



London Funders

Report and Accounts
for the year ended
31 March 2023

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Company registration: 5596299
Charity registration: 1116201

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STRUCTURE, GOVERNANCE AND MANAGEMENT

London Funders is a charity and company limited by guarantee. The London Funders' Board is the board of directors of the company and its board of trustees.

The formal objects of London Funders (revised and approved at the AGM in 2022) are for the benefit of the public and particularly to improve the conditions of life of people who live and work in Greater London. This is through the advancement of citizenship and community development, particularly by:

- promoting the voluntary and community sector;
- providing advice and information particularly on funding and social investment opportunities to facilitate co-operation and collaboration between the voluntary and community sector and funding organisations; and
- providing resources and funding to the voluntary and community sector.

As well as the advancement of education, particularly by providing training and information to, and facilitating the exchange of information, knowledge and experience between, the voluntary and community sector and funding organisations, to enable funding organisations to provide support and funding to the voluntary and community sector more effectively.

Board officers

Chair	David Farnsworth
Vice Chairs	Sally Dickinson Edith Galliers Sara Cooney
Treasurer	Ugo Ikokwu

Board members

Shabana Aslam	Access to Justice Foundation
Susan Barry	Haberdashers' Company (elected 6 December 2022)
Dominic Briant	Metropolitan Thames Valley
Yolande Burgess	London Councils
Sara Cooney	Lloyds Bank Foundation for England & Wales
Emma Corrigan	National Lottery Community Fund
Sally Dickinson	Berkeley Foundation
David Farnsworth	The City Bridge Foundation
Edith Galliers	London Borough of Waltham Forest
John Griffiths	Rocket Science (retired 6 December 2022)
Lynne Guyton	John Lyon's Charity (elected 6 December 2022)
Ugo Ikokwu	Trust for London
Victoria Lawson	London Borough of Hounslow (retired 6 December 2022)
Andrew Matheson	London Borough of Southwark
Tunde Olayinka	Greater London Authority
Matthew Parsonage	Clarion Housing

Staff members

Nasyah Bando	Membership Manager (joined 20 February 2023)
James Banks	Chief Executive (and Company Secretary)
Geraldine Blake	Director of Collaboration and Development
Malene Bratlie	Learning and Communications Manager
Louise Henry	Programme Development Manager (joined 20 February 2023)
Jessica Herbert	Team Coordinator
Helen Mathie	Director of Partnerships and Place
Grace Perry	Head of Programme Delivery
Kamari Romeo	Events and Administration Coordinator (joined 20 February 2023)

Professional advisers

Bankers

Unity Trust Bank	Charity Bank	CAF Bank
Four Brindleyplace	Fosse House, 182 High Street	25 Kings Hill Avenue, Kings Hill
Birmingham B1 2JB	Tonbridge TN9 1BE	West Malling, Kent ME19 4JQ

Solicitors

Russell-Cooke LLP
2 Putney Hill
London SW15 6AB

The Board members are the Trustees and Directors of the Company. There are up to 12 elected members, each can serve a maximum of three three-year terms and are drawn from London Funders' Full members. In addition, the Board can appoint up to three co-opted members. Honorary Officers are elected by the Board from among its members.

London Funders has a small office and at the end of the year employed nine people (7.8 FTE). During the year covered by this report London Funders rented office space from Trust for London at 4 Chiswell Street, London EC1Y 4UP.

Background and structure

London Funders was incorporated as a company limited by guarantee in 2005. 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 range of staff and trustees in London Funders' activities, such as grantmaking, commissioning, policy and research staff. Associate membership allows civil society organisations in London which do some funding, but not as their primary remit, to belong to London Funders but with no voting rights.

OBJECTIVES

London Funders' mission is to bring funders together to build a better London by taking action on what matters to our city and our communities.

