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THE ALLEN LANE FOUNDATION

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2017**

THE ALLEN LANE FOUNDATION

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THE ALLEN LANE FOUNDATION

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2017**

Trustees

Philip Walsh
Guy Dehn (resigned 29 June 2016)
Margaret Hyde
Fredi Teale
Zoe Teale, Chair
Juliet Walker
Maurice Frankel (appointed 19 October 2016)

Charity registered number

248031

Principal office

90 The Mount, York, YO24 1AR

Staff

Tim Cutts, Executive Secretary
Gill Aconley, Grants Officer

Auditors

BHP, Chartered Accountants, Bathurst House, 86 Micklegate, York, YO1 6LQ

Bankers

Co-operative Bank Plc, 62-64 Southampton Row, London, WC18 4ND

Investment Managers

Psigma Investment Management, 11 The Strand, London, WC12N 5HR

The Trustees present their annual report together with the audited financial statements of The Allen Lane Foundation (the charity) for the year ended 31 March 2017. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

Objectives and Activities

• Objectives and Public Benefit Statement

The Trust Deed states that the Foundation may make grants for 'general charitable purposes'. This gives the Trustees considerable latitude to decide on priorities. The Trustees currently choose to fund work which

- encourages or enables unpopular groups to share in the life of the whole community
- will make a lasting difference to people's lives rather than simply alleviating the symptoms or current problems, and
- is aimed at reducing isolation, stigma and discrimination.

The Foundation has identified specific groups of people it believes are vulnerable, isolated and unpopular within the communities through which support can meet those objectives. The Foundation is interested in funding work which benefits people in the following groups, or generalist work which includes significant numbers from more than one such group:

- asylum-seekers and refugees
- gypsies and travellers
- lesbian, gay, bisexual or transgender people
- offenders and ex-offenders
- older people
- migrant workers
- people experiencing mental health problems
- people experiencing violence or abuse

As the Foundation's resources are modest, it generally funds smaller organisations where small grants can have more impact. Grants are awarded to registered charities and organisations with automatic charitable status. Grants are also awarded to constituted groups with charitable purposes and newer forms of organisations such as Community Interest Companies (CIC). It currently makes grants in the UK, but does not make grants for work in London as it feels there are other significant grant-makers covering the capital. While recognising (and being willing to support) on-going, tried and tested projects, the Foundation is particularly interested in unusual, imaginative or pioneering projects which have not yet caught the public imagination.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities and setting grant-making policies.

Where the grant is made to a registered charity the Trustees are confident that the grant has been made to further a charitable purpose for the public benefit. Where grants are occasionally made to other organisations the Trustees consider carefully how the funds will be used and make those grants with conditions to ensure they are spent appropriately and for charitable purposes. In all cases the Trustees seek feedback on the actual use of the grants given, and the achievements made, so they know how funds were used in practice.

The explanations and feedback on the grants made are believed to be sufficient for monitoring the quality of those grants and appropriateness of the size of the grant made. In grant making there is always a necessary degree of trust that the applicant is honest and will use the funds wisely.

Achievements and performance

- **Key financial performance indicators**

In the year to 31 March 2017, the Foundation's income rose to £743,452 from £703,484. Expenditure during the year rose to £966,702 from £952,759. This resulted in net expenditure being £223,250 a fall from £249,275 in the previous year. Once net gains on investments of £3,026,419 are taken into account the overall net movement in funds was a surplus of £2,803,169. The total funds available at the end of the year were £21,139,506.

The Trustees have an agreed benchmarking for the investment portfolio against 90% of the FTSE All Share index. This reflects that a proportion of the portfolio is not invested in UK equities. Against this benchmark, the portfolio has out-performed this index over the last twelve months and over a three-year period.

