



LONDON FUNDERS
Reports and Accounts
for the year ended
31 December 2012

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Charity registration: 1116201

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LONDON FUNDERS

Trustees' Report
For the year ended 31 December 2012

Structure, governance and management

Effective funders.....thriving communities

London Funders is a charity and company limited by guarantee.
Its Executive Committee is the board of directors of the company and
its board of trustees

The formal object of London Funders is “the promotion of the voluntary and community sector, primarily within Greater London, for the benefit of the public by the exchange of information, knowledge and experience among and between funding organisations where there is a primary, but not exclusive, locus of operation within Greater London, and between funding organisations and the voluntary and community sector, with a view to enabling funding organisations to support the voluntary and community sector more effectively and with a view to the voluntary and community sector accessing support and funding from funding organisations more effectively.”

Executive Committee Officers

Chair	Kristina Glenn, MBE	Cripplegate Foundation
Vice Chair	Bonnie Royal	London Borough of Southwark
Treasurer	Ian Redding Roger Chester	(to 13 June 2012) Lion Heart (from 11 July 2012)

Executive Committee Members

Caroline Forster	The Social Investment Business (from 13 June 2012)
Susan Humphries	London Borough of Haringey (to 13 June 2012)
Bharat Mehta, OBE	Trust for London
Erik Mesel	John Lyon's Charity
Monica Needs	London Borough of Barking and Dagenham
Samantha Dowling	The Social Investment Business (to 13 June 2012)
Ciaran Rafferty	The City Bridge Trust
Samantha Rennie	Homeless Link (from 13 June 2012)
Andrew Robinson, MBE	CCLA Investment Management Ltd
Chris Robinson	The Mayor's Fund for London (to 11 July 2012)
Alison Rowe	Big Lottery Fund
Alice Wallace	London Borough of Camden (from 13 June 2012)
Alastair Wilson	UnLtd (to 13 June 2012)

Staff team

Gaynor Humphreys	Director
Catherine McLoughlin	Network Development Coordinator
Paul Bower	Project Manager, Legacy 2013> Fund

Professional advisers

Accountants	Bankers	Solicitors
Goldwins	Unity Trust Bank	Russell-Cooke LLP
75 Maygrove Road	Nine Brindleyplace	2 Putney Hill
London NW6 2EG	Birmingham B1 2HB	London SW15 6AB

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Executive Committee members are the Trustees and Directors of the Company. The 12 elected members each serve a maximum of two three-year terms and are drawn from London Funders' membership. Honorary Officers are elected by the Executive Committee from among its members.

Leaving the Committee at the 2012 AGM were Samantha Dowling and Ian Redding (both moving to new roles), Susan Humphries (retiring from her borough post) and Alastair Wilson (after serving two full terms). An election saw the following joining the Committee: Caroline Forster, Samantha Rennie and Alice Wallace. Roger Chester generously volunteered to be co-opted as our Treasurer. Towards the end of 2012, Chris Robinson stood down, on leaving The Mayor's Fund for London.

London Funders has a small office and two full-time staff. During 2012 Paul Bower worked for four days per week on a study of the feasibility of creating an endowed grantmaking fund following the 2012 Olympic and Paralympic Games. (See page 9 of this Report.)

During the year London Funders moved from contracting with the Association of Charitable Foundations for part-time book-keeping and financial management and now has these services provided by Accountability Europe. London Funders continues to rent a small office from ACF and share the costs of a meeting room on the premises.

Background and structure

London Funders was incorporated as a company limited by guarantee in 2005 after some years of working as an informal network called London Funders Group. It is a charitable company structured as a membership association. Members are funders of the voluntary and community sector in London. Each pays a subscription and has a named representative (to vote at meetings such as the AGM). Most member organisations involve a variety of people in London Funders' activities, such as grantmaking, commissioning, policy and research staff. Associate membership allows third sector organisations in London which do some funding, but not as their primary remit, to belong to London Funders but with no voting rights. See page 13 for members in 2012.

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Objectives

London Funders exists to strengthen and support London's funders to better meet the needs of Londoners

London Funders is a unique network of funders and investors supporting London's voluntary and community organisations. Our members come from all the sectors, so that London Funders provides foundations, funders from the public sector and corporate givers with opportunities to share their experience and learn from each other. We help to forge productive relationships which contribute to the wider benefit and overall sustainability of London's voluntary and community organisations. We aim to contribute to a vibrant, varied, fit for purpose third sector which serves London well.

The importance of London Funders is our focus on the capital. Although the other English regions and other countries of the UK have considerable and particular needs, so too does London. Because of the scale and complexity of London these can be masked and need exposure to policy development and strategic thinking around funding.