London is a complex city and its funding landscape is changing dramatically. This change is being driven by a combination of factors including the impact of the covid-19 pandemic, the ongoing impact of the cost of living crisis, the redefining of the role of the state (both national and local), the changing profile of poverty and the needs of the population within London, and the increasingly complex governance and public policy landscape that our members operate within. Other regions and countries in the UK have high levels of need and disadvantage but in London their scale and complexity are masked by areas of extreme affluence. Funders need to know about how policy affects the capital and how funding can be developed to meet the diverse needs of London's communities.

London Funders is unique in bringing together public-sector funders and commissioners with independent foundations, social and corporate investors, lottery funders and others. Our members invest in every aspect of Londoners' lives, from the arts to welfare, and they fund across all 32 boroughs and the City of London. These funds are invested in London through a number of channels including the voluntary and community sectors, social enterprises and the private sector, as well as directly to Londoners.

As funding and policy challenges continue, our priorities are to focus on funders working together better, with clearer priorities; new ways of working, challenging funders and providers; and modelling evidence- and intelligence-led solutions.

Our beliefs

We believe that Londoners should be at the heart of our work, and that of our members – with their needs, their strengths and their hopes driving developments in the funding community.

We believe that effective and resilient civil society organisations are essential to enabling London's people and communities to thrive. Equally, the systems that govern civil society are important determining factors in how effective and efficient it can be.

We believe that civil society organisations are best supported to meet the needs of Londoners when funding is based on a shared understanding of need, with good funding practices, and a collaborative approach to funding that ensures resources are channelled to the right places.

We believe that social systems - the policy framework within which civil society operates, and how funding is accessed by civil society organisations - can be altered to meet the needs of Londoners better. This outcome is underpinned by funders efficiently allocating resources, as well as collaborating with others to improve understanding of where funding is most needed and how best to channel support there. It is further driven by changes to policies and structures that affect civil society organisations, for which we believe funders can be active advocates.

Our aims and objectives

Our ambitions are to:

- Enable a movement of members to have strong and trusted connections, based on shared values and ambitions
- Facilitate and lead collaborative programmes where only working together can achieve the change that's needed
- Drive a learning culture, where shared data, intelligence and insight leads to better decision-making and action

To achieve this:

- We involve and inspire, convening with purpose so that people and organisations can embrace opportunities to grow together
- We inform and influence, seeking and sharing knowledge so that funding and policy environments meet Londoners' needs
- We innovate and incubate, exploring new ideas and approaches, and ensuring those with potential have the support to thrive

Whilst working towards our ambitions we will also maintain our agility – responding to events and developments as they arise in London, to ensure we are effective at addressing emerging needs.

Public benefit

We recognise that as a charity, London Funders has a duty to provide public benefit: this helps guide our plans and activities. Close attention is paid to outcomes from all the work we do.

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 that 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. The ways in which we seek to create public benefit are illustrated in an online theory of change, which shows how our activities result directly and indirectly in outcomes relating to funders' knowledge, collaboration and voice.

ACHIEVEMENTS AND PERFORMANCE IN 2022/23

Chair's report on behalf of the trustees

2022/23 was another year of big numbers for London Funders – we welcomed eight new members, taking our movement to 176 organisations; 1,777 people came along to the 118 events we ran; 11,158 people read our regular newsletters; and 11,311 engaged with us online. Big numbers were also the theme with our new funder collaboration, Propel, which has brought funders together for a ten-year programme investing over £100m in London's communities, building on our learning about how working together can enable systemic change on the issues that matter to our city and our communities.

But behind the big numbers are the important stories of the positive changes that result from our work – funders becoming more open and trusting in their approach, investments being made into communities tackling injustice, with a stronger culture of learning where shared data, intelligence and insight lead to better decision-making and action. When we review feedback from our members this impact is clear:

"I think the work you do both for the funding sector, but more importantly to support Londoners is exceptional. I have been very proud to champion London Funders"

"Congratulations on everything that London Funders is doing – having been in the corporate social responsibility space for many years it is fantastic to see something that is so truly collaborative and effective"

"The London Funders team are veritable wizards and all with amazing good grace, professionalism and phenomenal energy"

"London Funders is a trusted partner that pushes best practice and is looked up to by all"

Our work bringing funders together from across sectors, based on shared values and ambitions, has never been more important, as our communities face an unprecedented cost of living crisis hot on the heels of a devastating pandemic. But we know that the issues exposed by the pandemic and economic uncertainty were there before, and will be there forever, unless we work together to really tackle the systemic challenges that prevent every Londoner from achieving their potential.