• **Grants**

In 2016/17 the Foundation committed to 135 new grants which is less than the previous year. The total value of grants committed was £749,675, which was nearly the same as last year's figure of £749,786. Around a third of grants offered were to organisations previously funded by the Foundation. Most of the grants offered (101) were single grants, with fewer being for two or three years. From a total of 584 applications made to the Foundation during the year, 446 were refused resulting in an overall success rate of 23%, although for most applications that were eligible and focussed on just one beneficiary group the success rate increased to between 30% and 50%. The average size of grant increased from £4,837 last year, to £5,553.

There was a good geographical spread across the UK with 114 grants awarded in England, 13 in Scotland, 4 in Northern Ireland and 4 in Wales. 13 of the grants offered were for organisations working nationally.

The most grants made (34) and the highest total funded (£148,185) went to groups and organisations supporting Older People. The next highest total of grants awarded (26) were to organisations supporting more than one beneficiary group. Organisations supporting refugees and asylum seekers, people with mental health issues and offenders and ex-offenders were the other largest priorities and in total these five beneficiary groups represented around 70% of the total value of grants made in this year.

The fact that these beneficiary groups received the 'lion's share' of the Foundation's grants this year reflects the continuing reduction in the provision of services and public funding for these groups of people whilst the need and demand for support in these areas continues to grow. The support for the other beneficiary groups whilst smaller overall is no less important but reflects the level of applications received in these categories.

• **Allen Lane Lecture**

The Foundation successfully held a Lecture at the Honourable Society of Gray's Inn in London in November. The guest Lecturer was Dame Anne Owers, Chair of Clinks and of the Independent Police Complaints Commission. Trustees are currently planning their next Lecture which they anticipate will be held late in 2017. The likely theme of the Lecture will link closely to another of the priorities of the Foundation. The text of previous Lectures is available on the Foundation's website (www.allenlane.org.uk).

• **Investment policy and performance**

The Trust Deed authorises the Trustees to invest the Foundation's funds in the same unrestricted manner as if they were the beneficial owners of the funds. Trustees have a clear and agreed investment policy and objectives based on the advice of its investment managers, PSigma Investment Managers, who implement that strategy and report at every meeting to the Trustees on performance and market conditions. The Trustees regularly review the investment policy and objectives to ensure that it takes account of the overall objectives of the Foundation and identifies any long term risks to the portfolio.

Market conditions have improved throughout the year and this resulted in value of the Foundation's portfolio over the year increasing by 13.5% and investment income in the year rose by 5.7%. The Trustees would like to place on record their thanks for the advice and performance of PSigma Investment Managers.

Financial review

● Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

● Reserves policy

The Trustees are not required to make any distinction between capital and income, and aim to maintain the real value of the legacy, while ensuring that the level of grant-making is not subject to large fluctuations. Grant-making in any one year is not strictly related to the amount of investment income received, but rather to an estimate of the amount which can be spent each year without impairing the ability of the capital to sustain the same real level of spending indefinitely into the future.

At the end of the accounting period, the total amount of free reserves the Foundation held was £21,138,311 and was all unrestricted funds. This was up from the previous year due to the performance of the Foundation's investments rather than due to any change in the levels of income or expenditure. The Trustees accept that there can be fluctuations, both up and down, in the value of investments, and monitor these carefully throughout the year. The trustees estimate that a minimum reserve of one year's operational expenditure of £950,000 is required.

Structure, governance and management

● The Foundation

The Allen Lane Foundation was set up in 1966 by the late Sir Allen Lane, founder of Penguin Books, to support general charitable causes. Although the Foundation has no connection with the publishing company, it has throughout its existence had a strong family connection with several family members having served as Trustees including two of Sir Allen Lane's daughters. Currently, the Foundation has six Trustees of whom two are members of the founder's family.

● Appointment of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust Deed. Trustee induction and training is informal, but appropriate to a Foundation of this size. New Trustees are provided with copies of the governing documents, latest set of accounts and taken through the processes employed by the Foundation. Trustees can also attend specific training or networking opportunities provided for by the Foundation's membership of the Association of Charitable Foundations (ACF).

