



The LankellyChase Foundation

Annual report and financial statements for the year
ended 31 March 2025

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Statutory information

The LankellyChase Foundation ('the Foundation') is a charitable company limited by guarantee and is incorporated in the United Kingdom (no. 5309739). The registered office address is Greenworks, Dog & Duck Yard, Princeton Street, London WC1R 4BH.

Legal and administrative information

The Foundation is governed by its Memorandum and Articles of Association and registered as a charity (no. 1107583). The Directors of the Charitable Company are the Trustees of the charity for the purposes of charity law and throughout this report are referred to as 'the Trustees'.

The following details are for the year ended 31 March 2025 and also include changes up to the date on which the accounts were signed.

Trustees	Asif Afridi (R)	Chair
	Myron Rogers (I,R)	
	Amanda Hailes	
	Amel Hamilton	Appointed 22 nd October 2025
	Marai Larasi (I)	Retired 23 rd October 2024
	Darren Murinas (R)	
	Baljeet Sandhu (I)	
	Felipe Viveros (I)	Appointed 23 rd October 2024

(I) indicates members of the Investment Committee

(R) indicates member of the Resources and Risk Committee

Any individual Trustee has the right to attend any committee meeting.

Staff team	Edel Brady-Jackson	Administrator, Place Action Inquiry (leaving 5 th September 2025)
	Dominic Burke*	Investment Director (leaving 19 th May 2025)
	Lisa Clarke	Place Stewardship Lead (leaving 19 th May 2025)
	Julian Corner*	Chief Executive
	Karen Crompton*	Director
	Renee Davis	Communications Manager (leaving 9 th July 2025)
	Oliver French	Action Inquiry Manager, Head of Grants (left 30 th September 2024)
	Carrina Gaffney	GM Stewardship Lead (leaving 19 th May 2025)
	Rachael Gibbons	Action Inquiry Manager (left 30 th September 2024)
	Ania Jeleniewska-Kaczmarczyk	Head of Finance

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Anita Kamya	Finance Assistant
Joan Kirungi	Office and Admin Assistant
Habiba Nabatu*	Director
Cathy Stancer*	Director (leaving 9 th July 2025)
Emma Perry	Executive Assistant/Governance
	Coordinator (left 31 st January 2025)

Key management personnel Although in a small staff team every member is considered to be key, for the purposes of the Statement of Recommended Practice (SORP 2015), those team members marked * have been designated as key management personnel.

Principal and registered office Greenworks, Dog and Duck Yard
Princeton Street
London WC1R 4BH

Telephone 020 3747 9930

Website www.lankellychase.org.uk

Company registration number 5309739

Country of registration England and Wales

Country of incorporation United Kingdom

Charity registration number 1107583

Auditor Sayer Vincent LLP
110 Golden Lane

London EC1Y 0TG

Bankers The Royal Bank of Scotland Group
1st Floor, Houblon House
62-63 Threadneedle Street
London EC2R 8HP

Lloyds TSB Bank plc
Market Place, Didcot
Oxfordshire OX11 7LQ

Legal advisors Bates Wells
10 Queen Street Place
London EC4R 1BE

Investment managers Cazenove Capital Management
12 Moorgate, London EC2R 6DA

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Baillie Gifford & Co
Calton Square 1 Greenside Row, Edinburgh EH1 3AN
Fully redeemed from this fund in March 2025

Impax Asset Management
7th Floor 30 Panton Street, London SW1Y 4AJ
Fully redeemed from this fund in March 2025

Liontrust Asset Management plc
2 Savoy Court, London WC2R
Fully redeemed from this fund in February 2025

Montanaro Asset Management Ltd
53 Threadneedle Street, London EC2R 8AR
Fully redeemed from this fund in January 2025

Stewart Investors
23 St Andrew Square, Edinburgh EH2 1BB
Fully redeemed from this fund in March 2025

Report of the Trustees

Introduction

This annual report covers the second year since Lankelly Chase announced that we would redistribute our assets within 5 years and “make space to reimagine how wealth, capital and social justice can co-exist in the service of all life, now and for future generations”. The case for this decision is more compelling and urgent than ever and we are actively taking steps to put our intentions into action.

We’re living in very different times to when institutional philanthropy began. Genocide, war and famine are spiking. Politics and societies are becoming increasingly divided, driven by deep-seated inequality, the rise of far-right movements, and widespread misinformation. The wealth that made institutional philanthropy possible was built on systems of power and growth that are now causing unprecedented damage to people and the planet. Philanthropy was established to mitigate the harms caused by the system of wealth extraction, not to address the profound crises that it has now created.

When the world changes this much, we have a responsibility – legally, strategically, and morally – to change the way we act. Change is uncomfortable, but it is better than denial. This is no time to put institution before mission.

