



**The London
Community
Foundation**

Annual report and financial statements

For the year ending 31 March 2025

londoncf.org.uk

Registered charity number 1091263
Company limited by guarantee number 4383269

Who we are

We are the community foundation for London. We help you make a difference to London, where it matters most.

We believe London is the greatest city in the world. But London is a polarised city, of extreme inequality, where many people struggle just to get by.

At The London Community Foundation, we believe in the vital role local community organisations play in rising to London's challenges. We also believe in the generosity and solidarity of Londoners wanting to make a difference to where they live and work. Our task is to champion local organisations by connecting donors to them, channelling funds to their work, and supporting them directly to be stronger.



Since 2010,
we have
committed over

**£134
million**

in grants to support
London's grassroots
organisations





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Chair's statement

Collaboration is key in changing, uncertain times

There is immense power in partnership, and we're privileged to stand with London's community and voluntary sector to help meet their needs and challenges. We can't do it alone and we wouldn't want to try to do so either.

The London Community Foundation is built on collaboration – whether it's working together with our generous donors to support their social impact and philanthropic goals or supporting our network of community organisations through funding, guidance and organisational development. But in times of turbulence and uncertainty, working together becomes even more vital. Global markets have become increasingly unpredictable this year, which has had a knock-on effect on donors and charities alike.

Our commitment to supporting grassroots community organisations remains a constant but we're increasingly looking for ways to draw others in to become part of the solution. For example, we were delighted to work with Sainsbury's and Comic Relief on our first Holiday Activities and Food (HAF) programme over the summer holidays. Collaboration was also a key part of establishing the Adobe UK Community Fund, with our colleagues at Berkshire Community Foundation. Valuable insight and guidance from sector experts Inclusion London shaped the programme supporting digital and creative inclusion for disability organisations.

Early in the year we convened a gathering of property developers to explore how we could see even greater social impact through collaboration across the real estate sector. Knight Dragon gave us insight into their partnership with Royal Borough of Greenwich while British Land shared their model for joining forces with their customers and tenants to help the communities surrounding their London campuses.

Both of our pooled 'All Together' funds - Women's Fund for London and Youth Futures Fund - have continued to grow in both value and number of donors. This year Youth Futures surpassed the milestone of £1 million, with £1.4 million raised and distributed to support young people across London. Thanks to generous match funding from CCLA Investments this includes nearly £400,000 going to organisations helping London's young care leavers to thrive.

A personal highlight for me was to watch our team of London Marathon runners race through the city's streets. Each of these generous runners taking on a personal challenge but working together to raise over £50,000 to

help us support good causes across London. Whatever the future holds for London and our network of community organisations, we can be confident that working together to support London's communities will put us all in a stronger position.

This year has seen a change in leadership of The London Community Foundation and I would like to express my thanks to Paul Buchanan MBE for his hard work and dedication during his first year as CEO. It is fitting that he was recognised in the King's New Year's Honours list for his services to charity and I am excited to see him lead us forward into the future. I would also like to recognise The London Community Foundation team and Board of Trustees and thank them for all their hard work this year.

Russell Prior OBE
Chair
The London Community Foundation



Our impact across London



£8,523,000

awarded to charitable organisations

703

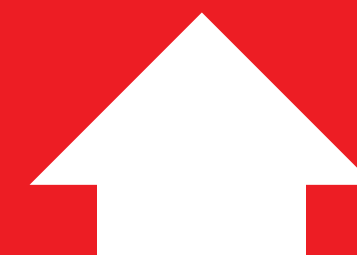
grants allocated

£12,124

average grant size

78%

of grantees have an annual income of under £500,000



Increasing our focus on impact

At The London Community Foundation, we are driven by a deep belief in the power of grassroots organisations to lead meaningful change.

In a year of continued economic and social pressures in our communities, our focus has remained on increasing our impact, by supporting those closest to the challenges, and the solutions.

In 2024–25, we awarded over £8.5 million in funding through 703 grants, with nearly 80% going to organisations with annual incomes under £500,000. The charities we support are embedded in their communities and they are trusted and responsive. They understand the complex issues

facing many Londoners and deliver support that is based on the needs of individuals, is inclusive, is culturally relevant, and always transformative.

We recognise that the success of the community organisations we support, means success for us and our donors. It is the community organisations themselves who know how to make a difference and are best placed to understand their own needs. So, we have continued to deepen our engagement with community organisations, to understand their needs,

and look to provide as much supportive funding as possible. This includes providing longer term, co-designed, and core funding to organisations wherever possible.

It is inspirational to work with so many thoughtful and responsive donors, from all sectors, who care about improving the lives of Londoners facing challenges. Working alongside incredible donors like Adobe to support disability organisations that desperately need more core funding to meet burgeoning demand, especially in underserved cold spots in London. Likewise with the Wimbledon Foundation who are supporting local homelessness charities with long term, flexible funding based on their needs. Or through the impactful, long-standing partnership with MOPAC to tackle violence against woman and girls which provides collaboration, learning, and development opportunities for grantees, alongside funding, to tackle this pernicious issue.

I would also like to thank the Godin Legacy Fund for their kind donation to The London Community Foundation, which has been incredibly valuable for us as a charity, in furthering our work to

support women in London through our funding programmes.

Looking ahead our priority is to be impact led. We are putting the foundations in place for a long-term strategy to grow our impact. We will work closely with our donors to be a supportive and understanding funder. We will collaborate widely to avoid duplication and leverage more value for communities. We will advocate for grass roots community organisations and ask more incredible donors to join our collective mission, to make London a fairer and more equitable place for all.

As I reflect on my first year as CEO of The London Community Foundation, it's been an honour to lead the organisation as we continue to evolve to meet the needs of London grassroots charities. And it's a privilege to lead such a dedicated, committed and caring team; supported by our outstanding trustees.

Paul Buchanan MBE
Chief Executive Officer

Our values and behaviours

Our vision:

A strong and diverse civil society, that tackles disadvantage and creates greater equity in London.

Our purpose:

Through good philanthropy, our knowledge and expertise, we convene donors to invest in charitable organisations working to overcome the issues affecting London.

Our values:

- We are equitable
- We are accountable
- We are responsive
- We are collaborative
- We are impactful

Our behaviours:

- Inclusive
- Adaptable
- Trustworthy
- Pragmatic
- Respectful
- Enterprising

8

9

Our impact: Women

Reaching those women most at risk in our city

"Your financial partnership means that we can continue to focus our small charity resources on our in-depth, holistic and survivor-centred work which is truly transformational for the women we work with. We are incredibly grateful for your support."

Strength and Stem

With nearly five million women and girls living in London, the range of issues faced by those women marginalised by poverty, race, culture, community, religion and language is vast. Our funding programmes are designed with the ambition to ensure that all get the chance to receive the support and provision they need. However, the layered nature of the experiences and challenges they face, means that women often face additional disadvantage. The impact of this can start to be felt at a young age too.

This year the **Evening Standard** ran an investigation into the prevalence of misogyny in schools and its impact on young women and girls, committing £500,000 as part of their **Show Respect** campaign to tackle the issue. Grants were awarded to 12 community organisations across London from the **Evening Standard Dispossessed Fund**. The programme has already impacted 2,089 students across 35 schools in 13 London boroughs. The campaign also received

prominent coverage in several editions of the Evening Standard newspaper and on their website.

In September, we gathered together with 36 specialist community organisations tackling violence against women and girls (VAWG), with special guest outgoing **Deputy Mayor Sophie Linden**. The current cohort from **MOPAC Violence Against Women and Girls (VAWG) Grassroots Fund 2023-25** have already supported 7,794 women with recovery and engaged young girls and boys in the prevention of harmful attitudes. Despite systemic barriers, these small led by and for organisations deliver culturally sensitive and trauma-informed services to those experiencing multiple disadvantages. The £3+ million multi-year programme represents everything we aspire to as a flexible and responsive funder – yet this merely scratches the surface in this area of great need.

Just one month later we hosted another group of community organisations bringing hope and

opportunity specifically to women across the city. Our new **Women's Fund for London** has now awarded £210,000 to support four community organisations providing skills, training and employment opportunities to disadvantaged women. As one of our pooled 'All Together' funds, it offers the perfect way for anyone – individuals, trusts or companies – to help us achieve sustainable, flexible support and bring greater financial resilience to disadvantaged women and their families.

In December, **Godin Legacy Fund** gave an unrestricted £50,000 donation in recognition of our commitment to supporting women in the capital through our wide grantmaking programmes and projects, including the **Women's Fund for London**.

Our Women's Fund for London runs throughout the year. If you would like to know more about supporting women across the city, please contact philanthropy@londoncf.org.uk

Funding and support

£2,045,975

of funding was
awarded to community
organisations
supporting women

28%

of our overall
funding was
focused on women

7,794

women and young people
supported through VAWG
recovery and education
programmes



Our impact:
Young people

Helping the capital's young people to thrive

"I've never been in an environment where I feel so valued for being me. The sense of family and community that The Big House Theatre Company generates is truly unique and amazing."

Young person, supported by The Big House Theatre Company

Young people in London feel the impact of the city's inequality as much as anyone. Young people under 25 make up nearly a third of London's population and many of them struggle to access the opportunities, services, and support they need to thrive. Resources can be stretched for organisations supporting young people and funding gaps become inevitable. This year we have been able to identify some important areas where funding for young people can make a significant impact, such as tackling misogyny in schools, providing summer holiday activity and food programmes and supporting young people leaving care.

Our **Youth Futures Fund** continues to grow, with over £1.4 million raised and distributed to community organisations across the capital. With previous rounds focusing on post-pandemic mental health, education and employment and healthy relationships, this year's theme was helping young care leavers to thrive. Thanks to £150,000 of match funding from **CCLA Investments**, we were able to raise £395,000 to support six specialist community organisations helping those leaving care to transition to adulthood. Broadcaster, TV presenter and inspirational speaker **Ashley John-Baptiste** joined us to share his experiences of leaving the care system, at the launch of the match-funded care leavers programme.

This summer we also launched our first summer holiday activities and food (HAF) programme, with **Sainsbury's** and **Comic Relief** identifying key communities across the city that were not eligible or prioritised for existing government HAF programmes. The **Nourish the Nation Summer Holiday Activities and Food programme** distributed £400,000 to 41 community organisations in 18 London boroughs in 2024. We were also able to work with Sainsbury's and Comic Relief to facilitate HAF funding for fellow community foundations in Manchester, Northern Ireland, Scotland and Wales.

Young people supported by the **Wimbledon Foundation Community Fund** featured prominently in the 10th anniversary of the **Wimbledon Foundation** celebrated at The Championships this year. Young people representing two of the grantee organisations (Ashdon Jazz Academy and Carney's Community) took part in the coin toss for the Singles Finals at Wimbledon 2024.

Our Youth Futures Fund runs throughout the year. If you would like to know more about supporting young people across the city, please contact philanthropy@londoncf.org.uk

Funding and support

£3,015, 534

of funding was awarded
to community organisations
supporting children and
young people

41%

of our overall funding
was focused on children
and young people

6,088

children provided with
meals and summer
activities through Nourish
the Nation



Our impact: Strengthening organisations

Supporting community organisations beyond the financial

"The P2E programme has been transformative, helping us identify and capitalise on our strengths while addressing areas for improvement. The impact has been profound, fostering a shared sense of purpose, improved communication, and enhanced leadership capabilities."

P2E partner organisation

Supporting London's charity sector means more than channelling financial resources to the community organisations that need them most. Offering capacity-building to ensure organisations remain sustainable and can thrive is crucial, especially where their teams have limited access to training and consultancy.

This year saw the conclusion of the **£2million Pathways to Economic Opportunities (P2E)** programme, in partnership with **Action for Race Equality and Ubele Initiative** and funded by **JPMorganChase**. This multi-year programme demonstrates the transformational impact of combining grant-making with tailored organisational development support - strengthening the very organisations we are dedicated to championing.

Between 2022 and 2024, 19 ethnic minority-led organisations working to tackle economic inequalities in London were supported through core and project funding. In addition, they received a comprehensive

package of organisational development - peer learning workshops, consultancy, leadership development and resource sharing. This culturally sensitive, collaborative approach enabled organisations to build sustainable infrastructure and leadership, not just deliver projects. Peer learning and the ability to work with consultants who understand their communities' lived experiences enhanced both impact and engagement.

In February, building on the success of the original VAWG Grassroots Fund and the learnings from the P2E programme, we launched a programme for both the **Mayor's Office for Policing and Crime (MOPAC) Violence Against Women and Girls (VAWG) Grassroots Fund 2023-2025** and the **Home Office VAWG Specialist Support Services Fund 2023-2025**. Our delivery partner **IG Advisors** will offer more than 30 learning and networking opportunities for organisations over the year-long programme, including one-to-one support, action learning sets and online resources.



Impact in numbers:

64

organisations offered
organisational
development support

46

workshops and learning
opportunities for grantees

500+

hours of one-to-one
consultancy

21%

improvement in capacity
across P2E programme

Crucially, in all these programmes, the support has been informed by the learning needs and ambitions of the grantee partners and co-designed with the organisations taking part. The P2E programme saw capacity increase up to 36% for participating grantees (an average of 21% across the whole cohort) and some organisations leveraging additional funding of up to six times the original grant.

When we go beyond financial support, investing in the long-term resilience and leadership of community organisations, the social and economic returns are profound. This approach offers a model for funders seeking to build a more equitable and effective social sector.

If you would like to know more about strengthening community organisations across the city, please contact philanthropy@londoncf.org.uk



A year at The London Community Foundation

April

We were proud to receive a ‘good’ **Foundation Practice Rating** (<https://foundationpracticering.org.uk/>) – alongside 100 of the largest UK foundations for our good practice in diversity, accountability and transparency.

We hosted a gathering of property owners and developers, hearing from **Knight Dragon**, **Grosvenor** and **British Land** about ways to collaborate across the sector to maximise social impact.

Our team of 36 runners raised over £50,000 taking part in the **London Marathon**.



May

The **Adobe UK Community Fund**, in partnership with **Adobe Foundation**, opened for applications. 12 grassroots disability and community organisations received two-year grants totalling £432,000.



June

The **Evening Standard** launched the **Show Respect** campaign to support 12 grassroots community organisations tackling violence against women and girls, with grants of £500,000 to highlight the issue of misogyny and unhealthy relationships in schools.



July

Wimbledon Foundation celebrated their 10th anniversary at **The Championships at the All England Lawn Tennis and Croquet Club**. Young people representing grantees from **Wimbledon Foundation Community Fund** took part in the coin toss in the finals.

CCLA Investments hosted the launch of the latest round of our **Youth Futures Fund**. They provided match funding to help us raise over £400,000 for community organisations supporting young care leavers in London.

August

We surveyed our network of community organisation in response to the **UK riots**. We received 181 responses with 80% reporting their community had increased concerns around safety and mental health.

TV personality and **Comic Relief** ambassador Oti Mabuse visited Somerville Centre – one of 41 Holiday Activity and Food (HAF) projects funded by **Sainsbury’s Nourish the Nation**. The programme, in partnership with **Comic Relief**, distributed £400,000 in grants across London over the summer.

September:

Outgoing **Deputy Mayor Sophie Linden** joined us at an event for the 36 specialist community organisations supported by the **MOPAC Violence Against Women and Girls (VAWG)** Grassroots Fund at Sadlers Wells Theatre.

A new round of the **Wimbledon Foundation Homelessness Fund** opened for applications on the same day as the latest round of **Wimbledon Foundation Community Fund** closed.

October

Our Director of Development and Communications **Harbi Jama** had the opportunity to speak with professional advisers at the national **Financial Planning Conference** in Manchester.

Representatives of the community organisations supported by grants of £210,000 from **Women’s Fund for London** came together to meet each other at Luminary Bakery in Camden.



November

We celebrated the conclusion of **JPMorganChase’s** £2million **Pathways to Economic Opportunities** with an event at their offices in Canary Wharf.

Representatives of four other community foundations supported by **Sainsbury’s Nourish the Nation** (in partnership with **Comic Relief**) joined us for a learning and knowledge sharing session, with a view to strengthening the partnership for future years.

Newly appointed **Deputy Mayor for Policing and Crime Kaya Comer-Schwartz** visited Rahab Project – one of the organisations supported by **MOPAC Violence Against Women and Girls (VAWG)** Grassroots Fund.

To round off a busy month, **The London Community Foundation office** moved from Borough just down the road to Bermondsey.

Annual report and financial statements

The London Community Foundation

December

New funding opportunities were launched for Lambeth **Wellbeing Fund**, **Deptford Challenge Trust Open Programme** and **Lambeth Mental Health Inequalities Fund**.

Godin Legacy Fund gave an unrestricted £50,000 donation in recognition of our commitment to supporting women in the capital through our wide grantmaking programmes and projects.

January

Chief Executive **Paul Buchanan** received an MBE for services to charity in the **King’s 2025 New Year’s Honours list**.

Lord Bassam of Brighton hosted our community of endowment holders for a special afternoon tea at the House of Lords.

February

Grosvenor’s Greener Futures Fund opened for another round of applications, taking the number of grants offered for environmental projects in Westminster to almost £650,000 since it launched in 2021.



March

Sainsbury’s donated a further £400,000 to extend the **Nourish the Nation** (in partnership with **Comic Relief**) HAF programme for summer 2025.

