

Esmée Fairbairn Foundation
Annual Report and Accounts 2021



Esmée Fairbairn Foundation aims to improve our natural world, secure a fairer future, and strengthen the bonds in communities in the UK. We do this by contributing all that we can to unlock change by people and organisations with brilliant ideas who share our goals.

The Foundation is one of the largest independent funders in the UK. Last year we made grants of £51.6 million towards a wide range of work in support of our aims: A Fairer Future and Creative, Confident Communities and Our Natural World. We also have a £45 million allocation to social investment for organisations with the aim of creating social impact. Our funds are generated by our investment portfolio, from which we aim to achieve a total return of RPI +4% on a rolling five-year average.


A Fairer Future



Creative, Confident Communities



Our Natural World



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“2021 has been an extraordinary, life-changing year for us. On September 20 we opened East Quay to the public. Our £7.3m arts and community venue on the quayside here in Watchet, Somerset has been eight years in the making. East Quay aims to provide community and cultural focused regeneration, which currently is part of an area with the lowest social mobility in the country. We believe East Quay is an example of how collaborative, community thinking can lead the way to a better future for our towns.”

Onion Collective

Chair's Statement

I begin this report with an observation about something we weren't able to achieve in 2021, a full-throated celebration of Esmée Fairbairn Foundation's 60th anniversary. That would have involved a big party. While staff and trustees might well have enjoyed such an occasion, the real loss felt across the organisation was our inability to bring together in person many of the inspirational people who lead the organisations we support, and to acknowledge their wonderful work.

That ambition was, of course, thwarted by COVID which set the context of our operation for a second year running. However, despite the continuing constraints we continued the implementation of our new strategy, and I am very grateful to the Esmée team for their resilience and determination in carrying that forward. In thanking them I want to make particular mention of John Mulligan who has now left the Foundation after making a major contribution to our development over a sixteen-year period.

And, thinking of individuals, I also want to pay tribute to Dame Stella Manzie who stepped down as a trustee shortly after the year end. Her commitment to many aspects of the Foundation's work will be greatly missed. My thanks extend to all my trustee colleagues. They are very supportive, bringing challenging and constructive insights to bear across all our activities. Others to whom I extend appreciation and welcome, respectively, are Peter Readman who stepped down from our Investment Committee after eight years of devoted service and Gautham Radha and Jason Mitchell who joined it. At this point I should also acknowledge our debt to Chris Varco of Cambridge Associates, our investment advisers, who died suddenly in the Autumn. His passion, knowledge and commitment, especially in relation to the ESG dimension of our endowment, will be much missed.

Looking ahead, the testing nature of the external environment confirms us in our view that the ongoing re-shaping of our strategy is well-judged. But we are also clear that to have maximum impact we need to be ever more sensitive to learning from the views and experience of those whom we support.



Sir Jonathan Phillips
Chair

Chief Executive’s Report

At Esmée Fairbairn Foundation we have always taken the long view and, in 2021, we celebrated 60 years of funding and working together with brilliant people and organisations across the UK. Our sixtieth anniversary gave us a chance to reflect on what we have learned as well as what we have achieved. We have seen how important it is to keep working for the long term. Doing so ensures we’re able to support the systemic change that is needed on many of the issues we care about. It also means we can continue to be adaptable so that we can respond to issues that we can’t yet imagine.

2021 was also the first full year of putting our new strategy into action. We set out to play a more active role ourselves – using all our tools to effect broader change. Beyond our funding work, this includes using our ability to connect and convene, to influence decision makers, and to commission research to help us understand the bigger picture and see what’s on the horizon.

We refined our Creative, Confident Communities strategy, rooting our work towards this strategic aim under ‘place’. This has been shaped by what we’ve learned from our experience of place-led funding, which we shared in an Insights report. Our focus now moves to how we can ensure Esmée can make the most effective contribution towards our aim for A Fairer Future.

During the year, we provided £51.6m¹ (2020: £53.5m) in grant funding to over 296² incredible organisations who share our goals. It is one of our biggest years in terms of grant spend, with 61% of grants awarded for core or unrestricted costs. In addition, we committed £4.6m in social investment to 11 organisations.

In total, we approved £469k through our dedicated Tools budget, which we use for activities where we are taking a more active role. We used it primarily to help us push forward with our impact goals in Our Natural World, and to support our Young People Leaving Care learning programme. We also made 60 small grants totalling £438k through Funding Plus, which organisations chose to use on areas including staff wellbeing or developing their practice on diversity, equity and inclusion.

For many organisations, the pandemic has heightened the challenges they and the people they support face. In 2021, we opted to focus additional support on organisations in our portfolio working in the performing arts, as well as organisations led by and for communities experiencing racial inequity. In total, we provided an extra £3.9m to 78 organisations in our portfolio.

¹ Includes all grants as well as funding towards Tools.
² Excludes organisations awarded a Funding Plus or TASK grant.

Chief Executive’s Report *continued*

Our endowment performed very well during the year, rising by 31.1% to £1.5bn. This strong performance was largely driven by older funds in our venture capital portfolio which are now maturing and returning profits to investors.

We’re proud to be part of a movement of funders thinking about and taking action to use our endowments to create positive change. For instance, last year, we used learning from our experience of social investing and ESG investing and created a £10m allocation for testing the use of impact investing in contributing to our impact goals.

We have also committed to ensuring our investment portfolio will be Net Zero by 2040 at the latest. However, we believe that the actions we have already taken, and what we do over the next decade, is what will make the most difference. With this in mind, we are using our role and influence as an asset owner to encourage change that will have a real-world impact.

We have strengthened our partnership with our Involving Young People Collective, who have added immense value to our work – from their expertise on youth participation, the issues the young consultants are engaged in and, helping us to reflect on our assumptions and ways of working.

In these turbulent times, we have been inspired by the imagination, heart and resilience shown by the many organisations we are privileged to support. We will keep learning from them as we adapt to the future.



Caroline Mason

Dame Caroline Mason CBE
Chief Executive

Funding Overview 2021

During 2021, the Foundation spent £56.1m in funding towards a wide range of work in support of our strategic aims to: secure a fairer future; strengthen the bonds of communities in the UK; and improve our natural world.

This includes £438k through our Funding Plus support and £469k – approved for Tools, as well as a £3.9m package of additional support to recognise the crisis caused by the COVID pandemic on communities experiencing racial inequity and performing arts organisations.

The majority of our funding in 2021 was distributed through grants. We also committed £4.6m in social investments.

Total grant funding

£51.6m

Total number of grants made³

230

Social investment (committed to)

£4.6m

Endowment total

£1.5bn

³ Total number of grants excludes COVID response initiatives, Funding Plus and TASK grants.

Funding Framework

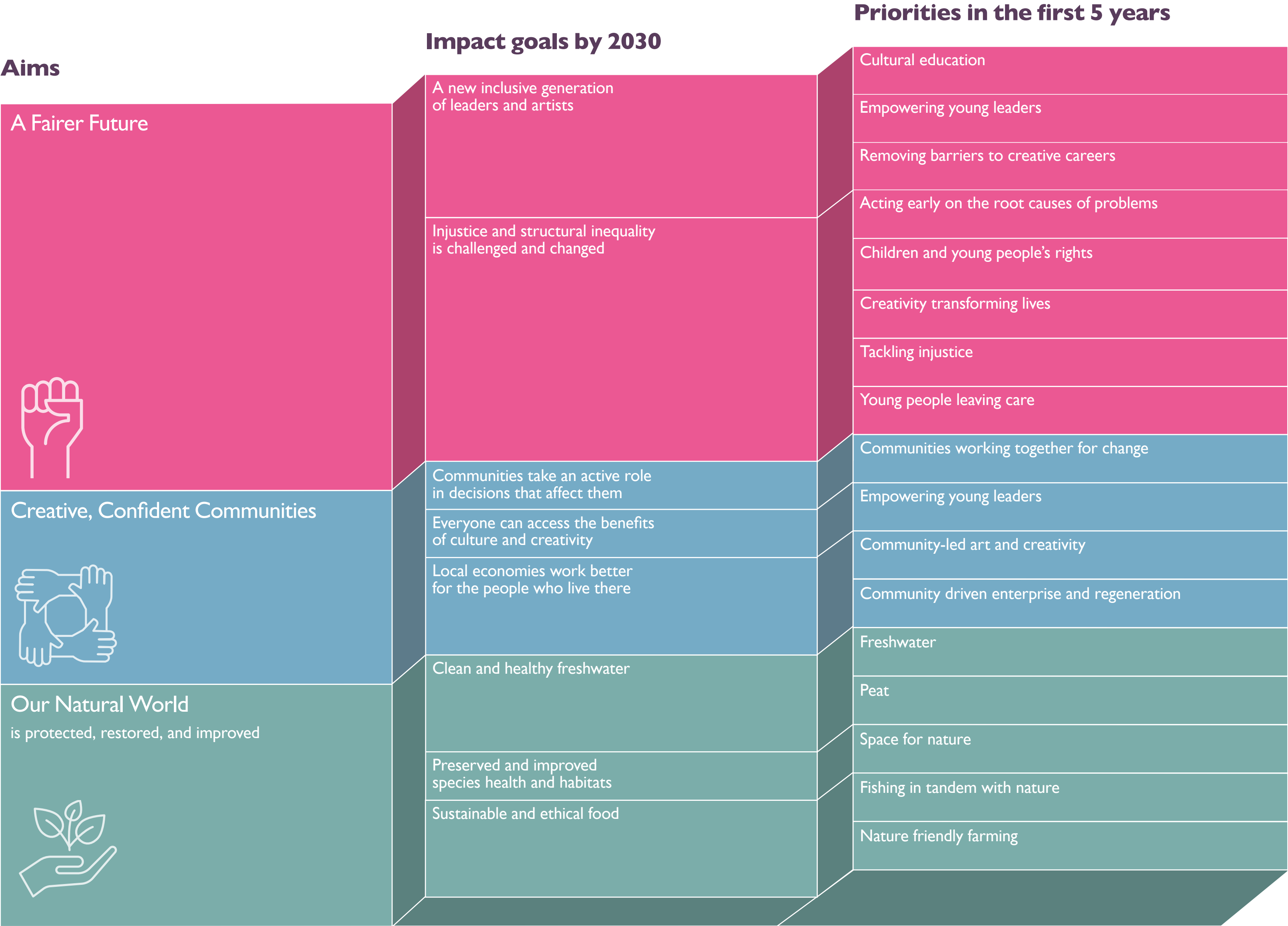
This report reflects our strategy as updated in November 2021 following a review of Creative, Confident Communities.

Some of our funding supports work across more than one aim, impact goal and priority. We have chosen to reflect grants and social investments in line with the aim, impact goal and priority that is the closest fit. In some cases, a priority under a different aim may be the best fit.

We also support key infrastructure organisations and new ideas that contribute to our impact goals across our aims by enabling a stronger, inclusive and innovative sector. Work that meets this description is shown under Infrastructure and New Ideas.

Infrastructure and New Ideas





Grants

We make unrestricted, core and project grants for charitable work in the UK. Our main grants are listed by the relevant aim on pages 15 to 44.

As part of our continuing response to COVID, we provided additional support to organisations in our portfolio working in the performing arts, as well as those led by and for communities experiencing racial inequity. These grants were awarded through a streamlined process as a COVID response initiative. Grants made through these initiatives are listed on pages 45 to 48.

Other COVID-related grants awarded through our normal funding process are included in our main grants.

Social Investment

We provide social investment in the form of different types of repayable finance to charities and other social purpose organisations with the aim of creating social impact.

Social investments are listed on pages 49 to 51.

Funding in partnership

We want to be at the forefront of new approaches to funding – working in partnership with other funders and organisations to increase our reach and make more of a difference. In 2021, we worked with a range of partners on funds that focus on particular parts of the country as well as specific interest areas or to help tackle a specific issue.

Grants are listed on pages 42 to 43.

TASK Fund (Trustees’ Areas of Special Knowledge)

£1.1m Total 2021
138 – No. of grants

Each Trustee has an annual TASK budget of £90k to be used for small grants within the charitable purposes of the Foundation.

Grants are listed on pages 52 to 54.

4 Excludes COVID response initiatives, Funding Plus and TASK grants

5 Active Portfolio as of 31 December 2021

Grants by aim ⁴	2021 Value (£)	Number	Active portfolio ⁵	
			Value (£)	Number
A Fairer Future	£25.5m	135	£77.2m	426
Creative, Confident Communities	£6.6m	31	£26.6m	92
Our Natural World	£12.1m	47	£51.6m	210
Infrastructure and New Ideas	£1.3m	17	£3.5m	27
Previous strategy (2015–2019)			£18.2m	127
Total	£45.5m	230	£177.1m	882

COVID response initiatives

Organisations led by and for communities experiencing racial inequity	£2.2m	40
Reinvent Performing Arts funding	£1.7m	40
Total	£3.9m	80

Social Investment (committed) by aim:

A Fairer Future	£194k	2	£5.2m	13
Creative, Confident Communities			£4.7m	10
Our Natural World	£4.4m	8	£11m	21
Infrastructure and New Ideas	£35k	1	£1.6m	8
Previous strategy (2015–2019)			£14m	31
Total	£4.6m	11	£36.5m	83

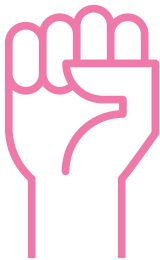
Using all our Tools

Tools

£469k Total 2021

In addition to grants, social investments and our endowment, we use a range of tools to support activities where we are taking a more active role – for instance, through convening and commissioning research.