The key defining feature of our work is cross-sectoralism, through which regional and local government funders get into dialogue with independent foundations, livery companies, loan finance investors, corporate sector donors and new philanthropists. All work within different frameworks and constraints and have overlapping but distinct aims and objectives. What all share is a love of London, a belief in Londoners and various areas of expertise about different parts of London and its third sector.

Public benefit

Executive Committee members very much keep in mind that as a charity London Funders has a duty to provide public benefit: this helps guide their plans and activities. Close attention is paid to outcomes from all the work. As a second tier organisation London Funders does not directly claim impact on communities. What we do, as honestly and accurately as we can, is identify the directly attributable results of our work and consult members about the contribution to their practice which our work has made, noting the improved visibility of funders in London, increased collaboration between them, and opportunities taken up for work in partnership with other organisations.

In a year which saw the grave and increasing impact of public expenditure cuts to the VCS and the implications of national policy change for London's communities and its VCS, our work was focused strongly on helping funders think about how to maximise their resources for the benefit of London.

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Achievements and performance in 2012

Chair's report on behalf of the trustees

During 2012 Londoners continued to grapple with the recession, which has resulted in a loss of public and voluntary sector services and significant changes to benefits and social housing. Unemployment remains stubbornly high in a world class city. With the loss of services and the changing role of the state, how can funders best respond to such change?

London Funders brings funders together to shine a light on these issues and to raise the profile of the needs of Londoners. Funders are looking for imaginative responses to the loss of services, whether this is through working together to support Londoners, or modelling new responses to need.

Throughout 2012 the number and range of funders attending our meetings, seminars and project groups grew. We brought together inner and outer London boroughs, grantmaking trusts and social investors to see how together we can offer ways forward in such turbulent times. We focused on issues that funders told us were central to Londoners – changes to advice services, welfare reform, housing and support for young people. Our demonstration project, inspired by the London 2012 Games, led to a campaign for the creation of a new endowed foundation to support community-based sport which has received widespread support.

The impressive range of information and opportunities for funders to meet, share ideas and develop strategies depends on our small staff team. I want to thank Gaynor Humphreys for her leadership and her team's work in developing London Funders this year.

We depend on our Board to shape and develop our work. Members are drawn from all sectors of London Funders. There were changes to the Board in 2012. Samantha Dowling and Ian Redding both moved to new roles. Susan Humphries retired from her Haringey Council post. Alastair Wilson left the Board when his term of office ended. I would like to thank them for their insight and support for the work of London Funders.

There has never been such a need for London Funders, which gives the opportunity to meet with funders from different sectors and different areas of London to tackle issues which concern us all.

Kristina Glenn

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Achievements in 2012

We increased our **membership** by 13 and broadened the range of funding represented by our members, especially in reflecting the growth of social investment (new members include Big Society Capital joining other social lenders) and renewed interest from housing funders (Homeless Link, Peabody and Southern Housing Group all joined).

We **captured knowledge on**

- changes in housing policy, which have profound implications for many Londoners and pose challenges for boroughs and social landlords in particular
- constructive investment in advice services, and significant re-engineering of services
- funders' approaches to supporting VCS infrastructure/second tier organisations
- changes in local approaches to public health
- experience of personalisation of adult social care and more...

We **strengthened organisational effectiveness** through meetings on payment by results, funding innovation, assets and property, and sharing research and evaluation between members.

We **published** reports on our meetings and a monthly e-bulletin

We worked on a demonstration project by supporting a group of our members and other key agencies to undertake a feasibility study on the creation of a **legacy fund inspired by the London 2012 Games** and then to campaign for the creation of a new endowed foundation to support community-based sport and sport for development

This year saw a broadening of the **number and range of participants within our member organisations**. For example, we saw an increased take up of our services by **London borough staff** engaged with us and ever higher participation by the boroughs in our events. There was active contact with every borough during the year and with London Councils. We also took opportunities to invite borough participants to present case studies and lead discussion alongside independent funders. We continue to learn the wisdom of London Funders' underlying principle of drawing together funders from every sector.

In January 2012 we launched a new **website**, www.londonfunders.org.uk, a step change in design, content and functionality as well as reducing cost. Member feedback is positive. Our monthly e-bulletin is now web-based and goes directly to 1,200+ readers.

A new project group emerged during the year for funders concerned with the use of **assets and property** by the VCS. New members are welcome.

"We continue to learn the wisdom of London Funders' underlying principle of drawing together funders from every sector."

Comment from an associate member on the benefits of membership

"As a second tier charity The Cranfield Trust has found that associate membership with London Funders has helped bridge the gap between charities and funders allowing us to better tailor our services and products for the benefit of both our clients as well as grantmakers. Informative, cutting edge discussion groups have helped frame our thinking and for this opportunity, The Trust is very grateful."

