31 March 2013</b>	<b>0.099</b>	<b>-</b>	<b>0.066</b>	<b>0.157</b>	<b>0.322</b>
<b>Net Book Value</b>					
<b>As at 31 March 2013</b>	<b>5.980</b>	<b>-</b>	<b>0.067</b>	<b>0.072</b>	<b>6.119</b>
As at 31 March 2012	5.969	-	0.095	0.095	6.159

During the year the Foundation negotiated the departure from its previous office premises which were categorised as leasehold property and been fully depreciated in previous years.

**9. Fixed asset investments**

	<b>2013</b>	<b>2012</b>
	<b>£m</b>	<b>£m</b>
Market value at 1 April 2012	565.852	564.783
Purchases	97.294	72.357
Sales	( 109.309 )	( 73.261 )
Net realised and unrealised gains	58.044	1.973
<b>Market Value as at 31 March 2013</b>	<b>611.881</b>	<b>565.852</b>

Investments at market value comprised:

	<b>2013</b>	<b>2012</b>
	<b>£m</b>	<b>£m</b>
UK equities	47.693	52.400
Overseas equities	264.756	218.750
Fixed interest securities	103.443	115.068
UK investment property	25.433	29.916
Alternative securities	95.192	74.090
Term deposits	30.699	43.800
Unlisted investments	44.665	31.828
<b>Total (including cash held for investment by managers)</b>	<b>611.881</b>	<b>565.852</b>

Trustees consider that any incidental cash balance held by an investment manager is an integral part of its asset allocation and have included it in the appropriate asset class. The trustees believe that the carrying value of the investments is supported by their underlying net assets.

The historical cost of the above assets is £460.044m. The historical costs of the assets held by the Foundation in 2012 was £463.050m

The Foundation has committed, where contractual terms are made, to undertake a further £38m of fixed asset investment acquisitions in private equity funds in future years.

**10. Debtors**

	<i>2013</i> <i>Unrestricted</i> <i>fund</i> <i>£m</i>	<i>2013</i> <i>Restricted</i> <i>fund</i> <i>£m</i>	<i>2013</i> <i>Endowment</i> <i>fund</i> <i>£m</i>	<i>2013</i> <i>Total</i> <i>£m</i>	<i>2012</i> <i>Total</i> <i>£m</i>
Prepayments and other debtors	0.052	-	-	0.052	0.079
Accrued investment income	1.767	-	-	1.767	0.419
	<b>1.819</b>	<b>0.000</b>	<b>0.000</b>	<b>1.819</b>	<b>0.498</b>

**11. Other investments**

	<i>2013</i> <i>Unrestricted</i> <i>fund</i> <i>£m</i>	<i>2013</i> <i>Restricted</i> <i>fund</i> <i>£m</i>	<i>2013</i> <i>Endowment</i> <i>fund</i> <i>£m</i>	<i>2013</i> <i>Total</i> <i>£m</i>	<i>2012</i> <i>Total</i> <i>£m</i>
Cash deposits	1.653	-	-	1.653	6.240
	<b>1.653</b>	<b>-</b>	<b>0.000</b>	<b>1.653</b>	<b>6.240</b>

Cash deposits include £240,947 held by investment managers.

**12. Creditors falling due within one year**

	<i>2013</i> <i>Unrestricted</i> <i>fund</i> <i>£m</i>	<i>2013</i> <i>Restricted</i> <i>fund</i> <i>£m</i>	<i>2013</i> <i>Endowment</i> <i>fund</i> <i>£m</i>	<i>2013</i> <i>Total</i> <i>£m</i>	<i>2012</i> <i>Total</i> <i>£m</i>
Grants payable	12.392	-	-	12.392	11.236
Investment management fees accrual	0.225	-	-	0.225	0.145
Accruals and creditors	0.135	-	-	0.135	0.115
Taxation and social security	0.037	-	-	0.037	0.038
Investment funds redeemed prepayment	-	-	0.818	0.818	
Other creditors	-	-	-	0.000	0.847
	<b>12.789</b>	<b>0.000</b>	<b>0.818</b>	<b>13.607</b>	<b>12.381</b>