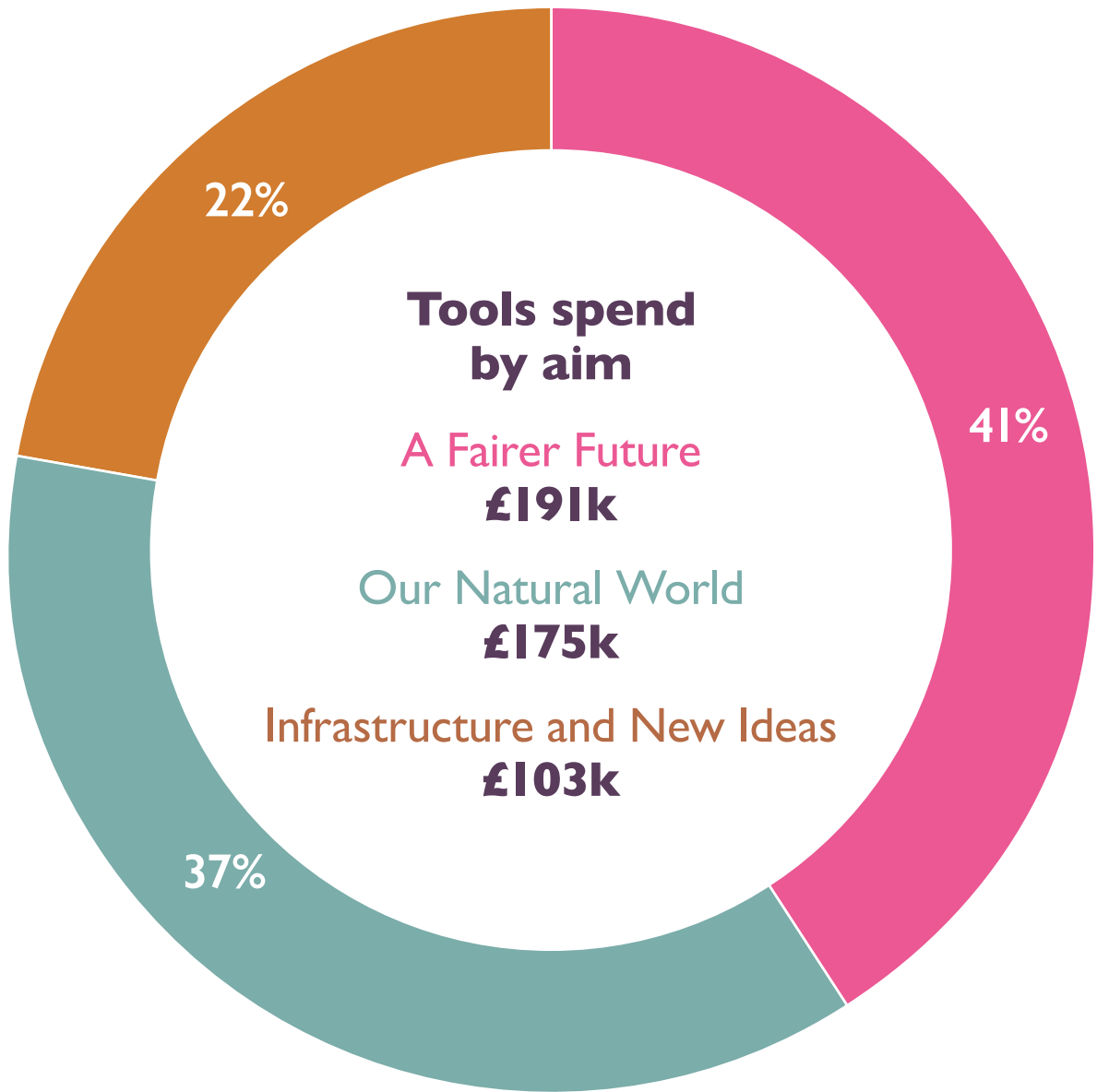
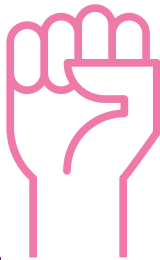
The largest area of spend was on connecting and convening work, accounting for 44% of the Tools budget. This included the costs of years four and five of the [Young People Leaving Care Learning Programme](#), focusing on building the relationships between funded organisations, to make them sustainable and to take collective action. We also published an [Insights report](#) on the programme, outlining our approach and what we’ve learned so far.



In Our Natural World, the most developed of our aims, we commissioned extensive research (£136k) to help us make progress towards our impact goals. This included commissioning the Cardiff University Water Research Institute to undertake a [review of organisations working to restore the freshwater environment across the UK](#).



The most significant influencing and co-design work to take place in 2021, was the development of our [Involving Young People Collective](#) (£60k). The young consultants in the Collective work closely with us to think through the right way to involve young people; bring external challenge to our future thinking; and make sure that our funding has the best impact impossible for young people and beyond.



Funding Plus

£438k Total 2021
60 – No. of grants

Funding Plus is the capacity building support we provide to organisations we fund to help them achieve greater impact.

In 2021 we spent £438k through Funding Plus. Most of this was in response to individual consultancy support requests (50 grants totalling £388k), with the remainder in training and learning events.

Consultancy support last year saw an increased focus on improving the mental health and wellbeing of the funded organisation’s staff and volunteers; and several organisations used Funding Plus to examine and develop their diversity, equity and inclusion practices.

Despite the challenges faced by the sector over the past two years, feedback from funded organisations highlighted the value and enthusiasm for opportunities to come together to share experience and practice. To facilitate this, Funding Plus training in 2021 focused on peer learning and knowledge exchange on topics of common interest and importance across the sector. 10 workshops attracting 63 participants from 46 funded organisations were delivered using a peer group learning approach. Funding Plus also supported training delivered by our organisations we fund, including 22 places on Full Fact’s ‘No Fear’ data training course.

“The Funding Plus programme has helped us put some internal scaffolding around our plans, and sometimes this hidden side of charity life needs just this sort of funding in order to do the work that ultimately provides better services for those who need us.”

Funding Plus recipient

Applications

Grants awarded⁶

Total applications received: **1257**

Total ineligible applications or withdrawn: **177**

Success rate for applications through our open application process: **6%**

Accountability

No. of staff at Esmée: **36**

Staff Cost: **£2.4m**

No. of grants active as at 31 December 2021: **882**

230
grants to 222 organisations.

68
grants (30%) were to organisations we haven't funded previously.

58
grants (25%) were from our open application process.



Grants by size 2021



6 Excludes COVID response initiatives, Funding Plus and TASK grants.

Diversity, Equity and Inclusion

We are committed to social justice, and to tackling injustice and inequality. We believe that understanding and making progress towards diversity, equity and inclusion (DEI) is critical to our mission.

You can learn more about our progress and actions we have taken towards DEI on our website.

In 2021, we adopted the DEI Data Standard and started gathering information about who our funding is reaching, as well as who is applying for our support, to help us identify structural inequity in our funding

practice. We plan to share a full analysis based on the information we collect in 2022.

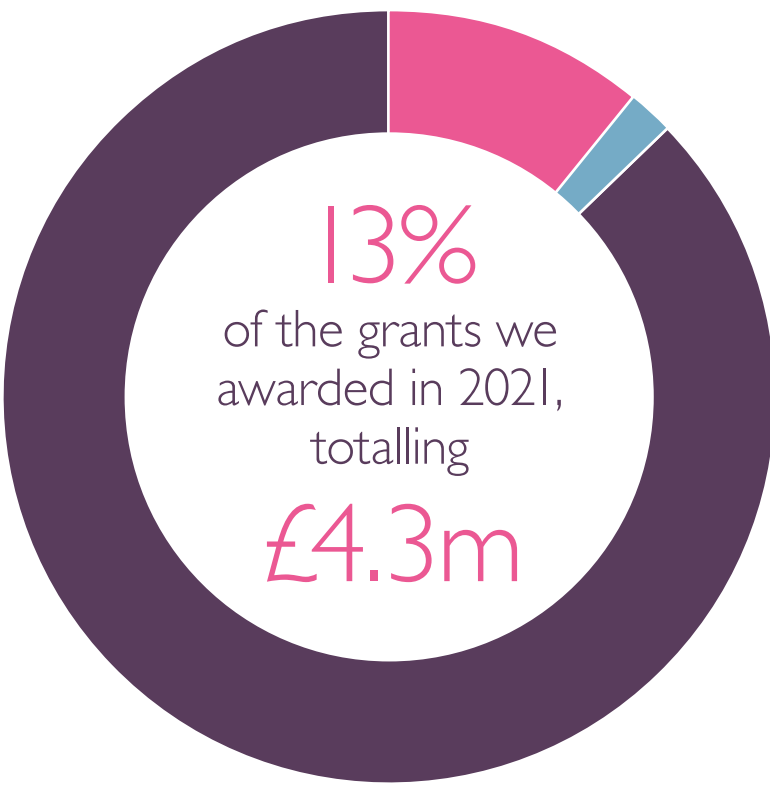
In the meantime, we want to share information about our funding based on the information we previously gathered around their leadership⁷. This data is based on organisations self-identifying as being led by one or more of the categories below:

- Communities experiencing racial inequity⁸
- D/deaf or disabled
- LGBT+

Grants

The following charts show what proportion of grants in 2021⁹ were awarded to organisations led by communities, experiencing racial inequity, people who are D/deaf or disabled, and people who identify as LGBT+.

Organisations led by communities experiencing racial inequity



Total: 29
A Fairer Future: 25
Creative, Confident Communities: 4

Active Portfolio
£13m
10% (85 grants)

Organisations led by people who are D/deaf or disabled



Total:5
A Fairer Future: 4
Creative, Confident Communities: 1

Active Portfolio
£4.7m
4% (38 grants)

Organisations led by LGBT+ people



Total:4
A Fairer Future: 4

Active Portfolio
£3.4m
2% (21 grants)

7 By leadership, we mean that 51% or more of the leadership share a particular identity or lived experience. In future, we will be defining leadership as 75% or more of the leadership share a particular identity or lived experience.

8 In line with the DEI Data Standard, we are using 'communities experiencing racial inequity' to describe people that experience

inequity as a result of their race or ethnic group. Previously, we have used 'BME' for Black and minority ethnic and 'racialised communities' to describe the same communities.

9 Information for 2021 excludes COVID response initiatives, Funding Plus and TASK grants.

Social Investment

2021: None of the social investments committed in 2021 were to organisations that are led by communities experiencing racial inequity, people who are D/deaf or disabled, or people who identify as LGBT+.

Active Portfolio: 3% (2 social investments) of our portfolio is organisations led by people who are D/deaf or disabled, totalling £350k.

Climate Change

In everything we do, we are committed to addressing the causes and impacts of Climate Change.

In 2021, we committed to ensuring our investment portfolio will be net zero in terms of carbon emissions by 2040 at the latest. As well as aligning our portfolio with a net zero target, we will also contribute to real world impact - by encouraging businesses to change to a low carbon model, and exploring ways we can use our role as an investor to make a positive contribution to other societal challenges such as biodiversity loss and inequality.

We launched the Environmental Finance and Learning Fund with the Environmental Funders Network, which aims to unlock significant new funding for nature recovery as well as support funders wishing to learn more about environmental investing. We also provided initial funding for [GFI Hive](#), an open resource for

finance professionals and other stakeholders working to increase private investment in nature restoration, nature-based solutions and nature-positive outcomes.

In total, our funding towards addressing climate change totalled £18.8m. This includes all our work in Our Natural World as well as work that also contributes to our priorities in A Fairer Future and Creative, Confident Communities – for example: engaging local people in the climate movement and diversifying the environment sector. It also includes additional support we provided through Funding Plus, and research we commissioned.

We continue to look for opportunities to support a fairer and just environment movement. During the year, we focused on a range of activities including:

- Proactively seeking out environment organisations led by, and for, communities experiencing racial inequity – especially those whose work links both environmental and sustainability issues with those from economically and culturally marginalised communities. Examples include Black2Nature, CEMVO Scotland, Sheffield Environmental Movement, and Voyage Youth.
- Funding a Wildlife and Countryside Link review of diversity, equity and inclusion in England, which we will use to establish priorities going forward.
- Supporting our Involving Young People Collective to host a ‘hackathon’ exploring the [lack of diversity in the environment sector](#).
- Supporting work by She Changes Climate to secure fair gender representation in climate and biodiversity decision-making.

We are a founder signatory to the Funder Commitment on Climate Change. As such, we commit to:

1. Educate and learn
2. Commit resources
3. Integrate
4. Steward our investments for a post-carbon future
5. Decarbonise our operations
6. Report on progress

[Learn more about the actions we have taken in our latest progress report.](#)



“Environmentalism is felt to be a privileged passion for the comfortable middle classes. Thus, we discussed how work to improve the lack of diversity in the environmental sector must recognise the importance of holistic systemic change, encompassing intersectional anti-oppressive struggles fighting for social change and wider equity in society.”