**Alice Dabrowska,
The Cranfield Trust**

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Achievements in more detail

Membership

We were pleased to welcome 13 new members during the year, diverse in purpose, geographic extent and scale. They are:

- Big Society Capital
- Hammersmith United Charities
- Homeless Link
- Localgiving.com (associate)
- Local Trust
- Merton Voluntary Service Council (associate)
- Metropolitan Migration Foundation
- Peabody
- People's Health Trust
- Peter Minet Trust
- Richard Cloudesley's Charity
- Richard Reeve's Foundation
- Southern Housing Group (associate)

Further discussion on membership was under way with other funders at the year end. A lively discussion of **corporate philanthropy** in December drew on the experience of Macquarie Group working with Cripplegate Foundation in Islington and Land Securities' grantmaking through London Community Foundation. This was at a meeting jointly organised by London Funders and New Philanthropy Capital, hosted by Macquarie Group Foundation. It attracted dozens of other companies and professional advisers to explore the role of corporate philanthropy in London, perhaps the most complex city in the world, and how to ensure constructive involvement in local communities and pressing needs while meeting company objectives. A new category of corporate membership of London Funders has been created and by early 2013 we welcomed new corporate members.

Members meetings

Our primary service to members is through events for funders to learn about key issues, discuss topical concerns, think together about their support of the VCS in London and facilitate good, well-informed relationships between them (including all-important cross-sector linkages). We publish reports from these on our website. We also seek feedback from participants on all our events, testing the value of our meetings to them and exploring whether these meetings lead directly to new relationships and new (or better-informed) activity, and also asking members for ideas for future events and especially examples of their work which we should include as case studies or exemplar projects at events or on our website.

Given the unusually challenging economic and political context, we have made a particular commitment to scaling up as a source of intelligence for funders on the impact of public expenditure cuts and the changing policy environment. Our main focus for meetings was to understand the new, harsher **funding landscape**, brief members on policy changes and their specific impact on London, and share effective ideas and practice in commissioning, grantmaking and social investment that encourage adaptiveness and resilience in the VCS. We held meetings on *The Funding Landscape*, each on specific pressure points. Our hosts for these meetings were Mazars LLP (for two of the meetings), Newton Investment Management, Local Government Information Unit and Brewin Dolphin:

The benefits of belonging to London Funders

"A fascinating session yesterday morning; made some good contacts too. London Funders delivers again!" **Steve Futter, The Football Foundation**

"London Funders helps us as a UK-wide funder to keep across the pertinent issues in the capital. The perspectives of such a broad range of varied stakeholders at London Funders bring a freshness, different narrative and challenge our thinking."

Gilly Green, Comic Relief

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- in early 2012 we convened members to look at the **advice** sector where we explored not only the many damaging changes to the structure and amount of funding for this sector (e.g. changes in legal aid) but also the increasing demand arising from changes in welfare benefits and growing personal and family debt in London. LB Camden's recommissioning of advice services was one important focus of the meeting. Our keynote speaker was Alison Garnham, CEO of CPAG and among the constructive responses to the sector's challenges we looked at Baring Foundation grants and the Strategic Legal Fund for refugee children and young people.
- our second meeting looked at **support services for the VCS**, a vulnerable area as many funders are funding the front-line as a priority, to the detriment of the second tier. We looked at the scope for change funded by the Transforming Local Infrastructure Project, by hearing about LB Tower Hamlets' partnership with the second tier organisations in the borough and especially the revived CVS. We also heard from Big Lottery Fund on their plans to reshape and reduce their support of infrastructure, and heard from Justin Davis Smith of Volunteering England about the value and scope of volunteering.
- in June we had an information based meeting on the shift of **public health** responsibility to local authorities with LGiU providing the context for us and presenters from LB Lambeth and the London Health Improvement Board providing insights into current practice.
- An update for funders on the abolition of the **Social Fund** and implications from this for local authorities and relevant grantmakers was held in partnership with Child Poverty Action Group and the Association of Charitable Organisations, chaired by Patrick Butler of The Guardian. We have been working since with ACO and CPAG to encourage good borough practice and inter-borough coordination in their plans to replace the Social Fund, and to find ways of assisting other funders of individuals in need to relate to the new local government structures from April 2013.
- our third Funding Landscape meeting in the year looked at **housing and homelessness**. LSE's Anne Power set the scene for us, Southern Housing Group shared their strategy for development, the eight borough East London Housing Partnership demonstrated the impact that joint working can achieve and the GLA shared an early look at the emerging Mayoral housing strategy for London. Heather Petch helped to summarise and analyse the discussion and a key area for follow up by funders was identified as homelessness and destitution.

