



ANNUAL REPORT & FINANCIAL STATEMENTS

Year ended 30th June 2023

Company Registration Number: 09923402
(England and Wales)

Charity Number: 1169016



A grant-making partner for the social housing sector

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REFERENCE & ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY & ITS ADVISORS

TRUSTEES	
CHAIR	David Emerson CBE (resigned on 01.12.22) Fiona Ellison (appointed on 01.12.22)
	Aisha Butera
	Anne Dokov (resigned 30.9.22 and was reappointed from 1.11.22)
	Elizabeth Morris
	Heather Bowman (appointed on 01.10.22)
	John Weguelin
	Ronald Williamson
COMPANY SECRETARY	Anne Harling
CHIEF EXECUTIVE OFFICER	Andrew Peers (resigned on 26.05.23) Aileen Edmunds (appointed on 18.09.23)
REGISTERED OFFICE	Suite C, Lancaster House Grange Business Park Enderby Road Whetstone Leicester LE8 6EP
REGISTERED COMPANY NUMBER	09923402 (England and Wales)
REGISTERED CHARITY NUMBER	1169016
AUDITOR	Buzzacott LLP 130 Wood Street London EC2V 6DL
BANKERS	Unity Trust Bank plc Four Brindley Place Birmingham B1 2JB
INVESTMENT FUND MANAGER	Cazenove Capital 1 London Wall Place London EC2Y 5AU
INVESTMENT ADVISORS	Yoke Financial Consultants Ltd 6 Normanhurst Rd London SW2 3TA



ANNUAL REPORT

The trustees of the Longleigh Foundation ('the charity'), who are also directors of the charitable company for the purposes of the Companies Act, are pleased to present their annual report – which provides a summary of performance and achievements – and financial statements for the year ended 30th June 2023. This report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purpose of company legislation.

A message from our Chair, Fiona Ellison

"We know the last year has been tough for many, with the cost of living crisis putting real pressure on households. That's why I'm so proud of the support we give to Stonewater (our sole, major donor) residents through our grants programme to make sure that there is a safety net in tough times. Ensuring that when challenging situations arise, we're here to help whether directly or through our grant funded projects. The funding that Stonewater gives Longleigh to enable this work is needed more than ever and I'm grateful for their ongoing support for the work of the Foundation."

OBJECTIVES, MISSION & VALUES

The objects of the charity, as set out in our Articles of Association, are: **the relief of persons in need through poverty, age, chronic sickness or disability (either mental or physical) and, in particular, the relief of such persons by the provision of housing and associated facilities, amenities or services.**

The charity is working in line with its strategic plan, entitled **Longleigh 2025: Progress and Partnership.**

In the strategic plan, the objects of the charity have been translated into a social mission statement, as follows: **to support transformation in the lives of residents and communities, becoming the charity partner to the social housing sector.**

The five-year vision in the strategic plan is: **to enable more lives to be transformed across more communities by continuously improving the difference we make and the value we bring to our partnerships with the social housing sector.**

In pursuit of the charity's mission and vision all trustees, staff, associates and partners are expected to uphold and champion the charity's values. These values are:

- **Compassionate:** we will ensure, from the boardroom to the frontline, that we remain connected to and understanding of the real-life challenges faced by those living with increased vulnerabilities and multiple disadvantages. We will shape our decisions around how we can best serve their needs.
- **Collaborative:** working in a spirit of collaboration we will strive to develop mutually beneficial partnerships with all our stakeholders so that together we deliver a greater social impact than any of us could achieve on our own.
- **Agile:** we will work in ways that reflect and respond to the changing world around us, ensuring that our funding and our support is always directed to the areas where the potential for transforming lives and communities exists.
- **Insightful:** we are committed to taking the learning from our activities and bringing these insights to shape conversations across the social housing and charitable foundation sectors to support collective development and improvement.

- **Ethical:** from our investments to our purchasing, and from our recruitment to our partnerships, we will be guided by sound ethics to be the best example possible so that we use our resources to have a positive impact on society, the environment and the economy around us.

ACTIVITIES, ACHIEVEMENTS & PERFORMANCE

The main activities undertaken in relation to the pursuit of our charitable objects, social mission and vision are in the form of grant-making. Longleigh is in the minority of charitable foundations in that we provide three types of grants that, when linked together, support how we bring value, learning and insight to our social housing partners. These three types of grants that we provide are as follows:

- Grants to individuals and families that live in social housing of our principal donor and are in financial hardship.
- Grants to organisations to deliver enhanced services for the individuals and communities served by the social housing sector.
- Grants to organisations for research into the issues that can help improve the quality of life and aspirations for social housing residents.

These are three distinct grant-making disciplines and we have processes in place to manage the grant-making cycle across the different stakeholder groups that engage with each.

GRANTS TO INDIVIDUALS

Our individual grants were, for this year, exclusively for residents in the properties or housing-schemes of our sole, major donor (Stonewater Ltd). The eligibility criteria are carefully developed to ensure that we seek to reach the residents who are in greatest financial distress and vulnerability. For this year, we updated the eligibility document to a) take on board learning from our grant-making experiences and b) consider the cost-of-living crisis affecting the cost of everyday essentials such as food and energy.

Our eligibility criteria are designed to also ensure that we do not award grants that may be financially advantageous to the operations of our donor – the balance of advantage via these grants must always be, overwhelmingly, to the individual beneficiary.

During the year, we have continued to assess individual grant applications in line with situational ‘pathways’, which are stated in our eligibility document. To be eligible for a grant, a social housing resident (or member of their household) needed to meet at least one of the pathways and this is to support our aim of ensuring the available funding reaches those in greatest need. Applications for these grants must be submitted by a staff member of the social housing provider on behalf of their residents. Across the applications we received, the top five pathways have stayed the same as last year and make up 90% of applications. These are:

- Diagnosed health condition or disability;
- Mental health condition or substance addiction;
- Moving from homelessness/supported living into independent living;
- Fleeing from an abusive relationship;
- Family with children in receipt of free school meals.

Alongside our increasing sector engagement, knowledge and insight, we continue to work closely with the staff of our major donor and other partners to ensure the pathways remain relevant to meet the needs of the most vulnerable residents and families. This year, we have

also added a Financial Hardship Pathway to assist residents with the rising costs of everyday life.

The financial value of the funding that we distributed via our individual grants during the year was £615,300 - an increase of 5% from last year, for 746 approved applications - 11% more than the previous year.