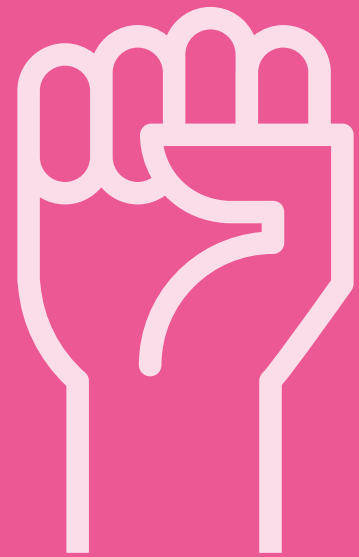
Daniel Seifu, Young Consultant – Involving Young People Collective, Esmée Fairbairn Foundation

Read his reflections from the [hackathon](#)



Watch the [trailer for She Changes Climate's upcoming film](#) highlighting the vital role that women play in tackling the climate crisis and why it's important there is fair gender representation at top levels of all climate negotiations.

A Fairer Future



We want to contribute to a just and anti-racist society, where those who need it most have their rights protected, the opportunity to speak and be heard, and the freedom to express their creativity.

In 2021, we awarded £25.5m in grants towards work in A Fairer Future (see pages 15 to 27) – this was half of our total grant funding spend for the year. It includes a series of five-year commitments to ensure progress is made on protecting people’s rights in the long term as well as support for ground-breaking arts and culture such as The World Reimagined, which uses creativity to link communities with their shared history, and to enable conversations around racial justice. Our more targeted response to COVID primarily focused on organisations that contribute to our goals in A Fairer Future (see pages 45 to 48).

And we made two social investments, totalling £194k (see page 50). In addition, £191k was approved for Tools - activities whereby we played a more active role (see page 10). This included connecting and convening work to support our Young People Leaving Care Learning Programme, funding to develop our Involving Young People Collective, and to support a joint initiative to help funders better understand where funding for the Women and Girls sector is going alongside what the gaps are.

£25.9m

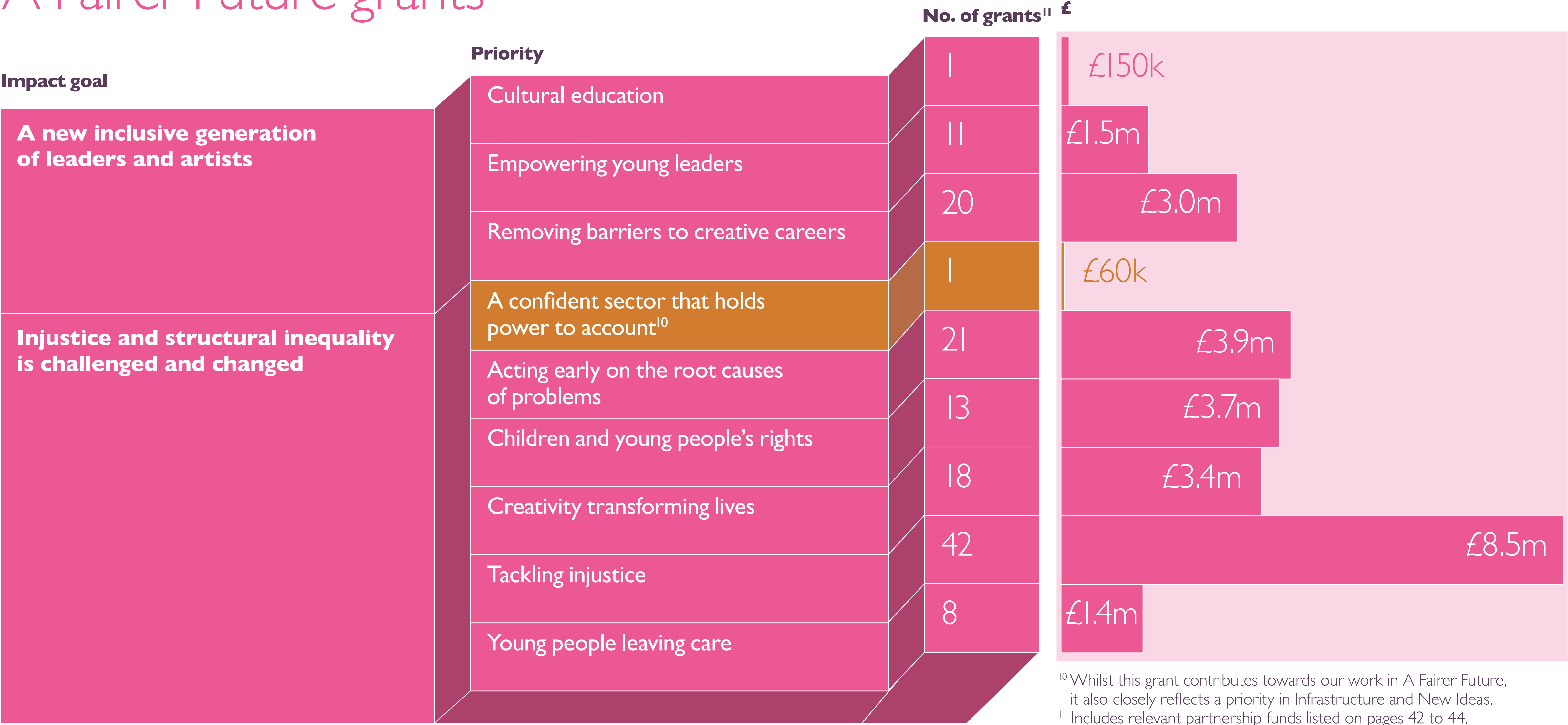
Total funding approved in 2021



“We brought together people from different backgrounds and groups to keep hoping, and to keep taking collective action in a very challenging environment. That’s included supporting people with lived experience to speak in public for the first time and lead the way in formulating demands and strategy; and gathering diverse groups to plan what’s next after the Nationality and Borders Bill.”

Right to Remain

A Fairer Future grants



A Fairer Future

A new, inclusive generation of leaders and artists

Cultural education



Birmingham Education Partnership (BEP)
£150,000 (over 3 years)
Towards project costs for a city-wide partnership designed to create more equal access to cultural provision for children and young people across Birmingham.

Empowering young leaders



Bite Back 2030
£200,000 (over 3 years)
Towards unrestricted core costs to establish five Regional Youth Boards empowering young leaders from disadvantaged backgrounds to support national and lead regional campaigns to transform the food system.

Friends Of The Earth Charitable Trust
£200,000 (over 3 years)
Towards core costs developing My World My Home, including a programme for young disabled people; opportunities for young people to lead the programme; and work to increase the diversity of the movement.

Just Like Us
£120,000 (over 3 years)
Towards unrestricted core costs to expand the scope of the Ambassador Programme, supporting young people to become positive LGBT+ role models and influence change.

Queen Mary University of London
£55,000 (over 3 years)
Towards project costs for a student-led social venture fund which empowers young people from diverse backgrounds to develop skills in investment management.

Rethinking Conflict
£150,000 (over 3 years)
Towards project costs that will aid peacebuilding in Northern Ireland through support for a generation of young people in collaboration to lead and shape new approaches to old problems.

The National Deaf Children’s Society
£196,246 (over 3 years)
Towards project costs for Positive Futures work in partnership with the Young People’s Advisory Board.

The Student View
£180,000 (over 3 years)
Towards core costs to deliver The Student View’s work outside London and to develop a fellowship which offers training, accreditation and work experience to promising individuals from underprivileged backgrounds.

URPotential
£60,000 (over 1 year)
Towards core costs to support and empower young people in Blackpool to have their voice heard using creative methods to enable positive change both locally and regionally.

Voyage
£105,066 (over 2 years)
Towards project costs to develop and pilot the Young Leaders for Sustainable Cities programme to support and encourage young people from diverse backgrounds to obtain an environmental qualification.

Year Here Foundation
£20,000 (over 6 months)
Towards project costs as a contribution to bursaries available to fellows of the Year Here Programme.

YWCA Scotland – The Young Women’s Movement
£188,000 (over 3 years)
Towards unrestricted core costs to extend its leadership work into local authorities, work with young women to highlight issues affecting their lives, and continue to influence policy and practice.

A Fairer Future

A new, inclusive generation of leaders and artists *continued*

Removing barriers to creative careers



Birmingham Repertory Theatre Ltd
£200,000 (over 2 years)
Towards project costs for Foundry, which will enable a different, combined approach to artist development and community engagement, equipping artists and communities with co-creation tools and skills.

City Of Birmingham Symphony Orchestra
£180,000 (over 3 years)
Towards project costs for a career development programme for emerging musicians, particularly those from diverse backgrounds, providing a supported route into an orchestral career.

Create Equity 2031
£60,000 (over 1 year)
Towards project costs for development funding to enable the continued exploration of the Create Equity Fund, an investment fund led by and for Black, Asian and minority-ethnic artists and creative entrepreneurs.

Creative Academies Ltd
£200,000 (over 2 years)
Towards project costs to deliver HomeGrown31 2.0's next steps towards unlocking transformational change for marginalised and excluded young people across the Black Country.

Drake Music Scotland
£200,000 (over 4 years)
Towards unrestricted core costs to remove barriers for disabled people to music making, offering a range of high-quality training, development and performance opportunities.



“The HomeGrown31 Commission has supported us at the right time to explore and work in new ways. It’s been an enriching experience to have support and funding from a local organisation which understands the process and barriers which are unique to the West Midlands. This has allowed us to create new relationships, enrich local artists, and support quality research and development. We hope to see more local funding taking place to support the developing communities across the art sector.”

O’Driscoll Collective on Creative Academies’ HomeGrown31 Commission

Watch [Disruption by the O’Driscoll Collective](#), supported by the HomeGrown31 Commission, and created in response to the Black Lives Matter movement.

A Fairer Future

A new, inclusive generation of leaders and artists *continued*

Extant
£60,000 (over 2 years)
Towards project costs to support expansion of Extant’s professional development network, improving career pathways for visually impaired artists.

Fio
£137,907 (over 3 years)
Towards core costs to strengthen long-term ambitions and develop a more diverse cultural landscape in Wales.

Help Musicians
£250,000 (over 1 year)
Towards unrestricted core costs for work to empower professional musicians, including creative support, mentoring, signposting, and support to rebuild careers following the COVID pandemic.

International Curators Forum
£80,000 (over 2 years)
Towards project costs for an ambitious and responsive programme of professional development opportunities for UK-based artists and curators from under-represented backgrounds.

Kala Sangam
£200,000 (over 4 years)
Towards project costs to establish Bradford Producing Hub as a city-wide model for transforming arts participation and leadership in Bradford.

Lyric Theatre Hammersmith
£155,000 (over 3 years)
Towards project costs for Springboard, a new talent development course for 18-25 year olds facing socio-economic disadvantage leading to sustainable careers, better representation and an inclusive generation of leadership.

Museums Association
£35,000 (over 1.5 years)
Towards project costs of a collaborative programme to embed decolonising work in museum professional development as well as broaden and deepen the understanding and expertise in this area of museum practice.

Parents In Performing Arts (PiPA)
£90,000 (over 3 years)
Towards unrestricted core costs to enable PiPA to break down barriers for parents and carers working in the arts.

Sage Gateshead
£400,000 (over 5 years)
Towards core costs to place inclusion at the heart of Sage Gateshead, fostering a new generation of leaders and artists in the North.

Tara Arts Group Ltd
£195,000 (over 3 years)
Towards unrestricted core costs to support the work of South Asian theatre practitioners and develop work within Tara’s local community.

The Jerwood Charitable Foundation (over 1.5 years)
£50,000
Towards project costs of the Jerwood Curatorial Accelerator, a new programme for early career visual arts curators from low socio-economic backgrounds.

The Other Room
£60,000 (over 2 years)
Towards core costs including taking on two new leadership roles, relocating to a new venue, and delivering a wide-ranging artist and community development programme.

The Young Vic
£300,000 (over 3 years)
Towards project costs to re-imagine The Young Vic’s artist development programme, and support a new generation of artists and cultural leaders.

Transform Theatre Projects
£105,000 (over 3 years)
Towards project costs for a three-year programme supporting diverse creatives in the Leeds City Region and wider North to develop as artists and change-makers.

A Fairer Future

Injustice and structural inequality is challenged and changed

A confident sector that holds power to account

Ubele Initiative
£60,000 (over 9 months)
Towards core costs for a development grant to support the Ubele Initiative in putting in place the structure to deliver its new strategic plan, including new organisational structure, programme and succession planning.

Acting early on the root causes of problems

Abianda
£320,000 (over 5 years)
Towards core costs of senior leaders' salaries at a not-for-profit supporting young women and girls affected by gangs and county lines.

Bright Futures Ne
£200,000 (over 4 years)
Towards unrestricted core costs to deliver early preventative interventions addressing sexual abuse and exploitation, delivering training and support, and progressing the leadership of young women.