Annual report and financial statements

For the year ending March 2025

Charity No. 1091263
Company No. 4383269
londoncf.org.uk

Report of the Trustees

The Trustees present their annual statutory report together with the financial statements of The London Community Foundation (LCF) for the year ending 31 March 2025. The report has been prepared in compliance with Part 8 of the Charities Act 2011. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, applicable laws and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in

accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

The Trustees' report is also a directors' report for the purposes of the Companies Act 2006 and other company legislation and meets the requirements for a strategic report as set out in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. We can confirm that qualifying third party indemnity insurance was held on behalf of the company directors during the year.

Legal and administrative information

Name of charity:
The London Community Foundation (LCF)

Status:
**Charity registered in England and Wales:
1091263**
**Company limited by guarantee registered
in England and Wales: 4383269**

Principal office and registered address:
**82 Tanner Street,
London
SE1 3GN**

londoncf.org.uk
info@londoncf.org.uk
+44 (0)20 7582 5117
X (formerly Twitter): @london_cf
Instagram @london_cf

Registered charity number **1091263**
Company limited by guarantee number **4383269**

Trustees' report

Trustees:

The Trustees serving during the period of report and up to the date of approval were:

Russell Prior
(Chair of the Board)

Fiona Bickley
(Vice Chair of the Board)

John Hume
(Chair of Development, Impact and Influence Committee)

Veesh Sharma
(Chair of Finance, Risk and Resources Committee)

Natalie Creary
(Resigned 26 November 2024)

Urmi Dutta-Roy

Owen Jenkins

Satnam Sagoo

Principal officers / Senior Management Team:

The serving principal officers on the date of approval of this report were:

Paul Buchanan
Chief Executive Officer

Nick Diamond
Interim Director of Development

Harbi Jama
(to September 2025)
Director of Development and Communications

Nicola Jaworska
Company Secretary

Laura Perkins
(to August 2024)
Director of Development and Communications

Maureen Sebanakitta
(to March 2025) Chief Operating Officer

Kate Stewart
(to August 2024)
Director of Grants and Impact

Simon Theobald
Director of Finance

Auditor:

MHA
Sixth Floor
2 London Wall Place
London
EC2Y 5AU

Legal advisors:

Bates Wells & Braithwaite London LLP
2-6 Cannon Street
London
EC4M 6YH

Stone King LLP
Boundary House
91 Charterhouse Street, Barbican
London
EC1M 6HR

Bankers:

NatWest
504 Brixton Road
London
SW9 8EW

CCLA Investment Management Limited – Cash Deposit Accounts
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Investment managers:

CCLA Investment Management Limited – Investment of Endowment
Senator House
85 Queen Victoria Street
London
EC4V 4ET



Objectives and activities

Our vision is of a strong and diverse civil society, that tackles disadvantage and creates greater equity in London.

Our purpose: through good philanthropy, our knowledge and expertise, we convene donors to invest in charitable organisations working to overcome the issues affecting London.

London is the greatest city in the world. But it is a polarised city, of extreme inequality, of haves and have-nots.

We believe in the vital role of local community organisations in making London a fairer place for everyone. We also believe in the generosity and solidarity of Londoners wanting to make a difference where they live and work.

We know communities can identify their own responses to the challenges they face, but often lack the resources. Our task is to support them; to help make a difference in London by championing local organisations, connecting funders to them, channelling funds to their work, and supporting them directly to become stronger.

Our objectives, as defined in the Memorandum and Articles of Association are:

The promotion of any charitable purposes for the benefit of the community in the ‘Area of Benefit’ and the advancement of education, the protection of good health, both mental and physical, the relief of poverty and sickness and the provision, in the interests of social welfare, of:

1. Facilities for recreation or other leisure time occupation with the object of improving the conditions of life of the

persons for whom the opportunities and facilities are primarily intended.

2. Other exclusively charitable purposes in the United Kingdom and elsewhere with a preference for those which, in the opinion of the Trustees, are beneficial for the Area of Benefit.

The ‘Area of Benefit’ for The London Community Foundation (LCF) is the London Boroughs and the City of London.

Our core activities are:

1. Funding and developing predominantly small charities and community groups that do not attract mass public support.

We strive to make our funding process proportionate and accessible to small organisations. Our website provides resources and support to potential applicants seeking funding. This can include information to help applicants decide if they want to apply, such as fund size and the anticipated number of grants to be awarded. Our Grant Standard Operating Procedures are grounded in respecting the time and expertise of grassroots organisations seeking to partner with us while being accountable for the funds we manage for donors and partners.

We believe in listening, and trusting people to know what their challenges are, and what resources they need to overcome them. This means we respond to their priorities. We channel funds to local community organisations which are making a real difference in their community. We are there to offer support and help them get stronger, to be more resilient and more secure, so people can depend on them, feel connected and have hope for their future.

Objectives and activities (continued)

2. Amplifying the needs of London to inform local individual and corporate philanthropy.

We champion local community organisations, advocate for their vital role in bringing London together to address the capital’s challenges and promote the power of local philanthropy to build connections between communities, and businesses and funders.

We understand small, local organisations, and have the expertise, reach and connections that give our partners confidence in the work they are funding. We find community organisations working to tackle the issues that matter most to London and support our partners to have an easy and fulfilling giving experience.

Our work also includes thought leadership and engagement across London’s philanthropic landscape, private banks, and wealth advisory and intermediary services.

3. Fund management and grant-making services:

Through our Donor Advised Fund (DAF) model, we provide professional investment services to donors setting up and managing permanent and expendable endowment funds. We work with a third-party investment house to provide this service. We also manage public sector funds on behalf of local and central government departments.

Donors benefit from our established and professional services, including fund set-up, due diligence, assessment, grant deployment, portfolio management and impact reporting. We also work

with the wider wealth advisory market to inform and support their clients in giving.

We provide this work as The London Community Foundation and in partnership with our peer Community Foundations around the UK on national programmes and contracts secured by UKCF, the membership and accreditation body.

As of 31 March 2025, The London Community Foundation held £22,571k (2024: £23,955k) in endowment funds, this variance is due to fluctuations in market value during the year.

Endowment funds held have been raised primarily through:

- Individuals and companies that want to create an enduring legacy in a particular geography or cause in the Capital. We can work with donors to consider their philanthropic ambitions and how to achieve them, now and in the future, as a flexible alternative to establishing their own charitable foundation or trust.
- Charitable trusts can be transferred to LCF (as with other community foundations), with the support of initiatives like the Revitalising Trusts Initiative by the Charity Commission. We can honour the original objectives and/or work with trust representatives to revive them for modern-day needs. Trusts may be transferred if they have become dormant or ineffective, or if Trustees feel that LCF will help to increase the impact of their charitable assets.

Grant making policy

The London Community Foundation awards grants in line with the charitable objectives stated above to organisations that meet the following eligibility criteria:

Legal structures:

- Charitable Incorporated Organisation (CIO)
- Company Limited by Guarantee (CLG) - may also be registered as a Charity or a Community Interest Company Limited by Guarantee (CICLG)
- Trust
- Unincorporated Association
- Community Benefit Societies (CBS). Ideally, the CBS will also be registered as charitable with HMRC, however this is not essential.

Governance

The organisation must have at least three unrelated members legally responsible for the governance of the organisation.

Bank account

The organisation must have a bank account registered in its legal name with a minimum of two unrelated signatories.

Safeguarding

The organisation must have a up-to-date safeguarding policy in place that meets the requirements as listed in LCF’s safeguarding checklist.

A decision to award a grant will consider any restrictions imposed by the donor in line with charity law.

Grants are managed through specific agreements with grantees, which set out the conditions of the grant, including reporting requirements, and when and how disbursement will happen. The agreement also outlines LCF’s responsibilities to ensure that it can be held to account by partners and other stakeholders. Grants are usually disbursed in instalments to ensure that agreed timings and results are being met and managed.

LCF staff monitor and evaluate progress throughout the period of the grant. The nature of these activities will depend on the size and complexity of the grant and the perceived level of risk.

Monitoring and evaluation may include:

- Visits to the partners and beneficiaries
- Formal evaluation processes such as impact assessment by LCF or a third party

If we are not satisfied that the grant is being managed according to the agreement, we discontinue the grant.

The full policy is on our website and is accessible via this link: [Community Foundation | Eligibility criteria \(londoncf.org.uk\)](#).

Structure, governance and management

The London Community Foundation is a Company Limited by Guarantee (CLG) and a Registered Charity governed by its Memorandum and Articles of Association.

The directors of the charitable company are its Trustees for the purposes of charity law and throughout this report are referred to as the Trustees.

The Trustees have delegated authority to two Sub-Committees:

- Finance, Risk and Resources
- Development, Impact and Influence

Each Sub-Committee consists of no fewer than three and no more than six Trustees, appointed by the Board. At least one Trustee of the Sub-Committee is appointed Chair.

Structure, governance and management (continued)

All Trustees are expected to sit on at least one Sub-Committee and are welcome to sit on more than one Sub-Committee.

Trustees can volunteer to serve on a Sub-Committee and can also be nominated. Trustees are voted onto a Sub-Committee by a simple majority vote of the Board.

Sub-Committee terms are three years (subject to remaining a Trustee), at which time Trustees' membership of that Sub-Committee shall be reviewed. This also applies to the Chair of the Sub-Committee.

After three years, Trustees may, subject to the majority agreement of the Board, serve a further period on a Sub-Committee or join another Sub-Committee. At the request of the Board, a Trustee may, during a term on the Sub-Committee, be asked to move to another Sub-Committee.

Unless otherwise determined by the Board, quorum for a Sub-Committee exists when at least three Trustee members are present.

Sub-Committees meet at least three times per year and meetings may be face-to-face or virtual. All Board Meetings are held in person.

Additionally, a Sub-Committee can recommend to the Board that up to two additional co-opted members be recruited, who are external and independent of LCF, with requisite specialist skills and expertise. Co-opted members can also be appointed by the Board, with a term agreed by the Trustees. If approved, co-opted members act in an advisory and observer capacity without voting rights.

General duties across all Sub-Committees:

- Provide appropriate scrutiny and support to the Senior Management Team, in particular the relevant Executive lead(s)
- Ensure strong and proactive communication with other Sub-Committees and the wider Board on a regular basis
- Support development of, approve and deliver a Sub-Committee Workplan in collaboration with the Executive(s) lead, reporting progress to the Board
- Lead on specific areas of risk identified in LCF's Risk Register and Control Framework related to each Sub-Committees Terms of Reference
- Ensure that the Board receives sufficient assurance – in their area of competence - that LCF performs its activities in a suitable and appropriate manner to achieve its long-term objectives, within its appetite for risk
- Focus during each financial year on the Board's Areas of Strategic Focus and Deep Dives with the support of the Executive Lead
- Ensure that equity, diversity, and inclusion are front and centre across LCF's work and governance

Development, Impact and Influence Sub-Committee

The Development, Impact and Influence Sub-Committee met four times during the year.

The purpose of this Sub-Committee is to:

- Provide strategic oversight and support to the Development and Communications function with specific reference to fundraising, donor engagement, external profile, and influence
- Provide strategic oversight of the grant making function with specific reference to grant making practices, learning, insights and impact

Structure, governance and management (continued)

- Maintain strategic assurance that LCF's work is delivering impact against its mission
- Ensure that LCF's grant making framework includes sound grant making principles, and that policies and processes are in place, including adequate resources
- Delegate grant making decisions to the Executive
- Provide assurance to the Board that LCF is achieving its charitable purpose and that its activities of grant making, fundraising, profile and influencing are conducted in line with charity law and regulation, the accepted good practice of the sector and LCF's policy framework and risk appetite
- Maintain all LCF policies that fall within the remit of the Committee

Finance, Resources and Risk Sub-Committee

The Finance, Resources and Risk Sub-Committee met four times during the year. The purpose of the Sub-Committee is to:

- Provide assurance to the Board of the long-term financial sustainability of LCF, by scrutinising the Charity's finances. This includes financial management, recommendations on investments, borrowing, capital expenditure and assessment and monitoring of the financial plans
- Provide assurance to the Board that LCF's financial and other internal control systems are compliant with statutory and other regulatory requirements
- Monitor the strategic risks and LCF's risk management policy
- Ensure LCF has appropriate arrangements in place for audit (external, and internal if necessary), investment management and banking
- Ensure LCF has a culture, values and behaviours in line with those agreed by the Board, and that

LCF is an inclusive, progressive, professional and rewarding workplace

- Lead the process for Board Appointments, making recommendations to the Board
- Oversee LCF's accreditation and quality assurance – on behalf of the Board – to membership of UKCF

Senior Management Team

The day-to-day operation of LCF is the responsibility of the Senior Management Team (SMT), made up of Directors, and the wider Senior Leadership Team (SLT). The CEO is recruited by the Board of Trustees. The CEO's direct reports, on the Senior Management Team, are recruited by the CEO and at least one trustee. Salaries are categorised in bands, and they are benchmarked.

The SMT reports formally to the Board of Trustees every quarter on progress against strategic objectives, financial and impact performance as well as the annual work plans of the Board Sub-Committees. It also presents proposals on forward strategy. Delegated authority currently sits with the Senior Management Team (SMT) for standard risk grants under £50k and the Senior Leadership Team (SLT) along with SMT for those under £25k.

UK Community Foundations

LCF is a member of UK Community Foundations (UKCF), the membership and accrediting body that supports and promotes community foundations in the UK. There are 47 community foundations serving most of the UK population. The network of community foundations gives grants totalling around £100 million annually. Together, this makes us the UK's fourth largest grant-maker holding over £700 million in endowments. Over the past 20 years, donors have given over £1 billion to and through community foundations to address local need. LCF does not have any branches or subsidiaries other than the Pedlar's Acre Trust and the Beaufoy Trust, both of which hold permanent endowments and have LCF as their sole trustee.

Structure, governance and management (continued)

Appointment, induction and training of Trustees

As set out in the Articles of Association, new Trustees are appointed by the Trustees in office. There are no powers of appointment or co-option by any external organisation. New Trustees are appointed through an external open and competitive recruitment process. The Finance, Resources and Risk Sub-Committee of the Board is responsible for nominations and makes recommendations to the full Board of Trustees on appointments.

On 31 March 2025 LCF had eight trustees (maximum 18) with the Board agreeing its optimal number is between 10 and 12. This is supported by a skills and expertise audit and a Board performance review every two years.

Prior to appointment, prospective Trustees meet with the Chair and CEO and are interviewed by a panel of Trustees, as well as meeting key staff where appropriate. To provide an inclusive and supportive recruitment experience, all shortlisted candidates receive further organisational information before interview. New Trustees receive key induction information including Memorandum and Articles, the latest statutory and management accounts, strategy, impact reports and other literature. Introductory briefings with the CEO and key staff are provided, and all Trustees are asked to serve on at least one Sub-Committee. Ongoing training is provided by way of online events and external training. Trustees meet quarterly and, between these meetings, business is conducted through the two Sub-Committees mentioned above: Finance, Risk and Resources and Development, Impact and Influence.

Public benefit statement

Trustees of a charity have a duty to report in their annual report on their charity’s public benefit. The Trustees of LCF have considered the public benefit requirements which are explained on the Charity Commission website.

The remainder of this report sets out LCF’s objectives, and reports on the activity and successes in the year to 31 March 2025, as well as explaining the plans for the current financial year. LCF’s work benefits a range of local London charities, community groups and their beneficiaries.

The trustees have considered this matter and concluded that:

- 1. The aims of the organisation continue to be charitable
- 2. The aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly benefit individuals in need
- 3. The benefits are for the public and are not unreasonably restricted in any way and certainly not by ability to pay
- 4. There is no detriment or harm arising from the aims or activities

Achievements and performance

In 2024/25, The London Community Foundation continued to make significant strides in supporting London’s communities. We awarded £8.5 million in funding through 703 grants to community organisations across London, addressing a wide range of social issues.

The rest of our achievements are summarised in the table on page 29.

Strategic objective	In detail	Achievement
Grow our knowledge, reach & connection with London’s communities	<ul style="list-style-type: none">• Impact strategy development• Improve community & stakeholder relationship development• Improve EDI in grant making• Enhance service delivery with active feedback	<ul style="list-style-type: none">• Impact strategy workshop with team and trustees in December 2024, providing foundations for theory of change and measurement framework development in following financial year.• Several successful pilots on “led by and for” including Wimbledon Foundation and Adobe UK, providing further proof of concept• Regular grantee and partnership visits from whole team, including 11 project visits for communications, including four case studies shared on website.• Four flagship events, including a House of Lords donor engagement event, a real estate sector showcase and donor recruitment event, a VAWG event for all stakeholders and delivery partner with the Deputy Mayor for Policing and Crime, and the JPMorganChase Pathways to Economic Opportunities showcase• Five blogs focussed on amplifying activity and growing donor base shared on socials and website
Grow our donor portfolio	<ul style="list-style-type: none">• Achieve total income target of £9.8m• Grow donor engagement in pooled funds with £250k• New planning structure with grants and development teams	<ul style="list-style-type: none">• Delivered total income of £9.3m, but strengthened and extended our pipeline• Women’s Fund for London raised and granted £240k and Youth Futures Fund supporting care leavers raised £430k• Monthly capacity planning meetings across teams• New grant agreements for £7.4m were signed and awarded in year to 403 organisations. Total grants allocated were £8.5m which included current and multi year agreements
Make best use of our time, data & digital solutions, ensuring compliance	<ul style="list-style-type: none">• New Salesforce implementation• Upgrade financial software• New grant management tools	<ul style="list-style-type: none">• Continued work on upgrading our Salesforce database in collaboration with the UKCF Digital Team, with completion expected in Q2 2026• Passed our Cyber Essentials assessment in 2024• New grant agreement launched, new eligibility criteria launched, programme checklist launched. Standard operating procedures reviewed including risk management for grantees and round closure
Foster a culture of belonging & inclusion across the LCF team & Board	<ul style="list-style-type: none">• Build on team engagement and culture• Progress Equity, Diversity and Inclusion (EDI) action plan• Maximise opportunities for team and trustee engagement• Roll out people survey• Implement pay progression and job framework	<ul style="list-style-type: none">• Developed and implemented an Employee Engagement Survey with engagement scores rising from 73% in June 2024 to 90% in March 2025.• Action plans created and delivered off both surveys focussed on staff development, improving ways of working, and better communications.• Developed monthly internal colleague recognition.• Completed third year of EDI action plan, included active bystander training and new team profiles set up to understand work preferences• Implemented quarterly team and trustee meet and greets• Online training platform launched, including mandatory training for whole team on health & safety, safeguarding, and handling complaints
Build long-term financial resilience	<ul style="list-style-type: none">• New approach to pipeline management• Cost modelling and pricing• Endowment review	<ul style="list-style-type: none">• New long term weighted pipeline reviewed monthly enabling better forecasting• Tendered for cost modelling support

Financial review

Our total income in 2025 was £9.3 million (2024: £11.6 million), a decrease of 20% compared to the previous year. Our total expenditure was £10.3 million (2024: £13.1 million), a decrease of 21% compared to the previous year. This resulted in an overall deficit (before net gains / losses on investments) for the year of £1 million (2024: £1.5 deficit), with a specific deficit of £105k on the unrestricted funds (2024: £105k deficit).