Learning from Funders

This is an occasional series of meetings on topical matters to help funders work their funding harder or smarter. Buzzacott LLP are our partners in this, offering us an excellent meeting room and hospitality for each event.

- May, Payment by Results. Barrow Cadbury Trust and Social Finance informed and triggered discussion and LB Islington presented some experimentation in PbR in adult social care.
- October, Innovation in funding. Speakers were drawn from Nesta, LB Camden and RB Kensington and Chelsea.
- November: updates on Personalisation in Adult Social Care, where we heard especially about market development in LB Barking and Dagenham and the support of micro-enterprise in LB Camden.

Although these meetings are for funders only and run under a variant of the Chatham House Rule, we publish reports of these discussions which share as much as possible of the information and discussion.

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Project Groups

Our **Research and Evaluation project group** has met quarterly: attendance is increasing and for the first time local authority representation is growing. Topics included members' own evaluation activity, specifically the Diana, Princess of Wales Memorial Fund's final evaluation and how the Fund planned to disseminate its learning; an update on the Football Foundation's Upshot programme (for grant recipients' project management and outcomes reporting and the Foundation's own combined analysis); New Philanthropy Capital's research exploring shared measurement for charities working on improving prisoners' family ties; the new reporting system for BBC Children in Need grants; LB Camden's analysis of its new forms of investment in the VCS; and quasi-experimental evaluation of some of UnLtd's programmes. These discussions feed back into funders' evaluation skills and ambitions. The group continues to meet quarterly. Andrew Cooper of the Diana, Princess of Wales Memorial Fund chaired these meetings and at the end of the year when his Fund closed, handed over the chair to Craig Tomlinson of BBC Children in Need.

Following a couple of meetings on the use of **assets and property** to strengthen the VCS, we have some members interested in meeting regularly to look at these issues. These include a number of boroughs (where participation includes both officers on the grantmaking and commissioning side and property managers and surveyors), and some of the major grantmakers and lenders for VCS property (e.g. Heritage Lottery Fund, Charity Bank, Social Investment Business). The topic is important - helping voluntary organisations to have the right property for their needs, affordably, and to find ways of strengthening their financial independence through acquiring or developing property, but it is also a complex area for boroughs at present as they review property policy and strategy in the light of a need to maximise the value of their own assets. This group is meeting quarterly and Caroline Forster of Social Investment Business is its chair.

Joint meetings

As well as the meetings on corporate giving and on the Social Fund described above we have collaborated with others as follows:

- Meeting with Sir Steve Bullock, Chair of London Councils Grants Committee, to provide an opportunity for funders to discuss with him the implications of the changed London Councils commissioning programme from 2013 onwards and any advice or support that independent funders could offer. This has been followed up with his successor on the Grants Committee, Councillor Paul McGlone.
- Meeting the needs of children living with domestic violence in London. This was in partnership with City Bridge Trust and showcased research they had funded.
- Three events with London Civic Forum where London Funders advised on agendas, helped identify appropriate speakers, publicise the events and disseminate their outcomes. These were:
March, Philanthropy in the community
August, Building effective partnerships with businesses
December, Social investment.

Demonstration project: Legacy 2013> Fund

In late 2011, our Olympic and Paralympic Games project group transformed into a group reviewing the idea of building a long-term legacy for community-based sport, inspired by the London 2012 Games. Their work throughout 2012, with financial support from City Bridge Trust, Comic Relief, Community Development Foundation, Trust for London and others to pay for a feasibility study, culminated in a well-supported proposal to create a new endowed fund for community-based sport. The idea was publicly aired and received overwhelming support from funders, the VCS, the private sector and most recently the GLA's Sports Unit.

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In June, as the Games started, we held a business breakfast, kindly hosted by CCLA Investment Management Ltd at which a key speaker was Anita de Frantz, a member of the International Olympic Committee, an Olympic athlete herself, and President of LA84 Foundation which was one of the sources of inspiration for our project. 80+ people at the event encouraged us to widen out from being a London-focused group to aim at being UK-wide. We have not persuaded government of the value of investing in such a foundation but believe that their input would be essential to securing match funding from corporate and private sources and we continue to lobby key people and agencies to achieve this. London Funders' Executive Committee has taken a great interest in this not only because of the topic itself but as a demonstration that London Funders can be much more than a place to encourage talk about funding and can have direct practical application too.

The full feasibility study and a free-standing Executive Summary are both available on London Funders' website.