Central England Law Centre Limited
£500,000 (over 5 years)
Towards unrestricted core costs to support the activation of rights in the community, preventing problems that reinforce unfairness and inequality.

Children Heard and Seen
£120,000 (over 3 years)
Towards unrestricted core costs of an organisation working to support children with a parent in prison, including specialist support for children whose parent is in prison for sexual offences.

Ecologia Youth Trust
£195,000 (over 3 years)
Towards project costs for the Growing2gether programme, which acts early to build the mental health, life skills and attainment of young people facing inequality by connecting them to their communities.

Five Lamps
£15,000 (over 6 months)
Towards unrestricted core costs – a COVID extra support grant.

Future First Alumni Limited
£60,000 (over 1 year)
Towards project costs for an unusual alliance of not-for-profit and statutory organisations to test collaborations to reduce school exclusions and tackle racial injustice.

High Trees Community Development Trust
£180,248 (over 3 years)
Towards project costs to develop a partnership of nine youth and community organisations working to improve outcomes for Lambeth's most disadvantaged young people, and influencing change in the youth sector.

JAGS Foundation
£120,000 (over 3 years)
Towards core costs including the salary of the CEO and project administrator, to ensure the voice of those with lived experience of youth violence inform local policy and addresses gaps in mental health support.

Luton All Women Centre
£20,000 (over 6 months)
Towards project costs for scoping and development work to inform an innovative response model that transforms how child sexual abuse and its impact on women and girls experiencing racial inequity is addressed and prevented in Luton.

New Philanthropy Capital
£60,000 (over 10 months)
Towards project costs for the My Best Life digital project, a collaboration to increase digital capacity in the youth sector to meet increasing demand for support from young people.

Power The Fight
£150,000 (over 3 years)
Towards unrestricted core costs to expand culturally competent training and services in diverse communities, partnering with schools, councils and others to address the racial injustice contributing to youth violence.

Rekindle School Ltd
£60,000 (over 1.5 years)
Towards unrestricted core costs of the Rekindle School, Manchester, led by working class young people with recent lived experience of the challenges their peers face and how to overcome them.

RSA
£180,000 (over 3 years)
Towards project costs to work in three localities to develop collaboratives of professionals working together to prevent school exclusions, sharing learning at a national level to influence system change.

SafeLives
£500,000 (over 5 years)
Towards unrestricted core costs of an organisation aiming to end domestic abuse through Beacons, a place-based preventative approach and Safe Young Lives, a youth-led programme to improve earlier support.

SHIFT
£60,000 (over 1 year)
Towards unrestricted core costs to break the destructive cycle of children caught in crime – through modelling a different way of how the system can respond to children and young people caught within a cycle of offending.

A Fairer Future

Injustice and structural inequality is challenged and changed *continued*

Spark Inside £300,000 (over 5 years)

Towards unrestricted core costs of Spark Inside’s coaching work in the justice system – aiming to achieve change at an individual, institutional and systemic level.

The Centre for Youth Impact £60,000 (over 9 months)

Towards unrestricted core costs to help deliver Quality Matters – building infrastructure, training and advocacy to help deliver consistent and effective continuous quality improvement across the youth sector.

The Sutton Trust £60,000 (over 1 year)

Towards project costs of an interim phase of CECIL (Coaching Early Conversations, Interaction and Language) extending delivery of phase one for an additional academic year to cement learning.

UK Youth £500,000 (over 5 years)

Towards unrestricted core costs supporting UK Youth to address the root causes that lead to mass inequality of access to youth services for young people.

Voluntary Action Sheffield £250,000 (over 3 years)

Towards project costs of the Sheffield Youth – Neighbourhood and Communities (SY-NC) a collaboration of community organisations coming together to address the exploitation and lack of resources for young people.

Children and young people’s rights



Ambitious About Autism £252,144 (over 3 years)

Towards project costs for an Ambitious Youth Network: a unique platform for online engagement, where young people can embrace their autistic identity, campaign and influence change.

Centre for Justice Innovation £450,000 (over 3 years)

Towards unrestricted core costs of an organisation seeking to improve the life chances of vulnerable young people by creating change within the justice system.

Child Poverty Action Group £400,000 (over 5 years)

Towards unrestricted core costs of an organisation working to end child poverty and reform social security.

Community Law Advice Network £60,000 (over 2 years)

Towards project costs for the development of the Child Law Network UK.

Contact A Family £325,000 (over 5 years)

Towards unrestricted core costs of an organisation that supports families with disabled children, working to protect rights in school and local communities, amplifying parents’ voices to tackle injustice.



“I’m proud to have had the opportunity to share my knowledge and experience as an autistic young person... It has given me the opportunity to share my passion about autism with others and to come across other young people with similar views and experiences to me.”

Member, Ambitious about Autism’s Youth Network



Access [video resources](#) where autistic young people in our Ambitious Youth Network talk about making sense of their autism diagnosis, including Georgia’s story (pictured above).

A Fairer Future

Injustice and structural inequality is challenged and changed *continued*

Education Skills Development Group (ESDEG)
£237,832 (over 3 years)
Towards core costs to support work, and improve policy and practice, linked to the intersection of communities experiencing racial inequity and children with special educational needs.

Global Action Plan
£300,000 (over 3 years)
Towards project costs for a large-scale young person-led campaign pressing for an end to online behavioural advertising that causes mental ill-health, increased air pollution, and a broken climate.

Howard League for Penal Reform
£240,000 (over 3 years)
Towards unrestricted core costs to continue work on children and policing and address the racial disparities within the criminal justice system, for children.

Just For Kids Law Limited
£600,000 (over 5 years)
Towards unrestricted core costs of a n organisation providing children and young people, including those who are care experienced, with direct legal support and advocacy whilst driving change through policy and strategic litigation.

Kent Refugee Action Network
£325,000 (over 5 years)
Towards unrestricted core costs of an organisation providing learning and advocacy for unaccompanied asylum seeking children and young people, sharing knowledge of good practice within the sector.

Mermaids
£120,000 (over 3 years)
Towards unrestricted core costs to ensure the voice of young people who are transgender or gender diverse is heard in policy making forums, services and the media.

the3million
£150,000 (over 3 years)
Towards core costs including the salary of the Activities and Volunteer Manager of The Young Europeans Network which provides a platform for young European migrants to promote and campaign for their rights in the UK.

UK Feminista
£250,000 (over 4 years)
Towards core costs to drive the adoption of policies, procedures and practices throughout the education system to challenge and prevent sexism and sexual harassment in schools.



64 Million Artists
£150,000 (over 3 years)
Towards core costs of an organisation working to support people and organisations to use their creativity to make positive change, through providing programmes, resources and training.

Absolutely Cultured Limited
£198,000 (over 3 years)
Towards project costs for a programme exploring how creativity can be used to build sustainable bridges between Hull's city centre and most deprived communities.

Amal
£200,000 (over 2 years)
Towards core costs to develop an arts approach to tackling the structural inequality of Britain's Muslim communities.

Coventry City Of Culture Trust
£200,000 (over 10 months)
Towards core costs of programmes delivering leadership development, disability inclusion, cultural education and widening participation in volunteering.

Create Gloucestershire Limited
£292,064 (over 2.5 years)
Towards project costs for Create Local, a model that tests a hyper-local, place-based approach to cultural planning that is co-created by residents, artists and other stakeholders in a community.

Culture Coventry
£100,000 (over 1 year)
Towards project costs of Creative Bridges, a programme using cultural and creative engagement to aid transition to independent adult life for young people with a learning disability or barrier to learning.

Dance Umbrella Ltd
£150,000 (over 2.5 years)
Towards core costs for further development of our creative learning programme London Leap, which broadens access to dance participation and performance for children and young people and their families in outer London boroughs.

Ego Performance Company Ltd
£165,000 (over 3 years)
Towards unrestricted core costs to support Ego to continue to connect those normally excluded to the arts and grow income streams and new projects.

A Fairer Future

Injustice and structural inequality is challenged and changed *continued*



“Little Amal, our giant puppet of a nine-year-old refugee, walked through 12 villages, towns and cities across England and reached over 70,000 in-person and millions more online. We also took our arts-for-social-change programme Change the Word towards Barnsley where 29 refugees, asylum seekers and locals from the collective produced an online interactive poetry show and anthology of their work.”

Good Chance Theatre

Watch highlights from Little Amal, The Walk by Good Chance Theatre

Gateway Studio CIO
£200,000 (over 4 years)
Towards core costs for delivery of high-quality Gateshead-based dance provision through community, education and in professional settings.

Good Chance Theatre
£60,000 (over 1 year)
Towards project costs for a major new community-led production, The Walk, a travelling festival of art in support of refugees and the communities in which they are beginning new lives.

Kids Kabin
£200,000 (over 5 years)
Towards unrestricted core costs to support children and young people, share practice and develop partnerships.

My Life Films
£180,000 (over 3 years)
Towards unrestricted core costs to test and scale two new digital services to improve the lives of people affected by dementia in the UK.

National Theatre (NT)
£423,720 (over 3 years)
Towards project costs of Public Acts, an initiative co-created with social change organisations and theatre partners around the UK, that uses theatre to tackle complex social challenges.

Signal Film & Media Limited
£120,000 (over 3 years)
Towards unrestricted core costs to underpin the organisation’s work supporting Barrow-in-Furness to become a creative community where talent is nurtured and people thrive.

The Music Works (Charity)
£150,000 (over 3 years)
Towards project costs to support Gloucestershire Rising, a youth-led inclusive programme supporting and providing opportunities for young people in challenging circumstances to explore, train and build a career in music.

The World Reimagined Ltd
£60,000 (over 6 months)
Towards project costs for initial development work for a community engagement programme as part of The World Reimagined global sculpture trails in cities and towns across the UK in 2022, catalysing conversations on the Transatlantic Slave Trade.

The World Reimagined Ltd
£355,000 (over 1 year)
Towards project costs to deliver ‘Inspired by’, a community engagement programme, which is part of The World Reimagined globe sculpture trails, in eight UK cities in 2022, catalysing conversations on the Transatlantic Slave Trade and racial justice.

Tyne & Wear Archives & Museums Development Trust
£200,000 (over 3 years)
Towards project costs to extend a pilot programme supporting refugees and asylum seekers to volunteer, create venue and collection tours, plus the development of a network sharing best practice.

A Fairer Future

Injustice and structural inequality is challenged and changed *continued*

Tackling injustice



Access Social Care
£300,000 (over 3 years)
Towards unrestricted core costs to provide free legal advice for people with social care needs, helping them achieve a better quality of life.

Agenda
£250,000 (over 5 years)
Towards unrestricted core costs to improve policy and practice pertaining to supporting women who are affected by multiple disadvantage.

Anti Racist Cumbria
£200,000 (over 3 years)
Towards unrestricted core costs for a pioneering approach working across sectors, services, and communities to make Cumbria the first anti-racist county.

Asylum Support Appeals Project
£250,000 (over 5 years)
Towards unrestricted core costs to reduce destitution amongst asylum seekers by protecting their legal rights to food and shelter.

AVID
£30,000 (over 1 year)
Towards unrestricted core costs as a bridging grant to offer immediate support while further funding is secured or services are wrapped up.

Birthrights
£300,000 (over 4 years)
Towards unrestricted core costs to protect human rights in maternity care through advice, training and influencing.

“Agenda is a credible and strategic campaigning group which is well placed to push forward its issues with impactful policy and research.”

External practitioner, Agenda



“At our sell-out inaugural Anti Racist Cumbria Summit, our Animated Futures project kids received a standing ovation. Seeing those young people and anti-racism being applauded and celebrated on such a scale in a place like Cumbria was overwhelming. Combined with our work with organisations like Cumbria Police and more, these moments show we’re doing something right!”

Anti Racist Cumbria



Watch a trailer for the Anti Racist Cumbria’s Animated Futures project, which was made with a group of Black and Brown young people aged 7-18 living in Cumbria.

A Fairer Future

Injustice and structural inequality is challenged and changed *continued*

Black2Nature
£300,000 (over 4 years)
Towards core costs for engaging Visible Minority Ethnic (VME) children and young people in the natural environment and to increase diversity in the environment sector.

CEMVO Scotland
£304,000 (over 4 years)
Towards core costs to increase the equality, diversity and inclusion in the environment and climate change movement.

Centre for Countering Digital Hate
£200,000 (over 3 years)
Towards core costs including the salary of the head of digital, to disrupt the spread of online hate and misinformation.

Equally Ours
£250,000 (over 5 years)
Towards unrestricted core costs enabling Equally Ours to continue its work challenging injustice and structural inequality, and advancing equality and human rights.

Fair4AllFinance
£25,000 (over 1 year)
Towards project costs for research to provide insight into how Black and minority ethnic communities interact with financial services in the UK and where inequalities in financial service provision exist.

GATE Herts
£90,000 (over 3 years)
Towards project costs for the ongoing delivery of an online hate crime reporting tool and associated casework and influencing.