Income

The total income for the year was £9.3 million (2024: £11.6 million). Donations came from a range of donors including companies, central and local government, individual philanthropists, and social sector organisations. Other sources include investment income and interest on investments. 90% of our income came from donations, followed by 10% from investment income and interest received.

Income has reduced as we refocussed on grassroots charities and removed ourselves from some activity that wasn't fulfilling this priority. We continued to diversify our income in the year, however in line with market trends we had a reduction in corporate income, and didn't deliver a seven figure corporate grant programme as we have in previous years.

The breakdown is as follows:

- Restricted voluntary income received was £7.6 million (2024: £10 million), a decrease of 24%
- Unrestricted voluntary income was £0.8 million (2024: £0.5 million), an increase of 60%
- Investment income was £0.9 million (2024: £0.9 million)
- Income from charitable activities was Nil (2024: £205k)

Expenditure

The Statement of Financial Activities shows our expenditure analysed between the costs of raising funds and the cost of our charitable work, with support costs (including governance costs) being allocated across each.

'Charitable activities' represent all grants made to beneficiary organisations and individuals, as well as expenditure on capacity building and evaluation related to some of LCF's funds, and larger initiatives to support London's local civil society. It also includes the cost of running grant-making operations and associated support costs. Grants payable in-year totalled £8.5 million (2024: £11.5 million), a decrease of 26%.

LCF's main core cost excluding grant payments is our team, which represented 60% of the Charity's unrestricted expenditure (2024: 73%). Staff costs are allocated to the costs of raising funds and charitable activities based on time spent. Support team costs are allocated in a similar manner. Team costs, which include employees and contractors, were £1.2 million (2024: £1.1 million) an increase of 9%. The charity maintained an average team size of 21 full-time equivalent staff (2024: 19).

Financial Review (continued)

Cash position

LCF’s cash balances (excluding any cash held by the investment managers) were £7.5 million (2024: £8.5 million), a decrease of 12%. Cash held by LCF mainly represents restricted funds held for the purposes of grant making and, of this balance, £6.1 million represents restricted and endowment funds (2024: £7.5 million). LCF works with donors to set a timetable for spending restricted funds throughout the year. Various factors determine the length of time funds are held in cash, including the needs of the community and grant applicants, as well as internal resources and planning.

Of the £730k net general reserves (2024: £830k), £1.4 million is a cash balance representing unrestricted funds (2024: £1 million) and net liabilities of £715k (2024: £225k). The funds are invested with CCLA to generate a higher return than would be earned if they were held in an ordinary bank deposit account.

Diversity of income and financial sustainability

Our business plan sets out that no one fund, or programme, should contribute more than 20% of the charity’s income or 35% of the charity’s grant making in any year. This has been achieved.

Working with our donors and funding partners

We are grateful to key partners such as the Mayor’s Office for Policing and Crime (MOPAC), the Evening Standard, Trust for London, Centre for London, City Bridge Trust and our membership organisation UKCF (and its funding partners) for the opportunity to collaborate on funds and

programmes to support vulnerable Londoners. Our impact is built on the relationships we hold with donors and partners and the trust they place in our work with small charities in the Capital. This includes the many existing and new donors who have joined forces in LCF’s Youth Futures Fund and the Together for London Fund to provide critical emergency funding for charities struggling with the cost-of- living crisis. Their commitment to sharing decision- making and outcomes on these important funds continues to be a blueprint for future pooled funds and demonstrates what is possible when donors collaborate.

During 24/25, LCF’s funding sources included:

Funding Source	2025	2024	2023
Corporates	13%	20%	20%
Local public authorities	50%	52%	31%
Trusts and foundations	27%	25%	41%
Individuals	10%	2%	5%
National public authorities	–	–	5%

Going concern

LCF has a risk management policy designed to identify and assess key strategic and operational risks facing the Charity; our long-term financial stability is one such key risk. Where we determine risks to be above appetite, we take steps to mitigate them.

The charity experienced a planned deficit of £105k on unrestricted funds during the 2024/25 financial year. This strategic decision was made to invest in key organisational priorities and capacity building initiatives. Despite this deficit, and a challenging external economic outlook, the charity’s overall financial position remains stable. The general reserves of £0.7 million at year-end remain within our target range of five to nine months

of expenditure, ensuring the charity’s continued ability to meet its financial obligations and pursue its charitable objectives.

To address this deficit and strengthen our financial position, the Trustees have implemented the following measures:

- a. Diversifying income streams:** We continue to focus on diversifying our income streams - expanding our donor base, securing multi-year contracts, and exploring new partnerships with corporates and foundations. The introduction of new thematic funds, such as the Women’s Fund for London and the Youth Futures Fund, is a direct response to this strategy.
- b. Strengthening fundraising efforts:** We have set ambitious targets for increasing our unrestricted income, by enhancing engagement with existing donors, and targeting new supporters through events, campaigns, and individual giving initiatives.
- c. Cost management and efficiency:** The Trustees and Senior Management Team are continuously reviewing our cost structures and grant-making processes to balance efficiency with beneficiary needs.
- d. Reserves policy review:** We have conducted a formal review of our reserves policy, aligning it with our current financial landscape; and intended to strike a balance between managing unforeseen financial challenges while continuing to support our strategic objectives.
- e. Investment in strategic initiatives:** We remain committed to investing in long-term sustainability, including the ongoing upgrade of our Salesforce database to improve donor engagement and operational efficiency.

These actions are part of a broader plan to ensure The London Community Foundation’s resilience and long-term success. The Trustees are confident that this approach will address the current deficit while positioning the charity for future growth and impact.

Reserves

The total value of funds held at 31 March 2025 was £30 million (2024: £32 million).

Endowment reserves comprise capital sums donated under the restrictions that they are invested, and that the investment return is available for expenditure in accordance with the donors’ strategies for giving. Within the category of endowment are two subcategories: expendable and permanent endowment. A reasonable percentage of capital amounts of expendable endowment may be spent if the Trustees decide to do so, though the overall endowment is intended for enduring impact. The capital of permanent endowment may not be spent. Endowment reserves at 31 March 2025 stood at £23 million (2024: £24 million). The decrease of £1 million is due to investment market losses during the year.

Restricted reserves comprise funds available for expenditure in accordance with the donors’ strategies for giving. Donations are typically spent over one to two-year periods, however, LCF encourages its donors to open multi-year funds to support the ongoing resilience of charitable organisations, which in some cases leads to the build-up of restricted reserves. Restricted reserves, as of 31 March 2025 were £7 million (2024: £7.5 million). The decrease is due to the timing of grant programmes.

General reserves are the balance of LCF’s unrestricted reserves that have not been designated for a particular purpose and, as such, are freely

Reserves (continued)

available to the Trustees for any of the Charity's purposes. The general reserves held at 31 March 2025 were £0.7 million (2024: £0.8 million).

Reserves policy

Long-term financial resilience remains a key strategic priority for LCF. In addition, growing multi-year engagement with donors supports both LCF's own resilience as well as that of the beneficiary grassroots organisations they are targeting with their philanthropy.

LCF's reserves policy enables management of general reserves to ensure we hold an appropriate level of accessible funds to mitigate against identified financial risks while ensuring we are making timely and strategic use of our funds. The policy focuses purely on the general reserves, as outlined above, as these are the funds at the discretion of the Trustees.

We hold general reserves to provide cover for unexpected changes in income and expenditure, allowing LCF to continue activities in the event of:

- A temporary loss of income
- A permanent fall in income, allowing time to adjust our cost base or business model

General reserves also allow us to implement new strategic priorities or invest in new opportunities to achieve our goals. The general reserves are matched by investments held with our investment managers, CCLA Investment Management Ltd (CCLA), so that we can draw on them quickly if necessary.

A formal review of the reserves policy takes place every three years. In the intervening years the Finance, Risk and Resources Committee considers

the impact of the financial risks associated with the income and expenditure streams and balance sheet items and assesses the appropriateness of the reserves policy.

The policy was reviewed during 2022/23. The outcome was a new reserves policy based on a range of five to nine months of expenditure (£0.6 – £1.1 million) rather than a fixed amount and on the principle that LCF should be resilient to financial shocks and be able to continue operations despite fluctuations in income or expenditure.

The closing general reserves of £0.7 million are within the range stated in the reserves policy and represents six months of average unrestricted expenditure.

Pedlar's Acre Trust

LCF took over the trusteeship of the charity Pedlar's Acre Trust from Lambeth Council in 2009; the assets of this trust comprise permanent endowments. LCF applied to the Charity Commission for the power to use a total return approach regarding the fund's investments and this power was granted on 17 January 2011. The date from which the Trust for Investment (the value of the capital donated to the Pedlar's Acre Trust) is referenced is 31st March 2004, at which date the fund was valued at £1,836,806.

The total return approach to investment allows LCF to utilise some of the capital growth of the fund for current grant-making, instead of only being able to use the investment income received. The power to use a total return approach allows the Charity to have an investment strategy aimed at maximising total return without needing to ensure a significant part of the return is in the form of income rather than capital growth.

The Trustees have a duty to maintain even-handedness in supporting both current and future beneficiaries. They will only use the power to spend the capital growth to the extent that the ability to support future charitable beneficiaries will not be prejudiced when compared to the benefit to current beneficiaries.

Beaufoy Trust

LCF took over the trusteeship of the charity Beaufoy Trust from Lambeth Council in July 2013; the assets of this trust comprise permanent endowment. LCF does not currently operate a total return approach regarding the fund's investments.

The income from both the Beaufoy and Pedlar's Acre Trusts is restricted to supporting local communities in Lambeth.

Endowment spending policy

LCF's policy regarding expendable endowments is to allocate a set percentage of the value of each fund at December each year for expenditure on grants and direct charitable expenditure in the next financial year. The Trustees review this policy every year and set the appropriate percentage to be applied to the fund value as at 31 December. During 2025 the percentage used was 3.5% (2024: 3.5%) for grant-making plus the annual contribution towards LCF's costs.

The expenditure of the investment return of any permanent endowment where a total return approach has been agreed with the Charity Commission is set by LCF at 3.5% (2024: 3.5%) of the value of the fund on 31 December each year, plus the annual contribution towards LCF's costs. If the Trustees judge that a higher or lower amount would better fulfil the duty of being even-handed in the treatment of present and future beneficiaries of the fund, the amount may be varied in future decisions.

For permanent endowments where no total return approach is agreed, only the income arising from the fund may be spent.

For permanent endowments where a total return approach is agreed, all income and gains, net of losses, are allocated to a pool, called Unallocated Total Return ("UTR"). LCF's policy is to assess the sum required to maintain the value of the Trust for Investment, and to allow to be allocated to Trust for Allocation (to be used for expenses and grant-making) the balance of the UTR. In September 2025 Sonnet Impact reported on the review of the status of, and application of this policy to, the Pedlar's Acre Trust, being the only Endowment in this category. On the basis of that advice LCF has changed its means of evaluating how much funding needs to be retained in UTR to maintain the value of the Trust for Investment, basing the new calculation on the uplift, year on year, in the UK Consumer Price Index. This is used because it reflects the types of expenditure commonly being funded by grants from this endowment. The unapplied total return on the Pedlar's Acre endowment fund at the end of the year is £1.0 million. Following this exercise there is a shortfall in the UTR required to maintain the value of the Trust for Investment of £420,120. This sum is planned to be recouped over a period not exceeding ten years, which should allow grant funding to current beneficiary organisations to continue broadly at recent levels whilst that happens.

Investment policy and management

LCF invests to support its charitable purposes and to secure the organisation’s long-term financial sustainability. The aim is to provide a reliable annual contribution to grant-making while protecting and growing the real value of our funds for future generations.

LCF’s assets are currently invested in the COIF Charities Investment Fund, managed by CCLA. The Fund’s long-term objective is to deliver a total return of UK CPI inflation plus 5% per annum, before fees and expenses. This is intended to grow the real value of invested capital while providing sustainable income for charitable spending.

The Trustees review the Investment Policy each year in line with Charity Commission guidance. They exercise

regular oversight of the investment manager to ensure the Fund is delivering consistent returns within an appropriate level of risk, in line with LCF’s objectives.

Ethical considerations

The Charity’s endowment funds are invested in the COIF Charities Investment Fund whose Board has adopted an ethical investment policy which prohibits investment in companies that have been identified as being involved in:

- producing landmines, cluster bombs or chemical/biological weapons
- producing tobacco products
- having significant (>10%) turnover relating to online gambling or the production of pornography



Companies that have not responded to persistent engagement on compliance with:

- the ILO Core Labour Standards
- the UN Guiding Principles on Business and Human Rights
- norms relating to biodiversity, toxic waste
- climate change disclosure

These ethical considerations are an integral part of CCLA’s approach and align with our values of promoting physical health and well-being, social equity and justice.

Risk management

The Trustees regularly assess the risks associated with our investment portfolio, including market volatility and economic uncertainty. By working closely with CCLA, we ensure that our investment strategy remains aligned with our financial objectives and risk tolerance. CCLA’s diversified approach helps mitigate risks, balancing the need for steady income with the preservation of capital.

Investment performance

The total value of funds invested, including cash held by investment managers for re-investment, amounted to £23 million (2024: £24 million). The portfolio at CCLA is invested in the investment managers’ own pooled funds with underlying holdings in a broad spread of international ‘blue chip’ equities, fixed income stocks and alternative investments.

- The COIF Investment Fund has the objectives of:
- Achieving a total return (capital and income) of inflation +5% as an annual average over the life of the business cycle
 - From the total return achieved, providing a reliable, sustainable and growing income distribution

- Managing the portfolio in line with an ethical policy which protects your reputational risk

Annualised returns % as at 31 March 2025	1 year	3 years	5 years	10 years
COIF Charities Investment Fund (net)	-1.98	2.90	8.62	7.75
ARC Steady Growth Charity Index (peer group, net)	2.71	2.54	7.28	4.80
Comparator benchmark	4.06	5.28	9.90	7.03
CPI plus 5% (target benchmark)	6.63	9.24	8.68	7.19

LCF’s Finance, Risk and Resources Sub-Committee is responsible for monitoring investment performance. LCF takes a long-term view and measures the long- term performance against the ARC Steady Growth benchmark. The benchmark is a standard indicator of relative performance used by the investment industry and charities. CCLA provides quarterly reports and presents them to the Sub-Committee at least once a year while also responding to specific requests during the year. This ensures that our investments are contributing effectively to the Charity’s financial sustainability while adhering to our risk profile.

Policy review

The Trustees review the investment policy annually to ensure it remains appropriate for the Charity’s current and future needs. This review process allows us to adapt our strategy as necessary, ensuring that our investments continue to support the long-term sustainability of the Charity.

Principal risks and uncertainties

Risk management

LCF has a risk management policy, which has been designed to identify and analyse key strategic and operational risks facing the Charity and, where they are at unacceptable levels, to take steps to mitigate the risks.

We define key strategic and operational risks as those that, without effective or appropriate mitigation, are highly likely to occur and would have a negative impact on the Charity’s ability to fulfil its purpose of convening donors to invest in charitable organisations working to overcome the issues affecting London.

Risk appetite

Risk appetite is the amount of risk that LCF is willing to accept in relation to key drivers of the

organisation. As a charity funded through voluntary donations, we seek to diversify our income streams and we are therefore open in this regard. This approach enables us to accept additional risks, providing the impact has been evaluated, mitigation measures have been put in place and a regular robust monitoring process is established. This approach to reviewing risk enables us to adopt appropriate behaviours, decisions, and controls in line with our values and strategic plan.

Before accepting any risk, we consider the likelihood of its occurrence. We also evaluate the potential impact on our activities if the risk were to materialise. Any risk that seriously threatens the ability of The London Community Foundation, now or in the future, to further its purpose will not be acceptable. If such a risk cannot be extinguished, then all steps will be taken to minimise the likelihood of the risk occurring.