Communications with members

Website January 2012 saw the launch of our new website, www.londonfunders.org.uk, markedly improving design, content and functionality as well as reducing cost. Feedback from members has been positive, usage has improved and we can now offer many resources to funders and really topical news and information. We update the website at least weekly. We rebranded our stationery and developed new templates for reports and publications, in line with the website design, and now present an image and branding in which our members can and do take pride.

E-bulletin This remains a monthly publication, popular with members. Its format and design are now based on the website and while this change has been challenging to implement, it is now running smoothly and allows good updating and reasonable ease of navigation. It is distributed to over 1,200 subscribers. In a recent survey, 80% of respondents say they read every issue of the e-bulletin and 90% said the length is about right. A majority of respondents said they share the e-bulletin with colleagues.

Publications We publish reports of all our meetings. Short summaries are put quickly on our website along with presentations and links to speakers' and members' relevant material. These are followed by more detailed reports, available electronically and circulated further by members and others.

A spin off from the e-bulletin is a section of the website called Resources for Funders, 20+ categories where we collect and offer links to a range of reports, tools and information sources which are useful background and reference material for funders.

Twitter is the only social medium we use at present and while we use it sparingly we constantly attract new followers and find many thoughtful messages and re-tweets about our work, especially our meetings and publications.

Participation levels remain excellent with virtually all our member organisations sending participants to our events in the course of a year, and all receiving our e-bulletin and communicating with us. The number of people linking to us within member organisations has increased in 2012. We analysed this in October 2012 for London Councils and found at that point

"The e-bulletin is a great source of information and news." **Gabrielle Archer, London Community Foundation**

"The updated e-bulletin is excellent!"
Helen Laker, LB Southwark

"I find this format of the e-bulletin much easier to navigate than the previous newsletter format. I like the fact that I can review the headlines and see what is relevant to me by the short and helpful synopsis provided under each heading. Thank you for the hard work as ever!"
Cathy Togher, London Community Foundation

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that amongst the boroughs, on average, we have 12 members of staff from each participating in our activities. These include grantmakers and commissioners, and increasingly policy officers, along with some more senior staff, normally up to assistant director level.

External collaboration

London Funders maintains good working links with a wide variety of organisations and networks whose work is of relevance to funders. The Director regularly presents the funders' perspective at events organised for the VCS.

We have participated in the London Debt Strategy Group since it developed as a response to the startling increase in debt in London during the recession and the Director attends meetings of the Borough Grants Officers Forum and the London Local Authority Lotteries Network. Mubin Haq represents us on the GLA's London Strategic Migration Partnership, and Erik Mesel on the Advisory Group for Project Oracle, a London-focused project to bring evaluation of youth programmes in line with academically rigorous and internationally recognised standards of evidence, improving consistency and quality not only in understanding of what does and does not work but also informing funding decisions.

We aim to have regular meetings with key organisations beyond our membership including the Centre for London and London Voluntary Service Council.

We have recently been accredited as a London Living Wage employer.

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Plans for 2013 and 2014

As funding and policy challenges continue, our priorities are intensifying around funders working together better, with sharper priorities and a commitment to additionality; new ways of working, challenging funders and providers; and modelling evidence- and intelligence-led solutions.

Our broad objectives in 2013 and 2014 are around:

- 1 Bringing members together around priority topics (e.g. through updates on policy, sharing practice and identifying great investment and smart funding)
- 2 Funders working together by testing new models, exploring joint approaches and fostering new philanthropy
- 3 Shining a light on London issues, by finding varied ways to share widely what funders know, increasing links to researchers and academics and promoting and sponsoring key pieces of research.

Specifically, we will develop/organise

- events for members, tackling in more depth key areas explored in 2012: advice services; services for young people; London's housing; second tier services; health; and the impact of poverty on London
- we will create opportunities for members to look at changes in public sector funding of the VCS and consider implications for London; and examples of improvements in service provision through informed investment and new approaches to funding
- events on topical issues such as: implications of localism; risk and opportunity in social investment; balancing crisis and the survival of services against longer term investment and preventative work
- opportunities to help funders understand and respond to new issues, e.g. effects of introducing Universal Credit (and implications for London); and approaches to debt and financial capability
- work on building membership so as to encourage more communication and shared learning across the funding landscape
- ways to help members share information on new ways to invest in specific sectors and encourage joint approaches to investing in the VCS
- groups around: tackling homelessness and issues for people with no recourse to public funds; and policy and practice on assisting the VCS with property and asset development
- further work on new arrangements for the Social Fund, encouraging shared thinking on "local connection" and standards of local assistance
- some continued effort to create a legacy for community-based sport from the London 2012 Olympic and Paralympic Games
- research and development including partnership work on mapping aspects of funding, identifying gaps, and sharing good practice. We shall need to increase our resources to work more in these areas.