“We researched and produced ‘Facebook’s Metaverse is unsafe’ report which identified that users, including minors, are exposed to abusive behaviour every seven minutes when using Facebook’s virtual reality chat rooms on Oculus. Our research resulted in the Information Commissioner’s Office (ICO), UK independent regulator of information and privacy rights, requesting an investigation into Meta’s Oculus device to challenge its age-appropriate measures. We were also asked to personally brief the US DHS, UK Home Office, and other officials from the EU on the challenges of analysing harm in virtual reality, the types of harms created and how future-proof current legislative initiatives would prove in the face of new tech like VR.”

Center for Countering Digital Hate

Chwarae Teg
£333,000 (over 3 years)
Towards project costs to enable the Women’s Budget Groups of the devolved nations of the UK to strengthen and develop independent and collaborative methods of tackling gender inequality.

Citizens UK
£120,000 (over 3 years)
Towards core costs of Refugees for Justice, a Refugee-led campaign calling for accountability and change in the UK asylum support and accommodation provision system.

Detention Action
£180,000 (over 3 years)
Towards unrestricted core costs to end indefinite immigration detention and combat injustice in the UK asylum system.



Watch a [short video](#) about the findings from Center for Countering Digital Hate’s research into Facebook’s Metaverse.

A Fairer Future

Injustice and structural inequality is challenged and changed *continued*

Gendered Intelligence £300,000 (over 3 years)

Towards core costs (unrestricted) supporting trans people’s rights in reducing isolation, marginalisation and exclusion as a result of discrimination and lack of understanding.

Generation Rent £170,536 (over 3 years)

Towards core costs to address inequality in the private rental sector, especially for communities experiencing racial inequity, through advocacy and campaigning, policy change, reducing homelessness, and raising living standards.

Gower Street £20,000 (over 1 year)

Towards project costs for work at She Changes Climate, securing fair gender representation in climate and biodiversity decision-making.

“We’ve grown our public and policy engagement throughout 2021, including work with the Good Law Project and the Ban Conversion Therapy coalition. A highlight is our #TypicalTrans series for Trans Awareness Week, which showed our audience and stakeholders the fabulous humans behind the great work we do.”

Gendered Intelligence

Hibiscus Initiatives £300,000 (over 3 years)

Towards unrestricted core costs to support and empower lived-experience leaders to challenge and change structural inequalities for Black and migrant women in the criminal justice and immigration systems.

Inc Arts UK £60,000 (over 6 months)

Towards core costs to provide additional staff resource to champion the creative, economic, and contractual rights of the UK’s ethnically diverse workforce.

Institute of Environmental Management & Assessment £14,751 (over 4 months)

Towards project costs of the design of the governance structures for IEMA’s ‘Diverse Sustainability Initiative’, ensuring that the people the project is designed to support are able to shape and direct its work.

Level Up £177,000 (over 3 years)


Towards core costs to support campaigns for gender justice in the UK.

National Appropriate Adult Network £105,000 (over 3 years)

Towards core costs for National Appropriate Adult Network to build a just and inclusive criminal justice system that prevents miscarriages of justice by transforming safeguards for vulnerable people detained.

“We’re most proud of the impact we’ve had on the national conversation around pregnant women in prison. We’re also proud of the way our team collectively centres accountability and care in all we do.”

Level Up



Watch clips from Gendered Intelligence highlighting the normality and banality of trans life as part of their #TypicalTrans campaign.



Watch Level Up’s film about their Pregnant in Prison campaign.

A Fairer Future
Injustice and structural inequality is challenged and changed *continued*

**National Ugly Mugs
(NUM)
£198,000 (over 3 years)**

Towards unrestricted core costs
to support work to end violence
against sex workers.

**Oxford University,
Centre on Migration,
Policy and Society
£200,000 (over 4 years)**

Towards core costs of the Migration Observatory, an independent source of data and analysis on migration.

**Prison Advice and
Care Trust
£60,000 (over 1 year)**

Towards project costs to support a piece of research to develop a multi-agency/systemic approach to tackling the injustice of the use of prison for people with mental health and other issues.

Prison Reform Trust (PRT)
£300,000 (over 5 years)

Towards unrestricted core costs
to improve prison conditions and
ensure prisoners' voices are heard
and their rights are upheld.

Refugee Action

£60,000 (over 1 year)

Towards project costs of the Insight to Action programme which builds on the legacy of the Respond and Adapt Programme (RAP) with a view to responding to the ongoing and longer-term impacts of the COVID pandemic.

Right To Remain

£192,000 (over 3 years)

Towards unrestricted core costs of
These Walls Must Fall, a network of
locally-based community campaigns,
structured around local groups of
migrant leaders with lived experience
of immigration control.

Rights Of Women

Towards unrestricted core costs to increase access to justice for women experiencing gender-based violence.

**Sheffield Environmental
Movement (SEM)**
£352,742 (over 4 years)

Towards core costs to engage Black, Asian, minority ethnic and refugee (BAMER) communities in the environment and with environmental organisations.

Sour Lemons
£60,000 (over 10 months)

Towards core costs to develop its theory of change, strategic plan and capacity to meet the growing demand for its work with young leaders and organisations dismantling racism and classism in the UK arts and culture.

Spectra
£370,207 (over 3 years)

Towards project costs to support the Trans Learning Partnership, particularly in the structural inclusion of trans people with lived experience of racial inequalities.

**Standing Together
Against Domestic Abuse
£273,300 (over 3 years)**

Towards project costs for partnership work which change systemic responses to Harmful Practices and Survivors from Black & Minoritised Backgrounds.

Stop The Traffik

£150,000 (over 3 years)

Towards unrestricted core costs of Stop the Traffik's multi-layered preventative work against trafficking, including direct work with at risk groups and an increase in internal capacity for data sharing and intelligence-led partnership working.

**The British Red
Cross Society
£180,000 (over 3 years)**

Towards core costs for The Asylum Reform Initiative, a collaboration of six national organisations supporting asylum seekers and refugees and building public and political support for a better asylum system.

The Fawcett Society
£120,000 (over 2 years)

Towards unrestricted core costs to tackle gender inequality in the UK.

The Switchback Initiative

£297,581 (over 3 years)

Towards core costs for building a fairer future for prison leavers, especially those from overrepresented groups, through the significant expansion of Switchback's influencing activity and capacity.

Transport for All

£135,000 (over 3 years)

Towards unrestricted core costs for work which changes how the transport sector engages with disabled people.

“I feel like I can look to NUM to always respect, value and fight for the sex work community. They always have our best interests at the heart of what they do and the service that they provide is invaluable.”

Sex worker responding to National Ugly Mug's 2021 survey

A Fairer Future

Injustice and structural inequality is challenged and changed *continued*

Young people leaving care




Blue Cabin CIO
£200,000 (over 3 years)
Towards unrestricted core costs of an organisation delivering creative life story work with care experienced young people, and seeking a fundamental shift in how life story work is delivered.

Break
£253,902 (over 3 years)
Towards project costs of Staying on Track, a co-produced emotional wellbeing service for care experienced young people in Norfolk and Cambridgeshire.

Element Creative Projects CIO
£185,000 (over 4 years)
Towards unrestricted core costs to support creative arts projects for care leavers.

“The way we deliver our work has changed – virtual mentoring, digital resource packs, creative packs on doorsteps, how-to videos uploaded to a YouTube channel. We have asked a great deal of our team – to inhabit a space of almost constant re-working and re-thinking. They have poured so much of themselves into this process and have been open to working things out as we go along as well balancing the knowns with the unknowns and soon-to-be-knowns. We think they are incredible. And we’re proud that we still deliver our work with the same care, attention, thoughtfulness, and love that we always did.”

Blue Cabin



Watch a short video where young people, foster carers and staff from local authorities in Darlington, Gateshead and South Tyneside explain what an All About Me Creative Experience is.

Greater Manchester Youth Network (GMYN)
£200,000 (over 4 years)
Towards unrestricted core costs to directly support care leavers in Salford to develop key skills and relationships, as well as to work with Care Experienced Ambassadors to improve services across Greater Manchester.

JustRight Scotland
£60,000 (over 2 years)
Towards project costs to influence how children and young people with irregular immigration status are supported in the Scottish care system, based on the views of young people with lived experience.

Leap Confronting Conflict (Leap)
£180,000 (over 3 years)
Towards project costs to support the next phase of Under Our Roof, a programme offering conflict management training, mentoring and support for young people in care and the adults who care for them.

Leicestershire Cares
£240,869 (over 3 years)
Towards unrestricted core costs to support a programme of work developing the skills, confidence and networks of care experienced young people.

South London Refugee Association
£60,000 (over 1 year)
Towards project costs to bring the children’s immigration sector together to coordinate efforts to change local authorities’ practices, ensuring that children’s nationality and immigration status are systematically addressed.



“This project matters because I want to be a voice for others with similar experiences like me. It is for better and a good cause. I am passionate and want to see change.”

South London Refugee Association member

Creative, Confident Communities



We want to strengthen the bonds in communities, helping local people to build vibrant, confident places where they can fulfil their creative, human, and economic potential.

In 2021, we updated our strategy for Creative, Confident Communities, rooting our work towards this strategic aim under ‘place’. We also shared what we have learned from five years of place-led funding, which helped to shape our strategy in an Insights report. It includes detailed case studies of our three ‘place’ pilots, which took place in Barking and Dagenham, Plymouth, and Sandwell.

All our funding in 2021 towards Creative, Confident Communities was awarded as grants, totalling £6.6m (see pages 29 to 32). This includes a re-commitment to our work in Barking and Dagenham with Participatory City Foundation for another five years, with a £1.5m grant.

£6.6m

Total funding approved in 2021



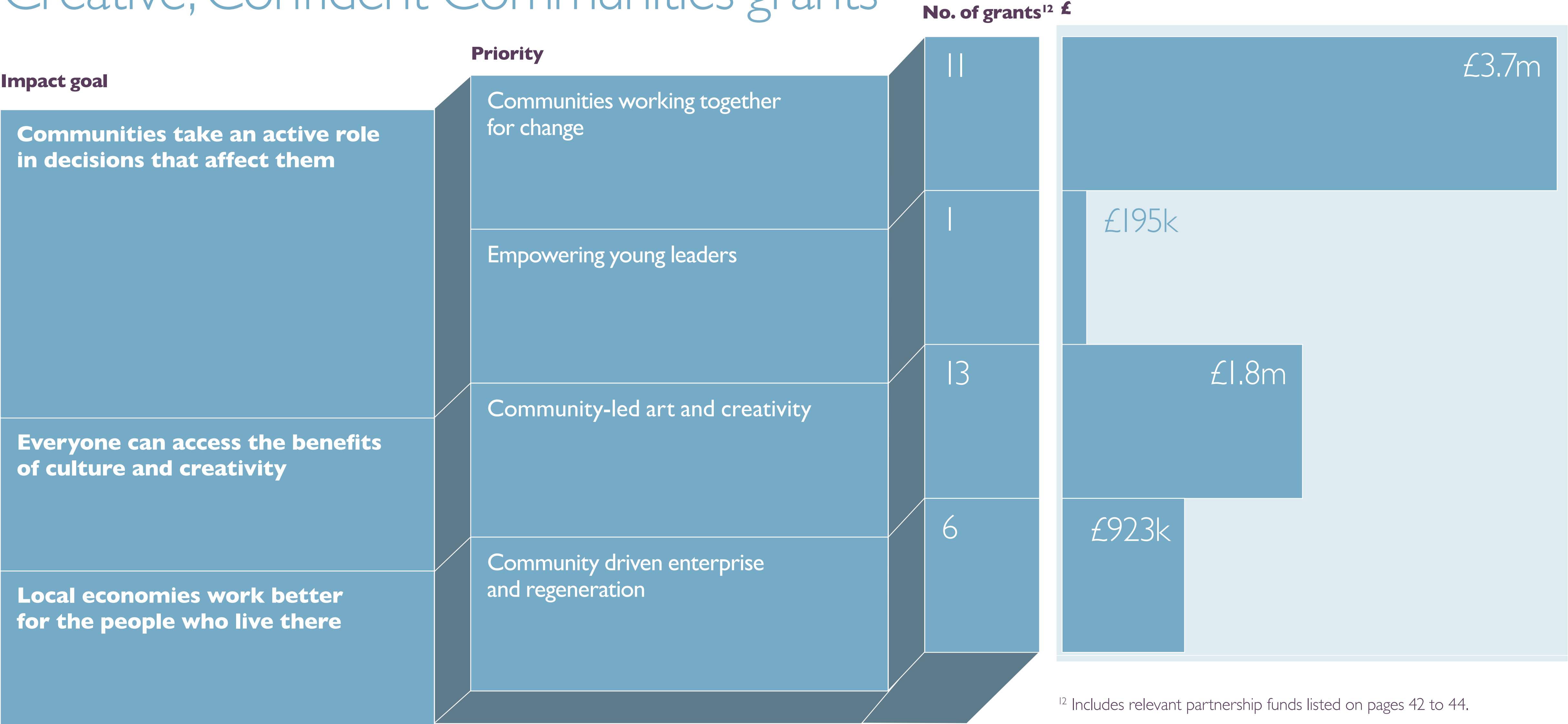
“Having East Quay has become a haven for us all, for me in particular it has become a truly happy place.”

Sara Summers,
Onion Collective Volunteer



East Quay is a community-led development in Watchet, Somerset, and run by Onion Collective. [Watch a short video](#) about their early plans for the development.