That's why I'm proud to be introducing a report that showcases action we've taken this year – from enabling the pioneering Propel collaboration, growing and strengthening our work in place, sharing learning and insights from across funders and communities, and focusing attention and resources through discussions about what's needed now and for the future. I'm proud to be doing so on behalf of a passionate and committed team of staff and Trustees who are relentlessly focused on building a better London, and as part of this movement of incredible organisations who really care about our city and communities and believe in a better tomorrow.

David Farnsworth, Chair

ACHIEVEMENTS IN 2022/23

Our membership continued to grow this year as we welcomed eight new organisations, taking total membership to 176 by the end of March 2023.

We were pleased to welcome these new members during the year. Like our wider membership they are diverse in their size, aims and geographic remit. Our new members are:

- Barclays
- Barking & Dagenham Giving
- Bennelong Foundation
- Integrate Agency
- John Laing Charitable Trust
- NHS London Procurement Partnership
- Prudence Trust
- Shaftesbury Young People Trust

We aim to equip funders with the knowledge and networks they need to fund a sustainable voluntary and community sector in London. At the heart of our work is a commitment to activity which will bring solid and tangible outcomes for our members.

For 2022/23 we set out five priority areas:

1. Launching a new long-term programme for funder collaboration in London, to tackle the systemic issues that prevent our communities from achieving their potential
2. Revitalising our work on place through embedding learning from other cities and regions, expanding our support of place-based forums, and strengthening the London's Giving movement
3. Sharing learning through our Festival of Learning, monthly insight meetings on the issues that matter to our communities, and evidence-based reports on the work of the funding community
4. Ensuring our members are up-to-date with policy developments, bringing together insights from the manifestos of the local elections in 2022, and data on the emerging cost of living crisis
5. Actively partnering with others to bring about positive change, from championing the open and trusting grantmakers movement, to sharing tools and resources to enable collaboration to happen

We delivered against these priorities whilst reaching across our membership and London's civil society to ensure engagement – with 1,777 people attending the 118 events we ran during the year, 11,158 people reading our regular newsletters, and an increase in online engagement with 51,887 people interacting with our website and 11,311 following us on twitter/X over the year.

We said we would launch a new long-term programme for funder collaboration in London, to tackle the systemic issues that prevent our communities from achieving their potential...

This year saw us launch Propel, our new, ten-year, £100m funding collaboration, that brings together funders from across sectors with equity-focused civil society groups to enable organisations to explore, develop and lead collaborative approaches to tackle some of London's biggest challenges. Propel builds on the learning from the London Community Response (our funding collaboration in response to covid-19) and the input of thousands of Londoners and civil society groups in setting the "missions" that London needs to address as we look to the future.

Propel is driven by a set of eight core principles:

- Systemic – engaging with the whole system around an issue, tackling root causes not just symptoms, building a shared understanding of how systems can change
- Bold – experimenting and taking risks together, influencing wider ways of working
- Flexible – recognising that the future is uncertain, that funders and grantees are on a learning journey together, trusting grantees to respond to changing challenges and opportunities
- Sharing power – recognising that everyone has something to contribute (money, knowledge, networks and reach), investing in people's capacity to co-design, embedding participation in decision-making from the start, building trust and confidence
- Equitable – unlearning old ways of working, biases, and lenses on the world, ensuring that design, process and decision-making are inclusive and take account of the diversity of the sector and of communities
- Non-partisan – recognising both civic and democratic leadership, combining the convening power of politicians with wider participation and voice
- Long term – investing beyond political and institutional cycles, providing stability for civil society partners and seeking to make transformational change
- Accountable - jointly accountable to each other and to the communities we serve