Out of the grants approved, 589 were Hardship Grants, 114 were Crisis and Disaster Grants, 22 were Flooring Grants and 21 were Education, Training & Employment Grants.

We have seen an increase of 19% in Hardship grants, 250% in Employment, Education and Training (ETE) grants, and a decrease in Crisis and Disaster grants of 25%. We have fine-tuned our criteria so Crisis grants are now for more specific reasons, such as fleeing domestic violence or providing support to a victim of a reported crimes. The new Financial Hardship pathway was introduced to help families struggling with the cost of living increase.

There has been an increase in all areas of giving, but especially food and utility vouchers since March 2022. Longleigh was able to provide short-term help for residents for 2-3 months and this meant adapting our way of working as it is quite different to funding one off items such as furniture and white goods, which account for 57% of grant spending. We expect the next year to show similar patterns in relation to individual grants.

The grants we make to individuals are short-term and very practical interventions. A notable change we have seen during the year is the significant increase in requests for us to provide more ongoing support, across several months, to support people with essential food and energy costs, due to the cost-of-living crisis. Alongside this observed change, some of the other most recurring items that the grants were used for included:

- Essential white goods so people could store fresh food and prepare meals;
- Essential household items, such as beds, to support people's physical and emotional health and wellbeing;
- Floor coverings, where this would make a property safe for households with young children or a person with a disability/condition that affects their movement.

SHELLEY'S STORY

Shelley has fled domestic abuse and has been residing in a refuge where she has received specialist support from staff at the service. Before she fled, she was controlled significantly by the perpetrator who did not allow her to leave the home or do anything to help her progress her education and become independent.

Shelly was fully dependent on this person as English was not her first language. Coming into the refuge she was keen to get into work but felt that she needed to increase her chances of employment by accessing support in learning.

Shelley was given an Education, Training and Employment grant by Longleigh, which supported her in completing her chosen course and now means she has better employability options. Shelley said her confidence has grown whilst completing the course and her English language and literature skills have improved significantly, which staff have observed and she feels ready to get into work.

Shelley has now added the qualification to her CV and she is independently looking for work. Previously, due to the language barrier, she would have needed support for this by a member of staff. She has successfully secured two interviews for a role she is passionate about.

Shelley said: "Accessing the course has changed my life, I am able to go out and look for work and feel confident in doing this."



We bridge our individual grants with our project grant funding and our partnership with Clean Slate, one of our Circles of Support partners, helps residents on low incomes become better off. The support from Clean Slate helps residents longer term while individual grants give them immediate support and "time to breathe". Clean Slate has helped to identify ways residents can increase their income, reduce borrowing, boost savings and minimise spending. They have provided practical steps to help fix a person's finances, for example, using a benefits calculator, reviewing budgets and thinking about work opportunities. Clean Slate offers three tiers of service depending on individual needs, all of which are designed to leave residents feeling empowered and able to think more positively about the future.



During the year, the cost of living crisis has been the main factor that has continued to drive the demand for individual grants. Continued supply-chain challenges, resulting in varying levels of product availability, coupled with the greater administrative work that comes with providing longer-term support with food and fuel have been particularly notable challenges.

In this period, we continued to run a small, additional fund to support the employees of our principal donor. We made four grants to employees, totalling £4,338.

As we go into the 2023-24 financial year, we are expecting to see a continued high level of demand for these grants due to the ongoing economic situation, particularly inflation, fuel prices and the overall rises in the cost of living. We are committed to providing an all-year-round service spreading the budget evenly across the year. Our new Grant Management

System will allow us to continually review demand and close the system when we receive too many applications, so that there is no backlog and applications are not submitted when the budget has already been allocated.

GRANTS TO ORGANISATIONS

Our social mission and vision ensure we are committed to supporting individuals and communities served by the social housing sector. This means that we seek to fund organisations that are addressing the issues and themes that are the most prominent and prevalent.

Our qualifying criteria for organisations to be eligible for funding are:

- Their work fulfils charitable and socially-beneficial purposes;
- They are registered with The Charity Commission and/or Companies House;
- They have at least three, unrelated directors or trustees on their governance board;
- They exist for the public and social benefit, rather than individual benefit.

During this year, we distributed a total of £526,622 on Project Grants and Research Grants to organisations, as follows:

- **6 Project Grants totalling £486,622.**
 - o New grants - one new grant of £90,000.
 - o Continuation funding grants - five continuation grants totalling £396,622.
- **1 Research Grant totalling £40,000.**
 - o No new grants.
 - o Continuation funding grants - one grant totalling £40,000.



CIRCLES OF SUPPORT

Circles of Support was initially launched as a result of the Covid-19 pandemic and its effect on people's economic, emotional and physical health and wellbeing, all of which has been well-documented.

In response to the impact seen, we provided additional funding to some of the organisations we were already funding so – in conjunction with the individual grants we provide – they could increase capacity to provide timely access, for the residents of our major donor, to bespoke and sustained support in relation to their economic and emotional wellbeing. This initiative was named 'Circles of Support'.

Over the course of the year, we provided funding of £375,000 to our Circles of Support partners, resulting in many residents and their families accessing the support available. We have seen a substantial number of individuals and families supported by more than one of the funded partners, emphasising the link between their financial, emotional and physical health and wellbeing.

Circles of Support has become increasingly well-known by the housing staff of our principal donor, and they have welcomed being able to make this timely offer of help to their residents, especially at a time where publicly funded services are over-stretched and where waiting-times can be lengthy.

As we go into the next financial year, there are three ways Circles of Support can help.

We've partnered with **Clean Slate** to help people on low incomes become better off. They will help Stonewater Customers identify ways they can increase their income, reduce borrowing, boost saving and minimise spending.

Kaleidoscope Plus Group offers Stonewater residents over 18 years old support if they are having difficulties with their emotional health. KPG will do this either one-to-one counselling or through wellbeing workshops.

In the short-term, we are continuing to work with **Community Health-Works** to enable Stonewater customers to change their relationship with food and their health in small, gradual steps, improving their overall sense of wellbeing.

ANTHONY'S STORY

Anthony was faced with a substantial debt on his energy bill after struggling financially. He had health issues which made life more challenging. He was provided with two rounds of support from Clean Slate and a Longleigh individual grant of over £900 including supermarket vouchers, help with telephone and broadband charges and utilities payments, which helped Anthony manage his situation in the short-term, with the support from Clean Slate helping him over a longer period.