Creative, Confident Communities grants



¹² Includes relevant partnership funds listed on pages 42 to 44.

Creative, Confident Communities

Communities use their power to make change happen

Communities
working together
for change



Art Gene Limited
£120,000 (over 3 years)
Towards core costs to support Arts Gene’s work in developing the capacity of communities in Barrow-in-Furness to engage with environmental issues and develop local solutions and action.

Birmingham Open Spaces Forum
£165,000 (over 3 years)
Towards unrestricted core costs for the establishment and support of community groups to manage and maintain green spaces across Birmingham, supporting community voice in decision-making about environmental and social issues that are important to them.

Bradford Community Broadcasting
£20,000 (over 6 months)
Towards unrestricted core costs for six months whilst a full application is developed.

Grapevine (Coventry And Warwickshire) Ltd
£180,000 (over 3 years)
Towards unrestricted core costs to support the scaling of the Connecting for Good movement.

Hope For The Future
£175,000 (over 3 years)
Towards core costs to expand Hope For The Future’s reach by developing an online support hub, and to conduct active outreach to diversify participants and engage communities less likely to engage in the climate movement.

Mae Murray Foundation
£60,000 (over 2 years)
Towards project costs for developing a best practice model for inclusive beaches, opening up beaches across the UK to people with disabilities and their families.

Participatory City Foundation
£1,500,000 (over 5 years)
Towards unrestricted core costs to support the next phase of Every One Every Day, a participation at scale initiative in Barking and Dagenham.

Rural Housing Scotland
£80,000 (over 3 years)
Towards project costs to deliver Smart Clachan in Uist, an interconnected and sustainable, low carbon housing and workspace development.

The Involve Foundation
£200,000 (over 2 years)
Towards project costs engaging local people in climate decision-making.

Westway Trust
£180,000 (over 3 years)
Towards unrestricted core costs to rebuild the Westway Trust as a community-centred organisation that tackles injustice.

Empowering
young leaders



The Warren of Hull
£195,000 (over 3 years)
Towards core costs for youth-led work that supports marginalised and vulnerable young-people to take control of their lives.

Creative, Confident Communities

Culture and creativity build thriving communities



Birmingham 2022
£250,000 (over 2 years)
Towards project costs of co-created and participatory dance programmes within the Commonwealth Games Cultural Festival and support for legacy activity.

Blackpool Museum Trust and Blackpool Council
£119,629 (over 2 years)
Towards core costs to support key senior staff roles for Blackpool Showtown, a new museum delivering community, cultural and economic regeneration.

BOM (Birmingham Open Media) CIC
£20,000 (over 6 months)
Towards core costs for feasibility and business planning activities to develop an opportunity it has to secure a future home that repurposes derelict buildings vacated due to COVID.

Feile an Phobail
£226,668 (over 4 years)
Towards core costs restricted to Féile an Phobail’s Community Engagement Programme Manager’s salary and associated programming costs, in support of ongoing positive and productive grassroots community relationships.

Greater Manchester Arts Centre Limited
£55,000 (over 1 year)
Towards project costs for an ambitious outdoor arts festival which will create jobs for artists and freelancers and provide a vital, accessible cultural offering to Greater Manchester audiences.

Heads Together Productions
£60,000 (over 2 years)
Towards project costs for the Donut Union, a programme of work between arts venues around the edge of Leeds, involving a professional development programme, and involvement in the Leeds City of Culture Festival in 2023.

Kiln Theatre
£120,000 (over 3 years)
Towards unrestricted core costs to support the theatre’s strategic plans to create high-quality artistic work rooted in the communities of Brent.

Leeds Culture Trust
£288,849 (over 2 years)
Towards core costs for Leeds 2023 to support its approach to community co-creation, creative learning, children and young people, skills and capacity building.

Manchester Metropolitan University
£180,000 (over 3 years)
Towards core costs for the establishment of Manchester’s new poetry library as a cultural centre to support the creative development and participation of Greater Manchester’s diverse communities.

Orchestras Live
£90,000 (over 3 years)
Towards unrestricted core costs supporting the organisation’s work breaking down barriers preventing access to and participation in live orchestral music in areas with low levels of cultural provision.

Royal Exchange Theatre Company Limited
£150,000 (over 3 years)
Towards project costs for the continuation and expansion of the Local Exchange programme, a three-year model of engagement designed to address inequality of access to the arts across targeted areas of Greater Manchester.

Talking Birds Theatre Company Ltd
£70,000 (over 2 years)
Towards core costs for Talking Birds work at The Nest, building an inclusive creative community, creating residencies with disabled artists and better collaboration with the wider arts sector in Coventry.

Theatre Orchard Projects Limited
£150,000 (over 3 years)
Towards project costs for a programme delivering outstanding creative and cultural experiences for, with, and by communities, using culture to drive regeneration.

Creative, Confident Communities

Local economies work better for the people who live there

Community driven enterprise and regeneration



- Birmingham Settlement**
£250,000 (over 3 years)
Towards unrestricted core costs to underpin the transformation of a variety of community owned assets in Birmingham to become the focal points for community action and participation.
- Black United Representation Network**
£60,000 (over 1 year)
Towards project costs for support to grow the confidence, knowledge and skill sets of the Black VCSE sector in Greater Manchester.


- Dumfries High Street Limited**
£123,988 (over 3 years)
Towards project costs for the delivery of a creative community engagement programme, including the employment of a creative director, communications lead and production budget.
- Earth in Common**
£180,000 (over 3 years)
Towards core costs for refining, documenting, publicising and sharing the urban craft model.
- Mutual Banks Association**
£59,500 (over 6 months)
Towards project costs to support the research, design, production and dissemination of a new cooperative structure which is fit-for-purpose for mutual banks and capital-intensive organisations.

- Onion Collective CIC**
£250,000 (over 3 years)
Towards core costs to support the Onion Collective’s work across culture, social and environmental justice.



“The Imprints in Time exhibition celebrated Dumfries’ prominent printing industry, with 258 visitors in total. Many people told us they used to work in or remembered Dinwiddies, so it created a real sense of pride for the community.”

Dumfries High Street (Midsteeple Quarter)



Watch a video about the plans for Midsteeple Quarter and Dumfries High Street Limited’s ambitions for the area.

Our Natural World

We want to ensure that our natural world is restored and protected, and that people benefit from that recovery.

In 2021, we moved forward with our roadmap for Our Natural World, which includes grant funding work on peat, totalling £3.8m. This will contribute to work to scale peatland restoration as part of the Great North Bog initiative, and work to map opportunities for peatland restoration in Northern Ireland, co-designed by Ulster Wildlife Trust and Esmée. In total, we awarded 47 grants in Our Natural World, totalling £12.1m (see pages 34 to 39). We also made eight social investments, totalling £4.4m (see page 50) – the majority of which went towards land purchases to support

nature preservation. And using our Tools, we commissioned extensive research, totalling £175k, towards our goals in freshwater, fishing, and work on diversity, equity and inclusion (see page 10).

We also started to work with new partners including Black2Nature, CEMVO Scotland and Sheffield Environmental Movement to help us make progress on diversity, equity and inclusion in the environment sector¹³.

£16.7m

Total funding approved in 2021

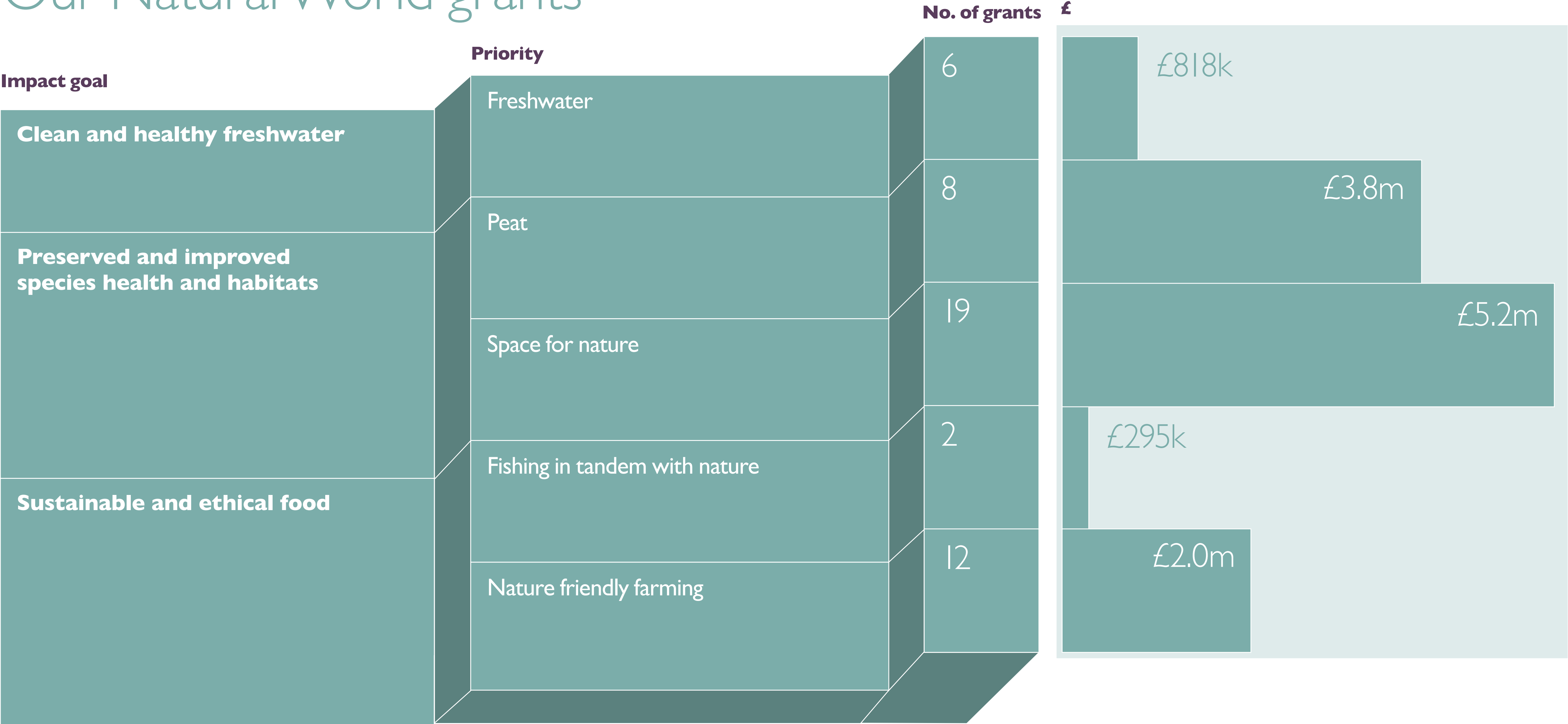


“The detail in the maps from our peatland mapping project has taken action planning to a landscape-scale level, and provides a firm basis for preventing climate change emissions. It has also been a really effective lever in guiding strategic conversations with key stakeholders – government, farmers, land owners, eNGOs – on the need to prevent greenhouse gas emissions from peatlands, where to target resources to give best value, and the benefits for nature.”

Ulster Wildlife Trust

¹³ These grants are listed under our aim for A Fairer Future and our priority for ‘tackling injustice’.

Our Natural World grants



Our Natural World

Clean and healthy freshwater

Freshwater

Angling Trust
£146,702 (over 2 years)
Towards core costs in campaigns work to improve freshwater and marine habitats.

Forth Rivers Trust
£256,060 (over 3 years)
Towards core costs supporting community engagement and campaigning on the Lothian Esks.

Norfolk Rivers Trust
£73,000 (over 2 years)
Towards project costs restoring the River Stiffkey, building wetlands and connecting floodplains to improve water and habitat quality.

River Restoration Centre
£240,000 (over 3 years)
Towards core costs to support restoration of rivers by building the capacity, knowledge and skills of organisations and individuals working on river restoration and to develop a regional support network for practitioners.

The Rivers Trust
£50,000 (over 7 months)
Towards core costs enabling completion of the River Wyre project to secure investments, buyers and sellers to start delivery of nature-based solutions to slow the flow of water and extend the approach to other catchment areas.

Zoological Society of London
£52,612 (over 1 year)
Towards core costs developing a long-term programme to counter the effects of damaging activities on England's rivers through Citizen Science.

“2021 was a year of incredible growth for The Rivers Trust – for us, for our movement of member trusts and for the impact we had on the national conversation about rivers. Our internal review was timeous in helping us to strengthen and galvanise for action. We were able to bring relevant evidence to influence policies and the new Environment Act.”

The Rivers Trust

Watch a short animation from The Rivers Trust about the scale of pollution impacting rivers and the solutions needed to save our rivers for the future.

Our Natural World

Preserved and improved species health and habitats

Peat



Cumbria Wildlife Trust
£300,000 (over 5 years)
Towards core costs delivering the Great North Bog initiative on peatlands work in northern England.

North Pennines AONB Partnership
£740,000 (over 5 years)
Towards core costs supporting The Great North Bog Initiative to scale peatlands work in northern England.

Northumberland Wildlife Trust
£405,000 (over 5 years)
Towards core costs delivering the Great North Bog initiative on peatlands work in northern England.