Communities need game-changing resources to rebuild, grow local wealth, and unlock the talent and innovation necessary to create sustainable futures. They can’t do this if they’re chasing small, one-off funds for every emergency.

The problem isn’t just avoidable scarcity, it’s how charitable money is managed. The people deciding where funds go are often far removed from those doing the real work on the ground. Most of the £90bn held by the 300 largest UK foundations is invested in markets that make climate change worse. The current grant system can drain considerable time and energy, and almost invariably foundations fund other institutions, which can prevent communities from having control over their own resources. The old way of doing philanthropy just doesn’t work for the world we live in today.

This is why Lankelly Chase recognised that truly transformative approaches could not emerge while our old model remained in place. We had already found that it wasn’t possible to shift power to others while our own decision-making as a grant-making foundation was centred. We have therefore worked carefully to close our previous strategy, programmes, and operations.

Since our 2023 announcement to redistribute our assets, we have focused on supporting the organisations and people involved in our previous strategy. Nearly £20m in additional grants has been awarded to close funding programmes responsibly, and we have phased out staff roles linked to these programmes while helping team members to transition to future opportunities.

We have launched an open-access resource that celebrates our extraordinary grantees, partners, and team, while also offering an honest reflection on the innovations, tensions, and

mistakes that have shaped our journey and transition. We hope it will make a meaningful contribution to the broader debate on how philanthropy can better align its means with its ends.

Having completed the closure of our old organisational model, we are now entirely focused on creating space to explore alternative approaches to resourcing communities. Resources need to flow on terms set by communities, not institutions. This is no easy task. We have all come to rely on institutions to make decisions for us, to weigh up what is in our interests, to hold and impose accountability for the money. As we set out last year, this reliance costs us all. However, it's not obvious how to move from the old system to one fit for today's challenges.

This is why we have begun a phase of research and development. We are collaborating with people close to the communities we aim to serve to explore how funding can support community-based work in ways that encourage genuine collaboration and collective action. This phase is about laying the groundwork, creating approaches that shift decision-making and accountability to communities, while ensuring people can do this work as safely as possible.

This work is about exploring multiple possible pathways, with much of the learning focused on relationships, mindsets, behaviours, and ways of working. It won't be neat or comprehensive, and it will only cover some of the steps needed. We are part of a growing number of people and organisations in institutional philanthropy seeking more effective approaches to resourcing communities. By opening the space for deep collaboration with communities, our contribution will be to find ways that resources reach communities in ways designed by and for them.

At the moment, we are focused on this work and plan to provide a public update on this phase in April 2026. We remain deeply grateful to the visionary leaders, communities, organisations and former staff members and trustees who have supported us, their expertise, effort, and collaboration have been invaluable. Communities most affected by injustice and oppression have long called for fundamental change in philanthropy, and we are determined to honour that call. Our response may not be perfect or complete, but it represents an important step — one we hope others can build on in the years ahead.

THE LEGAL REQUIREMENTS

The objects of the Foundation

The Foundation's objects are to promote any charitable purposes under the law of England and Wales.

The Trustees define the policies that underpin the Foundation's programmes and throughout 2024-25 the work of the Foundation continued to be shaped by the following vision and mission statement.

Our vision is of world healed by justice, equity and inclusion, where all people can live with dignity and opportunity in supportive communities.

Our belief is this can only be achieved if we fully embrace the interdependent nature of our existence.

Our mission is to create space to reimagine, test and demonstrate how wealth, capital and social justice can co-exist in service to all of life now and for future generations.

Values

Determined: real change takes tenacity, kindness and commitment. We work with humility and the knowledge that there are no simple answers.

Open: we want to build relationships based on shared humanity, kinship and respect. We are always open to new ideas and evidence and we share whatever we learn for the benefit of everyone.

Reflective: we want to find out what really works. We challenge assumptions and we use feedback as a powerful tool for learning.

History

The LankellyChase Foundation is the amalgamation of two grant-making trusts, the Lankelly Foundation and the Chase Charity.

The Chase Charity was established on 18 May 1962 and the Lankelly Foundation on 18 March 1968. On 9 December 2004, the two Trustee bodies amalgamated the trusts and the new LankellyChase Foundation was incorporated.

Structure, governance and management

The Board of Trustees administers the Foundation. The Board appoints Trustees who then serve for four years, after which they may be re-appointed to serve one further term of up to four years. In exceptional circumstances a Trustee may, if agreed unanimously by the Board, be asked to serve an additional four-year term. The Chair is appointed by the Trustees and serves for a maximum of two three-year terms as Chair.

Periodically the Board reviews the range of skills among Trustees and may recruit new Trustees to fill any gaps in the skillset of the Board. New Trustees have historically been recruited through external competition, a process that may be complimented or superseded by the use of the Foundation's networks to identify individuals who may not be reached by more traditional methods. In addition to making appointments based on the skills, values and connections deemed necessary by the Board, new Trustees may be recruited to bring alternative perspectives. This ensures the Board and the method of governance continues to evolve.