We will use our published reports, e-bulletin, website and social media to highlight what we learn from our events, share research findings, publicise our members' achievements and programme outcomes, and analyse and publicise trends to help funders forecast change, help the VCS respond and encourage policymakers to face the facts.

We will share information on effective practice in commissioning, and partnership building between public sector funders and the VCS. We will continue to participate in key networks and share their knowledge and views with funders. A focus of membership growth is to recruit corporate givers, and to engage more with health funders.

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Members of London Funders in 2012

BBC Children in Need	London Borough of Merton
Big Lottery Fund	London Borough of Newham
Big Society Capital	London Borough of Redbridge
Caritas Diocese Westminster (associate)	London Borough of Richmond Upon Thames
CCLA Investment Management Ltd	London Borough of Southwark
Charity Bank	London Borough of Sutton
Church Urban Fund	London Borough of Tower Hamlets
City Bridge Trust, The	London Borough of Waltham Forest
City of London Corporation	London Borough of Wandsworth
City of Westminster	London Catalyst
Comic Relief	London Community Foundation
Commonweal Housing	London Councils
Community Development Foundation	Mayor's Fund for London, The
Cranfield Trust (associate)	Media Trust (associate)
Cripplegate Foundation	Mercers' Company, The
Diana, Princess of Wales Memorial Fund	Merton Voluntary Service Council (associate)
Football Foundation	Metropolitan Migration Foundation
Futurebuilders (Social Investment Business)	New Philanthropy Capital (associate)
Hammersmith United Charities	North West London Community Foundation
Heritage Lottery Fund	Peabody
Hillingdon Community Trust	People's Health Trust
Homeless Link	Peter Minet Trust
JISC	Pilgrim Trust, The
John Lyon's Charity	Poplar HARCA (associate)
Joseph Levy Charitable Foundation	Richard Cloudesley's Charity
Localgiving.com (associate)	Richard Reeves Foundation
Local Trust	Rosa UK
Locality (associate)	Royal Borough of Greenwich
London Borough of Barking and Dagenham	Royal Borough of Kensington & Chelsea
London Borough of Barnet	Royal Borough of Kingston upon Thames
London Borough of Bexley	Safer London Foundation
London Borough of Brent	St Andrew Holborn (associate)
London Borough of Bromley	St Katharine & Shadwell Trust
London Borough of Camden	School for Social Entrepreneurs (associate)
London Borough of Croydon	Social Enterprise London (associate)
London Borough of Ealing	Southern Housing Group (associate)
London Borough of Enfield	sported. (associate)
London Borough of Hackney	Trust for London
London Borough of Hammersmith & Fulham	United St Saviour's Charity
London Borough of Haringey	UnLtd
London Borough of Harrow	Wakefield and Tetley Trust, The
London Borough of Havering	Wates Foundation, The
London Borough of Hillingdon	Young Foundation (associate)
London Borough of Hounslow	
London Borough of Islington	
London Borough of Lambeth	
London Borough of Lewisham	

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Financial review

Risk management

The Executive Committee maintains awareness of areas which could represent risks for London Funders, assessing on grounds of likelihood and impact governance, market position, external factors, external credibility, operational and internal factors, and financial sustainability. The Committee and staff aim to ensure that there are controls which minimise the likelihood of risks within these, if this is within London Funders' ability, and lessen their impact. Any areas still considered high risk are regularly reviewed by the Executive Committee at its quarterly meetings.

Reserves policy

The Executive Committee has resolved to maintain free reserves in unrestricted funds equal to at least three months' expenditure on all costs. At the year end, reserves were somewhat higher than planned but this was largely a result of the delayed receipt of some subscriptions and will be helpful for cash flow in early 2013.

Donors and supporters in 2012

We are very grateful for help in kind, principally through hosted meetings and events, from Brewin Dolphin, Buzzacott LLP, CCLA Investment Management Ltd, City Bridge Trust/Corporation of London, Cripplegate Foundation, Local Government Information Unit, Macquarie Group Foundation, Mazars LLP, Newton Investment Management and Trust for London. For the first time, in 2012, we are showing a notional value of this help in kind in the annual accounts, and valued at £10,000.

London Funders is grateful to City Bridge Trust for funding some of our costs for three years (starting in 2011) while other streams of income are developed. CCLA kindly donated £5,000 towards our running costs.

City Bridge Trust, Comic Relief, Community Development Foundation and Trust for London contributed significantly to funding the Legacy 2013> Fund project, along with support from CCLA Investment Management, Leyton Orient Community Sports Project, London Community Foundation and London Youth. CCLA and Hunters Solicitors gave pro bono advice.