Roles and responsibilities for managing risk

Role	Responsibility
Board of Trustees	<ul style="list-style-type: none">• Leadership and control of the Charity• Set mandate and commitment for risk management and appetite• Lead risk management culture• Be aware of the risk to the reputation of LCF from activities that they may undertake elsewhere• Seek assurance from the Finance, Risk and Resources Sub-Committee that appropriate strategic risk management procedures are in place• Review approach to evaluation and mitigation of major risks annually at Full Board
Finance, Risk and Resources and Development, Impact and Influence Sub Committees	<ul style="list-style-type: none">• Monitor the effectiveness of LCF’s risk management procedures via the ongoing review of the system of internal control. This includes receiving risk reports from the Development, Impact and Influence Sub-Committee for review, recommendation, or decision as per the Committees’ terms of Reference• Review the register on a quarterly basis and support SMT in potential mitigation (or escalation) of risks• Review wider risk related policies and frameworks across finance, operations, systems and people• Determine the requirement for internal audit on any areas of LCF’s operations• Oversee management of safeguarding, financial and organisational risk through grant making to ensure risks are covered and funds have maximum impact for our grantees and donors
Senior Management Team	<ul style="list-style-type: none">• Identify, analyse and evaluate risks• Own risk management strategies• Oversee incident response and crisis management• Drive for continuous improvement in risk management
Director of Finance	<ul style="list-style-type: none">• Develop the risk management policy and processes, specifically the co-ordination of the risk review and the categorisation and evaluation of risks identified• Ensure strategic risks are regularly reviewed by the SMT
Outsourced IT provider	<ul style="list-style-type: none">• Risk identification, ownership and control: maintain an effective risk identification and management and control environment as part of day-to-day operations• Reporting to the Board and Board Sub-Committees
External auditors	<ul style="list-style-type: none">• Independent internal and external audits to test design and operating effectiveness of systems and controls
Management, staff, partners and volunteers	<ul style="list-style-type: none">• Be aware of the importance of risk management. There should be formal channels of communication both up and down to identify and manage risks• Control environment: all employees, volunteers and partners contribute to managing risk in their departments or area of expertise

Monitoring and review of the policy

We update the organisational risk as part of the annual business planning process. Risk is also considered at the Trustees’ quarterly meetings and by relevant Sub-Committees, where specific risks require consideration. The full risk register is reviewed by the Board annually. This process allows the Trustees both to challenge any assumptions the SMT has made about risks and to understand the context in which decisions are taken. This helps to ensure that the most serious risks are being managed effectively. The Trustees are satisfied that procedures are in place to manage or mitigate the impact of the significant risks they have identified.

The principal risks faced by the Charity and the mitigations are as follows:

Risk	Mitigation
Financial stability Long-term financial resilience for LCF remains a key strategic risk for the Charity. External shocks or trends impacting our income, cashflow or reserves could put our future financial stability at risk	<ul style="list-style-type: none">• We monitor our actual and forecasts against the financial plans continuously so that we can implement appropriate measures in good time• The SMT reviews monthly reporting on income, expenditure and reserves positions• On a quarterly basis, we provide financial reports to the Finance, Risk and Resources Committee• We periodically review the reserves policy to ensure that it remains aligned with the challenges facing the Charity• Efforts to diversify income are being intensified to reduce reliance on key donors and funding partners• Effective cost management ensures that spending is aligned with available resources and to avoid any unnecessary strain on the Charity’s finances
Potential or perceived misuse of funds The result of which could be reputational and/or loss of donors and income. As a high-volume, small grant funder – and often at pace – LCF’s reputation relies on the trust bestowed upon the Charity by its donors and partners.	<ul style="list-style-type: none">• We seek to mitigate the risk of potential fraud, funding inappropriate or eligible organisations and poor funding decisions through Standard Operating Procedures, controls, and development and training across the team• We undertake due diligence checks on grant making activities• Monthly meeting of Safeguarding group, and monthly reporting meeting with trustee safeguarding lead. Priorities include review of practice, training and review of safeguarding in our grant making.
Data and cyber security & GDPR There are risks if the organisation does not update its systems, processes, and public statements to reflect new requirements. Breach could lead to significant damage to our reputation with donors, beneficiaries, and the public	<ul style="list-style-type: none">• We have mandatory training in place on data protection and information security to ensure the safe handling of data and compliance with regulations. We have clear processes in place to manage incidents• We have the Cyber Essentials certification• We regularly review our controls, team awareness and training, and Board oversight• A Technical audit was undertaken to review systems and processes to identify weaknesses and to recommend actions to tighten guidance and controls.

Principal risks and uncertainties (continued)

Workplace culture and leadership Failure to provide a safe and respectful workplace would be detrimental to the wellbeing of our staff and volunteers. Failure to attract, engage and retain the best staff, impacts our ability to achieve our charitable objectives.	<ul style="list-style-type: none">• We recognise staff through team meetings and through performance reviews on organisational values and behaviours that reflect EDI• People engagement survey and pulse survey’s launched every 6 months to get anonymous feedback on employee engagement.• We have reviewed and rolled out an inclusive performance evaluation process for all staff. All staff have clear personal objectives, which help contribute to our vision and mission• We recently updated our recruitment policy and procedures with an EDI lens to ensure we can attract individuals from marginalised or under-represented groups within the LCF staff team• During 2024/25 we enabled internal first recruitment opportunities, to support opportunities for career progression within the organisation
Meeting regulator, donor and grantee expectations Failure to meet the compliance and service expectations set by our regulators and donors respectively would affect our ability to fundraise and operate as a charity	<ul style="list-style-type: none">• Our governance is underpinned by a comprehensive set of policies and procedures designed to manage risks to successfully meet our legal and regulatory obligations



People and pay

Remuneration policies

LCF had an average of 21 full-time equivalent staff during 2025 (2024: 19).

Recommendations are received on salary structure from the CEO and SMT in consultation with relevant line managers. The recommendation for the CEO's salary is made by the Chair to the Finance, Risk and Resources Committee.

Salary bands are openly stated in job advertisements and, as a signatory to the "Show the Salary" campaign (Sector Partner Pledge), LCF ensures access to a fair wage and greater inclusion in the workplace.

Our approach to pay

LCF employs people based on the specific skills, knowledge and behaviours that they bring both to their role and to the success of LCF. We want to reward the LCF team fairly for the jobs that they do, and we believe that our salaries and additional benefits, such as a 10% contributory pension, a minimum of 25 days' (pro rata) holiday entitlement plus an additional three days over Christmas, flexible working, volunteer and staff well-being days and employee assistance scheme reflect this.

LCF is a London Living Wage accredited employer, meaning all our team and contractors are paid at least the London Living Wage. We are also a Living Wage accredited funder, meaning we encourage the charities and community organisations we fund to pay the London Living Wage.

Remuneration of key management personnel

The Trustees consider that they, together with SMT, comprise the key management in charge of directing and controlling, running, and operating the Charity. The pay of the senior employed staff is set by reference to LCF's pay and grading scale. The salaries are benchmarked against pay levels in other charities of a similar size run on a voluntary basis. The salaries for senior staff posts are determined as part of the same salary scale as is used for all staff posts.

SMT was as follows during the year:

- CEO
- Director of Grants and Impact
- Chief Operating Officer
- Director of Development and Communications

The total benefits of the employed SMT, including employer pension contributions, was £361k (2024: £358k).

The Trustees are not remunerated. Directly incurred expenses for travel and subsistence relating to their role as Trustees are reimbursed if claimed. No claims were made in 2025 (2024: 0).

Pay ratio

The ratio of our highest salary rate to our median salary during 2025 was 2.92:1 (2024: 2.29:1).

Our EDI Statement

We know that discrimination and racism exist in London. In our work, we are driven by social justice and believe that positive change is possible. We seek to achieve this by:

- Listening to the experiences of communities and seeking to understand the barriers they face.
- Recognising that, as a philanthropic funder, we hold a certain type of power and influence and taking responsibility to use them positively.
- Making funding more equitable and inclusive through our practices, and by influencing the way donors give to London.
- Building a team culture and environment that allows everybody to thrive, reflects London and strengthens our practices and impact.
- Continuously learning, reflecting and acting on what works.

We define equity, diversity, and inclusion as:

Equity means everyone, no matter their background or characteristics, can achieve equal results. Equity differs from equality, which focuses on equal treatment, support, and distribution of resources rather than outcomes. Equity involves the promotion of justice, impartiality and fairness within the behaviours, procedures, processes, and distribution of resources by institutions or systems. For LCF this means recognising that some people experience inequality and injustice, actively removing barriers and challenging discrimination to enable equal outcomes.

Diversity means a multiplicity of shared and different individual and group experiences, values, beliefs, and characteristics are represented and valued. For LCF, this means celebrating differences and ensuring we employ, engage, and serve a group of people that is reflective of the society in which the Charity exists and operates.



Inclusion means everyone feels they belong, feels safe, valued, has a voice and a means to participate and realise their potential. Diversity efforts alone do not create inclusive environments. For LCF, this means taking active steps to listen, reach and involve people, particularly those who tend to be under-represented or whose voices tend not to be heard, and to welcome and accept them as they are.

LCF's EDI Strategy reaches across the organisation including our governance, people, culture, grant making and donor engagement. The Charity is also working with its peer community foundations on diversity and inclusion as part of its membership of the UKCF network.

Reporting on our people

The London Community Foundation has concluded its three-year Equality, Diversity and Inclusion (EDI) strategy and is currently in the process of evaluating the outcomes in order to determine the next steps. We also embarked on a programme of Employee Engagement Surveys to get feedback from our people, and the results from the survey's conducted in June 2024 and March 2025, offered substantive insights into staff attitudes and organisational culture.

The June 2024 survey highlighted many positive aspects. Pride in working for LCF scored 100%,

demonstrating a strong sense of loyalty and commitment among staff. This remarkable level of pride is a testament to the supportive and inspiring culture that the organisation has cultivated. Although overall engagement was good at 73%, the "intent to stay" was notably low at 47%. This presented an opportunity for LCF to focus on retention strategies and further enhance employee satisfaction. The March 2025 Pulse Survey shows that overall engagement increased to 90%, representing a significant improvement. Employees specifically reported a 22% rise in their intention to stay with the company to 69%, along with a 9% boost in their sense of inspiration.

Figure 1: Engagement Item Score – 2024

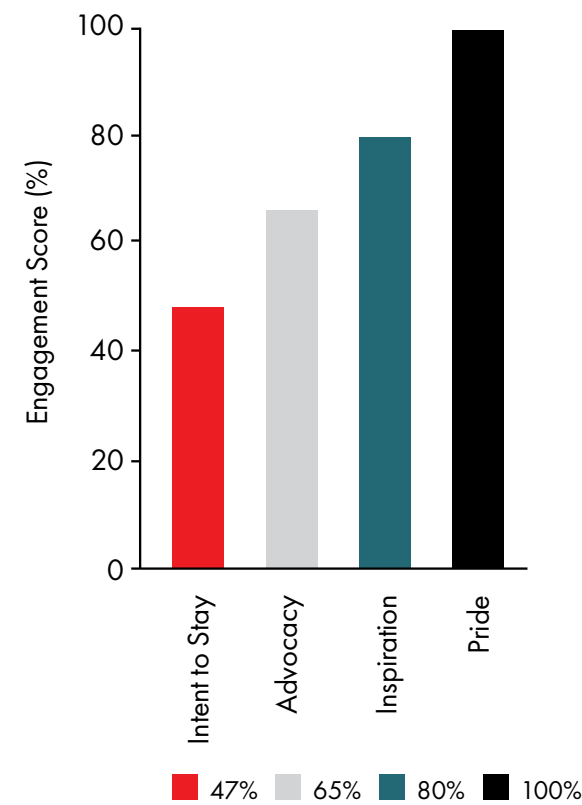


Figure 2: Engagement Item Score – 2025

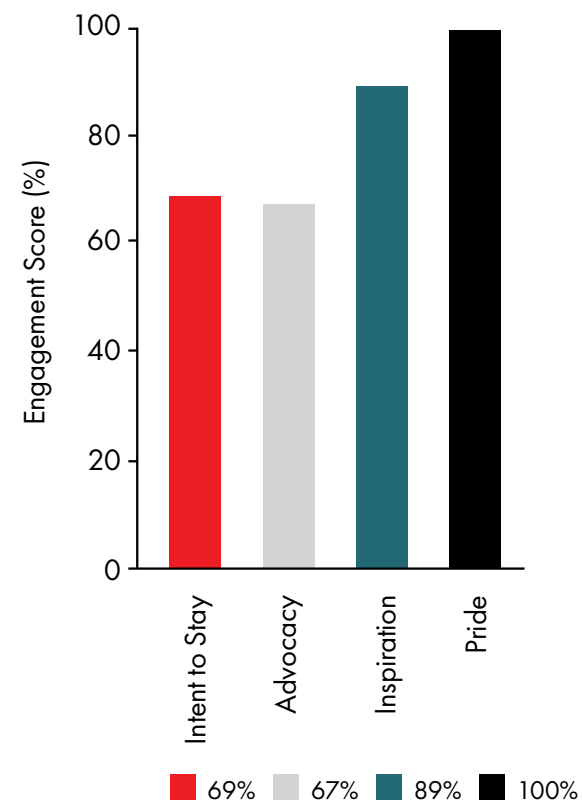
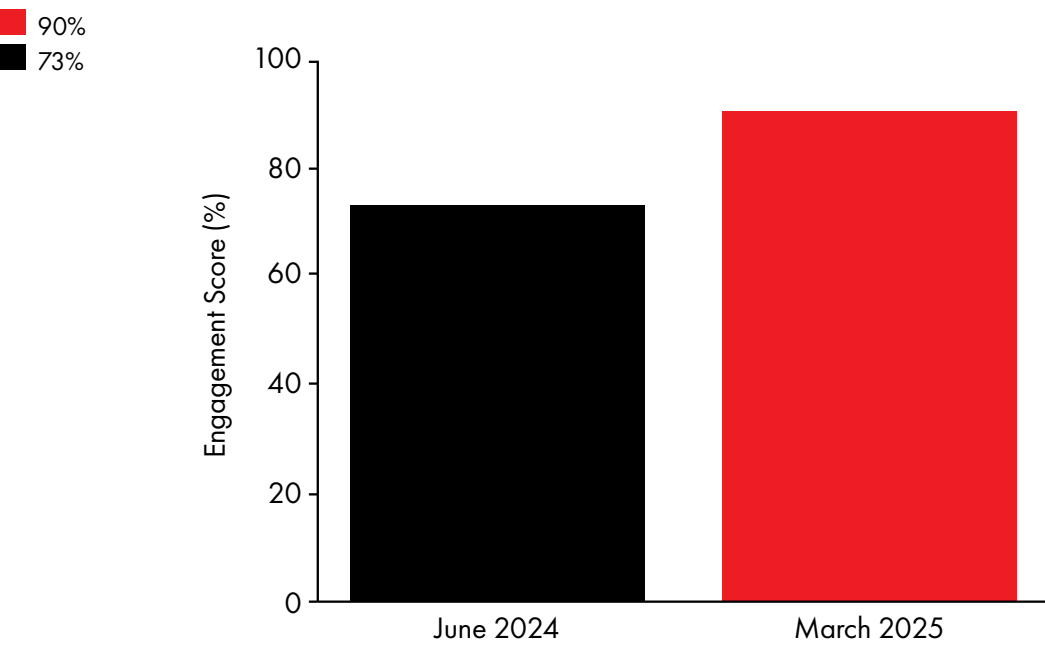


Figure 3: Overall Engagement Score Comparison



Action plans were developed from both surveys focused, on improving communication, systems, and staff development. Initiatives included planning for Salesforce and Sage system upgrades, widespread people policy updates, and training in active listening, and financial literacy. Internal recruitment was also prioritised to address concerns around pay and progression, while salary benchmarking is planned in for the coming financial year. LCF has implemented changes through their People Offer and new career progression pathways. These measures aim to support our employees in their professional development by offering relevant resources and assistance.

We have demonstrated our commitment to continuous improvement with a proactive approach to employee feedback and workplace enhancements. By prioritising transparency, personal

development, better communication, and improved recognition; LCF has enhanced its employee engagement to enable all our people to contribute effectively to our strategic goals. These actions are directed towards promoting individual development and satisfaction, as well as strengthening teamwork within the organisation. Moving forward, LCF intends to continue to focus on inclusivity in everything we do, and to continue to improve employee engagement.

Diversity

In this sixth year of LCF reporting diversity data on its Board and team in its Statutory Accounts, we have added key insights and challenges as part of our continued commitment to being accountable for how we represent London. Though not a statutory requirement, the Charity is committed to this transparency as a key part of its EDI work. We are also committed to being transparent, holding ourselves to account and learning from our challenges and progress. This work forms part of a wider EDI strategy and commitment.

Our survey results

The following graphs are taken from an anonymous diversity survey of Trustees and team members at LCF with 25 out of 26 completing the survey. The responses to the survey are not mandatory, are self-reported and each question includes an option of 'Prefer not to say'. This means people do not need to complete the survey and could leave some or all sections unanswered. LCF is a small team and Board and, therefore, the process of gathering and representing data responsibly and respectfully is different compared to a large organisation.