The full Trustee Board currently meets at least four times a year to manage the Foundation, as well as attending residentials to develop strategy. The day-to-day administration continues to be delegated to the Chief Executive who is supported in this by the wider staff team.

The Board of Trustees currently has three sub-committees. They are:

- The Resources and Risk Committee which oversees the main risk and audit requirements, and monitors and reviews budgets and human resources.
- The Investment Committee which oversees the management of the Foundation's assets, as delegated by the full Board.
- The Grants Committee which meets periodically to decide grant recommendations.

Risk management

The Trustees are responsible for establishing and monitoring Lankelly Chase's internal control systems. Until March 2024, the risk register was presented to the Resources and Risk Committee annually.

Since our new strategy has introduced high levels of change, the risk register is presented for review to the whole Board at each Board meeting and is available to all Trustees upon request. The Trustees' approach to risk is to manage rather than eliminate, and view risks as opportunities to be taken, not just threats. Currently, Trustees are satisfied that the system of internal controls in place is adequate, and these internal controls are reviewed as part of the day-to-day management processes within the Foundation.

The risk register is a live document which is held collectively by the staff team and reviewed and updated monthly, and many of the risks identified remain live within the work. There is also a strong understanding at Executive and Board-level that much of the work we are engaged in might involve more risk than other funders would be comfortable with. However, we have management processes in place to manage those risks where possible, and we consider both success and failure to be crucial parts of the change journey.

The Trustees have held that the principal risk to Lankelly Chase is that it does not fulfil its core mission, and this is what led to our decision not to continue as a legacy institution of philanthropy. We have identified the new strategic and operational risks that face us as we determine the alternative futures for our assets. These risks will continue to be managed as per the process above.

Public benefit requirement

The Trustees have had regard to the Charity Commission's published guidance on public benefit as required under Section 17 of the Charities Act 2011. The Trustees aim to meet their public benefit responsibilities by making grants only for activities or outcomes that exclusively further the charitable objects of the Foundation. The Foundation's objects are to promote any charitable purposes under the law of England and Wales, and under the new strategy will in particular be focusing on the advancement of education, by helping to build knowledge, skills and capacity in both the charity and wealth-holding sectors, and on ways to promote the efficiency and effectiveness of charities and the effective use of charitable resources.

Review of grant activity

Following a decision to close all existing grants programmes, all Portfolio Teams – previously the primary route through which grants were made – were dissolved and the Board once again became primary decision makers over grants, except in our Place-based work, where decision-making remained devolved to place ‘Coordination Teams’. Throughout 2024/25 the Lankelly Chase staff team worked closely with these Coordination Teams to agree the final allocation of funding.

In this financial year, £3.7m was allocated to the Coordination Teams and cross-place stewardship work, and £2.3m was allocated as final grants to organisations who have been critically dependent on our money, and/or whose finances are precarious.

Organisation	Description	Grant amount (£)
An Untold Story - Voices	Towards further financial support.	32,000
Barking and Dagenham Giving	BD Giving to host the funds for the Disruptive Explorers Collective.	100,000
Barking and Dagenham Giving	BD Giving to host the funds for the Disruptive Explorers Collective.	425,000
Black Equity Organisation (BEO)	Core costs.	150,000
Caritas Diocese of Shrewsbury	Engaging a more diverse group of SEND people and organisations.	20,000
Collective Change Lab Inc	The Systems Storytelling Project, which includes a network of Indigenous storytellers.	30,000
Conscious Youth CIC	Grant to complete previously funded work with JRF Collaborative.	30,000
Culture Hack	To continue funding to fulfil its charitable aims.	132,500
Dark Matter Laboratories Ltd	Staffing costs to the Many to Many team.	90,000
Debt for Climate via Climate 2025 Ltd	Towards further financial support.	55,000
Decolonising Economics via Social Change Nest	To build on the work from Nourishing Economics.	275,000
Futuros Indigenas via The New World Foundation	Core costs.	70,000
Gateshead Community Bridgebuilders via Social Change Nest	To host the funds for the Gateshead Community Bridgebuilders 2025/2026.	450,000
Gateshead Community Bridgebuilders via Social Change Nest	To host the funds for the Gateshead Coordination Group.	320,000
GM Stewarding Group via Social Change Nest	To host the funds for GM Stewarding Group.	700,000
GM Stewarding Group via Social Change Nest	To host the funds for GM Stewarding Group.	922,400
Gower Street	As fiscal host to ‘Spend Down’ Community of Practice.	5,000