The support from both organisations significantly improved his financial situation as well as his mental health. Furthermore, having used the shopping vouchers for online orders on batch shopping, the grant saved him several shopping trips, which represented a significant hazard due to his health issues.

KICKSTART PROJECT

Stonewater lets 1,800 homes per annum. Currently 45-50% of customers are accruing debt within their first six months of tenancy and 4-5% of tenancies terminate each year with between 0.9-1.3% of these within the first two years.

On average, almost 600 tenancies terminate each year with a debt greater than £150, highlighting that debt is the likely driving factor in a significant number of cases where the tenancy has failed.

A 12 month kickstart project - focusing on prevention, monitoring and early intervention, was created to help customers who fall into hardship and debt, reducing the risk of tenancy failure.

Before the project, new customer debt was at 46% and this is now 37%. The aim is to reduce the level to below 30%. New tenancy turnover is showing a downward trend - from 1.28% in 2019-20 to 0.76% in 2022-23.

Before the project, there were around 5,000 customers with rent arrears of up to £250. This figure has come down to just over 4,000. There is also an 85% increase in new customers signing up to pay their rent via Direct Debit than before the project.

Stonewater has also tracked the number of new, general needs housing customers that have accessed a Llongleith individual grant. In 2022 this was 80 customers and in 2023 to date, this is already 39 customers. The combination of both the individual grants and the funding provided for the Kickstart project is seen as valuable for new customers where additional vulnerabilities have been identified pre-tenancy.

The dedicated capacity that our funding has enabled has seen greater support to new customers before they move into their Stonewater home. The capacity provides time for staff to work with new customers on a bespoke basis, which they previously did not have sufficient time to do and this is building good, trusting relationships from the outset.

An overall aim of the project is to demonstrate the cost benefits across all of Stonewater so that the case is made for continuing the work beyond the funded period from Llongleith. The team were positive about the progress made by the project so far, in working towards this aim.



RESEARCH PROJECT FUNDING

The last financial year also saw us commission our own research for the first time. Our experiences of making individual grants to social housing residents who required suitable flooring throughout their homes was coupled with our engagement with many other providers of individual grants also providing support for flooring.

Inspired by the TPAS Cymru/Tai Pawb 'Floored' report, we ran a process to identify a suitably experienced research partner to investigate the impact on residents of not having suitable flooring and to seek solutions that could be financially and operationally realistic for social housing providers. Altair became our chosen provider for this research and we are looking forward to reporting on its progress in our next annual report.

The full list of organisations to which we awarded funding in the accounting period was:

PROJECT/ORGANISATION NAME	PRIMARY ACTIVITIES	FUNDING AWARDED (£)
CIRCLES OF SUPPORT PROGRAMME		
Clean Slate	Financial inclusion training, products and 1-1 support for individuals in financial hardship and difficulty.	250,000
Kaleidoscope Plus Group	Emotional wellbeing and counselling support.	50,000
Impact North	Qualified child psychotherapists providing longer periods of counselling support for vulnerable children and their families to restore relationships.	50,000
Community Health Works	Physical health and wellbeing support.	25,000
RESEARCH PROJECTS		
Altair	Research project regarding the lack of flooring provision in social housing.	40,000
OTHER PROJECTS		
Kickstart tenancy sustainability	Project focussing on prevention, monitoring and early intervention for new residents to aid longer tenancies.	90,000
Safe Space	Development of support at a bespoke refuge for people from the LGBTQ+ community fleeing domestic violence and abuse.	21,622
Total Project Grant Expenditure		526,622

WORKING TO ACHIEVE OUR AIMS

A new Grants Management System was launched earlier this year. A thorough selection process was conducted and completed to identify a partner that could deliver a system that would contribute to how we achieve many aspects of the key aims in our strategic plan. For example, the new system will provide for a better application process for Individual grants; will integrate with our financial systems; and, have comprehensive data-gathering and reporting functionality to drive our learning insights and continual improvement.

As a result of our investment in communications, we have been able to produce content for the staff and resident publications, social media and podcasts of our major donor; engage with our funded projects and research partners and share communications; and continue to increase our social media presence.

Our strategic plan, 'Longleigh 2025: Progress and Partnership', includes four key aims:

- Key aim one: Be a valued and integral long-term partner to our donors in how they enable transformation in the lives of their residents and communities.
- Key aim two: Partner with more social housing providers and their supply chain so our model can reach more individuals and communities.

- Key aim three: Embed a learning culture within Longleigh so we can understand, improve and demonstrate the difference we make and then share this with others.
- Key aim four: Improve the effectiveness and efficiency of our work through continual development and integration of systems.

Key developments in the year that support the pursuit of our strategic aims have been:

- The launch of our new Grant Management System (GMS) in March 2023. This is designed to assist us in the effectiveness and efficiency of our work, give a better user experience and more informed reporting;
- Our team will continue to learn the new reporting features throughout this year;
- The continued monthly training for Stonewater colleagues and engagement at all levels;
- Our involvement in a series of podcasts for Stonewater colleagues and residents;
- Increasing our staff team from August, to provide dedicated time to progress the work started on social impact;
- Continued engagement with the Foundation and Housing sectors, including an ITN video featuring Longleigh at the Housing 22 conference and presenting at the Inside Housing Tenant Engagement conference.

We have continued a facilitated process that will support us in better understanding the cumulative impact that our funding has. This will help us learn more about the social impact of our funding and the value our relational and supportive approach to issuing that funding, has. We expect this work to be completed within the next year.

The Trustees commissioned research to look at the appetite from other social housing providers and their supply chain partners, to deliver their community investment and impact via Longleigh, as an independent rather than in-house solution. This work is ongoing.

PUBLIC BENEFIT

The Trustees confirm that they have complied with their duty to have due regard to the Charity Commission's guidance on public benefit when reviewing the charity's aims, objectives and activities for the year. To satisfy the 'benefit' aspect of the guidance and in pursuit of our objectives, the trustees ensure, through the setting and oversight of grant-making strategies, that the Foundation's funding is reaching the most vulnerable individuals and focusing on communities served by the social housing sector. These include:

- Supporting social housing residents to be better off through helping them budget and manage their finances;
- Providing qualified therapy support for parents and children who have experience serious trauma in their relationships;
- Undertaking research into the impact of a lack of suitable flooring provision in social housing and seek to identify solutions that could transform the approach to flooring across the social housing sector.