### 13. Creditors falling due after more than one year

<i>Unrestricted</i>	<i>2013 Restricted fund £m</i>	<i>2013 Endowment fund £m</i>	<i>2013 Total fund £m</i>	<i>2013 Total £m</i>	<i>2012 £m</i>
Grants payable in one to two years	5.018	-	-	5.018	5.649
Grants payable after two years	3.912	-	-	3.912	1.206
	<b>8.930</b>	<b>-</b>	<b>-</b>	<b>8.930</b>	<b>6.855</b>

### 14. Special initiative expenditure

The Foundation establishes special initiatives in order to meet its aims. Periodically the trustees allocate resources to these initiatives. The current total allocations, and the amounts expended in this year and earlier years, and the amounts which may be expended in future years, are shown below.

	<i>Earlier years</i>	<i>This year</i>	<i>Future years</i>	<i>Total</i>
<b>All Special Initiatives</b>	<b>28.000</b>	<b>2.027</b>	<b>8.870</b>	<b>38.897</b>

### 15. Funds

#### a) Description of funds

- The unrestricted fund comprises accumulated income, income generated in year and transfers from the endowment fund. It is used to finance the Foundation's working capital requirements including grant making and tangible fixed assets.
- The endowment fund represents the original and subsequent gifts of Paul Hamlyn to the Foundation. The trustees manage the endowment fund to maximise returns and also have the discretion to make disbursements from the endowment fund if they consider the circumstances appropriate.
- Restricted funds have restrictions imposed by donors and can only be applied for the particular purposes specified by donors. In 2013 all restricted funds except the Diana Fund and Rothschild Foundation monies, have been received for contributions to special initiatives. Arts Council England, the Arts and Humanities Research Council, HE Academy, CC Skill and Creativity, Culture and Education are contributing to the Artworks special initiative. Esmée Fairbairn is working in partnership with PHF on the Musical Bridges project and Unbound Philanthropy is a partner on the Support Options Fund. We received funding from the Diana Fund on their closure to enable the continuation of work of joint interest in the social justice programme and the Rothschild Foundation to provide a joint grant in the arts programme.

**b) Movement in restricted funds**

	<i>Balance at 1st April 2012</i>	<i>Incoming Resources</i>	<i>Expenditure</i>	<i>Balance at 31st March 2013</i>
Arts and Humanities Research Council	( 0.042 )	-	0.033	( 0.009 )
Arts Council England	( 0.007 )	-	-	( 0.007 )
CC Skills	-	( 0.006 )	0.003	( 0.003 )
Creativity, Culture and Education	( 0.050 )	( 0.100 )	0.065	( 0.085 )
Diana Fund	-	( 0.026 )	0.019	( 0.007 )
Esmée Fairbairn Foundation	( 0.005 )	( 0.029 )	0.035	0.001
HE Academy	-	( 0.005 )	-	( 0.005 )
Rothschild Foundation	-	( 0.015 )	0.015	-
Unbound Philanthropy	( 0.092 )	-	0.092	-
	<b>( 0.196 )</b>	<b>( 0.181 )</b>	<b>0.262</b>	<b>( 0.115 )</b>

**c) Transfer between funds**

The Trustees agreed to the transfer of £17.105m from the endowment fund to the unrestricted fund to meet the costs of ongoing operations in 2012/13.

**d) Investment revaluation reserve**

The investment revaluation reserve is calculated as the difference between the market valuation and the historic cost of the Foundation's investments. In 2012/13 a transfer of £151.837m was made (2011/12: £102.801m).

**16. Other income**

Other income comprises miscellaneous income. In 2012/13 this includes a refund for investment funds written off in a previous year following the liquidation of the fund.