Peak District National Park Authority
£440,000 (over 5 years)
Towards core costs Delivering the Great North Bog initiative on peatlands work in northern England.

Scottish Wildlife Trust
£914,860 (over 5 years)
Towards core costs furthering work on peatlands across the UK. Scottish Wildlife Trust is the host for the IUCN UK Peatland Programme.

The Lancashire Wildlife Trust
£315,000 (over 5 years)
Towards core costs delivering the Great North Bog initiative on peatlands work in northern England.

Ulster Wildlife Trust
£150,000 (over 1 year)
Towards project costs for peatlands work in Northern Ireland.

Yorkshire Wildlife Trust
£550,000 (over 5 years)
Towards core costs delivering the Great North Bog initiative on peatlands work in northern England.



Our Natural World

Preserved and improved species health and habitats *continued*

Space for nature



CHEM Trust
£560,000 (over 5 years)
Towards core costs supporting CHEM Trust’s ongoing work on hormone disrupting chemicals.

Community Forest Trust
£180,000 (over 3 years)
Towards core costs to develop, expand and embed the work of Community Forests.

Devon Wildlife Trust
£249,999 (over 3 years)
Towards project costs using Devon Wildlife Trust’s experience with beavers on the River Otter to ensure that the benefits are maximised and conflicts effectively managed in other beaver catchments.

Ecosystems Knowledge Network
£298,755 (over 3 years)
Towards core costs for UK-wide shared learning to ensure that the connections between nature recovery, wellbeing and prosperity are harnessed and financed.

Finance Earth
£30,000 (over 4 months)
Towards project costs of working with project leads to develop a set of detailed policy recommendations as part of the Financing UK Nature Recovery project.

Green Alliance Trust
£199,000 (over 1.5 years)
Towards core costs supporting the next phase of Greener UK, a coalition of environment charities working to ensure high environmental standards and protections post-Brexit.

Green Finance Institute
£199,950 (over 2 years)
Towards project costs for a community of practice on new models of financing nature recovery.

Institute of Environmental Management & Assessment
£40,000 (over 6 months)
Towards project costs providing short term administrative capacity to support the Financing UK Nature Recovery coalition.

Institute of Environmental Management & Assessment
£340,000 (over 3 years)
Towards core costs of running the Broadway Initiative: a collaborative programme of work to help implement the delivery structures needed for the economy to contribute to environmental goals and targets.

Movements Trust Limited
£60,000 (over 1.5 years)
Towards core costs for a programme of movement mapping, movement building and ecosystem development focused on Climate and Environmental movements.

National Parks Partnership
£125,000 (over 2 years)
Towards core costs for National Parks to explore innovative funding opportunities to aid nature recovery and take action on climate change.

Northern Ireland Environment Link
£350,000 (over 5 years)
Towards unrestricted core costs for Northern Ireland Environment Link.

SCOTLAND: The Big Picture
£140,000 (over 2 years)
Towards core costs establishing the Northwoods Rewilding Network, enabling the nature restoration actions of land partners and by sharing the models and stories that emerge.

Scottish Environment LINK
£450,000 (over 5 years)
Towards unrestricted core costs for Scottish Environment LINK.

Scottish Wildlife Trust
£60,000 (over 1.5 years)
Towards core costs for a community of practice on financing nature recovery (Scotland).

ShareAction
£1,000,000 (over 5 years)
Towards unrestricted core costs to help tackle the biodiversity and climate crises through the investment sector.

Trees for Life
£200,000 (over 2 years)
Towards project costs for the development of East West Wild, contributing to nature’s recovery, climate change mitigation and delivering social and economic benefits in the Scottish Highlands.

Wales Environment Link
£220,000 (over 4 years)
Towards unrestricted core costs for Wales Environment Link.

Wildlife and Countryside Link
£497,650 (over 4.5 years)
Towards unrestricted core costs for Wildlife and Countryside Link.

Our Natural World

Sustainable and ethical food

Fishing in tandem
with nature



East Suffolk Council
£20,000 (over 6 months)
Towards project costs to support fisher led progress on the sustainability and economic viability of East Anglian fisheries.

Yorkshire Wildlife Trust
£275,000 (over 5 years)
Towards core costs supporting work on sustainable fisheries, protected areas, blue carbon, and revitalised coastal communities.

Nature friendly
farming



Community Supported Agriculture (CSA) Network UK
£125,000 (over 5 years)
Towards core costs of Growing UK CSA: Farming which works for people, planet and producers.

Compassion In World Farming International (Campaign to save our Antibiotics)
£250,000 (over 3 years)
Towards project costs of the Alliance to Save our Antibiotics programme that campaigns for reduction in antibiotic usage in UK farming.

FFCC Ltd
£33,650 (over 6 months)
Towards project costs of a feasibility study for a Land and Nature Skills Service for Cumbria.

Global Feedback Ltd.
£60,000 (over 2 years)
Towards project costs for Action on Sugar and Feedback to challenge the UK’s excessive production and consumption of sugar for better environmental and health outcomes.

GM Freeze
£60,000 (over 2 years)
Towards core costs to enable GM Freeze to continue to support the sector to understand the context and implications of genetic modification within agriculture.

Land Workers’ Alliance
£199,000 (over 3 years)
Towards core costs for advocacy and communications on policy to build a sustainable and just food system.

Nature Friendly Farming Network (NFFN)
£696,881 (over 3 years)
Towards core costs to enable farmers to be able to influence policy, practice, the sector and each other to benefit nature and tackle climate change.



“In 2021, we are proud to have launched Rethink Farming, NFFN’s first campaign in its ‘Rethink’ series. We advocated at policy level for the right support to facilitate farming’s transition to climate- and nature-friendly farming. We campaigned for awareness of a whole farm approach that can tackle the twin crises of biodiversity loss and climate change and we helped increase knowledge of these on-farm methods through reports and case studies that showcase what farmers are achieving on their farms.”

Nature Friendly Farming Network



Listen to NFFN’s podcast series, with stories of regenerative farming from NFFN farmers.

Our Natural World

Sustainable and ethical food *continued*

Nourish Scotland
£60,000 (over 6 months)
Towards project costs a collaborative programme of events that will raise the profile of sustainable food and farming as a means to mitigate climate change at COP26.

Pasture-Fed Livestock Association
£60,000 (over 2 years)
Towards project costs for work, via the CLEAR consortium, to improve food labelling requirements in the UK.

Students Organising for Sustainability
£198,240 (over 3 years)
Towards core costs repurposing university offset money to support farmers in capturing carbon, improving soils and bringing back nature.

Tamar Grow Local CIC
£178,000 (over 3 years)
Towards project costs to enable Tamar Grow Local to lead a consortium of food hubs, collaborating to stimulate increased supply of, and demand for, agroecological produce in areas of Devon and Cornwall.

Ullswater Catchment Management CIC
£60,000 (over 2 years)
Towards core costs to provide Ullswater Catchment Management CIC with the capacity to develop and co-ordinate additional projects that increase biodiversity, build flood resistance and support nature friendly farming in the Ullswater area.



“We really enjoy the volunteer tree planting days on local farms in our area. It helps us better understand local food production. It is also a really enjoyable social day meeting likeminded people and feeling that we are doing our bit for wildlife and the climate.”

Volunteer with Ullswater Catchment Management



Watch a video about Ullswater Catchment Management’s work on farming, nature recovery and natural flood management.



“We’re developing a supportive network of food enterprises to help build resilience in local supply chains, working towards increasing markets for sustainable food businesses. Through sharing local knowledge and increasing efficiency we can develop a thriving food system, triggering new connections and trade as we grow.”

Tamar Grow Local

Infrastructure and New Ideas



In addition to our three main aims, we support work that contributes to our impact goals across our aims by enabling a stronger, inclusive and innovative sector. This includes key infrastructure organisations and new ideas that unblock barriers, test new approaches or build movements for change.

Applications towards infrastructure and new ideas are by invitation only.

In 2021, our total funding towards Infrastructure and New Ideas totalled

£1.4m. This included 17 grants, totalling £1.3m (see page 41), and a social investment commitment of £35k (see page 50). Using our Tools, we also approved £103k towards the development of the Funders Collaborative Hub, a joint funder initiative to support funders to collaborate (see page 10).

£1.4m

Total funding approved in 2021

Impact goal	No. of grants	£
A sector that is creative, enterprising and inventive	9	£792k
An effective, inclusive, resilient and independent sector	8	£508k

Infrastructure and New Ideas grants

A sector that is creative, enterprising and inventive

Association of Charitable Foundations
£15,000 (over 1 year)
Towards project costs contributing to phase one of the Catalytic Capital Project which seeks to grow the scale and impact of catalytic capital in the UK.

Centre For The Acceleration Of Social Technology
£60,000 (over 6 months)
Towards unrestricted core costs for continuing the core work of catalyst supporting the digital capacity of the charity sector.

Centre For The Acceleration Of Social Technology
£400,000 (over 2 years)
Towards unrestricted core costs to support and build the digital capacity of the UK charity sector.

Greenwich Dance Agency
£60,000 (over 3 years)
Towards project costs for development of ArtsUnboxed, a new model which offers a more sustainable and equitable way of ‘touring’ artistic product.

Impact Investing Institute
£25,315 (over 6 months)
Towards project costs for the Impact Investing Institute’s ‘Endowments with Impact’ programme which seeks to work with charities, trusts and foundations to deliver impact investing with their endowments.

Investing for Good
£60,000 (over 6 months)
Towards project costs for scoping and market testing of a ‘regulatory hosting plus service’.

Investing for Good
£52,000 (over 2 years)
Towards core costs funding the creation of a ‘regulatory hosting plus service’.

OKRE: Opening Knowledge Across Research and Entertainment
£60,000 (over 1.5 years)
Towards unrestricted core costs supporting the set-up and operation of OKRE, a charity improving collaboration between entertainment, social impact and research sectors, enabling the creation of authentic content for diverse audiences.

Scottish Council for Voluntary Organisations
£60,000 (over 2 years)
Towards unrestricted core costs to catalyse and accelerate the adoption and use of good digital services by voluntary sector organisations of all sizes in Scotland.

Infrastructure and New Ideas grants

An effective, inclusive, resilient and independent sector

Arts & Business NI
£200,000 (over 5 years)
Towards project costs for Blueprint, a long-term capacity and growth programme of transformational change for the arts in Northern Ireland, supported by a stronger funding ecology.

Association of Charitable Foundations
£60,000 (over 1 year)
Towards project costs for the Collaborative Funders Hub to fund the role of co-ordination. This support is being provided alongside Lloyds Bank Foundation and Dulverton Trust to have resource to co-ordinate the initiative.

Centre For The Acceleration Of Social Technology
£30,000 (over 2 years)
Towards project costs for GrantAdvisor, a web service that facilitates open dialogue between non-profits and grantmakers by collecting authentic, real-time reviews and comments on grantseekers’ experiences of funders.

Datakind UK
£60,000 (over 2 years)
Towards unrestricted core costs to support the Data Collective: developing a community of data experts in the social sector.

Friends Provident Foundation
£45,000 (over 3 years)
Towards unrestricted core costs to create an index of independent trusts and foundations in the UK in relation to good governance and transparency.

Good Ancestor
£60,000 (over 1 year)
Towards project costs for a new initiative which seeks to challenge and change wealth management practices and the disproportionate influence it has had in creating inequality.

Institute for Voluntary Action Research
£20,000 (over 1 year)
Towards unrestricted core costs for Leading in Uncertainty Peer Support.

Ten Years’ Time
£32,500 (over 1 year)
Towards core costs supporting the organisation to become a specialist resource for trusts, foundations and other donors committed to Diversity, Equity and Inclusion strategies.

Funding in Partnership

The Foundation sometimes works in partnership with other funders or organisations to target a particular region, community, or sector, or to help tackle a specific issue.

“Maternity Action was funded by the Strategic Legal Fund (SLF)¹⁴ to conduct pre-litigation work regarding the lawfulness of the NHS charging regime. This led to Maternity Action issuing a Judicial Review claim – the culmination of over 12 months preparation and evidence gathering. It would have been incredibly challenging to issue the Judicial Review proceedings without the SLF grant. Funders fund specific projects at Maternity Action, and therefore the dedicated staff time is required to deliver the projects. There is little scope for such a large piece of unfunded work, such as strategic litigation. The SLF funding enabled this piece of work to get off the ground, for the time to be dedicated to thinking through strategy, obtaining evidence and for staff time to dedicate to the work.”

Christine Benson, Maternity Action

¹⁴ The Strategic Legal Fund is delivered by the Immigration Law Practitioners' Association

Funding in Partnership

A Fairer Future



Removing barriers to creative careers

The Centre for Innovation in Voluntary Action
£15,000

Towards delegated grant-making as a contribution aimed at establishing the Create Equity Fund, an investment fund led by and for communities experiencing racial inequity, to achieve diversity of leadership, creative talent, creative content and audiences in the arts.

Tackling injustice

Immigration Law Practitioners’ Association
£200,000

Towards delegated grant-making of The Strategic Legal Fund which supports strategic legal work to uphold and improve law, practice and procedures related to the rights of migrant groups in the UK.