To satisfy the 'public' aspect of the guidance, the Trustees place due consideration on the number of people that will have the opportunity to engage with services, facilities and support provided by the projects that are approved for Project grants. Applicants are asked to state whether their work is 'high intensity' (e.g. in-depth engagement with lower numbers of people) or 'low intensity' (e.g. potential to engage with larger numbers of people). Applicants for grants need to be able to communicate the need for their work within the communities they intend to focus on.

The trustees take the issue of consistency in decision-making regarding public benefit seriously. The regularly updated eligibility criteria for individual grants and the application process for Project and Research grants are designed to ensure transparent and consistent approaches.

FINANCIAL REVIEW

REVIEW OF THE YEAR

The total income for the year amounted to £1,205,817 (2022: £2,413,424). Of this, £901,224 comprised a restricted donation and matched Give As You Earn donations, received from our founding donor, Stonewater Ltd (2022: £2,157,508); £295,467 was investment income received for the year from our investment in Cazenove's Charity Responsible Multi Asset Fund (2022: £254,627); £2,454 was interest received from short term deposits (2022: £789) and £6,672 was from other donations (2022: £500).

The total expenditure for the period amounted to £1,572,392 (2022: £1,458,337). Of this, £615,300 was spent on individual grants (2022: £584,765); £486,622 was for project grants (2022: £358,778) and £40,000 was spent on research grants (2022: £83,238).

Total operating costs (direct overheads, support and governance costs) amounted to £430,470 for the year (2022: £431,556). Of this, £59,373 (2022: £58,490) related to the raising of funds, comprising Cazenove's investment management fee and our Communications Lead. £180,909 (2022: £180,909) of operating costs related directly to charitable activities, being the infrastructure to implement our individual, project and research grant programmes. Governance costs totalled £54,986 (2022: £58,611) and other support costs amounted to £135,202 (2022: £133,546).

Longleigh is committed to being open and transparent regarding its operating costs and we ensure that the funds entrusted to us are used efficiently and effectively towards our charitable mission and aims. We are still a relatively new, modest-scale Foundation (sitting outside of the top 300 Foundations), being five years since grant making activities commenced, and are therefore still in a phase of investing in our working practices and structure as we continue to grow. The Association of Charitable Foundations (ACF) produced a report in June 2022 regarding operating costs in the top 300 Foundations, which describes the complexities in comparing operating costs across Foundations due to their varying sizes, grant programmes and operating models. The report states, on average, the top 300 Foundations are spending 71% directly on grant making, which is consistent with Longleigh's grant spend as a percentage of total spend. In line with our key aim, of being a learning organisation, we will continue to monitor and benchmark our total operating costs, to ensure we are working effectively and proportionately, with adequate skill and due care in all that we do.

INVESTMENT

Longleigh has continued to hold its long term investment in Cazenove's Charity Responsible Multi-Asset Fund (RMAF).

As a foundation, we have a long-term investment strategy with the objective of receiving an income return of 3-5% return after inflation and fees. We also have a separate Treasury Management policy to ensure we have adequate liquidity and hold secure and accessible deposits.

It is our policy to ensure that our investments are in line with our values and invested responsibly and ethically. The RMAF has a strong Environmental Social and Governance policy, including screening to exclude investing in areas of significant social or environmental harm and providing regular updates on its social impact.

The Finance and Investment Committee review the performance of the investment at their quarterly meeting and meet the investment managers at least annually. The board have also agreed to have an independent triennial review of the investment strategy and investment managers, with the first one due in May 2025.

Our investment was valued as £5,928,659 (2022: £5,881,665) at year end and there were net investment gains for the year of £53,437 (2022: net investment losses of £440,167). The total return for the year ended 30th June 2023 was 5.0% (2022: -3.5%). The Finance and Investment Committee have met with Cazenove twice in the past six months to discuss the current economic situation and how Cazenove are reacting to the difficult and volatile market conditions. The board are comfortable with Cazenove's investment strategy. Whilst the income from the fund is smoothed over a period of time and the 4% income received from the fund is likely to be achievable, the total return target of the fund will not be met with inflation being so high. Longleigh's board will continue to have regular contact and updates from Cazenove over the next year.

RESERVES

The total reserves at year end were £7,897,553 (2022: £8,210,691). This is made up of £7,657,049 (2022: £7,687,524) restricted funds and £240,504 (2023: £523,167) unrestricted funds.

Our short-term reserves policy is to hold a minimum of unrestricted cash reserves to meet the next 3.5 month's forecast operating costs. This was changed in the year from six months to 3.5 months, after an exercise looking at committed costs and costs to cease operations. The Board decided 3.5 months was sufficient to hold as unrestricted and the excess was to be used to support the mission. The minimum level is there to ensure there is enough liquidity for Longleigh to operate efficiently in a period of uncertainty or turbulence while the trustees review the strategy. This 3.5 month forecast operating costs is currently a balance of £129,413, and our unrestricted reserve fund of £240,504 at year end exceeds this policy.

Our long-term reserves policy is to ensure the restricted fund does not fall below a value of 12 months operating costs, plus the maximum potential value of all multi-year grants, assuming they all meet their reporting requirements. At year end, this is a figure of £573,700. The restricted fund exceeds the minimum reserves policy with a balance of £7,657,049 and is to be used in accordance with the donor's specifications, as described in Note 13.

It is our aim to build a restricted reserves level so that the income this generates can meet a reasonable level of grant expenditure and operating costs. Reserves are being built up from the annual donations from Stonewater Ltd, as agreed with them. This is to ensure that Longleigh has the financial resilience to meet unexpected falls in income and periods of uncertainty.

RISKS

The Trustees review the major risks to which Longleigh Foundation is exposed, which are set out in the Risk Register shared at each board meeting. Risks are assessed based on their likelihood and potential impact along with the mitigating actions in place to manage them in line with the board's risk appetite. Where appropriate, systems or procedures have been

established to manage the risks that Longleigh faces. The Trustees, supported by and advised by the Chief Executive, continually monitor changes in risk levels or the emergence of new risks that may impact upon the organisation.