The Trustees welcomed the appointment of Maurice Frankel to the Board of Trustees during the year. Maurice is the current Director for the Campaign for Freedom of Information.

● Pay policy for senior staff

The level of pay for staff is set by the Trustees after consideration of the size of the organisation, the levels of responsibility and the appropriate rates within the charitable sector.

• **Administration**

The Trustees are responsible for the setting the overall strategies, policies and funding criteria of the Foundation including investments, making the final decisions on any grant awarded and for agreeing an annual budget. Delegated responsibility is given to the Executive Secretary to implement these and together with the Grants Officer provide all appropriate advice and guidance.

The Foundation's staff, Tim Cutts, the full-time Executive Secretary and Gill Aconley the part-time Grants Officer administer the Foundation's business on a day-to-day basis from the office in York, and the Trustees meet three times a year. Reports by the office are made to the Trustees at every meeting with regular communication with the Chair between meetings.

Trustees can report that the cost of running the Foundation has remained steady with continued steps to keep operating costs at an appropriate level compared to the level of grants that could be awarded. Administrative costs represent about 10.1% of grants committed.

Trustees are grateful to Tim and Gill for their diligence in the administration of the Foundation.

• **Risk analysis and management**

The Trustees have considered the risks faced by the Foundation. The Trustees are satisfied that appropriate measures have been taken and systems put in place to mitigate these risks and minimise the impact on the Foundation, should difficulties materialise. Major risks the Trustees have considered and taken steps to mitigate included having robust assessment and monitoring processes to ensure grants made are for work which is considered charitable; having a clear investment policy which takes into account appropriate professional advice; and ensuring that the Foundation is compliant with legislation and regulations through taking any necessary professional advice and employing experienced and knowledge staff.

• **Policy**

The Trustees in its most recent review made a change in the Foundation's policy from last year. The Trustees have taken the decision that after more than twenty years directly supporting the Lesbian, Gay, Bi-sexual and Transgender (LGBT) community, it will no longer retain it as one of its specific priorities. In that period, there has been a positive increase in society's acceptance and attitude towards LGBT people and greater awareness of the issues that LGBT people face. This does not mean that the Foundation will stop funding LGBT organisations or projects, it will continue to accept applications which fall within its other priority groups, for example, older people, people experiencing mental health problems and people suffering violence or abuse.

Since 1996, the Foundation has directly awarded nearly £300,000 to 80 groups and organisations supporting the LGBT community, and there will have been many more grants that crossed-over priorities or provided indirect support. Many of the grants awarded were to small self-help groups and local projects, but the Foundation also supported a national helpline for LGBT victims of domestic abuse and more recently provided support for LGBT parents who had adopted or wished to adopt.

The Trustees are always keen to make the Foundation's criteria as clear as possible to save applicants from wasted effort and disappointment, although this means that the guidelines list a significant number of "exclusions".

The Foundation's website gives better guidance to those groups and organisations looking towards the Foundation for support and provides case studies of grants awarded. These case studies not only provide examples of the types of grants the Foundation makes, but highlights the excellent work that is done by many of the organisations supported. The Foundation, through its staff, is always available to provide advice and guidance prior to any application submitted.

Future plans

While continuing the grant making programme described above, and in light of the continuing difficult economic and social climate faced by the organisations and beneficiaries supported by the Foundation, the Trustees have maintained grant-making levels from its grants programme. The Trustees receive regular policy statements and updates from staff during the year to help refine or make changes to their grant-making policy. The Trustees will continue to review of the Foundation's work during the coming year and continue to reserve the right to offer larger grants at their discretion.

Thanks

Most importantly, the Trustees also wish to express their appreciation of those who have applied for grants this year. We regret that there are many we are unable to help, but without their work, a grant-making foundation like this would have no purpose. The Trustees and staff feel privileged to be able to help with their work.