Figure 1: Ethnicity

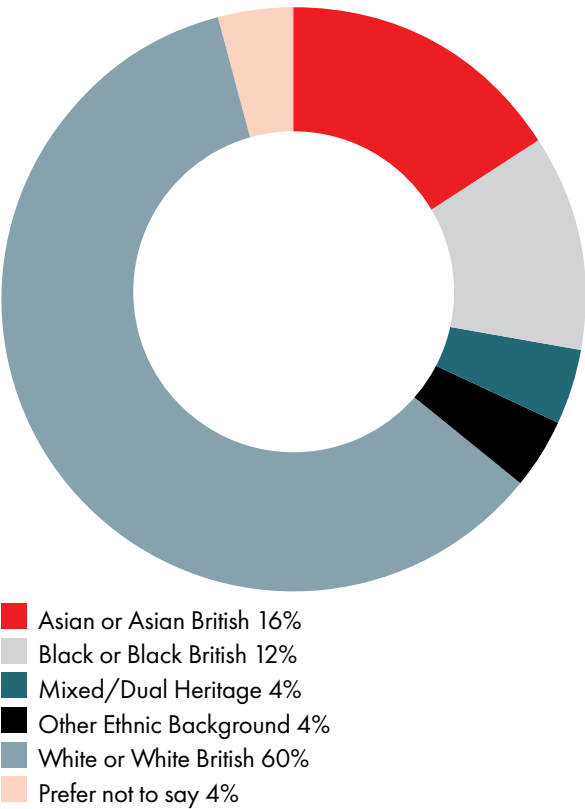


Figure 2: How long have you worked for/ served as a Trustee at The London Community Foundation?

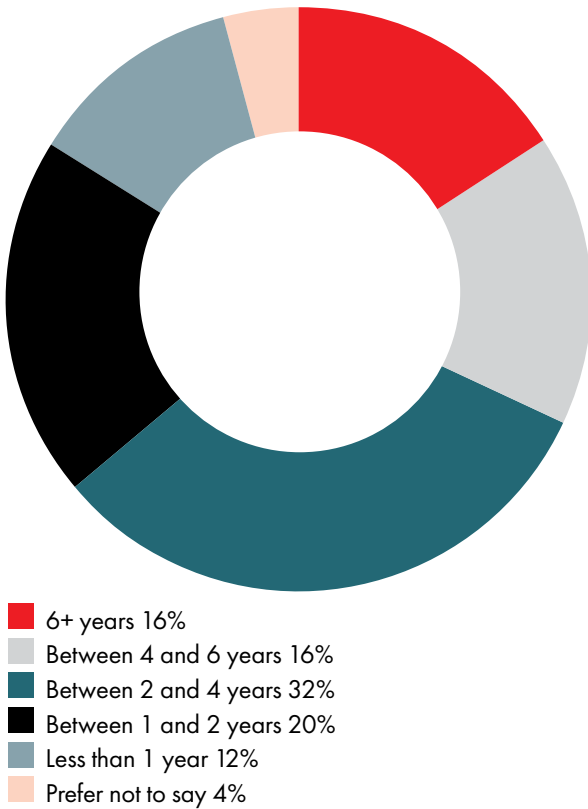


Figure 3: Which is the highest level of education you hold?

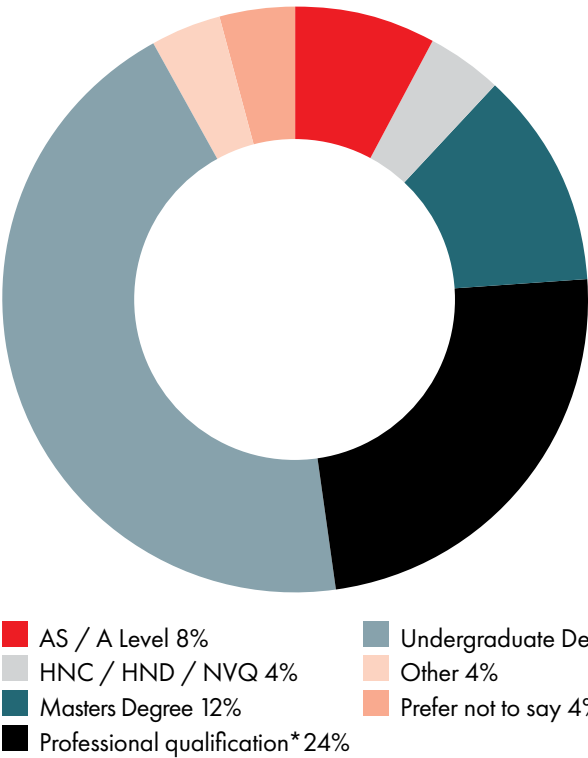


Figure 4: Did you receive free school meals at any point during your school years?

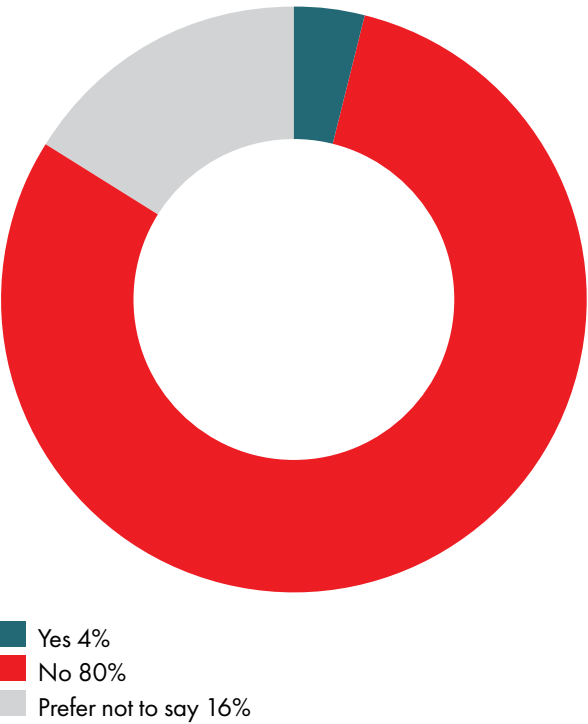


Figure 5: How do you define your gender identity?

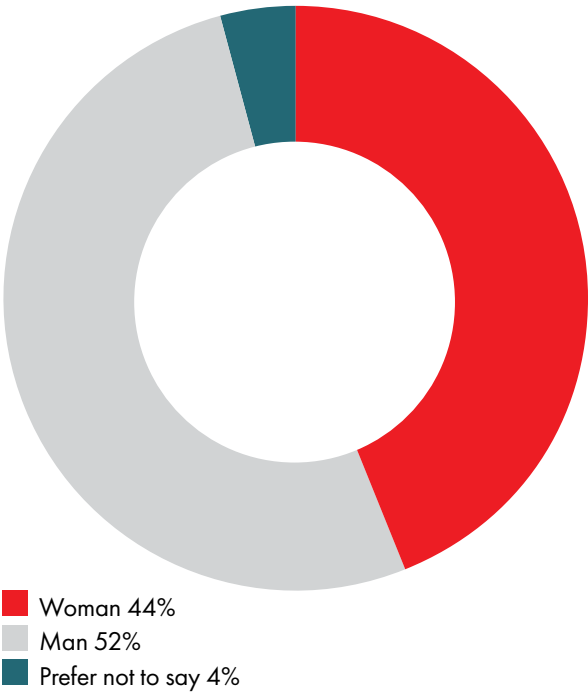
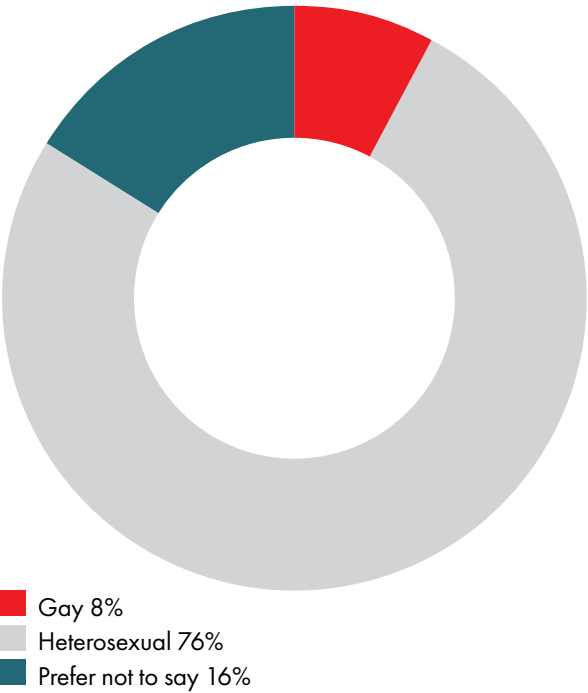


Figure 6: which of the following best describes your sexual orientation?



*e.g. Accountancy, CIPS, CIPD

Figure 7: Which of the following best describes your religion and/or belief?

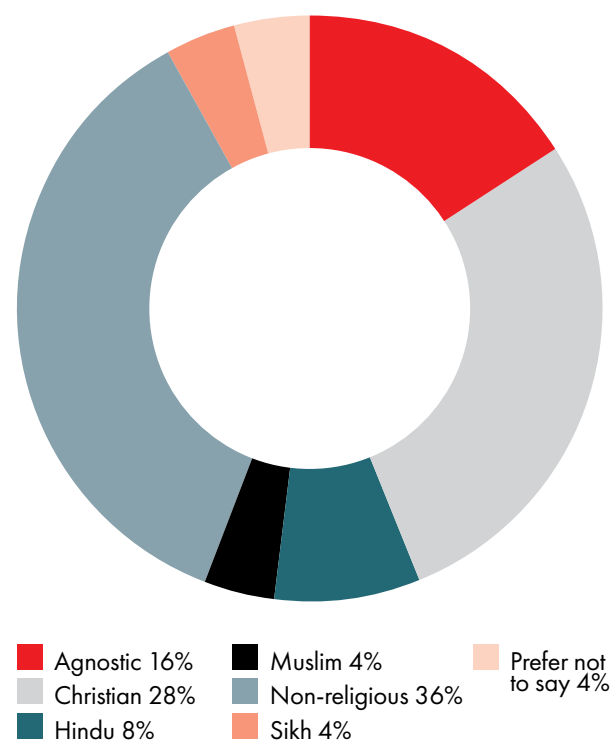


Figure 8: Did any of your parent(s) or guardian(s) complete a university degree course or equivalent (e.g. BA, BSc or higher)?

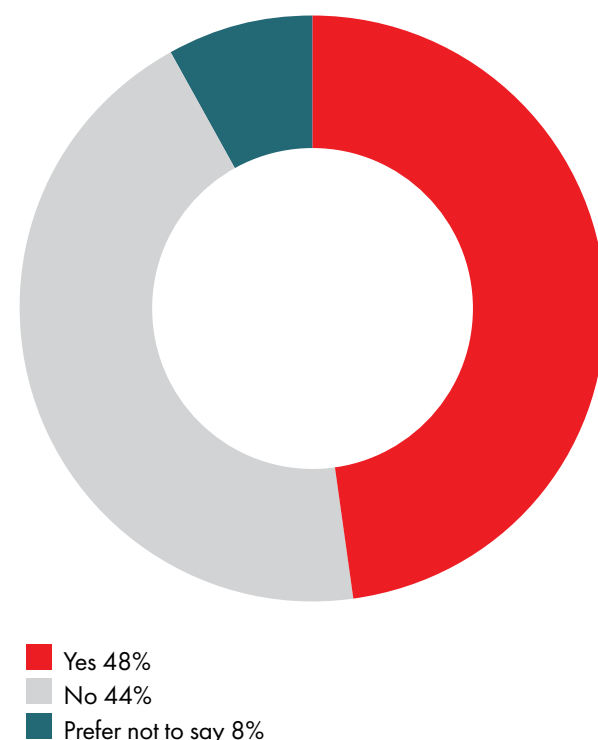


Figure 9: What is your age?

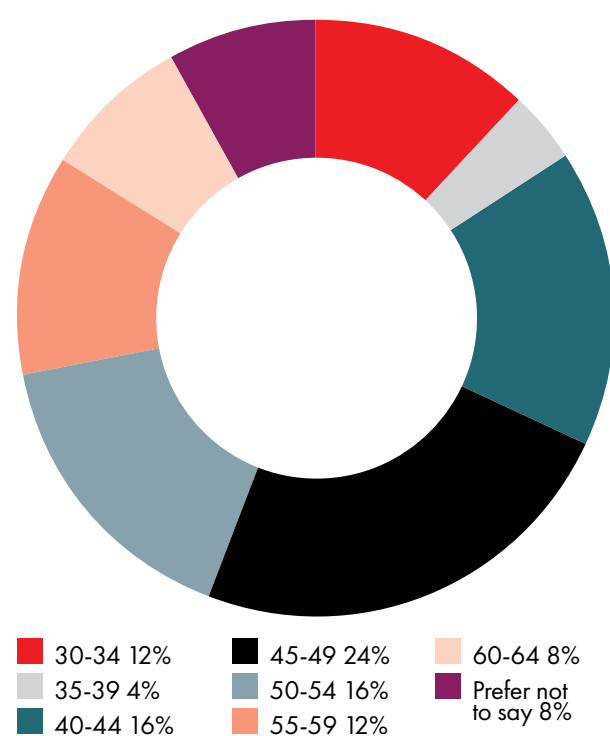
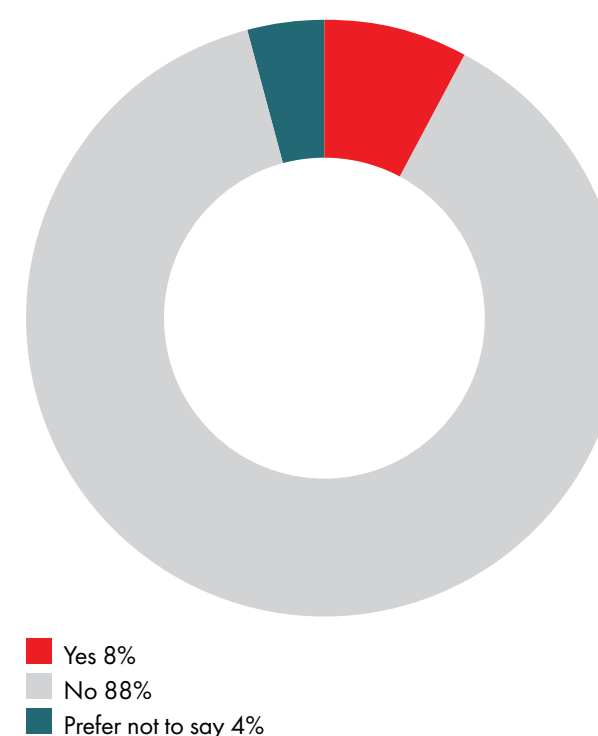


Figure 10: Do you consider yourself disabled?



Future plans

Trustees have agreed the following objectives for 2025/26:

Strategic Objective	In detail
Deliver grants effectively and efficiently to support grassroots organisations thrive and survive	<ul style="list-style-type: none">Effective grant delivery of awards, based on impact strategy, improve our reporting on grant makingWays of working to improve efficiency and capacity and continuously improve our Standard Operating ProceduresBetter capacity planning and alignment with Grants and Development teamsTest and learn for more impactful grant making to include insight gathering / co-designed and linked to our impact strategyLed by and for: Increased percentage of grants applications to require lived experience at application stage
Deliver a sustainable and surplus budget	<ul style="list-style-type: none">Deliver total income of £8.9 millionEnhance endowment proposition and develop a 2030 endowment growth strategyDiversify income to deliver a more balanced budget, with a renewed focus on trust transfers and legacy givingNew marketing acquisition strategyImprove pipeline managementReview service offering by fund and a new approach to portfolio management
Consolidate and build the foundations for future growth	<ul style="list-style-type: none">Develop, roll out and embed LCF's impact strategyBecome more insight-led and learn from our granteesConsolidate approach to safeguarding and wider grant making risksDevelop digital strategy, to include new Salesforce database implementation, upgrade financial software and review approach to AISet up approach to measure customer satisfaction, and gather testimonials as a key part of our communications strategyConsolidate and further improve our safeguarding approach
Focused, effective and valued team and trustees	<ul style="list-style-type: none">Implement new personal development plansImproved focus through more active meeting structuresImproved internal and trustee communications and reportingPeople surveys (supported by half year pulse survey)Develop new EDI plan, including key activities and regular training updates



Our approach to fundraising

LCF generates its income by working in partnership with individual philanthropists, trusts, corporate and social partners, and local and central government. In normal years, an extremely small portion of the Charity's income comes from donations from members of the public. This money is substantially made up of donations to flagship initiatives, for example appeals in partnership with the Evening Standard Dispossessed Fund, or through fundraising events like the London Marathon.

Only LCF's team and Trustees are involved in fundraising for the Charity (aside from a small group of individuals raising donations on our behalf through fundraising events like the London Marathon).

We focus our fundraising on high-value fundraising where we have a direct and personal relationship with a donor. We do not engage in any forms of direct marketing activity to the public, for this reason our fundraising approaches do not put vulnerable people at risk. We communicate to our donors via email, and only to those who have subscribed to our e-newsletter. We do not communicate by phone or post. If a donor wants to unsubscribe to our email list, they can do this themselves automatically using the unsubscribe function. We are registered with, and pay the voluntary levy to, the Fundraising Regulator and abide by its Code of Conduct.

There were no complaints regarding our fundraising practices during the year ended 31 March 2025.



Statement of Trustees' responsibilities

The Trustees (who are also directors of LCF for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the situation of the Charity and of its income and expenditure for that period.