The trustees consider the following to be the key risks that we face:

Areas of Risk	Key Mitigating Actions that will be taken
Continuity of organisational delivery and development with limited advance sight of future resources to work with	<ul style="list-style-type: none"> • Establish a new agreement with the major donor to aid longer-term planning. • Setting budgets and associated work plans that are deliverable based on the team capacity that the agreed budget allows for.
Inability to demonstrate our social and added-value to our major donor (and future donors)	<ul style="list-style-type: none"> • Deliver the process to determine our social impact methodology. • Implement social impact methodology. • Produce 6-monthly social impact progress reports to the Board. • Produce Annual Reviews that has social impact information embedded. • Ensure that projects funded fulfil their reporting requirements to us about the impact of their work. • Restrict or withdraw future funding from projects who do not meet their reporting requirements.
Ineffective management and/or poor relative performance of investments	<ul style="list-style-type: none"> • Implement Treasury and Investment Management Policy papers. • Work in line with ToR for the F&I Committee to manage investment performance. • Investment Fund Managers to attend F&I meetings twice per year, and main board once a year, to update on performance and outlook. • Retain the advice of specialist charity investment advisors. • Maintain independent member to F&I with charity sector finance experience. • Ensure investment skills are present on the board of Trustees. • Regularly review and, where appropriate, update the Treasury & Investment Strategies.
Inability to secure new donors	<ul style="list-style-type: none"> • Work in partnership with our founding donor to identify and progress relationships with social housing providers and supply chain partners. • Implement activity plans (communications and events activities) to support the generation of leads and develop relationships with other housing associations, their supply chains and corporates associated with our key areas of activity (geographically and by subject). • Deliver a specific communications plan for the ITN programme opportunity that seeks to raise

	awareness of our work across both Stonewater and non-Stonewater geographies.
Instability of key staff within the small team	<ul style="list-style-type: none"> • Have a long-term approach to team recruitment and development. • Embed our mission and values at the heart of our team culture to ensure the whole team is engaged in our work. • Provide regular 1-1 and team interactions for the home-based team, including supervisions, appraisals, team meetings and project visits. • Review team wellbeing at monthly team meetings and 1-1s to ensure a good balance between workload and hours provided to do that work. • Maintain a range of HR policies & procedures that help Longleigh be the best employer we can be. • Embrace service delivery contracts, where suitable, to secure appropriate skills and reduce likelihood of turnover in low-hours roles.
Fraudulent or unapproved use of awarded funding	<p>Project & Research Grants:</p> <ul style="list-style-type: none"> • Project & Research Grants funding agreement states uses of funding that are approved. • Review the annual financial statements from projects as part of their reporting requirements. • Review Companies House and Charity Commission websites in advance of funding payments to ensure all projects are complying with their regulatory requirements. <p>Individual Grants:</p> <ul style="list-style-type: none"> • Individual grants criteria includes section (for residents and staff) about misuse of individual grants funding. • Monthly sample check on individual grants approved completed by Finance Admin Officer and signed off by Finance & Operations Manager. • Establish contracts/accounts directly with suppliers of goods and services most used for individual grants. • Implement grant fulfilment options that provide receipted-spend on high-value items. • Longleigh team to lead on grant fulfilment. • Hold regular meetings with SW staff to review progress on overall individual grants programme.

FUNDRAISING

Longleigh Foundation does not actively seek donations from individuals or, therefore, use a third-party fundraiser. Donations received are from ad-hoc fundraising events, mainly organised by our donor's staff. There have been no complaints regarding fundraising in the period.

PLANS FOR FUTURE PERIODS

Many of our main priorities for the year ahead have already been outlined in the above statements. In summary, these priorities are:

- Welcoming our new CEO, who will lead Longleigh in continuing to help as many people as possible. They embody our values of being compassionate, collaborative, agile, insightful and ethical and will help us to realise our mission of transforming lives.
- Undertake activity with our principal donor to reflect on the past five years of operation and refresh the working framework as we look to the future.
- Continue to build on the reporting features of the new Grants Management System to improve our effectiveness, efficiency and gain greater insights about our work.
- Continue to build relationships and develop our communications across the social housing and charitable foundations sectors, sharing our learning and the added value we bring.
- Continue to oversee our long-term financial investments so that we balance a) managing our resources with b) our long-term investment goals.
- Continue to realise the benefits we have in being able to join up our work due to being able to fund individuals/families as well as organisations to deliver both projects and research.

STRUCTURE, GOVERNANCE AND MANAGEMENT

GOVERNING DOCUMENT

Longleigh Foundation is a company limited by guarantee governed by its Memorandum and Articles of Association. It is registered at Companies House (no 09923402) and with the Charity Commission in England and Wales (no 1169016).

TRUSTEES

The trustees have been appointed based on their relevant experiences, skills and knowledge as it pertains to governance, the work of the charity and the social housing sector. As set out in the articles, Stonewater Limited can appoint one person as a trustee. Trustees are appointed for three-year terms of office and may seek re-appointment for further terms, up to a maximum of nine consecutive years.

During the period, we elected a new Chair, Fiona Ellison, and a new trustee as nominated by Stonewater Limited, Heather Bowman. New trustees are given full inductions. This includes spending time with the Chair and the Chief Executive, engaging with frontline and senior staff of our major donor and with projects that we have funded.

Our Board is committed to Equality, Diversity and Inclusion (EDI) and embedding continual improvement in this area. The trustees undertake an annual skills and experience audit to inform succession planning and ensure that the trustees collectively continue to have the expertise needed to lead the charity effectively. Longleigh is a member of the Association of Charitable Foundations (ACF) and the Association of Charitable Organisations (ACO) and trustees are encouraged to attend relevant training opportunities. Individual trustees are expected to comply with, and uphold, Longleigh's values and objectives and share responsibility for decisions taken.

FINANCE & INVESTMENT COMMITTEE

The Finance & Investment Committee has delegated responsibilities and fulfils these in line with a Terms of Reference document that is reviewed and approved by the board of trustees. The purpose of the committee is to monitor the charity's finances and investments, ensure the

trustees fulfil their financial responsibilities and make recommendations to the full board. The committee meet quarterly and currently consists of two trustees and an Independent Member, who has relevant charity financial expertise.

DECISION MAKING

The Board of Trustees is collectively responsible for ensuring that Longleigh adopts good governance practices, complying with all legal and regulatory responsibilities, and safeguarding Longleigh's resources. Meetings are held quarterly at which the Board sets strategy and policies, oversees the Foundation's finances and grant funding and monitors overall performance. The Board review and set the remuneration of key management personnel annually. The Trustees are not remunerated for their services. Longleigh has adopted the Charity Governance Code and monitors compliance with this code. The trustees are not remunerated for their services.

The trustees delegate the day-to-day management of the Longleigh Foundation to the Chief Executive. The Chief Executive and staff team oversee the work of the charity, by adhering to the grant making policies and procedures and implementing all of the operational procedures to enable the charity to fulfil its mission.

The Longleigh Foundation has received Company Secretarial services from Stonewater Limited in the year.