Our expenditure in 2012 was approximately £169,000, including project funding for our Legacy> 2013 Fund work. Subscriptions represented 53% of total income, while grants and donations amounted to just over 40% and help in kind around 5%. We have held subscriptions at the same level since 2011 and plan to impose no change in 2013. We have budgeted in 2013 for lower expenditure partly from savings in our ICT budget, more help in kind for meetings from commercial supporters and professional adviser firms, cheaper audit arrangements and sharp awareness of every cost incurred.

Preparation of the report

This report of the Executive Committee has been prepared taking advantage of the small companies exemption of section 417 (1) of the Companies Act 2006.

It was approved and authorised for issue by the Executive Committee on 22 April 2013 and signed on its behalf by

Kristina Glenn, Chair, London Funders

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Statement of Trustees' Responsibilities For the year ended 31 December 2012

The trustees 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).

Charity law requires the trustees to prepare financial statements for each financial year that 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 the year. In preparing those 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping 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 and regulations made thereunder. 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.

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

LONDON FUNDERS

Independent Examiner's Report to the Executive Committee of London Funders For the year ended 31 December 2012

I report on the accounts of the Trust for the year ended 31 December 2012, which are set out on pages 16 to 22.

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity is preparing accrued accounts and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act.
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act.

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Goldwins Limited
75 Maygrove Road
West Hampstead
London
NW6 2EG

LONDON FUNDERS (Registered Company Number 05596299)

Statement of Financial Activities
For the year ended 31 December 2012

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Incoming resources					
Incoming resources from charitable activities					
Voluntary Income	2	99,050	70,800	169,850	121,270
Donations	3	15,000	-	15,000	-
Incoming resources from generated funds					
Earned Income		-	-	-	1,290
Interest receivable		183	-	183	167
Total incoming resources		<u>114,233</u>	<u>70,800</u>	<u>185,033</u>	<u>122,727</u>
Less costs of generating funds		1,653	1,274	2,927	-
Incoming resources available for charitable application		<u>112,580</u>	<u>69,526</u>	<u>182,106</u>	<u>122,727</u>
Resources expended					
Charitable activities	4	95,170	67,908	163,078	129,536
Governance costs	5	2,792	-	2,792	3,711
TOTAL RESOURCES EXPENDED		<u>97,962</u>	<u>67,908</u>	<u>165,870</u>	<u>133,247</u>
Net incoming/(outgoing) resources before transfers		14,618	1,618	16,236	(10,520)
Transfers between funds		(570)	570	-	-
Reconciliation of funds					
Fund balances at 1 January 2012		55,081	1,312	56,393	66,913
Fund balances at 31 December 2012		<u>69,129</u>	<u>3,500</u>	<u>72,629</u>	<u>56,393</u>

LONDON FUNDERS (Registered Company Number 05596299)

BALANCE SHEET

As at 31 December 2012

		2012		2011
	£	£	£	£
FIXED ASSETS				
Tangible Assets	8	1		1
CURRENT ASSETS				
Debtors	9	-	1,130	
Cash at Bank and in hand		<u>82,849</u>	<u>66,296</u>	
		82,849	67,426	
Creditors: amounts falling due within one year	10	<u>10,221</u>	<u>11,034</u>	
NET CURRENT ASSETS		72,628		56,392
TOTAL ASSETS		<u><u>72,629</u></u>		<u><u>56,393</u></u>
CAPITAL & FUNDS				
Restricted funds		3,500		1,312
Unrestricted funds				
General fund	11	69,129		55,081
		<u><u>72,629</u></u>		<u><u>56,393</u></u>

For the year ended 31 December 2012 the Charity was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- (i) The members have not required the Charity to obtain an audit of its accounts for the year in question in accordance with section 476;
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). They were approved, and authorised for issue, by the directors on 22nd April 2013 and signed on their behalf by:-

KRISTINA GLENN, Chair

ROGER CHESTER, Treasurer

LONDON FUNDERS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2012

1. Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

1.2 Incoming resources

Incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Such items include donations and investment income. Grants receivable are recognised when the criteria for receiving the grant have been met. Gifts in kind are recognised as an income and expense in the same year at the price London Funders estimates it would pay in the open market for such a service or facility.

Membership income is recognised over the period of membership.

1.3 Resources expended

Costs are allocated directly to the activities to which they relate. Costs incurred in support of expenditure on the objects of the charitable company are recognised as support costs. Support costs are allocated between charitable expenditure headings on the basis of the average amount of staff time spent on each activity.

Governance costs include those costs involved in managing and administering the charitable company. All expenditure is included on an accruals basis and includes attributable VAT which cannot be recovered.