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Heard Organisation Limited	Towards further financial support.	50,000
Heart of Hastings CLT Limited	Towards further financial support.	70,000
Huddlecraft CIC	Next phase of work to continue support for the community: giving.	55,000
JMB Corporation Ltd	To support the running of the Uncharitable Festival 2024.	15,000
Joseph Rowntree Foundation	Extension of the Lankelly Chase and JRF Funder Collaborative project.	20,000
Joseph Rowntree Foundation	Contribution towards the staging of "Next Frontiers" Conference.	50,000
Living Rent	To continue the work to fulfil its charitable aims.	43,000
London Renters Union Limited	Towards further financial support.	60,000
Marmalade Planning Group via Social Change Nest	SCN to act as fiscal host for the Oxford Marmalade Group.	425,000
Marmalade Planning Group via Social Change Nest	SCN to act as fiscal host for the Oxford Marmalade Group.	250,000
Media Resources Co-operative Limited	To support core costs for the Independent Media Association.	15,000
Moving Tu Balance CIC	Towards further financial support.	45,000
OnCommons gGmbH	To support continuation of conferences on bioregionalism.	62,252
Opus Independents	To extend their current funding for another year.	120,000
Public Interest Research Centre	Support their Building Narrative power training course.	30,000
Racial Justice Network	Core costs.	150,000
Research for Action Limited	Collaborative research into local democracy.	40,000
The Social Change Nest	Core costs.	300,000
The Social Change Nest	To host fund for the Cross Place Stewarding Group.	107,600
Solidarity Hull CIC	Towards further financial support.	7,500
Spaceship Dot Earth Limited	To continue the work to fulfil its charitable aims.	30,000
Stir to Action Ltd	To continue the work to fulfil its charitable aims.	25,000
Ten Years' Time Enterprises Ltd	To support development and implementation of the TYT Community.	180,000
The Voice of Domestic Workers	To continue the work to fulfil its charitable aims.	30,000
Transition Resource Circle via The New World Foundation	To continue the work to fulfil its charitable aims.	135,000
Unlock National Association of Ex-Offenders Limited	Core costs.	25,788
Wevolution	To continue the work to fulfil its charitable aims.	80,000
WOC Azadi Collective via The Social Change Nest	To continue the work to fulfil its charitable aims.	50,000
	Total	6,278,040

Financial Report

The Trustees authorised a total budget (excluding investment management and social investment fees) for 2024-25 of £25,620k made up of:

- £23,030k programme costs
- £2,590k staff costs, governance and office costs

There was also a budget of £21k for capital expenditure.

Total expenditure, excluding investment management fees was £9,031k. This was made up of:

- £6,495k programme costs (2024: £13,157k).
- £2,536k staff costs, governance and office costs (2024: £2,412k)

£2.9k was spent on capital items in the year (2024: £2.8k)

The size of the underspend is partly explained by a shift in timeline for resourcing the transitional structure set out in the trustees' introduction, and in uncertainty over when we would be able to release funds for the Baobab Foundation. We anticipate both of these expenditure items should now occur in 2025-26.

Income

Total income during the year was £1,309k (2024: £1,544k).

There has been a decline in total investment income from £1,544k to £1,309k, the largest part of this being income from listed investments which decreased from £1,344k to £1,309k.

Social investment income was £19k (2024: £9.5k) consisting of £4.7k loan interests and £14.3k dividends. Other interest income has increased from £60k to £87.8k due to increases in interest rates.

There was no donation received from Northwood Trust in the year (2024: £Nil).

Fundraising practice

LankellyChase Foundation does not derive any income from fundraising. LankellyChase Foundation does not engage in public fundraising and does not use professional fundraisers or commercial participators. The Foundation nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and the Foundation received no complaints relating to its fundraising practice.

Spending policy

Trustees and staff regularly review progress against the Foundation's strategic aims and a workplan is developed by the staff team (plus external partners with regards to place-based work).

The budgeting process for 2024-25 was led by the leadership team, with input from the rest of the team. The final budget was approved by the Trustees, who noted that the budget was subject to variations in the timeline that might shift some substantial items into the following financial year.

It is our vision and mission that are the main determinants of each year's expenditure.

Investment strategy

During the year, Trustees reviewed and updated the investment strategy to reflect the Foundation's intention to fully distribute its assets and close by March 2028. The new Investment Policy states the Trustees' objective to have as much clarity as possible about the value of the assets available for distribution over this period and to ensure that these assets remain sufficiently liquid to meet drawdown requirements.

Trustees decided that assets should therefore be invested in such a way as to maximise capital preservation and minimise volatility. To the extent possible while meeting these priorities, Trustees also wish to protect the real value of the assets against inflation and to ensure that assets are not invested in ways which conflict with Lankelly Chase's objectives and mission. All assets transferred to this new structure ahead of the considerable volatility in the markets that began in April 2025.