Trustees' responsibilities statement

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 30 June 2017 and signed on their behalf by:



Zoe Teale, Chair of Trustees

We have audited the financial statements of The Allen Lane Foundation for the year ended 31 March 2017 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of Trustees and auditors

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

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

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

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

BHP

BHP, Chartered Accountants

Statutory Auditors

Bathurst House
86 Micklegate
York

YO1 6LQ

Date: 3 August 2017

BHP, Chartered Accountants are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE ALLEN LANE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2017

	Note	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income from:				
Investments	2	743,452	743,452	703,484
Total income		743,452	743,452	703,484
Expenditure on:				
Raising funds		122,900	122,900	113,383
Charitable activities		843,802	843,802	839,376
Total expenditure	3	966,702	966,702	952,759
Net expenditure before investment gains/(losses)		(223,250)	(223,250)	(249,275)
Net gains/(losses) on investments		3,026,419	3,026,419	(1,060,868)
Net income / (expenditure) before other recognised gains and losses		2,803,169	2,803,169	(1,310,143)
Net movement in funds		2,803,169	2,803,169	(1,310,143)
Reconciliation of funds:				
Total funds brought forward		18,336,337	18,336,337	19,646,480
Total funds carried forward		21,139,506	21,139,506	18,336,337

All activities relate to continuing operations.

The notes on pages 14 to 25 form part of these financial statements.

THE ALLEN LANE FOUNDATION

BALANCE SHEET
AS AT 31 MARCH 2017

	Note	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	9		1,195		1,594
Investments	10		20,859,121		18,371,701
			<u>20,860,316</u>		<u>18,373,295</u>
Current assets					
Debtors	11	1,163		1,430	
Cash at bank and in hand		511,607		225,889	
		<u>512,770</u>		<u>227,319</u>	
Creditors: amounts falling due within one year	12	(192,580)		(246,877)	
Net current assets/(liabilities)			<u>320,190</u>		<u>(19,558)</u>
Total assets less current liabilities			<u>21,180,506</u>		<u>18,353,737</u>
Creditors: amounts falling due after more than one year	13		(41,000)		(17,400)
Net assets	15		<u>21,139,506</u>		<u>18,336,337</u>
Charity Funds					
Unrestricted funds	14		<u>21,139,506</u>		<u>18,336,337</u>
Total funds			<u>21,139,506</u>		<u>18,336,337</u>

The financial statements were approved by the Trustees on 30 June 2017 and signed on their behalf, by:

Zoe Teale, Chair of Trustees



The notes on pages 14 to 25 form part of these financial statements.

THE ALLEN LANE FOUNDATION

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash used in operating activities	16	<u>(996,733)</u>	<u>(1,046,088)</u>
Cash flows from investing activities:			
Dividends and interest from investments		743,452	703,484
Proceeds from sale of investments		3,314,981	2,449,198
Purchase of investments		<u>(2,775,982)</u>	<u>(2,513,060)</u>
Net cash provided by investing activities		<u>1,282,451</u>	<u>639,622</u>
Change in cash and cash equivalents in the year		285,718	(406,466)
Cash and cash equivalents brought forward		<u>225,889</u>	<u>632,355</u>
Cash and cash equivalents carried forward	17	<u><u>511,607</u></u>	<u><u>225,889</u></u>

1. Accounting Policies

1.1 Basis of preparation of financial statements

The Allen Lane Foundation constitutes a public benefit entity as defined by FRS 102. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are the making of grants for general charitable purposes.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Incoming resources

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

1. Accounting Policies (continued)

1.3 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Equipment	-	25% reducing balance
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1.5 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'gains/(losses) on investments' in the statement of financial activities.

1.6 Interest receivable

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

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid.

1.8 Cash at Bank and in hand

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

1. Accounting Policies (continued)

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Where the effect of the time value of money is material, the liability is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the statement of financial activities.

1.12 Pension costs

Pension contributions paid by the charity into pension schemes on behalf of its employees are charged to the statement of financial activities.