1.4 Tangible fixed assets and investments

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows: Fixtures, fittings & equipment 33% on cost. All assets costing more than £500 are capitalised.

1.5 Company Status

The company is a charity limited by guarantee. The members of the company are the trustees named in the Trustees report. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

1.6 Fund accounting

Unrestricted funds are those funds which are unrestricted and are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes. Restricted funds are funds raised exclusively for a specific charitable activity.

1.7 Pension

The company operates a defined contribution pension scheme. Contributions are charged to expenditure as they become payable in accordance with the rules of the scheme.

LONDON FUNDERS

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2012

	Unrestricted Funds	Restricted Funds	2012	2011
	£	£	£	£
2 Voluntary Income				
Grants receivable				
City Bridge Trust Fund	-	28,500	28,500	15,000
Legacy 2013> Fund	-	42,300	42,300	9,200
Membership Subscription	98,450	-	98,450	96,570
Meeting and event sponsorship	600	-	600	500
	<u>99,050</u>	<u>70,800</u>	<u>169,850</u>	<u>121,270</u>

	Unrestricted Funds	Restricted Funds	Total 2012	Total 2011
	£	£	£	£
3 Donations				
Gifts in kind	10,000	-	10,000	-
Donations and Gifts	5,000	-	5,000	-
	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>-</u>

The gifts in kind relate to the provision of meetings facilities including room hire, catering and hosting expenditure.

				2012	2011
				£	£
4 Charitable Activities					
	Staff Costs	Direct Costs	Support Costs		
Meetings and events	57,709	11,544	7,284	76,537	58,671
Membership development	33,583	-	9,029	42,612	33,694
Information and communication	33,582	2,914	7,433	43,929	37,171
	<u>124,874</u>	<u>14,458</u>	<u>23,746</u>	<u>163,078</u>	<u>129,536</u>

	2012	2011
	£	£
5 Governance costs		
Audit fees	1,142	2,200
Trustees' expense	1,650	1,511
	<u>2,792</u>	<u>3,711</u>

LONDON FUNDERS

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2012

6 Analysis of support costs				2012	2011
	Meetings & events	Membership development	Information & communication	£	£
Rent & related services	3833	5382	-	9,215	8,350
Stationery	3033	1299	-	4,332	431
Postage & telephone	418	1146	-	1,564	1,068
Books/Journals & Subs Payable	-	415	-	415	-
Legal & Professional	-	-	-	-	4,200
Photocopying & Printing	-	-	3,757	3,757	4,660
Insurance	-	597	-	597	590
ICT & Website	-	-	3,676	3,676	-
Sundry expenses	-	190	-	190	201
	<u>7,284</u>	<u>9,029</u>	<u>7,433</u>	<u>23,746</u>	<u>19,500</u>

7 Staff costs

	2012	2011
	£	£
Gross Salaries	117,568	89,262
Temp, volunteers & other staff costs	960	5,268
Staff development & external events	554	1,543
Staff expenses	752	-
Bookkeeping & financial management	5,040	-
	<u>124,874</u>	<u>96,073</u>

No Employee received remuneration of more than £60,000.

The average weekly number of employees calculated as full time equivalents during the year was 2.8 (2011: 2)

LONDON FUNDERS

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2012

8 Tangible Fixed assets

	Office Equipment £
Cost	
At 1 January 2012	1,940
Additions	
At 31 December 2012	<u>1,940</u>
Depreciation	
At 1 January 2012	1,939
Charge for the year	
At 31 December 2012	<u>1,939</u>
Net book value	
At 31 December 2012	<u><u>1</u></u>
At 31 December 2011	<u><u>1</u></u>

	2012 £	2011 £
9 Debtors		
Due within one year		
Trade debtors	<u>-</u>	<u>1,130</u>
	<u><u>-</u></u>	<u><u>1,130</u></u>

	2012 £	2011 £
10 Creditors:		
Amounts falling due within one year		
Trade creditors	576	-
Accruals	2,895	2,334
Deferred income	6,750	8,700
	<u>10,221</u>	<u>11,034</u>

LONDON FUNDERS

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2012

11 Statement of funds	Balance at 1 January 2012 £	Income £	Expenditure £	Transfers between Funds £	Balance at 31 December 2012 £
Restricted Funds					
City Bridge Trust Fund	-	28,500	(25,000)		3,500
Legacy 2013> Fund	1,312	42,300	(44,182)	570	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	1,312	70,800	(69,182)	570	3,500
General fund	55,081	114,233	(99,615)	(570)	69,129
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<u>56,393</u>	<u>185,033</u>	<u>(168,797)</u>	<u>-</u>	<u>72,629</u>