**17. Contingent liability**

During the year 2012-13, the Foundation was made aware of the realistic possibility of a claim against the outstanding Estate of Lord Hamlyn. As the residuary beneficiary of the funds from the Estate, the Foundation would be required to meet the costs of a successful claim but the likelihood of success of any claim and its possible level are not possible to estimate with any certainty and no provision has been made in these financial statements.

**18. Related Parties**

Baroness Morris of Yardley is a trustee of both the Foundation the Roundhouse which was awarded a grant of £5m in 2012/13. She was not involved in the decision to make this award. There were no other material related party transactions during the year.

# Trustees, Staff and Advisors as of 31st March 2013

## The trustees of the Charity who were in office during the year end up to the date of the signing of the financial statements were:

Jane Hamlyn (Chair)	Baroness Morris of Yardley
Tim Bunting	Lord Moser
Lord Hall of Birkenhead CBE	Sir Anthony Salz
Michael Hamlyn	Tom Wylie
Baroness Kidron of Angel (from July 2012)	Peter Wilson Smith
James Lingwood	

## U.K. Staff

Ushi Bagga  
Denise Barrows  
Rob Bell  
Susan Blishen  
Radu Botez  
Regis Cochefert  
Eve Dallas  
Tony Davey  
Sarah Jane Dooley  
Susan D'Sylva  
Robert Dufton  
Susie Dye  
Mia Ferron  
Noelle Gilbert  
Gillian Goode  
Dorothee Irving  
Safiya Juma  
Maria Karska  
Abigail Knipe  
Nora Loewenberg  
Angela Melis  
Julia Mirkin  
Marcello Moro  
Lucy Palfreyman  
Kay Patel  
Richard Robinson  
Kristofer Rollo  
Liz Scott  
Samantha Smallcombe  
Jane Steele

## Position

Grants Officer, Arts – Maternity Leave  
Head of Education and Learning  
Head of Social Justice  
Right Here (Mental Health Special Initiative) Manager  
Communications Intern  
Head of Arts  
Grants Officer, Social Justice  
Information and Resources Officer  
Grants Officer, Arts – Maternity Leave  
Finance Officer  
Director  
Grants Officer, Social Justice  
Chair and Director's Assistant  
Grants Officer, Education & Learning  
Grants Officer, Maternity cover - Arts  
Grants Officer, Arts  
S.I Administrator, Education & Learning  
Administration Officer  
Grants Officer, Education & Learning  
Grants Assistant, Education & Learning  
Catering Co-ordinator  
Grants Officer, Maternity Cover - Arts  
Finance & Resources Assistant  
Finance & Resources Director, Company Secretary  
HR & Administration Assistant  
Investment Director  
Ad Hoc Grants Assistant  
Accounts and IT Officer  
Grants Assistant, Social Justice  
Head of Impact & Evaluation

Juliet Valdinger	Grants Assistant, Arts
Dan Watson	Communications Manager
Faye Williams	Right Here Coordinator

**India Staff**

Sachin Sachdeva  
Skalzang Youdon

**Position**

Director, India  
Administrator, India

**Advisors**

Bridgette Anderson	Social Justice
Neera Burra	India
Sir Tim Brighouse	Education & Learning
Kate Brindley	Arts
Fiona Dawe	Social Justice
Lord Gavron	Investments
Simon Gillis	Investments
Sushma Iyengar	India
Jennifer Izeor	Education and Learning
Rod Jack	Investments
Maureen McGinn	Social Justice
John McGrath	Arts
Dr Donald Peck	India
Jonathan Reekie	Arts
Benita Refson	Education and Learning
Claire Whitaker	Arts
Vanessa Wiseman	Education and Learning
Dr Paul Woolley	Investments
Skalzang Youdon	Administrator, India

**Independent Auditors**

PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT

**Solicitors**

Withers LLP, 16 Old Bailey, London EC4M 7EG.  
Farrer & Co, 66 Lincoln's Inn Fields, London, WC2A 3LH.

**Bankers**

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**Investment Advisers**

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