In preparing these financial statements, the Trustees are required to:

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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities, preparing the accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable United Kingdom 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 adequate accounting records that disclose, with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware
- The Trustee has taken all the steps that ought to have been taken as a Trustee to be aware of any relevant audit information and to establish that the Charity's auditor is aware of that information

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, in their capacity as the charitable company directors, and signed on the Board's behalf by:

Russell Prior

Russell Prior
Chair

29 September 2025

Independent auditor's report to the members of The London Community Foundation Year ended 31 March 2025

Opinion

We have audited the financial statements of The London Community Foundation (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement included in the Trustees' Annual Report, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that

an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;

Auditor's report

- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stuart McKay BSc FCA DChA
(Senior Statutory Auditor)

For and on behalf of MHA, Statutory Auditor
London, United Kingdom

Date: 18/12/2025

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)



Statement of financial activities for the year to 31 March 2025

	Notes	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2025 £000	Total 2024 £000
Income and endowments from:						
Donations and legacies	2a	538	7,583	-	8121	10,382
Charitable activities	2b	290	-	-	290	205
Investments	2c	528	365	24	917	948
Other trading activities	2d	-	-	-	-	20
Total income		1,356	7,948	24	9,328	11,555
Raising funds	3a	599	1	-	600	523
Grants programme	3b	1,070	8,572	-	9,642	12,495
Community development	3c	15	27	-	42	82
Total expenditure		1,684	8,600	-	10,284	13,100
Net income / (expenditure) before investment gains and losses		(328)	(652)	24	(956)	(1,545)
Net gains / (losses) on investments	9	-	-	(1,114)	(1,114)	2,165
Net income / (expenditure)		(328)	(652)	(1,090)	(2,070)	620
Transfers in / (out) between funds	14,15	223	71	(294)	-	-
Net movement in funds		(105)	(581)	(1,384)	(2,070)	620
Total funds brought forward at 1 April		832	7,469	23,955	32,256	31,636
Total funds carried forward at 31 March	13a	727	6,888	22,571	30,186	32,256

All of the activities of The London Community Foundation derive from continuing operations. There are no recognised gains and losses other than those shown above.

Balance sheet

as at 31 March 2025

	Notes	2025 £000	2024 £000
Fixed assets			
Tangible assets	8	113	53
Investments	9	22,825	24,211
		22,938	24,264
Debtors	10	878	1,172
Cash at bank and in hand		7,548	8,549
		8,426	9,721
Creditors: amounts falling due within one year	11	(1,178)	(1,729)
Net current assets		7,248	7,992
Net assets		30,186	32,256
Expendable endowment funds	14	17,230	18,323
Permanent endowment funds	14	5,341	5,632
		22,571	23,955
Revenue funds			
Restricted funds	15	6,888	7,469
Unrestricted funds			
General funds		727	832
Total funds		30,186	32,256

The financial statements were approved by the board on 29th September 2025



Russell Prior
Chair



Veesh Sharma
Chair of Finance, Risk & Resources
Committee

Company number: 4383269

Charity number: 1091263

Statement of Cashflows

as at 31 March 2025

	Notes	2025 £000	2024 £000
Cash flows (used in) operating activities:			
Net cash used in operating activities	A	(2,125)	(4,276)
Interest received		224	222
Investment income received		693	726
Purchase of property, plant and equipment		(65)	(47)
Purchase of investments		(22)	(18)
Proceeds from the disposal of investments		294	1,710
Net cash provided by investing activities		1,124	2,593
Receipt of endowment		22	22
Change in cash and cash equivalents in the year		(1,001)	(1,661)
Cash and cash equivalents at 1 April 2024	B	8,549	10,210
Cash and cash equivalents at 31 March 2025	B	7,548	8,549
Notes to the statement of cash flows for the year ended 31 March 2025			
A. Reconciliation of net income / (expenditure) to net cash flow from operating activities			
Net income for the year (as per the statement of financial activities)		(2,070)	598
Adjustments for:			
Net losses / (gains) on investments		1,114	(2,165)
Depreciation charge		5	2
Dividends and interest from investments		(917)	(948)
(Increase) in debtors		294	(775)
(Decrease) / Increase in creditors		(551)	(988)
Net cash used in operating activities		(2,125)	(4,276)
B. Analysis of cash and cash equivalents			
Cash at bank and in hand		7,548	8,549
		7,548	8,549

C. Analysis of changes in net debt

As the Charity’s net debt equalled its cash and cash equivalent balances at both the current and prior year-ends, an Analysis of changes in net debt table has not been disclosed.

Notes to the financial statements

1 Accounting policies

Basis of preparation

The Financial Statements of the Charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, in accordance with the Financial Reporting Standard application in the UK and Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011. The Financial Statements have been prepared for the year ended 31 March 2025 with comparative information in respect to the year ended 31 March 2024.

Corporate status

The Charity is a company limited by guarantee registered in England and Wales and does not have share capital. Its members may be required to contribute a sum not exceeding £1 each in the event of the winding up of the company. The company is a registered Charity. The registered office is at Canopi, 82 Tanner Street, London SE13GN

Going concern

After reviewing the Charity’s forecasts and projections, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees believe there are no material uncertainties regarding the Charity’s ability to continue as a going concern. The Charity therefore continues to adopt the going concern basis in preparing its Financial Statements.

Accounting policies

The Financial Statements have been prepared under the historic cost convention, as modified by the revaluation of investments, in accordance with the Statement of Recommended Practice (SORP) ‘Accounting and Reporting by Charities’ (SORP 2019), Financial Reporting Standard 102 and Companies Act 2006. The accounting policies adopted by the Board of Trustees are described below:

Income

Income is recognised in the statement of financial activities (SOFA) when there is entitlement, probability of receipt and the income can be measured with sufficient accuracy.

The following specific policies are applied to particular categories of income:

Donations and legacies: These amounts are included in the SOFA in the year that they are receivable.

Income arising from grants and similar contracts is generated specifically for the provision of grants, activities or services which are provided as part of the charitable activities of the Charity. Grants to cover administration costs are shown as charitable activities within the unrestricted fund.

Where income is received during the year in respect of future periods, the amount of the income which relates to future periods is deferred and included within creditors.

Where entitlement occurs before income is received, the income is accrued.

1 Accounting policies (continued)

Investments: Investment income and interest are recognised when entitlement or receipt is established.

Other trading activities: Income is recognised in full for activities undertaken during the year.

Government grants: Grants from governments and other agencies which provide core funding, or are given for grant making purposes, are included within 'Income and endowments from donations and legacies.' Grant income that contains conditions relating to performance or payments by results is recognised as performance occurs, with all funding received in advance or in arrears of performance deferred or accrued accordingly. Otherwise, income is recognised in full as soon as any other relevant conditions are satisfied.

Expenditure

Expenditure is recognised when there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is included within the expense items to which it relates.

Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings on the basis of headcount. Expenditure is classified under the following activity headings:

- **Cost of raising funds**
All expenditure associated with raising funds for the Charity, including staff costs associated

with fundraising and the fees payable to the investment manager.

- **Charitable activities**
All costs incurred towards achieving LCF's charitable objectives.

Grant expenditure is recognised in the year of award and when communicated to the recipient in line with the SORP.

Direct costs, including directly attributable salaries, are allocated on an actual basis to each expenditure heading.

Governance costs comprise the costs involving the public accountability of the charity compliance, statutory responsibility, and good practice. Support costs (including governance costs) are allocated to the expenditure activity headings based on employee time spent working in each area.

Support costs are costs incurred which are not directly attributable to our charitable activities, but which are vital to carry out the primary purposes of the Charity. These include costs such as finance, human resources, premises, communications, and information systems.

Pensions

LCF contributes to a defined contribution scheme in the UK.

Pension costs for the defined contribution scheme are charged to the accounts on an accrual basis in the period in which they occur.

1 Accounting policies (continued)

Fund accounting

General funds are unrestricted funds which are available for use, at the discretion of the Board of Trustees, in furtherance of the general objectives of the Charity and which have not been designated for particular purposes.

Designated funds comprise unrestricted funds that have been set aside by the Board of Trustees for particular purposes.

The aim and use of each designated fund are set out in the Annual Report of the Board of Trustees and the notes to the Financial Statements. The Board of Trustees periodically reviews the level of designated funds to ensure that they are adequate to support the purpose for which they were set up, and any surplus or deficit is transferred to or from general funds.

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

Permanent endowment funds represent amounts for which the capital must be retained and invested.

Income arising on these funds may be spent on the charitable objectives of LCF and in line with restrictions placed on each fund.

Under the terms on which the endowment funds were given to the Charity, an amount representing the cost to LCF of administering the fund is set against investment income arising in the year.

Expendable endowments must be invested to produce income. Depending on the conditions attached to the endowment, all or part may be converted into an income fund, which can be spent.

Income arising on these funds may be spent on the charitable objectives of LCF and in line with restrictions placed on each fund.

Permanent endowment funds (with total return approach) require all income, gains and losses be taken to the part of the fund representing accumulated unapplied total returns ("UTR") in the first instance.

Out of the UTR that does not need to be so retained an amount reflecting a reasonable distribution each year is calculated and is transferred to income funds to be applied within the terms of these funds' governing documents.

Any income funds not disbursed in the financial year are retained as unapplied total return. Should any year experience a negative return such that the total of UTR and the Trust for Investment are less than the sum reasonably required to maintain the value of the endowment, that negative balance will be held within the UTR fund and a set of steps established gradually to recover that position over a period not exceeding ten years.

1 Accounting policies
(continued)

Termination benefits
and payments

LCF may be committed, by legislation, contractual or other agreements with employees or their representatives or by a constructive obligation based on business practice, custom or a desire to act equitably, to make payments to employees when it terminates their employment. Termination benefits are those that arise as a result of either LCF’s decision to terminate an employee’s employment before the normal retirement date or an employee’s decision to accept voluntary redundancy during an organisational restructure. These are recognised as an expense and charged to the Statement of Financial Activities when LCF is demonstrably committed to terminating the employment of an employee or group of employees before the normal retirement date; or to providing termination benefits because of an offer made to encourage voluntary redundancy. Termination benefits that arise as part of a settlement agreement are recognised once the period of consultation between the employee and their representative is completed and terms are agreed upon.

Significant accounting
estimates and judgements

The preparation of the Financial Statements requires judgements, estimations, and assumptions to be made that affect the reported values of assets, liabilities, revenues and expenses. The nature of estimation and judgement means that actual outcome could differ from expectation. These include:

- The estimate of useful economic life of tangible assets used to determine annual depreciation
- The basis on which support costs have been allocated across expenditure activity headings
- The assumption adopted in determining the value of any designation of unrestricted funds
- The rationale in determining an appropriate level of dilapidations provision associated with the leased premises
- The level of UTR required to be retained to maintain for future beneficiaries the real value of any Permanent Endowments to which Total Return Orders apply

Tangible fixed assets

Tangible fixed assets are recorded at cost. The threshold for capitalisation is £1,000, with a useful economic life exceeding one year.

Depreciation is charged on a straight-line basis over their useful lives which are estimated to be:

Leasehold improvements	Over the remaining life of the lease
Office equipment	Five years – 20%
IT equipment	Three years – 33.3%

Investments

Listed investments are stated at market value, valued at their bid price, at the balance sheet date.

It is the Charity’s policy to keep valuations of stock exchange listed investments up to date, such that when investments are sold there is no gain or loss arising relating to prior years. As a result the statement of financial activities does not distinguish between the valuation adjustments relating to sales and those relating to continued holdings, as they are together treated as changes in the value of the investment portfolio throughout the year.

Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and where the amount due to settle the obligation can be measured or estimated reliably.

Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Value Added Tax

Some of LCF’s activities are classified as exempt or non-business activities for the purposes of VAT, and, therefore, it is unable to reclaim all the VAT that it suffers on its operating costs.

Expenditure in these Financial Statements is therefore shown inclusive of VAT paid and not reclaimable.

Operating lease

Rents payable under operating leases are chargeable to the Statement of Financial Activities on a straight-line basis over the lease term. Benefits received as a lease incentive are credited to the Statement of Financial Activities, to reduce the lease expense on a straight-line basis over the remaining lease term.

Cash and cash equivalents

Cash and cash equivalents include cash-in-hand, cash held in current accounts with UK banks and on deposit with CCLA.

2. Income

2a Income from donations and legacies

	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2025 £000	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2024 £000
Trusts and foundations	188	2,040	-	2,228	85	2,477	22	2,584
Corporations	69	1,005	-	1,074	179	1,973	-	2,152
Local public authorities	73	3,826	-	3,899	195	5,152	-	5,347
Individuals	208	712	-	920	73	166	-	239
National public authorities	-	-	-	-	10	50	-	60
Total income from donations and legacies	538	7,583	-	8,121	542	9,818	22	10,382

2b Income from charitable activities

	Unrestricted funds £000	Restricted funds £000	Total 2025 £000	Unrestricted funds £000	Restricted funds £000	Total 2024 £000
Trusts and foundations	10	-	10	-	-	-
Local public authorities	280	-	280	205	-	205
Total income from charitable activities	290	-	290	205	-	205

2c Income from investments

	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2025 £000	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2024 £000
Interest receivable	67	157	-	224	18	204	-	222
Investment income	461	208	24	693	449	249	28	726
Total income from investments	528	365	24	917	467	453	28	948

2d Income from other trading activities

	Unrestricted funds £000	Total 2025 £000	Total 2024 £000
Rental income	-	0	20
Total income from other trading activities	-	0	20



3 Expenditure

3a Expenditure on raising funds

	Notes	Unrestricted funds £000	Restricted funds £000	Total 2025 £000	Unrestricted funds £000	Restricted funds £000	Total 2024 £000
Investment management costs							
Staff costs	6	10	-	10	9	-	9
Allocated support costs	4	5	-	5	5	-	5
Cost of raising donations and legacies							
Staff costs	6	339	-	339	305	-	305
Other direct costs		52	1	53	33	1	34
Allocated support costs	4	185	-	185	162	-	162
Cost of generating rental income							
Staff costs	6	5	-	5	5	-	5
Allocated support costs	4	3	-	3	3	-	3
Total expenditure on raising funds		599	1	600	522	1	523

3b Expenditure on charitable activities: grant programme

	Notes	Unrestricted funds £000	Restricted funds £000	Total 2025 £000	Unrestricted funds £000	Restricted funds £000	Total 2024 £000
Grants payable		-	8,523	8,523	-	11,496	11,496
Staff costs	6	641	-	641	576	-	576
Other direct costs		78	49	127	34	82	116
Allocated support costs	4	351	-	351	307	-	307
Total expenditure on charitable activities: grant programme		1,070	8,572	9,642	917	11,578	12,495

3c Expenditure on charitable activities: community development

	Notes	Unrestricted funds £000	Restricted funds £000	Total 2025 £000	Unrestricted funds £000	Restricted funds £000	Total 2024 £000
Other direct costs		15	27	42	32	50	82
Total expenditure on charitable activities: community development		15	27	42	32	50	82

4 Analysis of support costs

	Notes	Unrestricted funds £000	Restricted funds £000	Total 2025 £000	Unrestricted funds £000	Total 2024 £000
Support staff costs	6	194	-	194	176	176
Professional fees		40	14	54	39	39
Premises costs		71	-	71	67	67
Office and other costs		17	-	17	15	15
Depreciation		5	-	5	3	3
IT costs		92	-	92	70	70
Governance costs	5	110	-	110	107	107
Total support costs		529	14	543	477	477

5 Governance costs

	Notes	Total 2025 £000	Total 2024 £000
Staff costs	6	78	70
External auditors' remuneration - statutory audit		20	22
External auditors' remuneration - other		6	-
Legal and professional fees		6	15
Total governance costs		110	107

6 Staff costs and remuneration of key management
personnel

	Total 2025 £000	Total 2024 £000
Salaries and wages	984	880
Social security costs	99	93
Employer pension contributions	62	54
Temporary staff costs	61	61
Total staff costs	1,206	1,088

Included in salaries and wages above are termination benefits of £42k (2024: £Nil) relating to one employee (2024: nil employees). These benefits were paid in full during the year and represent £18k of contractual benefits and £24k of non-contractual benefits. The non-contractual benefits represent an ex-gratia payment which the Trustees considered to be within the best interests of the Charity.

The average monthly number of employees during the year was:

Employees	2025 FTE	2024 FTE	2025 Number	2024 Number
Grant delivery and community development	13	11	15	12
Fundraising	4	5	5	5
Support	4	3	7	3
Total	21	19	27	20

6 Staff costs and remuneration of key management
personnel (continued)

	2025 Number	2024 Number
The number of staff whose emoluments are greater than £60,000 are:		
£60,001 – £70,000	1	1
£70,000 – £80,000	1	-
£80,001 – £90,000	-	1
£90,001 – £100,000	-	1
£100,000 – £110,000	1	-
Total	3	3

Emoluments is taken to mean actual payments due in the year for hours worked and is therefore not a full-time equivalent rate but an actual rate reflecting part time hours as well as employment for less than a full year.

The employees whose salary banding is disclosed above also received employer pension contributions of £18,806 (2024: £12,909).

23 employees participated in the Charity's stakeholder pension scheme (2024: 24), inclusive of all starters and leavers.

Key management personnel

The Charity considers its key management personnel comprises the Trustees and Senior Management Team. Senior Management Team was made up as follows during both the current and previous year: CEO, Director of Grants and Impact, Chief Operating Officer, Director of Development and Communications.