1.13 Taxation

As a charity, The Allen Lane Foundation is exempt from tax on income and gains falling within the available tax exemptions to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

2. Investment income

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income from UK listed investments	742,606	742,606	702,434
Bank interest receivable	846	846	1,050
	743,452	743,452	703,484

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

3. Analysis of resources expended by expenditure type

	Staff costs 2017 £	Depreciation 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on investment management	-	-	122,900	122,900	113,383
Costs of raising funds	-	-	122,900	122,900	113,383
Grants committed	-	-	744,675	744,675	747,842
Grant assessment and travel expenses	-	-	2,990	2,990	3,813
Support costs (Note 5)	56,069	319	9,899	66,287	65,233
The Allen Lane Lecture Governance (Note 6)	-	-	6,187	6,187	-
	14,018	80	9,565	23,663	22,488
	70,087	399	896,216	966,702	952,759

4. Analysis of grants

	2017 £	2016 £
Grants to institutions		
Grants committed (Note 19)	749,675	749,786
Grants withdrawn or released	(5,000)	(1,944)
Total grants	744,675	747,842

For further details of grants committed during the year see note 20. A reconciliation of grant commitments is as follows:

	2017 £	2016 £
Commitments brought forward	226,433	318,029
Grants committed (Note 19)	749,675	749,786
Grants withdrawn or released	(5,000)	(1,944)
Grants paid	(776,813)	(840,482)
Grants refunded	-	1,044
Grants carried forward	194,295	226,433

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

	2017 £	2016 £
of which payable within one year	153,295	209,033
of which payable after more than one year	41,000	17,400
Total	<u>194,295</u>	<u>226,433</u>

5. Support costs

	Governance costs £	Charitable activities £	Total 2017 £	Total 2016 £
Premises	1,431	5,723	7,154	7,237
Office costs	631	2,526	3,157	3,516
Sundry expenses	422	1,650	2,072	2,787
Legal fees	343	-	343	-
Wages and salaries	12,088	48,358	60,446	57,922
National insurance	622	2,487	3,109	3,756
Pension cost	1,308	5,224	6,532	5,791
Depreciation	80	319	399	532
	<u>16,925</u>	<u>66,287</u>	<u>83,212</u>	<u>81,541</u>

The support costs as listed above are allocated to charitable activities and governance costs using a ratio of 80:20. This ratio has been agreed by the Trustees and shows a reasonable split between time and resources spent on each area.

6. Governance costs

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Accountancy fees	1,632	1,632	1,590
Audit fee	4,302	4,302	4,010
Trustees' travel and accommodation expenses	804	804	580
Other support costs	2,827	2,827	2,708
Wages and salaries	14,018	14,018	13,494
Depreciation	80	80	106
	<u>23,663</u>	<u>23,663</u>	<u>22,488</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

7. Net incoming resources/(resources expended)

This is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	399	532
Auditors' remuneration - audit	4,302	4,010
Accountancy fees	1,632	1,590
	<u><u> </u></u>	<u><u> </u></u>

8. Staff costs

Staff costs were as follows:

	2017	2016
	£	£
Wages and salaries	60,446	57,922
Social security costs	3,109	3,756
Other pension costs	6,532	5,791
	<u><u>70,087</u></u>	<u><u>67,469</u></u>

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

	2017	2016
	No.	No.
	2	2

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of The Allen Lane Foundation include both the Executive Secretary and the Grants Officer. The total employee benefits of the key management personnel were £66,978 (2016 - £63,713).

During the year, no Trustees received any remuneration (2016 - £NIL).

During the year, no Trustees received any benefits in kind (2016 - £NIL).