Uniting behind these principles are funders from across sectors (including the Greater London Authority, City Bridge Foundation, Bloomberg, National Lottery Community Fund, London Legal Support Trust, Lloyds Bank Foundation for England and Wales, John Lyon's Charity, John Laing Charitable Trust, and the Mercers' Company), together with equity partners (Ubele, LGBT+ Consortium, HEAR, Inclusion London, and Women's Resource Centre), learning partners (IVAR), and tech partners (Outlandish), committed to working together on three key "mission" areas: a new deal for young people; a robust safety net; and building strong communities.

The first round of funding for Propel opened for applications in the autumn, and at the close of this year nearly £25m of grants had already been made – enabling groups to "explore" their ideas (through grants of up to £50,000 to develop collaborations, identify issues and solutions, and test their approaches), or to "deliver and develop" their work (through grants of up to £500,000 a year where people were ready to scale their activities) – with a strong focus on equity and justice evident in the 85%+ of grants awarded to groups led by and for our priority communities.

Work is already underway to capture the learning from the first steps of our ten year partnership, to further develop the technology that enables us to share power, and to grow the Propel partnership, and we will report on progress in the next annual report.

We said we would revitalise our work on place through embedding learning from other cities and regions, expanding our support of place-based forums, and strengthening the London's Giving movement...

We established our Advisory Group on Place, chaired by Kieron Boyle (Guy's and St Thomas' Foundation), bringing together funders from public, private and independent sectors with civil society colleagues, think tanks and community groups. The group commissioned reports from Renaisi to rethink what we mean by investing in place, and to scope the learning from international examples of place-based collaboration. The discussions of the group helped to inform our learning programme on place, with blog posts, think pieces and reports being shared with our wider membership and networks across the UK to strengthen funding approaches to place and place-based change.

We built on the connections and inspiration of the Advisory Group on Place to establish connections with regional networks of funders across the UK and beyond, presenting learning from our work and benefiting from the generosity of colleagues in sharing their own learning and ideas with us. This included learning exchanges with groups from the Yorkshire Funders network to the Community Foundations of Canada, speaking at events from advice in Manchester to emergency responses in Nottingham, and hosting visitors from Scotland and Northern Ireland. We hope to further strengthen these ties in the coming years to ensure we remain at the forefront of developments in funding and social action for the benefit of our communities in London.

In London itself, we have grown the network of place-based funder forums we support, with 27 meetings held over the year to bring funders together in boroughs, from Southwark to Camden, from Hounslow to Havering, and everywhere inbetween. These networks are proving invaluable at enabling funders who focus on a single borough (including our local authority colleagues) to connect with regional and national funders who have an interest in reaching communities in those areas, enabling them to build a common understanding of local need and make connections that will ensure funding flows effectively to the civil society groups best-placed to achieve positive change. This work builds on our mapping of funding in London, published each year, helping to engage funders in discussions about the "cold spots" of funding in the capital and begin to take action together to address these.

We continued to support and strengthen the London's Giving movement, thanks to funding from the City Bridge Foundation, working with place-based giving schemes across London to harness the power of cross-sector collaboration to enable communities to achieve their ambitions. We were pleased to publish our latest impact report on behalf of the giving movement, showing that over the last year the place-based giving schemes distributed £5m in grants to their local communities, in addition to over £0.5m of in-kind support and volunteer hours. In the past five years, this brings the total of grants distributed to over £26.1m, a huge achievement by the amazing people across the London's Giving network. We have been working alongside the movement this year to look at the longer-term development and growth potential for London's Giving, and have committed to securing the resources for a dedicated resource hub in the coming year to build on the last ten years of support to the network.

We said we would share learning through our Festival of Learning, monthly insight meetings on the issues that matter to our communities, and evidence-based reports on the work of the funding community...