RELATED PARTIES

The Longleigh Foundation is primarily funded through donations from Stonewater Limited. The trustees recognise their charitable responsibilities and state formally that the charity's activities will always be consistent with pursuing the achievement of its social objects. Any benefit which may accrue to Stonewater Limited from the Longleigh Foundation's activities will be incidental and outweighed by the contribution to the Foundation's charitable objectives. Please see note 16 for further Related Party transaction details.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 judgments and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the 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.

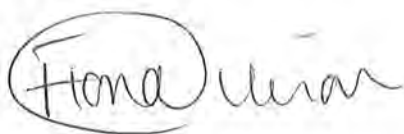
DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as each of the trustees of the charitable company at the date of approval of this report is aware, there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charitable company's auditor is unaware. Each trustee has taken all of the steps that s/he should have taken as a trustee in order to make her/himself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

SMALL COMPANIES EXEMPTION

In preparing this report the trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

Approved by the trustees on 8 November 2023 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Fiona Ellison', written over a circular stamp or seal.

Fiona Ellison
Chair

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF LONGLEIGH FOUNDATION – YEAR TO 30TH JUNE 2023

OPINION

We have audited the financial statements of Longleigh Foundation (the 'charitable company') for the year ended 30th June 2023, which comprise the statement of financial activities, the statement of financial position, the statement of cash flows, the principal accounting policies and the notes to the financial statements. 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).

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.

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30th June 2023 and of 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 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 Charity'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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. 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.

OPINION 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, which is also the directors' report for the purposes of company law, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report, which is also the directors' report for the purposes of company law, 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' 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
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures in respect to the remuneration of Trustees specified by law are not made; or we have not received all the information and explanations we require for our audit; or the Trustees 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' report and from the requirement to prepare a strategic report.

TRUSTEES' RESPONSIBILITIES

As explained more fully in the statement of Trustees' responsibilities, the Trustees (who are also the directors 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 has 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 is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice Accounting and Reporting by Charities preparing this accounts in accordance with the Financial reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and the Companies Act 2006).

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- performed substantive testing of expenditure including the authorisation thereof; and reviewed journal entries to identify unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reviewing the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

USE OF THIS REPORT

This report is made solely to the charitable company's Trustees, 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 Trustees those matters that 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's and the company's Trustees as a body, for our audit work, or the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Buzzacott LLP', with a long horizontal stroke extending from the end.

Gumayel Miah (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Date: 18 December 2023

STATEMENT OF FINANCIAL ACTIVITIES

(Including income and expenditure accounts) YEAR ENDED 30TH JUNE 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 £	Unrestricted funds £	Restricted funds £	2022 £
Income and endowments from:							
Donations	1	852	907,044	907,896	500	2,157,508	2,158,008
Investments	2	6,485	291,436	297,921	789	254,627	255,416
Total income		7,337	1,198,480	1,205,817	1,289	2,412,135	2,413,424
Expenditure on:							
Raising funds	3	-	65,632	65,632	20,670	47,428	68,098
Charitable activities	4, 5	290,000	1,216,760	1,506,760	-	1,390,239	1,390,239
Total expenditure		290,000	1,282,392	1,572,392	20,670	1,437,667	1,458,337
Net (expenditure) / income before investment (losses)/gains		(282,663)	(83,912)	(366,575)	(19,381)	974,468	955,087
Net gain / (loss) on investments	10	-	53,437	53,437	-	(440,167)	(440,167)
Net (expenditure) / income and net movement in funds		(282,663)	(30,475)	(313,138)	(19,381)	534,301	514,920
Reconciliation of funds							
Fund balances brought forward		523,167	7,687,524	8,210,691	542,548	7,153,223	7,695,771
Fund balances carried forward	13	240,504	7,657,049	7,897,553	523,167	7,687,524	8,210,691

The notes on pages 32 to 38 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION: YEAR ENDED 30TH JUNE 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible fixed assets	8		3,480		4,291
Intangible fixed assets	9		33,320		-
Investments	10		5,928,659		5,881,665
Total fixed assets			5,965,459		5,885,956
Current assets					
Debtors	11	87,381		89,732	
Investments - cash		1,857,685		2,165,924	
Cash at bank and in hand		142,690		273,696	
Total current assets		2,087,756		2,529,352	
Creditors: amounts falling due within one year	12	(155,662)		(204,617)	
Net current assets			1,932,094		2,324,735
Total assets less current liabilities			7,897,553		8,210,691
Represented by:					
Unrestricted funds			240,504		523,167
Restricted funds			7,657,049		7,687,524
Total funds	13		7,897,553		8,210,691

The notes on pages 32 to 38 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on 8/11/23 its behalf on



Fiona Ellison
Trustee

Longleigh Foundation
A Company Limited by Guarantee
Registered Number: 09923402

STATEMENT OF CASH FLOWS: YEAR ENDED 30th JUNE 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	(706,360)	755,408
Cash flows from investing activities:			
Dividends and interest from investments		297,921	255,416
Proceeds from the sale of fixed assets		200	350
Purchase of tangible and intangible fixed assets		(37,449)	(3,859)
Proceeds from sale of investments		10,718	-
Purchase of investments		-	(401,034)
Net cash provided by / (used in) investing activities		271,390	(149,127)
Analysis of changes in net debt			
Change in cash and cash equivalents in the year		(434,970)	606,281
Cash and cash equivalents at the beginning of the year	B	2,443,439	1,837,158
Cash and cash equivalents at the end of the year	B	2,008,469	2,443,439

A: RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(313,138)	514,920
Adjustments for:		
Depreciation and amortisation charges	4,940	2,980
(Gain) / loss on investments	(53,437)	440,167
Dividends and interest from investments	(297,921)	(255,416)
Profit on the sale of fixed assets	(200)	(66)
Decrease / (increase) in debtors	2,351	(13,712)
(Decrease) / increase in creditors	(48,955)	66,535
Net cash used in/ provided by operating activities	(706,360)	755,408

B: ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash at bank	142,690	273,696
Short term deposits	1,857,685	2,165,924
Cash held by investment manager	8,094	3,819
Total cash and cash equivalents	2,008,469	2,443,439

The charity does not hold any debt instruments and therefore a reconciliation of changes in net debt has not been included.

The notes on pages 32 to 38 form part of these financial statements.