Investment management

Following the approval of the new Investment Policy, the Foundation liquidated its existing portfolio structure and appointed Cazenove Capital to manage a "deaccumulation" portfolio comprising sterling-denominated bonds with high-credit ratings which are held to maturity to match our cash drawdown requirements up to the anticipated closure in March 2028. Alongside this, around 10% of assets have been invested in the Schroder Sustainable Multi-Asset Fund and cash is held in a highly-rated ESG liquidity fund.

Performance

Ahead of implementing our new Investment Policy, we held firm in 2024-25 to our strategy of investing as far as possible in equities that have the lowest impact on the sustainability of life on the planet. The performance of this portfolio was nonetheless strongly dependent on overall growth in equity markets, and as such has been disappointing. We were comfortable however that we should not be seeking to outperform the market through investment mechanisms whose impact on sustainability we could not account for.

The Foundation's investment portfolio produced a financial return of negative 0.1% during the year, compared to a positive return of 7.3% in the preceding year. After cash withdrawals, this

saw the value of invested assets decrease from £121.4m at 31st March 2024 to £96.9m at 31st March 2025.

Social investments

Social investments are not an active part of the investment strategy, and no new social investments were made in the year to 31 March 2023. Following further repayments of capital during the year, legacy social investments at 31 March 2025 totalled £877,703 (2024: £886,452).

Reserves policy

As the Foundation's endowment is expendable, it is all available for use at the discretion of the trustees in furtherance of the charitable objects of the Foundation.

Trustees consider it prudent to have short-term access to cash equal to approximately twelve months' projected expenditure.

Remuneration policy

The overall goal of the Foundation's remuneration policy is to ensure that staff members are remunerated fairly and in a way that ensures that the Foundation attracts and retains the right skills to have the greatest impact in delivering our charitable objectives.

Lankelly Chase aims to maintain a competitive and fair salary structure which is clearly defined and communicated to all employees with procedures that are applied consistently in a non-discriminatory manner. The Foundation benchmarks salaries against an appropriate comparative sector/set of organisations. Benchmarked bands are agreed for each post and set by the Resources and Risk Committee. A Pay Committee comprising the senior management team approves individual salary changes up to and including Director roles. The CEO salary is approved by the Board.

Lankelly Chase is a living wage employer and commits to paying at least the London Living Wage to all employees, including interns.

Lankelly Chase offers an Enhanced Parental Leave policy offering all new parents the same opportunity to take paid leave, regardless of gender, sexual orientation or how they became a parent (whether through birth, adoption, parental responsibility or surrogacy). This has been made available after passing probation, rather than the original requirement of 12 months of service and reflects a commitment to living the values of the Foundation.

The Foundation does not currently pay remuneration to Trustees.

Statement of responsibilities of the Trustees

The Trustees (who are also Directors of Lankelly Chase Foundation for the purposes of company law) are responsible for preparing the report of the Trustees and the financial

statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a '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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. As far as the Trustees are aware:

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

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

The report of the Trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees on 3rd December 2025 and signed on their behalf by

Asif Afridi
Chair of Trustees

Independent auditor's report to the members of The LankellyChase Foundation

Opinion

We have audited the financial statements of The LankellyChase Foundation (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows 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 FRS 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
- 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 other ethical responsibilities in accordance with these 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.

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 LankellyChase Foundation'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 trustees' 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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' annual 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities set out 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 extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Resources and Risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is available on the Financial Reporting Council's website at: 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.

Jonathan Orchard (Senior statutory auditor)

16 December 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Statement of financial activities for the year ended 31 March 2025

	Note	2025 £	2024 £
Income from:			
Investments	2	1,309,459	1,344,416
Donations		60	-
Other income		-	200,000
Total incoming resources		1,309,519	1,544,416
Expenditure on:			
Investment management fees		101,315	99,895
Charitable activities	3	9,031,150	15,568,897
Total expenditure		9,132,465	15,668,792
Net expenditure before net (losses)/gains on investments		(7,822,946)	(14,124,376)
Net (losses) on investments		(1,263,048)	8,342,653
Net movement in funds	4	(9,085,994)	(5,781,723)
Reconciliation of funds:			
Total funds brought forward at 31 March		115,964,095	121,745,818
Total funds carried forward at 31 March		106,878,101	115,964,095

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 16 to the financial statements.