Having piloted our Festival of Learning concept last year, we were delighted to make this a permanent fixture on the London Funders calendar, thanks to funding from the Paul Hamlyn Foundation. We were able to host an expanded programme of over 30 learning sessions across our core themes of community, collaboration, equity, place and process – sharing insights and ideas from over 60 speakers from across the funding, civil society and community sectors to the 500+ people who attended. We not only had the opportunity to gain local insights – from Barking to Hounslow – but we also heard from international contributors, with funders from New York and Montreal sharing their learning with our members (building on the networks established through our Place Advisory Group work). To ensure that everything that was talked about at the Festival was captured we commissioned writers to attend each session and provide summaries of presentations and learning points that we published in a learning report which has been downloaded by hundreds of people from our website – with positive feedback about how members have been able to take positive action building on this sharing of learning.

Building on the Festival, we relaunched our learning programme, initiating our series of monthly insight meetings (bringing funders together with the latest data, new insights and issues facing our communities, to focus on what's needed in London – over the year this included sessions on the climate crisis, digital and tech developments, and practical tips on smoothing funder processes, through to insights on the housing crisis and funding campaigning and advocacy work), hosted learning events reflecting on funder priorities two years on from the first lockdown, sharing events considering how positive changes to funder practice through the pandemic could be sustained longer-term, and embarking on our new approach of focusing on “learning questions”. The learning questions approach will see us identify an overarching question to act as a focal point for our learning events, blogs and reports – we'll be focusing on three questions a year, following the school/learning terms to allow for deeper reflection. Our first question, on what it really means for funders to share power, saw us commission blogs and reports on power, and host events bringing together decision-makers from across the public, private and independent funding sectors to explore different models of sharing power and what this means for our work and connections with communities. We will continue to explore this question into the next financial year, and identify future key learning questions from our programme of insights and outreach with members and communities.

In addition to sharing intelligence and insights, we recognise the importance of data in driving learning across our membership, and so completed our audit of our membership – asking everyone for the details of who, what, where and how they were funding – so that we could provide an overview of changes in the funding sector and opportunities to learn together, based on the £700m+ of funding our members distribute each year. This included identifying geographic areas where funders were keen to work together to address “cold spots” in existing funding (for example in Havering, Hillingdon and Hounslow), and trends towards longer-term grants and funding being given for “core” work (or with less restrictions). These insights further strengthen our learning programme, as well as helping to bring people together to collaborate where there is shared interest or ambition.

One of the key themes emerging from the member audit was the increased interest in addressing issues of equity and justice in funding, leading us to undertake a deeper dive into the data and learning around funding for D/deaf and disabled people's organisations. This analysis was published alongside case studies of the programmes and approaches being developed by our members, and has led to us recruiting to a new post of Associate Director (Equity and Justice) in our team to continue to build on this work in the coming year – which will include a focus on bringing funders together to look at the capacity building needs of organisations led by and for discriminated-against communities, and launching a new network group exploring best practice in funding to champion issues of equity and justice.

We said we would ensure that our members were up-to-date with policy developments, bringing together insights from the manifestos of the local elections in 2022, and data on the emerging cost of living crisis...

Member feedback highlights how useful the reports we produce are to guiding the work of the funding community, so we invested more in this work through the creation of a new post of Associate Director (Research), enabling us to undertake more detailed research on topics of interest to our members and to London's communities – bringing together data with qualitative research techniques to strengthen our understanding of what's happening and why, and what funders can do about it.

Our first research project of the year was to map the manifestoes of the winning parties in each of the borough elections of 2022 – reviewing the commitments made, and the priorities likely to shape the focus and funding of each local authority for the next four years. The mapping highlighted some core issues that were central to many of the manifestoes – from the climate crisis, children and young people, to housing, domestic violence, and the cost of living crisis – as well as local issues that will be helpful to consider for place-based funders in each area. The manifesto mapping also helped us to identify further trends and developments that will shape the public funding sector in the coming years, for example the move to Integrated Care Systems (that promote a more joined-up approach between local authorities, healthcare systems and communities), providing a platform for further learning and insights we can share with members.