Total key management personnel remuneration in the year, inclusive of employer pension and national insurance contributions, was £360,995 (2024: £357,811)

The Trustees are not remunerated. Directly incurred expenses for travel and subsistence relating to their role as Trustees are reimbursed if claimed. No claims were made in 2025 (2024:0).

7 Net expenditure / (income)

This is stated after charging:

	Notes	2025 £000	2024 £000
Staff costs	6	1,206	1,088
Auditors' remuneration - statutory audit		20	22
Auditors' remuneration - other		6	-
Depreciation		5	2
Rentals under operating leases: property		-	42

8 Tangible fixed assets

	Assets under construction £000	Furniture, IT, office equipment £000	Total 2025 £000
As at 1 April 2024	49	45	94
Additions	53	12	65
Disposals	(7)	(29)	(36)
At 31 March 2025	95	28	123
As at 1 April 2024	-	41	41
Charge for the year	-	10	10
Disposals	-	(41)	(41)
At 31 March 2025	-	10	10
Net book value at 31 March 2025	95	18	113
Net book value at 31 March 2024	49	4	53

Assets under construction are an upgrade to the Customer Relationship Management system and were brought into use during the autumn of 2025.

9 Fixed asset investments

9a Fixed asset investments

	2025 £000	2024 £000
Market value of listed investments at 1 April	24,211	23,738
Additions at cost	22	18
Disposal at carrying value	(294)	(1,710)
Gains / (losses) on investments	(1,114)	2,165
Market value of listed investments at 31 March	22,825	24,211

9b Historical cost

	2025 £000	2024 £000
Market value at 31 March	22,825	24,211
Accumulated gains brought forward	(14,354)	(12,167)
Net (gains) / losses for the year	1,114	(2,165)
Historical cost at 31 March	9,585	9,879

9c Investments disposition

	2025 £000	2024 £000
Common Investment Funds: COIF Charities Investment Fund	22,715	24,101
Common Investment Funds: COIF Ethical Investment Fund	110	110
Total market value of listed investments at 31 March	22,825	24,211

10 Debtors

	2025 £000	2024 £000
Trade debtors	832	1,131
Prepayments	41	37
Accrued income	5	4
Total debtors at 31 March	878	1,172

11 Creditors: amounts falling due within one year

	Total 2025 £000	Total 2024 £000
Grants payable	237	1,301
Other creditors	824	311
Accruals	37	39
Deferred income	80	78
Total creditors at 31 March	1,178	1,729

11a Reconciliation of grants payable

	Notes	Total 2025 £000	Total 2024 £000
Balance brought forward 1 April		1,301	2,502
Grants awarded during the year	3b	8,523	11,496
Grants paid out during the year		(9,587)	(12,697)
Grant creditors at 31 March		237	1,301

11b Reconciliation of deferred income

	Total 2025 £000	Total 2024 £000
Balance brought forward at 1 April	78	-
Amounts released to income	(78)	-
Cash received to be deferred	80	78
Balance carried forward at 31 March	80	78

Deferred income relates to funding where the agreement specifies some of the income is in relation to a future period.

12 Obligations under operating leases

At 31 March 2025, the Charity had total future minimum lease payments under non-cancellable operating leases for office rent as follows:

	2025 £000	2024 £000
Within one year	-	-
Total obligations under operating leases	-	-

13a Analysis of net assets between funds

Fund balances at 31 March

	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2025 £000	Total 2024 £000
Represented by:					
Tangible fixed assets	113	-	-	113	53
Fixed asset investments	-	254	22,571	22,825	24,211
Current assets – cash	1,442	6,106	-	7,548	8,549
Current assets – debtors	113	765	-	878	1,172
Creditors: amounts falling due within one year	(941)	(237)	-	(1,178)	(1,729)
Total funds	727	6,888	22,571	30,186	32,256

13b Analysis of net assets between funds (prior year)

Fund balances at 31 March 2024

	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2024 £000	Total 2023 £000
Represented by:					
Tangible fixed assets	53	-	-	53	8
Fixed asset investments	-	278	23,933	24,211	23,738
Current assets – cash	1,057	7,470	22	8,549	10,210
Current assets – debtors	150	1,022	-	1,172	397
Creditors: amounts falling due within one year	(428)	(1,301)	-	(1,729)	(2,717)
Total funds	832	7,469	23,955	32,256	31,636

Restricted fixed asset investments

Under the Community First programme, up to 100% of capital gains over the original value of the investment, indexed by the Retail Price Index (RPI), may be paid to endowment fund grant making (restricted) accounts annually. The balance is now £254k and will be drawn down once the spending plans are finalised by the fund holder.

14 Endowment funds

LCF holds both expendable and permanent endowment funds. Many of The LCF's endowment funds have benefitted from match funding, in addition to donations made to funds, received from the government schemes Grassroots Grants (2008-2011) and Community First (2012-2015). A selection of material funds are shown below along with totals for each scheme. We have separated out any individual Grassroots Grant Fund or Community First fund with an opening balance of over £250,000. The remainder of funds are grouped together under Other Grassroot Grants funds or Other Community First funds.

	Balance at 1 April 2024 £000	Income £000	Expenditure £000	Transfers in/(out) £000	Investment gain / (loss) £000	Balance at 31 March 2025 £000
Grassroots						
Bromley Community Fund	297	-	-	-	(14)	283
Croydon Community Fund	442	-	-	(22)	(20)	400
Deutsche Bank Fund	760	-	-	-	(36)	724
Evening Standard Dispossessed Fund	2,531	-	-	-	(119)	2,412
LCF Older People's Fund (Formerly Gordon Family Fund)	368	-	-	-	(17)	351
Lambeth Community Fund	296	-	-	-	(14)	282
LCF GG Endowment Fund	430	-	-	(155)	(14)	261
Victoria Foundation Fund	427	-	-	-	(21)	406
Westminster Fund	496	-	-	(12)	(24)	460
Other Grassroots Grants funds	1,877	-	-	(33)	(86)	1,758
Total Grassroots Grants funds (expendable)	7,924	-	-	(222)	(365)	7,337
Community First (Expendable)						
Barnet Fund	404	-	-	-	(19)	385
LCF Older People's CF Endowment Fund (Formerly Gordon Family CF Endowment Fund)	1,090	-	-	-	(51)	1,039
Cadogan Kensington and Chelsea Foundation CF Endowment Fund Grant	336	-	-	-	(16)	320
Land Securities Westminster Fund	294	-	-	-	(14)	280
Living Cities Community Fund	1,173	-	-	-	(55)	1,118
The London Leg Up Fund	430	-	-	-	(20)	410
Other Community First funds	2,906	-	-	(8)	(135)	2,763
Total Community First funds (expendable)	6,633	-	-	(8)	(310)	6,315

14 Endowment funds (continued)

	Balance at 1 April 2024 £000	Income £000	Expenditure £000	Transfers in/(out) £000	Investment gain / (loss) £000	Balance at 31 March 2025 £000
Expendable						
Creswell Trust	80	-	-	-	(4)	76
Lambeth Endowment Fund	1,570	-	-	-	(73)	1,497
Lewisham Fund	448	-	-	-	(23)	425
Portuguese Fund	823	-	-	-	(38)	785
South London Opportunity Fund	212	-	-	(10)	(10)	192
Wandsworth Community Fund	633	-	-	-	(30)	603
Total other expendable endowment funds	3,766	-	-	(10)	(178)	3,578
Total expendable endowment	18,323	-	-	(240)	(853)	17,230
Permanent						
Barnet Endowment	95	-	-	-	(4)	91
Beaufoy Trust	1,868	-	-	-	(87)	1,781
Pedlar's Acre Trust	3,039	24	-	(54)	(141)	2,868
Richmond Civic Trust	630	-	-	-	(29)	601
Total permanent endowment	5,632	24	-	(54)	(261)	5,341
Total endowment funds	23,955	24	-	(294)	(1,114)	22,571

The purposes and restrictions of these funds are summarised below:

Bromley Community Fund	To support the local community in Bromley
Croydon Community Fund	To support the local community in Croydon
Deutsche Bank Fund	To support homeless people and those at risk of homelessness
Evening Standard Dispossessed Fund	To tackle a variety of social issues affecting disadvantaged Londoners
LCF Older People's Fund	To support older people who are experiencing poverty and isolation
Lambeth Community fund	To support the local community in Lambeth
LCF GG Endowment Fund	To support community sports organisations for young people
Victoria Foundation Fund	To support the New Victoria Hospital in Kingston
Westminster Fund	To support employment and opportunities for young people in Westminster
Barnet Fund	To support the local community in Barnet
LCF Older People's CF Endowment Fund	To support older people who are experiencing poverty and isolation
Cadogan Kensington and Chelsea Foundation CF Endowment Fund Grants	To support the local community in Kensington and Chelsea near the Cadogan estate

14 Endowment funds (continued)

Land Securities Westminster Fund	To support employment and opportunities for young people in Westminster
Living Cities Community Fund	To support local communities to take action on climate in Southwark and Westminster
The London Leg Up Fund	To benefit community organisations supporting disadvantaged people across London, with a focus on young people
Cresswell Trust	To support the local community in Wandsworth
Lambeth Endowment Fund	To support the local community in Lambeth
Lewisham Fund	To support the local community in Lewisham
Portuguese Fund	To support the local Portuguese community in Lambeth
South London Opportunity Fund	To support the local community in Wandsworth
Wandsworth Community Fund	To support the local community in Wandsworth
Barnet Endowment	To support the local community in Barnet
Beaufoy Trust	To support the local community in Lambeth
Pedlar's Acre Trust	To support the local community in Lambeth
Richmond Civic Trust	To support the local community in Richmond

Grants from endowment funds are made from the restricted fund relating to the endowment fund of the same name. Grants for the year ended 31 March 2025 can be seen in Note 15. Transfers out of expendable endowment funds to restricted funds represent a release of the capital. The transfers operate under LCF's endowment spending policy and allow further application of the funds as grants. Transfers from the permanent endowment fund Pedlar's Acre Trust to restricted funds represent the release of Unapplied Total Return as allowed under the Total Return Order granted by the Charity Commission so that the funds may be applied as grants. Further details can be found in Note 18.

As part of the Foundation's ongoing monitoring of its funds, the Trustees note that:

- The LCF GG Endowment Fund has historically been made up of a mixture of expendable and permanently endowed funds. During the year, the Trustees agreed to expend the entirety of the expendable portion of the Fund. The remaining permanently endowed element will be reclassified as such in the following accounting period.
- The LCF Older People's Fund and the LCF Older People's CF Endowment Fund have, since an agreement with a now former funder effective from 31 March 2023, represented permanent endowment funds. These will be reclassified as such in the following accounting period, though it is noted that the capital portion of these funds has not been expended since agreement.

15 Restricted funds

LCF holds many restricted funds. We have separated out any material fund with an opening balance or closing balance of over £10,000. The closing balances represent the unexpended balances of income held on trust for specific purposes. They take into account multi-year commitments, to be paid to beneficiaries in future financial years.

15a Restricted funds (endowment funds - revenue element)

	Balance at 1 April 2024 £000	Income £000	Expenditure £000	Transfers in / (out) £000	Investment gain/(loss) £000	Balance at 31 March 2025 £000
Evening Standard Grassroots Grants Dispossessed Appeal Fund	542	33	(307)	3	-	271
Pedlar's Acre Endowment Fund	344	9	-	(293)	-	60
Sue Estermann Fund	163	5	-	-	-	168
Barnet NW CF Endowment Fund	92	6	-	-	-	98
Lewisham Endowment Fund	80	6	-	-	-	86
LCF GG Endowment Fund	70	7	(60)	140	-	157
Richmond Civic Trust Permanent Endowment	63	9	-	-	-	72
Deutsche Bank Older Peoples CF Endowment Fund	57	4	(31)	-	-	30
Evening Standard Croydon Dispossessed Appeal Endowment Fund	51	3	(33)	(17)	-	4
Beaufoy Trust Endowment Fund Permanent Endowment	41	19	-	-	-	60
Lambeth CF Endowment Grants	39	15	-	-	-	54
Wandsworth Community Endowment Fund	40	6	(46)	-	-	-
Croydon Community GG Endowment Fund	30	4	(29)	22	-	27
Victoria Foundation Fund	29	4	(5)	-	-	28
Gordon Family CF Endowment Fund	26	10	-	-	-	36
London Leg Up Fund (Bragg) CF Endowment Fund	25	13	(18)	-	-	20
LCF Portuguese Endowment Fund	22	8	(15)	-	-	15
Salway CF Endowment Fund	20	13	(18)	(5)	-	10
Brent Harrow Enfield CF Fund	18	1	-	-	-	19
Living Cities Community CF Endowment Fund	17	11	-	-	-	28
Cadogan Kensington and Chelsea Foundation CF Endowment Fund	14	3	(14)	-	-	3
Bromley Community Fund	14	3	-	(16)	-	1
Hemlata and Kantilal Tanna Family CF Fund	11	2	(2)	-	-	11
Westminster GG Endowment Fund	11	5	-	12	-	28
Deutsche Bank GG Endowment Fund	11	7	-	-	-	18
Peckham GG Endowment Fund	10	2	-	23	-	35
Gordon Family GG Endowment Fund	10	4	-	-	-	14
Other endowment funds (revenue element) balances <£10k	133	47	(33)	21	-	168
Total endowment funds (revenue element)	1,983	259	(611)	(110)	-	1,520

15b Restricted funds (flow through grant-making funds)

	Balance at 1 April 2024 £000	Income £000	Expenditure £000	Transfers in / (out) £000	Investment gain/(loss) £000	Balance at 31 March 2025 £000
MOPAC VAWG Grassroots Fund 23-25	776	1,471	(1,394)	-	-	853
The Stanhope Foundation Fund	546	392	(449)	-	-	489
Adobe UK Community Fund	449	1	(217)	-	-	233
GLA 82072 MoJ DA SV 22-25	432	1,486	(1,516)	-	-	402
Wimbledon Foundation Community Fund	417	664	(493)	(13)	-	575
Hackney Foodbank Community Fund	412	3	(337)	(7)	-	71
The CJ Fund	308	8	-	(57)	-	259
Youth Futures Fund	271	181	(200)	55	-	307
Cockayne Fund	268	8	(238)	(8)	-	30
Women's Fund for London	234	7	(70)	8	-	179
Peabody Community Fund	207	2	(123)	(84)	-	2
LCF Older People's Fund	129	3	(64)	-	-	68
Living Communities Fund	123	76	(151)	-	-	48
Elephant & Castle Community Fund	94	76	(84)	5	-	91
JPMorganChase Fund	89	2	(35)	(56)	-	-
Greenwich Peninsula Community Fund	78	36	(100)	(12)	-	2
Deutsche Bank small grants Fund	66	10	-	-	-	76
Merton & Sutton Health & Wellbeing fund	66	2	-	-	-	68
Lambeth Grants Funds (combined) Funds	59	5	(239)	347	-	172
Lambeth Wellbeing Fund	52	63	(48)	-	-	67
Wandsworth Combined Charity Fund	36	-	(32)	-	-	4
The Young People's Fund	33	-	(10)	(23)	-	-
Grenfell Children & Young People fund	33	1	-	-	-	34
HDR United Kingdom Fund	33	36	(36)	(6)	-	27
Bromley Community Fund (combined)	28	1	-	21	-	50
Covent Garden Market Authority Fund	25	1	-	-	-	26
Excluded Initiative Fund	21	1	(17)	-	-	5
Broadgate Community Fund	20	116	(93)	(20)	-	23
Simon & Lynn Dodds Fund	19	39	(40)	-	-	18
Reel Fund	18	71	(88)	(6)	-	(5)
Thamesmead Community Fund	18	(12)	(79)	108	-	35
Lane Fund (combined)	16	-	-	-	-	16
Muggin's Funds (combined)	15	-	-	-	-	15
North London Philanthropic Trust Fund	11	-	-	-	-	11
Land Securities Westminster Fund	11	-	-	-	-	11
Land Securities Fund	11	-	-	-	-	11
Other grant making funds (flow through) - balances <£10k	62	2,939	(1,837)	(71)	-	1,093
	5,486	7,689	7,989	182	-	5,368
Total restricted funds	7,469	7,948	(8,601)	72	-	6,888

15c Restricted funds - purposes and restrictions

Safe Accommodation PIE	To support improvements to safe accommodation for domestic abuse survivors
JPMorganChase Fund	To support pathways to economic opportunities for ethnic minority communities
Stanhope Foundation	To support disadvantaged communities with employability and opportunities
Peabody Community Fund	To support residents where Peabody Housing association operates
Wimbledon Foundation Community Fund	To support the local community in Merton and Wandsworth
GLA 82072 MoJ DA SV 22-25	To support victims of domestic abuse and sexual violence
The CJ Fund	To support young people in Kensington and Chelsea with employability and mental health
Cockayne Fund	To support art projects for artists from diverse cultures
Skill Up Step-Up Employability Fund	To support disadvantaged young people with skills, employability and training
Lambeth Grants Funds (Combined)	To support the local community in Lambeth
Youth Futures Fund	To support disadvantaged young people with skills, employability and training
Lambeth Wellbeing Fund	To support the wellbeing and health of marginalised communities in Lambeth
Living Communities Fund	To support local communities to take action on climate in Southwark and Westminster
LCF Older People's Fund	To support older people who are experiencing poverty and isolation
Broadgate Community Fund	To support local communities around the Broadgate campus near Liverpool Street
Lambeth Youth Opportunities Fund	To support young people in the borough of Lambeth
Deutsche Bank Older People's Fund	To support older people who are experiencing poverty and isolation
Evening Standard Dispossessed Appeal	To tackle a variety of social issues affecting disadvantaged Londoners
Lambeth CF Endowment Fund	To support the local community in Lambeth
Pedlar's Acre Trust	To support small, grassroots community organisations in Lambeth
Sue Estermann Fund	To support research at the Royal Free Hospital
Adobe UK Community Fund	To support disability charities and disability organisations with two-year funding, focusing on digital and creative inclusion
Hackney Foodbank Community Fund	To support organisations responding to the immediate impacts of food insecurity in Hackney, particularly communities hardest hit by the cost-of-living crisis

£5k was received in October 2025 to correct the deficit position for Reel Fund.