Balance sheet as at 31 March 2025

	Note	£	2025 £	£	2024 £
Fixed assets					
Tangible assets	10		13,349		25,827
Investments					
Managed funds	11		96,926,184		121,374,754
Social investments	12		877,703		886,452
			97,817,236		122,287,033
Current assets					
Debtors	13	50,055		50,036	
Cash at bank and in hand		12,828,743		2,200,157	
		12,878,798		2,250,192	
Liabilities					
Creditors: amounts falling due within one year	14	(3,817,933)		(8,423,130)	
Net current (liabilities)/assets			9,060,865		(6,172,938)
Total assets less current liabilities			106,878,101		116,114,095
Creditors: amounts falling due after one year	15		-		(150,000)
Total net assets			106,878,101		115,964,095
The funds of the charity					
Restricted funds	16		-		-
Unrestricted funds	16		106,878,101		115,964,095
			106,878,101		115,964,095

The financial statements were approved by the Board of Trustees and authorised for issue on 3rd December 2025 and are signed on its behalf by:

Asif Afridi
Chair of Trustees
Company registration number 5309739

Statement of cash flows for the year ended 31 March 2025

	Note	2025 £	£	2024 £	£
Cash flows from operating activities					
Net income/(expenditure) for the reporting period					
As per the statement of financial activities		(9,085,994)		(5,781,723)	
Depreciation charges		14,212		18,906	
Losses/(gains) on investments		1,263,048		(8,342,653)	
Dividends and interest from investments		(1,309,459)		(1,344,416)	
(Profit)/loss on the disposal of fixed assets		119		-	
(Increase)/Decrease in debtors		(19)		56,482	
Decrease/(Increase) in creditors		(4,755,195)		(2,859,360)	
Net cash used in operating activities			(13,873,288)		(18,252,764)
Cash flows from investing activities:					
Dividends and interest from investments		1,309,458		1,344,416	
Proceeds from the sale of fixed assets		1,050		-	
Purchase of fixed assets		(2,903)		(2,848)	
Return or impairments of social investments		8,749		8,749	
Movement on cash within investments		2,950,339		(2,367,292)	
Proceeds from sale of investments		149,679,779		26,673,588	
Purchase of investments		(129,444,597)		(7,969,609)	
Net cash provided by investing activities			24,501,875		17,687,003
Change in cash and cash equivalents in the year			10,628,587		(565,761)
Cash and cash equivalents brought forward at 1 April			2,200,157		2,765,917
Cash and cash equivalents carried forward at 31 March			12,828,743		2,200,156

Notes to the financial statements for the year ended 31 March 2025

1. Accounting Policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

Going concern

All assets transferred to a new portfolio largely comprising sterling-denominated bonds with high-credit ratings ahead of the considerable volatility in the markets that began in April 2025. As such, the Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Income

Investment income is accounted for when received by the Foundation or its agents. Social investment interest income is recognised when receivable on an accruals basis. Other income is accounted for when the amount receivable can be identified with reasonable certainty. In practical terms this is generally the date of receipt.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity heading: expenditure on charitable activities which includes the costs of programme activities and grantmaking undertaken to further the purposes of the charity and their associated support costs.

Charitable activities are those costs relating to the programme activities of the Foundation and include grants, governance and support costs. Grants are generally payable in instalments over a number of years. The full amount of the grant however is accounted for in the year in which the decision is made rather than the year in which payment is made. These grants fall due for payment when all conditions have been met. These conditions will vary according to the purpose and period of the grant.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Investment managers' fees are grossed up for any rebates received.

Governance costs are the costs associated with the strategic direction of the organisation and with meeting regulatory responsibilities.

Support costs are those related to all the other activities of the organisation and are apportioned on the basis set out in note 4.

Allocation of support costs

Resources expended are allocated to the activity where the cost relates directly to that activity. However, the cost of the overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of the proportion of staff time attributable to each activity.

Operating lease commitments

Rental charges are charged on a straight line basis over the term of the lease.

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold improvements	over the remaining life of the lease
Office furniture and equipment	25% per annum

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be included in unrestricted reserves in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities (SOFA). The Foundation does not acquire put options, derivatives or other complex financial instruments.

Social investments

Social investments are carried at fair value or impaired cost where it is not practicable to recognise at fair value. Such investments are subject to regular review and any impairment is charged to the SOFA. Investment valuations are not enhanced to more than original cost.

Debtors

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

Cash at bank and in hand

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

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 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.

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

Pension costs

Contributions by the Foundation to the personal, money purchase, pension schemes held in the names of the individual employees are recognised in the year in which they are payable.

Funds

As the Foundation's endowment is expendable, unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objects of the Foundation. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors.

2. Income from investments

	2025 £	2024 £
Listed investments	1,202,152	1,275,062
Interest on cash held as part of the investment portfolio	506	-
Bank interest	87,804	59,828
Social investment income	18,997	9,525
Total investment income	1,309,459	1,344,416

3. Expenditure on charitable activities

For 2024-25 we continued a thematic approach where Portfolio Teams looked after a particular area of the Foundation's work. The budget was set up in this way and so expenditure for the statutory accounts has followed the same approach, as set out below.