During the year, a total of £804 (2016 - £580) was reimbursed to three (2016 - four) Trustees in respect of travel and accommodation expenses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

9. Tangible fixed assets

	Office equipment £
Cost	
At 1 April 2016 and 31 March 2017	<u>3,778</u>
Depreciation	
At 1 April 2016	2,184
Charge for the year	399
At 31 March 2017	<u>2,583</u>
Net book value	
At 31 March 2017	<u>1,195</u>
At 31 March 2016	<u>1,594</u>

10. Fixed asset investments

	Listed securities £
Market value	
At 1 April 2016	18,371,701
Additions	2,775,982
Disposals	(2,942,020)
Revaluations	2,653,458
At 31 March 2017	<u>20,859,121</u>
Historical cost	<u>13,516,868</u>

Investments at market value comprise:

	2017 £	2016 £
Listed investments	<u>20,859,121</u>	<u>18,371,701</u>

All the fixed asset investments are held in the UK

Material investments

As at 31 March 2017, no listed investments accounted for five percent or more of the total value of listed investments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

11. Debtors

	2017 £	2016 £
Other debtors	-	316
Prepayments and accrued income	1,163	1,114
	<u>1,163</u>	<u>1,430</u>

12. Creditors: Amounts falling due within one year

	2017 £	2016 £
Other taxation and social security	1,593	4,528
Grant commitments	153,295	209,033
Accruals and deferred income	37,692	33,316
	<u>192,580</u>	<u>246,877</u>

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

	2017 £	2016 £
Grant commitments	41,000	17,400
	<u>41,000</u>	<u>17,400</u>

14. Statement of funds

	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
<i>Unrestricted funds</i>					
General funds	13,040,210	743,452	(966,702)	980,293	13,797,253
Revaluation reserve	5,296,127	-	-	2,046,126	7,342,253
	<u>18,336,337</u>	<u>743,452</u>	<u>(966,702)</u>	<u>3,026,419</u>	<u>21,139,506</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

15. Analysis of net assets between funds

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Tangible fixed assets	1,195	1,195	1,594
Fixed asset investments	20,859,121	20,859,121	18,371,701
Current assets	512,770	512,770	227,319
Creditors due within one year	(192,580)	(192,580)	(246,877)
Creditors due in more than one year	(41,000)	(41,000)	(17,400)
	<u>21,139,506</u>	<u>21,139,506</u>	<u>18,336,337</u>

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

	2017 £	2016 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	2,803,169	(1,310,143)
Adjustment for:		
Depreciation charges	399	532
(Gains)/losses on investments	(3,026,419)	1,060,868
Dividends and interest from investments	(743,452)	(703,484)
Decrease/(increase) in debtors	267	(66)
Decrease in creditors	(30,697)	(93,795)
Net cash used in operating activities	<u>(996,733)</u>	<u>(1,046,088)</u>

17. Analysis of cash and cash equivalents

	2017 £	2016 £
Cash in hand	511,607	225,889
Total	<u>511,607</u>	<u>225,889</u>

18. Related party transactions

There were no related party transactions as required to be disclosed other than the reimbursement of trustees expenses shown in note 8.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

19. Grants committed

Grants committed during the year were as follows:

	£
About Time	3,032
Action for Elders Trust	3,000
Action on Dementia Sunderland	5,000
Action on Postpartum Psychosis	6,000
African Rainbow Family	1,000
AFSKP Charity	2,000
Age Concern Okehampton and Torrington	7,000
ALLY Foyle	4,000
Alternatives to Violence	10,750
Anchor Project	9,000
Anxious Minds	2,500
Ashford and Tenterden Umbrella	6,000
Association of Visitors to Immigration Detainees	15,000
Bell View	6,000
Bethany House Healing Centre	2,000
Bipolar Scotland	2,450
Bradford Court Chaplaincy	6,000
Breathing Spaces	7,200
Burghfield and Mortimer Handybus	1,500
Byker Community Association	5,000
Cambridge Ethnic Community Forum	5,000
Centre for Criminal Appeals	10,000
Centre for Peaceful Solutions	14,912
CHAS Bristol	12,000
Chorlton Good Neighbours	3,360
Citizens Advice Bureau Fylde	7,075
City of Sanctuary Bradford	7,000
City of Sanctuary Maternity Stream	6,277
ConGens Group	4,375
Coventry and Warwickshire Friend	4,000
Cowpen Quay Community Association	4,852
Criminal Justice Alliance	10,000
Culture Connect	1,000
Daisy Programme	3,000
Devon & Cornwall Food Action	4,000
Drylaw Neighbourhood Centre	5,000
Eagle's Wing at the Moses	7,000
Easingwold District Community Care Association	2,000
Emerging Communities Network	3,000
Esteem Clydesdale	2,000
EU Welcome Project	3,000
Folkstone Youth Project	5,760
Ford, Pallion & Millfield Community Development Project	4,988
Forth Valley Migrant Support Network	5,100
Friends of the Drop In	5,000
Futures Unlocked	8,000