15 Restricted funds (continued)

Transfers between funds

Transfers in generally represent a release of the capital from endowment funds. Transfers out generally represent the pooling of the fund with other funds of similar purpose at the point of awarding grants.

Grenfell Children and Young People’s Fund

Following the closure of the Grenfell Tower emergency appeal, the remaining funds from the Evening Standard Dispossessed Fund appeal and the Artists for Grenfell appeal held were consolidated to form the Grenfell Children and Young People’s fund, a five-year fund set up to support children and young people affected by the tragedy. In addition to the consolidated funds, the Charity received a restricted donation from the Royal Borough of Kensington and Chelsea of £410,000 in 2018/19. Any new funds raised in relation to Grenfell Tower are now added to this fund.



16 Endowment funds (prior year comparatives)

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in/(out) £000	Investment gain / (loss) £000	Balance at 31 March 2024 £000
Bromley Community Fund	276	-	-	(5)	26	297
Croydon Community Fund	438	-	-	(35)	39	442
Deutsche Bank Fund	696	-	-	-	64	760
Evening Standard Dispossessed Fund	2,775	-	-	(500)	256	2,531
Grassroots						
LCF Older People’s Fund	337	-	-	-	31	368
Lambeth Community Fund	175	-	-	96	25	296
LCF GG Endowment Fund	452	-	-	(60)	38	430
Victoria Foundation Fund	414	-	-	(24)	37	427
Westminster Fund	452	-	-	-	44	496
Other Grassroots Grants funds	1,847	-	-	(132)	162	1,877
Total Grassroots Grants funds (expendable)	7,862	-	-	(660)	722	7,924
Community First						
Barnet Fund	376	-	-	(6)	34	404
LCF Older People’s CF Endowment Fund	998	-	-	-	92	1,090
Cadogan Kensington and Chelsea Foundation CF Endowment Fund Grant	288	22	-	-	26	336
Land Securities Westminster Fund	269	-	-	-	25	294
Living Cities Community Fund	1,074	-	-	-	99	1,173
The London Leg Up Fund	394	-	-	-	36	430
Other Community First funds	2,678	-	-	(17)	245	2,906
Total Community First funds (expendable)	6,077	22	-	(23)	557	6,633

16 Endowment funds (prior year comparatives) (continued)

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in/(out) £000	Investment gain / (loss) £000	Balance at 31 March 2024 £000
Expendable						
Creswell Trust	73	-	-	-	7	80
Lambeth Endowment Fund	1,438	-	-	-	132	1,570
Lewisham Fund	407	-	-	-	41	448
Portuguese Fund	754	-	-	-	69	823
South London Opportunity Fund	193	-	-	-	19	212
Wandsworth Community Fund	581	-	-	(2)	54	633
Total other expendable endowment funds	3,446	-	-	(2)	322	3,766
Total expendable endowment	17,385	-	-	(685)	1,601	18,301
Permanent						
Barnet Endowment	87	-	-	-	8	95
Beaufoy Trust	1,711	-	-	-	157	1,868
Pedlar's Acre Trust unapplied total return	979	28	-	(67)	262	1,202
Pedlar's Acre Trust	1,837	-	-	-	-	1,837
Richmond Civic Trust	577	-	-	-	53	630
Total permanent endowment	5,191	28	-	(67)	480	5,632
Total endowment funds	22,576	50	-	(752)	2,081	23,955



17a Restricted funds - endowment funds (revenue element) (prior year comparatives)

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in / (out) £000	Investment gain / (loss) £000	Balance at 31 March 2024 £000
Evening Standard Grassroots Grants Dispossessed Appeal Fund	250	36	(250)	506	-	542
Pedlar's Acre Endowment Fund	235	6	-	68	35	344
Sue Estermann Fund	159	4	-	-	-	163
Barnet NW CF Endowment Fund	92	6	-	(6)	-	92
Lewisham Endowment Fund	75	5	-	-	-	80
LCF GG Endowment Fund	9	6	-	54	1	70
Richmond Civic Trust Permanent Endowment	50	13	-	-	-	63
Deutsche Bank Older Peoples CF Endowment Fund	53	34	(30)	-	-	57
Evening Standard Croydon Dispossessed Appeal Endowment Fund	47	4	-	-	-	51
Beaufoy Trust Endowment Fund Permanent Endowment	23	18	-	-	-	41
Lambeth CF Endowment Grants	20	15	-	-	4	39
Wandsworth Community Endowment Fund	19	17	-	2	2	40
Croydon Community GG Endowment Fund	15	5	(15)	23	2	30
Victoria Foundation Fund	13	5	(13)	24	-	29
LCF Older People's CF Endowment Fund	124	11	-	(109)	-	26
London Leg Up Fund (Bragg) CF Endowment Fund	27	13	(15)	-	-	25
LCF Portuguese Endowment Fund	11	8	-	-	3	22
Salway CF Endowment Fund	13	13	(19)	13	-	20
Brent Harrow Enfield CF Fund	17	1	-	-	-	18
Living Cities Community CF Endowment Fund	42	17	-	(42)	-	17
Cadogan Kensington and Chelsea Foundation CF Endowment Fund	11	3	-	-	-	14
Bromley Community Fund	4	3	1	5	1	14
Hemlata and Kantilal Tanna Family CF Fund	9	2	(4)	4	-	11
Westminster GG Endowment Fund	6	5	-	-	-	11
Deutsche Bank GG Endowment Fund	-	8	-	-	3	11
Peckham GG Endowment Fund	7	2	(47)	47	1	10
LCF Older People's GG Endowment Fund	5	4	-	-	1	10
Other endowment funds (revenue element) balances <£10k	138	43	(57)	4	5	133
Total endowment funds (revenue element)	1,474	307	(449)	593	58	1,983

17b Restricted funds - flow through grant making funds (prior year comparatives)

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in / (out) £000	Investment gain / (loss) £000	Balance at 31 March 2024 £000
MOPAC VAWG Grassroots Fund 23-25	-	1,549	(773)	-	-	776
The Stanhope Foundation Fund	538	538	(530)	-	-	546
Adobe UK Community Fund	-	449	-	-	-	449
GLA 82072 MoJ DA SV 22-25	390	1,506	(1,464)	-	-	432
Wimbledon Foundation Community Fund	402	644	(629)	-	-	417
Hackney Foodbank Community Fund	-	412	-	-	-	412
The CJ Fund	349	9	-	(50)	-	308
Youth Futures Fund	238	116	(216)	133	-	271
Cockayne Fund	345	1,755	(1,805)	(27)	-	268
Women's Fund for London	7	140	-	87	-	234
Peabody Community Fund	491	12	(296)	-	-	207
LCF Older People's (combined) Fund	125	4	(79)	79	-	129
Living Communities Fund	170	113	(190)	30	-	123
Elephant & Castle Community Fund	80	79	(65)	-	-	94
JPMorganChase Fund	714	210	(835)	-	-	89
Greenwich Peninsula Community Fund	-	170	(100)	8	-	78
Deutsche Bank small grants Fund	88	37	(59)	-	-	66
Merton & Sutton Health & Wellbeing fund	64	2	-	-	-	66
Lambeth Grants Funds (combined) Funds	303	6	(250)	-	-	59
Lambeth Wellbeing Fund	195	52	(186)	(9)	-	52
Wandsworth Combined Charity Fund	35	1	-	-	-	36
The Young People's Fund	80	2	(49)	-	-	33
Grenfell Children & Young People fund	62	1	(30)	-	-	33
HDR United Kingdom Fund	20	43	(30)	-	-	33
Bromley Community Fund (combined)	27	1	-	-	-	28
Covent Garden Market Authority Fund	24	1	-	-	-	25
Excluded Initiative Fund	93	2	(74)	-	-	21
Broadgate Community Fund	119	14	(103)	(10)	-	20
Simon & Lynn Dodds Fund	44	5	(30)	-	-	19
Reel Fund (Kogan and Schmidt)	-	125	(101)	(6)	-	18
Thamesmead Community Fund	(6)	86	(62)	-	-	18
Lane Fund (combined)	16	-	-	-	-	16
Regents Place Community Fund	13	10	-	-	-	23
HDR United Kingdom Fund	-	20	-	-	-	20
Barnet Giving Fund	9	0	-	10	-	19
Together For London Fund	-	2,017	(2,101)	101	-	17
Lane Fund (combined)	18	15	-	(17)	-	16

17b Restricted funds - flow through grant making funds
(prior year comparatives) (continued)

Note 17b	Grant making funds (flow through)	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Transfers in / (out) £000	Investment gain / (loss) £000	Balance at 31 March 2024 £000
	Muggin's Funds (combined)	14	-	-	1	-	15
	North London Philanthropic Trust Fund	80	1	-	(70)	-	11
	Land Securities Westminster Fund	41	-	(30)	-	-	11
	Land Securities Fund	11	-	-	-	-	11
	Other grant making funds (flow through) - balances <£10k	1,490	1,879	(3,194)	(113)	-	62
		6,649	9,964	(11,180)	53	-	5,486
	Total Restricted funds	8,123	10,271	(11,629)	646	58	7,469



18a Funds of Pedlar's Acre Trust

On 21 May 2009 the Charity Commission authorised a uniting direction for registration and accounting purposes between The London Community Foundation (charity number 1091263) and Pedlar's Acre Trust (charity number 205817). At the date of the uniting direction the assets of Pedlar's Acre Trust were valued at £1,843,330.

The transactions and assets of the separate charities for the year ended 31 March 2025 are shown below:

	Notes	The London Community Foundation £000	Pedlar's Acre Trust £000	Total £000
Assets of each charity at 31 March 2025				
Opening balance at 1 April 2024		29,217	3,039	32,256
Income		9,304	24	9,328
Expenditure		(10,284)	-	(10,284)
Application of income funds	14	54	(54)	-
(Loss)/Gain on investments		(973)	(141)	(1,114)
Net movement in funds		(1,899)	(171)	(2,070)
Closing balance at 31 March 2025		27,318	2,868	30,186
Tangible fixed assets		113	-	113
Fixed asset investments		19,957	2,868	22,825
Debtors		878	-	878
Cash at bank and in hand		7,548	-	7,548
Creditors: amounts falling due within one year		(1,178)	-	(1,178)
Net assets at 31 March 2025		27,318	2,868	30,186
Funds of the charities				
Expendable endowment funds		17,230	-	17,230
Permanent endowment funds		2,473	2,868	5,341
Restricted funds		6,888	-	6,888
Unrestricted funds		727	-	727
Closing balance at 31 March 2025		27,318	2,868	30,186

18b Application of the power of total return to
Pedlar’s Acre Trust

The investment power of total return was granted by a Charity Commission Order on 17 January 2011. The Charity received advice from its legal advisors Bates Wells & Braithwaite with regards to the use of the power and ensuring its use does not prejudice the ability of the Charity to support both current and future beneficiaries.

This power permits the Trustees to invest permanently endowed funds to maximise total return and apply an appropriate portion of the unapplied total return income each year. Until the power is exercised to transfer a portion of unapplied total return to income (as disclosed in the note below), the unapplied total return remains invested as part of the permanent endowment.

The Trustees have selected the date of the valuation for total return purposes to be the value of the endowment fund at 31 March 2004. Pedlar’s Acre Fund has been in existence since the 17th century; however no valuation is available for the charity prior to 31 March 2004. At this date the fund was valued at £1,836,806. The note below shows the opening unapplied total return and fund transfer in the year.

	Trust for Investment £000	Unapplied Total Return £000	Total Endowment £000
Opening value at 1 April 2024			
Gift component of the permanent endowment	1,837		1,837
Unapplied total return		1,202	1,202
Total	1,837	1,202	3,039
Investment return - dividends and interest		24	24
Investment return – realised and unrealised gains and (losses)		(141)	(141)
Less: investment management costs		(25)	(25)
Total	-	(142)	(142)
Unapplied total return applied to income in the year ended 31st March 2025	-	(29)	(29)
Net movements in the year ended 31st March 2025	-	(171)	(171)
Closing value at 31st March 2025			
Gift component of the permanent endowment	1,837		1,837
Unapplied total return		1,031	1,031
Total	1,837	1,031	2,868

The power of total return allows the Trustees to decide in each year how much of the unapplied total return is transferred to restricted income funds and so is available for grant-making expenditure in line with the terms of the Pedlar’s Acre Trust governing documents. During the year to 31 March 2025, 3.5% of the value of the fund as at 31 December 2022 was transferred to income funds, 3.5% being the amount LCF aims to spend of its permanent endowment funds holding total return power under its endowment spending policy. In July to September 2025 a review of these estimates was undertaken. This resulted in a revision to the estimate of the value to be retained within UTR to ensure that the value of the Endowment is maintained into the future. The revised estimate of the value of the Endowment required to be retained at 31st March 2025 is £3,294, 650 (2024: £3,210,180).

18b Application of the power of total return to
Pedlar’s Acre Trust (continued)

This means that there is a shortfall of funds in the Endowment at 31 March 2025 of £420,120 (2024: shortfall of £164,650). This shortfall will be made good out of surpluses of total return over allocations to Trusts for Allocation (that is Income Funds) over a period not exceeding ten years.

19 Related party transactions

As per note 6, the Trustees are not remunerated, and no expenses have been incurred in 2025 (2024: Nil).

Organisation	Trustee / Employee	Relationship with LCF	Description	31 March 2025 £000	31 March 2024 £000
Carers Hub Lambeth	Laura Perkins	Employee	Grant	-	24
The London Community Foundation	Russell Prior	Trustee	Donation	-	4
Ella’s Home	Nimat Jaffer	Employee	Grant	80	56

In 2025, Ella’s Home received a £80,000 restricted grant from LCF and one of their trustees is Nimat Jaffer, who is an employee of LCF.

20 Analysis of grants

20a Analysis of grants by recipient

	Total 2025 £000	Total 2025 Number
Grants awarded to institutions	8523	703
Total	8523	703

Most of the grant-making at LCF is to charities and community groups each year.

No individual grant is considered material to the Charity, hence there are no individual named grant recipients.

There was no material value of grants allocated to one single institution.

20b Analysis of grants by theme

Primary beneficiary	Amount £000	Number of grants allocated
Ethnic minorities	2,534	214
Carers	61	6
Children and young people	1,665	132
Cockayne (Arts)	38	9
Education	29	3
Environment	2	1
Ex Offenders	7	1
Ex Offenders and Prisoners	50	1
Ex-offenders/offenders/At risk of offending	10	1
Families/Parents/Lone parents	71	7
Food	4	3
Homeless people	221	9
Isolation	6	2
Lesbian, gay, bisexual and transgendered groups	37	6
Local residents	274	43
Medical Support	11	13
Men	7	1
Mental Health	1	2
Not in education, employment and training (NEET 16-24)	25	2
Older People	259	27
Others	207	12
People in care or suffering serious illness	135	4
People living in poverty	251	22
People who are homeless	116	6
People with learning difficulties	178	12
People with low skill levels	10	1
People with mental health issues	99	9
People with multiple disabilities	494	24
People with physical difficulties	41	3
Poverty	70	1
Refugee Women	5	1
Refugees	5	1
Refugees and Asylum Seekers	13	9
Refugees/asylum seekers /immigrants	224	12
Victims of crime/violence/abuse	750	57
Women	610	45
Women and Girls	3	1
Total	8,523	703

Prior year
comparatives

Statement of financial activity for the year to 31 March 2024

	Notes	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2024 £000	Total 2023 £000
Income and endowments from:						
Donations and legacies	2a	542	9,818	22	10,382	11,966
Charitable activities	2b	205	-	-	205	173
Investments	2c	467	453	28	948	803
Other trading activities	2d	20	-	-	20	58
Total income		1,234	10,271	50	11,555	13,000
Expenditure on:						
Raising funds	3a	522	1	-	523	519
Grants programme	3b	917	11,578	-	12,495	12,981
Community development	3c	32	50	-	82	50
Total expenditure		1,471	11,629	-	13,100	13,550
Net income / (expenditure) before investment gains and losses		(237)	(1,358)	50	(1,545)	(550)
Net gains / (losses) on investments	9	26	58	2,081	2,165	(944)
Net income / (expenditure)		(211)	(1,300)	2,131	620	(1,494)
Transfers in / (out) between funds	14,15	106	646	(752)	-	-
Net movement in funds		(105)	(654)	1,379	620	(1,494)
Reconciliation of funds						
Total funds brought forward at 1 April		937	8,123	22,576	31,636	33,130
Total funds carried forward at 31 March	13a	832	7,469	23,955	32,256	31,636

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Together we truly are making a difference to London, where it matters most.

Thank you for all that you have helped us to achieve. Your support is so vital to sustain London's incredible network of grassroots charities and local community groups. They are the fabric of our communities and increasingly we are all dependent on their unique reach, impact and purpose.

**The London
Community
Foundation**

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