	2025 £	2024 £
Programme-related costs		
Strategic areas:		
Place	4,132,006	6,218,603
Comms	166,670	88,999
Support/ Bridging grants	2,112,252	1,054,975
Transition Pathway	111,795	11,341
How	(32,484)	5,786,094
Other	5,058	(3,243)
	<u>6,495,296</u>	<u>13,156,769</u>
Governance costs (note 5)	266,847	376,567
Support costs (note 6)	2,269,007	2,035,562
	<u>9,031,150</u>	<u>15,568,897</u>

4. Net income/(expenditure) for the year

This is stated after charging/(crediting):

	2025 £	2024 £
Depreciation	14,212	18,906
Operating lease rentals		
Property	98,776	94,651
Other	10,392	13,022
Auditor's remuneration (excluding VAT):		
Audit	16,300	15,500
VAT on audit cost	3,260	3,100
	<u>138,640</u>	<u>135,179</u>

5. Governance costs

Governance costs reflect the priority we have given to sound management of the change process and to generating learning that can be used by others. These one-off costs will be more than offset by expected falls in recurring institutional overheads, such as investment management fees (over £100,000 in 2024-25) and operational costs, as our assets start to transfer to communities.

	2025 £	2024 £
Legal expenses	40,528	9,285
Auditor's remuneration	19,560	18,600
Membership of PRI	-	1,122
Trustee expenses	16,405	9,064
Trustee training and conferences	2,170	16,012
Trustee meeting costs	19,744	70,469
Board advisors, facilitation, learning, stakeholder consultation, change management	167,530	251,133
Other governance related administration expenses	910	882
	<u>266,847</u>	<u>376,567</u>

6. Support costs

The key elements of support costs are set out below:

	2025 £	2024 £
Staff costs (note 7)	1,578,179	1,568,402
Recruitment costs	23,400	-
HR-related costs	25,666	53,457
Premises costs including utilities and repairs	120,252	116,697
Legal and professional costs	35,522	27,604
Travel, subsistence and hosting of events	19,472	50,206
Training and conferences	206,676	135,477
Subscriptions and memberships	19,176	34,317
Telephone, postage, stationery and printing	27,901	21,765
Website and IT costs	197,179	24,537
Bank charges	1,271	1,502
Sundries	(17)	(17,310)
Depreciation	14,212	18,906
Loss on disposal of fixed assets	119	-
	<u>2,269,007</u>	<u>2,035,562</u>

7. Analysis of staff costs, Trustee expenses and the cost of key management personnel

Staff costs were as follows:

	2025 £	2024 £
Salaries	992,105	1,145,394
Social security costs	116,015	132,940
Employer contribution to defined contribution pension schemes	154,718	150,970
Temporary staff	131,040	51,677
Other forms of employee benefits	4,117	4,683
Redundancy and termination costs	180,183	82,739
	1,578,179	1,568,402

The following number of employees received benefits in excess of £60,000 (excluding employer pension costs and employer National Insurance contributions) during the year between:

	2025 No.	2024 No.
£60,001 - £70,000	2	-
£70,001 - £80,000	-	3
£80,001 - £90,000	4	2
£90,001 - £100,000	1	-
£150,001 - £160,000	-	1

The total employee benefits including employer pension contributions and employer National Insurance contributions of the key management personnel were £602,748 (2024: £737,618).

The Chief Executive received a gross salary after salary sacrifice with employer pension contributions in the following band: £150,001 - £160,000 (2024: £140,001 - £150,000).

The key management personnel (including the Chief Executive) received salary payments (gross salaries after sacrifice) plus employer pension contributions and other benefits in the following bands.

The LankellyChase Foundation

Key management personnel

	2025 No.	2024 No.
£80,001 - £90,000	-	2.9
£90,001 - £100,000	3.0	1.0
£100,001 - £110,000	1.0	-
£140,001-£150,000	-	1.0
£150,001-£160,000	1.0	-
£170,001-£180,000	-	1.0
Total	5.0	5.9

Trustees' expenses represent the payment or reimbursement of travel and subsistence costs totalling £16,405 (2024: £9,064). 7 Trustees incurred expenses (2024:5) relating to attendance at meetings of the Trustees.

The Foundation's Trustees were not paid nor received any other benefits from employment with the Foundation in the year (2024: £nil).

8. Staff numbers

The average monthly number of employees (head count based on number of staff employed) during the year was 14.3 (2024: 18.3).

9. Related party transactions

There was only one related party transaction in the year, the purchase of services from a company controlled by the close family member of a trustee, which is listed below (2024: None). No amounts were owed at year end.