PRINCIPAL ACCOUNTING POLICIES: YEAR ENDED 30th JUNE 2023

CHARITY INFORMATION

The charity is a company limited by guarantee (registered number 09923402, charity number 1169016), which is incorporated in the UK. The address of the registered office is Suite C, Lancaster House, Grange Business Park, Enderby Road, Whetstone, Leicester, LE8 6EP.

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (applicable UK accounting standards including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006).

Longleigh Foundation meets the definition of a public benefit entity under FRS 102. The financial statements are presented in Sterling to the nearest pound.

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

The principal accounting policies adopted in the preparation of the financial statements are as follows:

SIGNIFICANT JUDGEMENTS AND ESTIMATES

The area in the financial statements where these judgements and estimates have been made is in relation to the allocation of indirect operating costs, and in estimating the useful economic lives of tangible and intangible fixed assets.

GOING CONCERN

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these financial statements.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

INCOME

All income is recognised once the charity has entitlement to the resources, it is probable that the resources will be received and the monetary value can be measured with sufficient reliability.

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured. Donations are accounted for as unrestricted, unless there are restrictions under the terms on which they are received or solicited.

EXPENDITURE

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes VAT which cannot be recovered.

Expenditure on raising funds comprises those costs directly attributable to the management of our investment fund, communications strategy and other fundraising costs which are incurred in seeking voluntary contributions for the charity.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. These include project and research grants to third party institutions and hardship grants to individuals.

All multi-year project grants are subject to satisfactory annual review and reporting as set out in the funding agreement and are therefore only accounted for when this condition has been met. Estimated future costs of existing projects grants are shown in note 17 to the financial statements.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity, as well as working to best-practice standards (as set out in the Governance Code) and include audit fees and costs linked to strategic management of the charity. These are allocated in line with the policy below.

ALLOCATION OF OPERATING COSTS

Operating costs, including direct staff costs, are allocated directly to the activity that they relate to where possible.

Indirect operating costs have been apportioned to the activity based on the estimated staff time spent on each activity. This is 5% to raising funds, 75% individual grants, 15% project grants and 5% research grants (2022: same allocation). The above apportionment of staff's time reflects the fact the individual grants is much more time intensive, with a higher volume and lower value per grant than project grants.

FINANCIAL INSTRUMENTS

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All basic financial instruments are held at amortised cost. Financial assets comprise cash at bank, together with trade and other debtors. Financial liabilities comprise all creditors except social security and other taxes.

FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised and valued at historical cost. Depreciation on assets is charged to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful life for computer equipment is three years. The estimated useful life for the Grant Management System is five years.

INVESTMENTS

Investments are initially measured at cost and subsequently at market value. Investment gains and losses, whether realised or unrealised, are recognised in the statement of financial activities in the period in which they arise.

DEBTORS

Debtors are initially recognised at their settlement amount and subsequently at amortised cost of their recoverable amount. Prepayments are valued at the amount prepaid.

CASH

Cash at bank includes cash in short term highly liquid investments and cash in deposit accounts that are available on demand or have a maturity of 100 days or less.

Investment cash included within current assets are deposits and liquid funds held by our investment managers for use over the next 12 months.

CREDITORS

Creditors are recognised when there is an obligation at the balance sheet date because of a past event, it is probable that a transfer of funds to a third party will be required in settlement and the amount due to settle can be measured or estimated reliably.

Creditors are initially recognised at fair value, being the amount the charity anticipates it will pay to settle the debt, and subsequently at amortised cost.

FUND ACCOUNTING

The charity's unrestricted general fund consists of funds which the charity are free to use for any purpose in furtherance of its charitable objects.

Restricted funds are funds that can only be used for specific restricted purposes within the objects of the charity as laid down by the donor. Expenditure which meets this criteria is charged to the fund. Further explanation of the nature and purpose of each fund is included in note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS: YEAR ENDED 30TH JUNE 2023

1. DONATIONS

	Unrestricted funds £	Restricted funds £	2023 Total funds £
Stonewater Limited	-	901,224	901,224
Other donations	852	5,820	6,672
Total	852	907,044	907,896

	Unrestricted funds £	Restricted funds £	2022 Total funds £
Stonewater Limited	-	2,157,508	2,157,508
Other donations	500	-	500
Total	500	2,157,508	2,158,008

2. INCOME FROM INVESTMENTS

	Unrestricted funds £	Restricted funds £	2023 Total funds £
Investments	4,031	291,436	295,467
Bank interest	2,454	-	2,454
Total	6,485	291,436	297,921

	Unrestricted funds £	Restricted funds £	2022 Total funds £
Investments	-	254,627	254,627
Bank interest	789	-	789
Total	789	254,627	255,416

3. EXPENDITURE ON RAISING FUNDS

	2023 £	2022 £
Direct staff cost allocation and consultants	44,549	22,065
ITN Housing 22 project	-	20,670
Other fundraising costs	2,886	3,922
Investment Manager fees	11,938	11,833
Allocation of support costs	3,510	6,677
Allocation of governance costs (note 6)	2,749	2,931
Total	65,632	68,098

4. EXPENDITURE ON CHARITABLE ACTIVITIES – UNRESTRICTED

	2023 £	2022 £
Project grants to other organisations	225,000	-
Allocation of support costs	65,000	-
Total	290,000	-

5. EXPENDITURE ON CHARITABLE ACTIVITIES – RESTRICTED

	Grants undertaken by Longleigh £	Grants to other organisations £	Direct overhead costs £	Support costs £	Governance costs (note 6) £	2023 Total £
Restricted						
Individual grants	615,300	-	164,406	52,652	41,239	873,597
Project grants	-	261,622	16,503	10,530	8,248	296,903
Research grants	-	40,000	-	3,510	2,750	46,260
Total	615,300	301,622	180,909	66,692	52,237	1,216,760

	Grants undertaken by Longleigh £	Grants to other organisations £	Direct overhead costs £	Support costs £	Governance costs (note 6) £	2022 Total £
Restricted						
Individual grants	584,765	-	156,809	100,160	43,958	885,692
Project grants	-	358,778	24,100	20,032	8,791	411,701
Research grants	-	83,238	-	6,677	2,931	92,846
Total	584,765	442,016	180,909	126,869	55,680	1,390,239

6. GOVERNANCE EXPENDITURE

	2023 £	2022 £
Auditors remuneration – audit	12,168	8,790
Company Secretarial fee	9,000	9,000
Chair’s remuneration	-	4,500
Direct staff costs allocation	21,925	19,566
Trustee and staff training, travel and subsistence	4,760	8,223
Trustee meeting costs	2,763	4,345
Trustee recruitment	3,605	2,665
IT & website	635	1,370
Other costs	130	152
Total	54,986	58,611

7. EMPLOYEES

	2023 £	2022 £
Wages and salaries	221,009	180,760
Social security costs	19,067	14,305
Other pension costs	11,650	9,558
Total	251,726	204,623

The Charity employed seven staff members during 2023 (2022: six). Some staff are part time and the full time equivalent is 6.3 staff members (2022: 5.3)

One employee received emoluments between £60,000 - £70,000 for the year ended 30 June 2023 (2022: one employee receiving between £60,000 - £70,000).