Recognising that the cost of living crisis was a central concern for many local authorities, and was also rising up the list of concerns from communities, civil society and our members, we dedicated a significant part of our research and insights time over the year to the cost of living crisis, the impact on communities, the actions funders were taking, and the opportunities for collaboration. We published a detailed report in October on the data and insights we had gathered from members – about the impact this was having on people in London, the rising cost of doing business for the civil society groups working with communities, and the pressures placed on the funding sector by the rapidly-changing situation – which was supported by detailed briefings in the months that followed on key topics, such as the level of uplifts funders were making to grants. We supported the research with a Cost of Living action week with our members (looking at long-term changes, immediate solutions, using data to target support communities, and collaborating through crisis) and supported our members to collaborate on key initiatives to strengthen support to London's communities – from supporting the advice sector through the London Legal Support Trust, to reaching grassroots groups through the London Community Foundation's "Together for London" campaign. Recognising that the issues behind the cost of living crisis, including poverty and exclusion, and the impact of the changes of the year, particularly the significant cost increases

across the sector, are not things with short-term fixes, we expect to continue to have a focus on longer-term changes resulting from this work in the coming year.

We said we would partner with others to bring about positive change, from championing the open and trusting grantmakers movement, to sharing tools and resources to enable collaboration to happen...

Members, and funders across the UK and Europe, joined with us at the start of covid-19 to sign our “We Stand With The Sector” pledges, and we were pleased to be able to co-fund IVAR to set up the “open and trusting grantmakers” movement to build on these commitments and look at longer-term positive changes with the funding sector. Over the year we have been part of the steering group for this work, promoted it to our members, and hosted learning events looking at how funders are putting the principles of being more open and trusting into their work. We remain committed to supporting IVAR’s work in the years ahead, and are delighted to see that over 100 funders have already signed up to be part of this movement.

Movements for change have also emerged to look at increasing the diversity of people in the funding sector, and we were proud to take part in both the 2027 programme (recruiting and training people from working class communities to join the funding sector) and the 10,000 Black Interns programme (making placements available in organisations across sectors). We hosted a 2027 Associate during the year thanks to funding from the Greater London Authority – Alisha Pomells – who supported our work on funder collaboration, and moved on after her year with us to a position with our member the Cripplegate Foundation. We also hosted our first intern through the 10,000 Black Interns programme – Mya Cavner – who was involved in our policy and communications work, and has returned to her studies with a strengthened interest in working in our sector after graduation. We have shared our learning on both programmes with our members to encourage others to join these initiatives, and were pleased to also be able to share Alisha and Mya’s experiences and insights through learning blogs on our website to help us and others identify where there are barriers to engaging and involving people in our sector.

Recognising that our work on funder collaboration has led to the creation of many tools and resources that would benefit others, we have sought to share our work and consider how best to develop this further to strengthen approaches to funding for communities in London. Our work on sharing due diligence during the pandemic led to us starting work during the year to explore common approaches to due diligence across funders, which would save time and resources for both civil society groups and for funders in the assessment process – our exploration over the year has given us the basis for more work on this in the coming year, exploring piloting approaches to shared due diligence for the longer-term. Our experience of responding during the pandemic was also key to collaborative work with London Plus to establish the London Communities Emergency Partnership, which we look forward to supporting in the year ahead to build the connections and understanding that we need to be able to respond to future incidents in London. Beyond crisis, we also: brought funders together one year on from the publication of our immigration advice strategy to look at what’s changed, and what could be done now to build on the work we started a year ago; joined our member the School for Social Entrepreneurs on their Enterprise Grants Taskforce; and funded our member Camden Giving to produce an updated participatory grantmaking toolkit. All these important areas of work are expected to continue to be key elements of our programme in 2023/24, and we look forward to reporting on further progress on practical tools, partnership and positive change in our next report.