THE ALLEN LANE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

GHoPA	3,000
Glendale Trust	7,800
Good Morning Down	6,000
Good Shepherd Ministry	4,800
Green Team	5,000
Grimsby & District Live at Home Scheme	6,066
Growing Support	5,200
Harbour Project for Swindon Refugees and Asylum Seekers	4,461
Headlight Sunderland	4,000
Homestart Telford & Wrekin	6,400
Hometruths	10,000
Hope Projects	5,618
Howard League for Penal Reform in Scotland	7,000
Hull Lighthouse Project	6,000
Inside Out	5,690
Invisible Traffick GB	10,400
Just for Women	6,000
Just Good Friends	2,000
Justice First	15,000
Kilmarnock Road Children & Young People Family Centre	5,000
Kinghorn Friday Lunch Club	4,000
Lagan Village Youth and Community Group	3,000
Lanarkshire Rape Crisis	10,000
Learning Plus	5,762
Leicester LGBT Centre	4,000
Leicester Rape Crisis	6,000
Levenshulme Good Neighbours	6,876
LGB&T Dorset Equality Network	6,500
LGBT Fed	2,050
LGBT Lincs	886
Life Long Song	2,000
Lifeshare	3,822
Linaska Women's Group	2,000
Manchester Congolese Organisation (MaCO)	2,400
Meadows Children & Family Wing	9,000
Mental Health Action Group Sheffield	5,000
Migrants Supporting Migrants	4,500
Mind Dorset	1,000
Mind Your Music	6,000
Monmouthshire Self Help & Friendship	1,500
Music Action International	5,000
Music in Detention	10,000
Muslim Community Organisation Nottingham	2,500
Neighbourhood Action in Farnley, New Farnley & Moor Top	5,000
New Road Parents	1,500
North Staffordshire Polish Day Centre	6,000
Northern Lights Therapy Service CIC	5,200
Northhampton Rape Crisis	9,000
Nottingham Bike Works	4,000
Oasis Community Church	3,000
Oasis Community Project - East Hastings	3,120
On the Out CIC	2,500

THE ALLEN LANE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

Open Door North East	9,500
Open Gate	15,000
Oswin Project	3,000
Oxford Against Cutting	5,000
PANDAS Foundation	6,000
Pandora Project	8,394
Plot 22	3,000
Polish Domestic Violence Helpline	5,000
Positive Approach Charity	6,000
Quest	4,000
Reading Repertory Theatre	3,800
Refugee Survival Trust	12,000
Relatives & Residents Association	15,000
Rene Cassin	5,000
Restore	7,500
Rose Hill United Reformed Church	2,500
Ryedale Carers Support	3,000
Sandwell African Women Associations	1,000
Seniors Mens and Womens Forum	500
Slough Refugee Support	12,000
St John's Aspire	4,000
St Madoes and Kinfauns Parish Centre	6,000
St Michael's Parish Community Hall	3,000
StopSO UK	5,824
Survivors Group	500
Tea in the Pot	3,000
Together Dementia Support	6,000
Trans* Warrington	500
Transform Drug Policy Foundation	15,000
Trellis	9,900
Tuebrook Hope Group	3,000
Two Pennies Money Advice	6,580
Unity Group Wales	3,500
Western Isles Association for Mental Health	3,000
Women of Worth	12,995
Women's Breakout	15,000
York Neighbours	4,000
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	749,675