Pension costs are payable in respect of defined contribution pension schemes and are accounted as part of the Charity’s restricted funds. Contributions are recognised in the statement of financial activities in the period which they are payable to the scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

£1,947 has been reimbursed to five trustees in respect of travel and expenses incurred on the charity’s activities (2022: £614 to four trustees).

Key management personnel comprise the trustees and Chief Executive. The total remuneration of the charity’s key management personnel (including employer’s national insurance and pension contributions) for the year was £75,697 (2022: £85,206).

8. TANGIBLE FIXED ASSETS

	Computer equipment £
Cost	
At 1 st July 2022	11,501
Additions	1,749
Disposals	(1,599)
At 30 th June 2023	11,651
Depreciation	
At 1 st July 2022	7,210
Charge for the year	2,560
Disposals	(1,599)
At 30 th June 2023	8,171
Net book values	
At 30 th June 2023	3,480
At 30 th June 2022	4,291

9. INTANGIBLE FIXED ASSETS

	Grant Management System £
Cost	
At 1 st July 2022	-
Additions	35,700
Disposals	-
At 30 th June 2023	35,700
Amortisation	
At 1 st July 2022	-
Charge for the year	2,380
Disposals	-
At 30 th June 2023	2,380
Net book values	
At 30 th June 2023	33,320
At 30 th June 2022	-

A new Grant Management System was built by HCS Limited in the year and launched on 1st March 2023.

10. INVESTMENTS

	2023 £	2022 £
Market value at start of the year	5,877,846	5,916,979
Additions at cost	-	401,034
Disposals proceeds	(10,718)	-
Net realised and unrealised gain /(loss)	53,437	(440,167)
Market value at 30 th June	5,920,565	5,877,846
Cash held by investment managers	8,094	3,819
Total carrying value at 30th June	5,928,659	5,881,665
Historic cost at 30th June	5,688,892	5,699,150

The following holdings are considered material to the overall value of investments, representing over 5% of the overall market value:

	2023 £	2022 £
Schroder Global Sustainable Growth	1,852,554	1,710,794
Sparinvest Ethical Global Value	516,317	526,634

11. DEBTORS

	2023 £	2022 £
Prepayments	20,043	25,776
Accrued income	67,338	63,956
Total	87,381	89,732

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	26,262	36,906
Accruals for grants payable	98,748	135,431
Taxation and social security	2,142	6,246
Other accruals	28,510	26,034
Total	155,662	204,617

13.MOVEMENT IN FUNDS

	Balance at 1 st July 2022 £	Incoming resources £	Resources expended £	Net gain on investments £	Balance at 30 th June 2023 £
Unrestricted funds	523,167	7,337	(290,000)	-	240,504
Restricted funds	7,687,524	1,198,480	(1,282,392)	53,437	7,657,049
	8,210,691	1,205,817	(1,572,392)	53,437	7,897,553

	Balance at 1 st July 2021 £	Incoming resources £	Resources expended £	Net loss on investments £	Balance at 30 th June 2022 £
Unrestricted funds	542,548	1,289	(20,670)	-	523,167
Restricted funds	7,153,223	2,412,135	(1,437,667)	(440,167)	7,687,524
	7,695,771	2,413,424	(1,458,337)	(440,167)	8,210,691

The donations received from Stonewater Ltd are restricted, in that the grants are to be used for the benefit of Stonewater residents, members of residents' families living in Stonewater properties and the communities within which Stonewater operates. The donation can also be used towards general overheads required to support the above work.

14.ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2023 Total funds £
Fixed assets	-	5,965,459	5,965,459
Current assets	240,504	1,847,252	2,087,756
Current liabilities	-	(155,662)	(155,662)
Total	240,504	7,657,049	7,897,553

	Unrestricted funds £	Restricted funds £	2022 Total funds £
Fixed assets	-	5,885,956	5,885,956
Current assets	523,167	2,006,185	2,529,352
Current liabilities	-	(204,617)	(204,617)
Total	523,167	7,687,524	8,210,691

15. ISSUED SHARE CAPITAL

The company is limited by guarantee and does not have share capital.

16. RELATED PARTY TRANSACTIONS

Stonewater Limited is Llongleugh Foundation's founding donor. Stonewater Limited donated £901,224 (2022: £2,157,508) to Llongleugh Foundation during the year ending 30th June 2023. Llongleugh Foundation paid the following amounts to Stonewater Limited during the period, which are included within expenditure.

	2023 £	2022 £
Company Secretarial services for the year	9,000	9,000
Project grants	111,622	1,500

As set out in the articles, Stonewater Limited can appoint one person as a trustee. Anne Dokov was the nominated trustee, however, she retired from the Stonewater Board in the year. She remains as a Llongleugh trustee.

Stonewater appointed Heather Bowman as a Llongleugh trustee from October 2022.

17. GRANT COMMITMENTS

Multi-year grants are subject to additional annual reporting requirements being met by the recipients before they are due and recognised as a liability in the financial statements. They are therefore not included as a liability until the reporting requirement is met. The value of estimated future grants is £130,000, all being due in 23-24. (2022: £40,000 due in 22-23 and £40,000 due in 23-24).

18. TAX

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

No tax charges arose in the year.

An illustration of a community scene. In the background, there are several houses of different colors (pink, yellow, orange) and a large blue mountain. The sky is blue with white clouds. In the foreground, there is a green lawn and a dark grey path. People are engaged in various activities: a man in a yellow shirt and blue pants is holding a child's hand; a woman in a blue shirt and yellow skirt is sitting on a bench; a woman in a red dress is standing; a woman in a blue shirt and yellow skirt is riding a blue bicycle; and a man in a blue shirt and white pants is walking. The text 'Longleigh Foundation' is written in red and blue, with a red underline, and 'A grant-making partner for the social housing sector' is written in small blue text below it.

Longleigh Foundation

A grant-making partner for the social housing sector