- Winterburn Works Ltd £1,170

10. Tangible assets

	Leasehold improvements £	Furniture & equipment £	Total £
Cost			
At 31 March 2024	144,620	152,691	297,311
Additions	-	2,903	2,903
Disposals	-	(4,833)	(4,833)
At 31 March 2025	144,620	150,761	295,381
Depreciation			
At 31 March 2024	144,620	126,864	271,484
Charge for the year	-	14,212	14,212
On disposals	-	(3,664)	(3,664)
At 31 March 2025	144,620	137,412	282,032
Net book value at 31 March 2025	-	13,349	13,349
Net book value at 31 March 2024	-	25,827	25,827

All assets are used for charitable purposes.

11. Investments – managed funds

Investments comprise:

	2025 £	2024 £
Listed investments	95,417,969	116,916,200
Cash held as part of the investment portfolio	1,508,215	4,458,555
Total market value	96,926,184	121,374,755

The LankellyChase Foundation

	2025 £	2024 £
Fair value at 1 April	116,916,200	127,277,526
Additions at cost	129,444,597	7,969,609
Disposal proceeds	(149,679,779)	(26,673,588)
Net (loss) on change in fair value	(1,263,049)	8,342,653
	<hr/>	<hr/>
Fair value at 31 March	95,417,969	116,916,200
Cash balances	1,508,215	4,458,555
	<hr/>	<hr/>
Total Market Value	96,926,184	121,374,755
	<hr/>	<hr/>

12. Investments – social investments

The movement in social investments held by the Foundation during the year ended 31 March 2025 and the previous year are shown in the two tables below:

Year end 31 March 2025	At 1 April 2024 £	Purchases in year/ (return of capital) £	Impairment reversal £	At 31 March 2025 £
Charity Bank	200,000	-	-	200,000
Social Justice and Human Rights Centre	500,000	-	-	500,000
Resonance Real Lettings Property Fund	186,452	(8,749)	-	177,703
	<hr/>	<hr/>	<hr/>	<hr/>
	886,452	(8,749)	-	877,703
	<hr/>	<hr/>	<hr/>	<hr/>

Year end 31 March 2024	At 1 April 2023 £	Purchases in year/ (return of capital) £	Impairment reversal £	At 31 March 2024 £
Big Issue Invest	-	(3,243)	3,243	-
Charity Bank	200,000	-	-	200,000
Social Justice and Human Rights Centre	500,000	-	-	500,000
Resonance Real Lettings Property Fund	195,201	(8,749)	-	186,452
	<hr/>	<hr/>	<hr/>	<hr/>
	895,201	(11,992)	3,243	886,452
	<hr/>	<hr/>	<hr/>	<hr/>

13. Debtors

	2025 £	2024 £
Other debtors	3	11,498
Prepayments	50,052	38,538
	50,055	50,036

14. Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	133,914	101,145
Grants payable within one year	3,440,518	8,027,774
Taxation and social security	(573)	57,831
Other creditors	-	20,636
Accruals	244,070	215,741
	3,817,928	8,423,127

Reconciliation of movement in grants creditors

	2025 £	2024 £
At 31 March 2024		
Grants falling due within one year	8,027,774	8,981,309
Grants falling due after more than one year	150,000	2,157,379
Total grants creditor	8,177,774	11,138,688
Grant adjustments	(170,278)	(95,261)
New grants awarded in year	6,278,040	12,154,395
Grants paid in year	(10,845,019)	(15,020,048)
At 31 March 2025	3,440,518	8,177,774
At 31 March 2025		
Grants payable within one year	3,440,518	8,027,774
Grants payable after more than one year	-	150,000
Total grants creditor	3,440,518	8,177,774

15. Creditors: amounts falling due after one year

There are no payable grants after one year. The intention is to settle all grants liabilities as at 31st March 2025 in 2024-25 financial year.

	2025 £	2024 £
Grants payable (all payable in 2-5 years)	-	150,000
	-	150,000

16. Movement in funds

As the Foundation's endowment is expendable, there is no distinction between the endowment and unrestricted reserves. These funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation.

Current year

	At 31 March 2024 £	Incoming resources & gains £	Outgoing resources & losses £	At 31 March 2025 £
Unrestricted funds	115,964,095	46,470	(9,132,465)	106,878,101
Total funds	115,964,095	46,470	(9,132,465)	106,878,101

Prior year

	At 1 April 2023 £	Incoming resources & gains £	Outgoing resources & losses £	At 30 March 2024 £
Unrestricted and total funds	121,745,818	9,687,069	(15,468,792)	115,964,095
Restricted funds	-	200,000	(200,000)	-
Total funds	121,745,818	9,887,069	(15,668,792)	115,964,095

17. Operating lease commitments

The Foundation's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Land and buildings		Other assets	
	2025	2024	2025	2024
	£	£	£	£
Less than one year	98,752	94,892	626	8,469
One to five years	263,339	362,091	-	626
	<u>362,091</u>	<u>456,983</u>	<u>626</u>	<u>9,095</u>

18. Legal status of the charity

The Foundation is a charitable company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.