Esmée is one of four funders contributing to the Fund. In 2021, the Strategic Legal Fund awarded 13 grants, totalling £93,280.

Rosa – The UK fund for women and girls
£300,000

Towards delegated grant-making to support Rosa’s Rise Fund for Black and minoritised-led women’s organisations. Grants through the Rise Fund will be awarded in 2022.

The Access to Justice Foundation
£530,000

Towards delegated grant-making for the Community Justice Fund, a collaborative fund to tackle injustice arising from the pandemic and ensure everyone can get the legal support they need to access their rights.

In 2021, the Community Justice Fund awarded 79 grants, totalling £3.5m.

Creative, Confident Communities



Communities working together for change

LocalMotion
£1,000,000

Towards delegated grant-making that pools the resources, both financial and other assets, of six foundations to help local places take advantage of opportunities to work in different ways to achieve sustained change.

Museums Association

We also give grants to the Museum sector through the Esmée Fairbairn Collections Fund, managed by the Museums Association.

In 2021, 17 grants were made totalling £1.3m.

Bristol Museum & Art Gallery
£89,915

Dulwich Picture Gallery
£86,767

Dundee Industrial Heritage
£55,000

Glynn Vivian Art Gallery
£90,000

Hastings Museum & Art Gallery
£84,480

National Museums Northern Ireland
£80,187

Paxton Trust
£90,000

Royal Pavilion & Museums Trust
£50,000

Salisbury Museum
£87,828

Seven Stories: The National Centre for Children’s Books
£89,815

Shrewsbury Museum & Art Gallery
£90,000

St Paul’s Cathedral
£90,000

The Hunterian
£90,000

The Scottish Crannog Centre
£54,470

Tullie House Museum and Art Gallery Trust
£89,350

UCL Culture
£63,780

Wolverhampton Arts and Culture
£65,000

Conduits

When organisations have not yet developed rigorous financial and other processes we sometimes use a conduit to oversee the management of our funding or where we feel a funded organisation can benefit substantially from the additional resources that are available because of the relationship.

The following organisations received a grant via a conduit in 2021.

Note: these grants are also included in the grants listed on pages 15 to 39, and page 45

A new inclusive generation of leaders and artists

Empowering young leaders



Platform
£54,000 (over 1 month)
Acting as conduit for Voices That Shake!

Removing barriers to creative careers



Battersea Arts Centre
£54,000 (over 1 month)
Acting as conduit for Artistic Directors of the Future.

Injustice and structural inequality is challenged and changed

Tackling injustice



Citizens UK
£120,000 (over 3 years)
Acting as conduit for Refugees for Justice, hosted by Community InfoSource.

Gower Street
£20,000 (over 1 months)
Acting as conduit for She Changes Climate.

The British Red Cross Society
£180,000 (over 3 years)
Acting as conduit for Asylum Reform Initiative.

Culture and creativity build thriving communities

Community-led art and creativity



Heads Together Productions
£60,000 (over 2 years)
Acting as conduit for Donut Union.

Preserved and improved species health and habitats

Space for nature



Green Alliance Trust
£199,000 (over 1.5 years)
Acting as conduit for Greener UK.

Institute of Environmental Management & Assessment
£40,000.00 (over 6 months)
Acting as conduit for Broadway Initiative.

COVID Response Initiatives

As part of our continuing response to COVID, we provided additional support to organisations in our portfolio working in the performing arts, as well as those led by and for communities experiencing racial inequity. These grants were awarded through a streamlined process.

Top-up funding for organisations led by and for communities experiencing racial inequity

£2.2m

Approved in 2021

40

Total No of Grants

Reinvent Performing Arts funding

£1.7m

Approved in 2021

40

Total No of Grants

COVID Response Initiatives

Top-up funding for organisations led by and for communities experiencing racial inequity

In March 2021, we offered an additional, unrestricted grant to 40 organisations in our portfolio that are led by and for communities experiencing racial inequity. These are brilliant organisations working in a range of sectors including the Arts, Children and Young People, Equality and Immigration doing vital work to support their communities and to advance racial justice.

Each organisation was awarded £54k, totalling £2.2m.

[Learn more about our process.](#)

African Cultural Exchange Ltd (ACE dance and music)	FORWARD	New Earth Theatre Limited
Afruca – Safeguarding Children	Friends, Families and Travellers	One Voice 4 Travellers Limited
Battersea Arts Centre (acting as conduit for Artistic Directors of the Future)	Future Men	Operation Black Vote
Bawso	IKWRO – Women’s Rights Organisation	Platform (Acting as conduit for Voices That Shake!)
Black Cultural Archives	Imkaan	Rifco Theatre Company
brap	Institute of International Visual Arts	Scottish Refugee Council
BTEG	Integrate UK	Southall Black Sisters
Chineke Foundation	Joint Council for the Welfare of Immigrants	StopWatch
Civic Square Birmingham	Karma Nirvana	The 4Front Project Ltd
Communities Empowerment Network	Latin American Women’s Rights Service	The Runnymede Trust
Creative Academies Ltd	Migrant Voice	The Traveller Movement
Culture&	Migrants Organise Ltd	Tutors United
Ethnic Youth Support Team (EYST)	Migrants’ Rights Network	We Belong
	Muslim Women’s Network UK	

COVID Response Initiatives

Reinvent Performing Arts funding

In June 2021, we made 40 grants totalling £1.7m to some of the performing arts organisations in our portfolio to provide additional support as they re-open following the easing of lockdown.

[Learn more about our process.](#)

- Access All Areas**
£55,450

Towards core costs to focus on wellbeing and digital innovation that ensures our learning disabled artistic team have the support, resources, skills and guidance to continue making great art.
- African Cultural Exchange Ltd (ACE dance and music)**
£38,900

Towards core costs to integrate the digital equipment and skills developed during the pandemic into all aspects of future work including reaching more audiences.
- Big Telly Theatre Company**
£39,450

Towards core costs to reimagine contemporary work and reframe accessibility and inclusion by connecting live and digital audiences with each other and with place.
- Black Country Touring**
£50,000

Towards core costs to help restart conversations, explore new ways of working and contribute to a fairer, more equitable arts sector in the region and nationally.

- Blackpool Grand Theatre (Arts and Entertainment) Ltd**
£28,000

Towards core costs to engage audiences and artists using different digital platforms.
- Chineke Foundation**
£60,000

Towards core costs to support three concerts providing much needed work for freelance musicians.
- Clean Break Theatre Company**
£50,000

Towards core costs to influence and challenge theatre ecology and give smaller and/or touring organisations the confidence to take risks and continue to produce cutting edge work.
- Counterpoints Arts**
£38,000

Towards core costs to deepen and extend Counterpoint Arts' touring and commissioning programme, and increase opportunities for freelance artists and creative producers from refugee and migrant backgrounds.

- Curious Monkey**
£36,496

Towards core costs to connect a group of artists working on 'alternative touring methods' to share learning and explore opportunities for developing work together in the future.
- Dance City**
£45,500

Towards core costs to invite local artists as guest curators for a professional audience facing evening at the theatre and give Dance City productions and commissions a new site specific dance programme.
- Deafinitely Theatre**
£43,000

Towards core costs to support freelancer workforce potential across the national deaf community, including hearing beneficiaries and British Sign Language learners building audience participation, trust and cultural confidence.

- Frozen Light**
£37,440

Towards core costs to enable Frozen Light to reach audiences with profound and multiple learning disabilities in person for the first time in more than two years.
- Fuel Productions Ltd.**
£60,000

Towards core costs to produce work led by exceptional Black artists, engaging diverse freelancers across the programme in a new hybrid model.
- Graeae Theatre Company**
£40,400

Towards core costs for the production “10 Nights”, which aims to put disability and access at the forefront of cultural recovery in 2021.
- HighTide**
£12,000

Towards core costs to pilot a new rural touring model working in partnership with others and creating theatre-film versions of their productions.

- Hijinx Theatre**
£60,000

Towards core costs to discover a new way of working, combining digital and in the room rehearsals towards the creation of a hybrid production.
- Live Theatre**
£50,000

Towards core costs to nurture the work of new and emerging playwrights and theatre makers creating opportunities for talent and audience development.
- London International Festival of Theatre**
£60,000

Towards core costs to evaluate and progress the Concept Touring Commissioning project exploring how London International Festival of Theatre can pioneer new models of internationally collaborative practices that are pandemic resistant and climate friendly.

COVID Response Initiatives

Reinvent Performing Arts funding

Manchester International Festival £47,548

Towards core costs to audit current need, and develop a digital skills and training programme for Greater Manchester artists and freelancers and recruit in the digital team.

Midlands Art Centre (MAC) £35,000

Towards core costs to build a welcoming and representative community of arts volunteers through inclusivity and accessibility across the West Midlands, nurture audiences, volunteers and sharing learning across the sector.

Mind The Gap £39,500

Towards core costs to restart live activities and negotiate Mind The Gap’s way through the challenges of welcoming audiences back after the height of the COVID pandemic.

New Diorama Theatre £60,000

Towards core costs to give thousands of freelance artists the resources, space, support and skills they need to return to live performance.

Newhampton Arts Centre £28,757

Towards core costs to create a programme that is COVID-safe and provides the maximum opportunity for local, regional and national artists and companies to present work for new and existing audiences.

Northern Stage Ltd £44,250

Towards core costs to offer three community embedded residencies to freelance artists based in the region to gain experience and practical skills in the delivery of socially engaged community practice.

Oily Cart Company Ltd £37,500

Towards core costs to execute COVID recovery plans to bring back young disabled audiences to public venues, many of whom will have been shielding for over a year.

Orchestras Live £25,000

Towards core costs for community events placing creative agency in the hands of local people and involving diverse audiences.

Paines Plough £38,350

Towards core costs for a short-term Digital Associate post drawing in freelance expertise to deliver maximum impact and continue growing digital ambitions.

Pentabus Theatre £35,000

Towards core costs for a core artistic programme to bring back rural touring and diversify theatre.

Rent-A-Role Drama Service £36,000

Towards core costs to shape multiple light touch opportunities to help individuals explore creativity and gain confidence.

Sage Gateshead £60,000

Towards core costs to plan and deliver a new blended (live and digital) programme of excellent and inclusive work, benefiting diverse audiences, participants and artists.

Sherman Theatre (Sherman Cymru) £35,000

Towards core costs to build capacity and present work in a safe way, to build confidence in audiences and communities to visit the theatre.

Strike A Light (Gloucester) £56,040

Towards core costs to create a performing arts programme which values the skills and knowledge of diverse communities and artists, whilst acknowledging the impact that the pandemic has had on them and audiences.

The Lowry Centre Trust £30,000

Towards core costs to establish a ‘Community Panel’ (Panel) of diverse community members who will directly influence The Lowry’s continued offsite and online performing arts programming.

The National Theatre Of Wales £40,000

Towards core costs to run a consultation, review and redevelopment of the National Theatre of Wales’ existing ‘NTW Community’ platform.

The Paraorchestra and Friends £58,000

Towards core costs for the creation and presentation of Smoosh, a new outdoor live music show.

The Roundhouse Trust £40,000

Towards core costs to develop new digital and broadcast models that add to the cultural landscape, rather than trying to replicate the live experience.

Theatre Hullabaloo £39,500

Towards core costs to extend the Little Wonders scheme to provide opportunities for five commissioned artists as part of the reopening programme.

Theatre Royal Stratford East £42,500

Towards core costs to reopen theatres and become more inclusive to audiences through developing live captioning services.

University of Derby Theatre Limited £60,000

Towards core costs to expand digital activity associated with an upcoming British Sign Language (BSL) integrated, family friendly programme.

University of Lincoln £56,000

Towards core costs to test, develop and up-scale the Arts About Town (AAT) model devised in response to the pandemic by LOV members.

Social Investment

We believe that social investment is a powerful – and financially sustainable – tool, which, when used alongside grants and our own actions can help achieve our impact goals, whilst also supporting the development of the social investment market and increasing the total amount of funding available.

Our approach to social investment, designed to achieve our impact goals, focuses on three objectives:

- Investing for impact: we start with the social need and reverse engineer our investment approach.
- Influencing: to enable a broader, more accessible and innovative social investment market.
- Learning and sharing: for a more strategic portfolio and to establish greater collective impact.

In 2021, our Land Purchase Facility supported investments totalling £4m, which will help to contribute towards our goal of preserved and improved species health and habitats. We also became a key investor in The Rivers Trust project to rollout Natural Flood Management in the Wyre catchment. The project was one of the pilot projects we originally awarded a development grant to as part of our collaboration with Defra and the Environment Agency to explore innovative funding models. And towards the end of the year, we shared our approach to building an impact-first social investment strategy.



Woodland Trust

Social Investment

A Fairer Future



Injustice and structural inequality is challenged and changed

- Think for the Future**
£149,000
Towards an investment to refinance an existing investment – held by Young Foundation – to enhance the organisation’s growth, sustainability and impact.
Acting early on the root causes of problems
- Donmar Warehouse Projects Ltd**
£45,000
Towards production costs of theatre transfer.
Creativity transforming lives

Our Natural World



Clean and healthy freshwater

- The Rivers Trust**
£350,000
Towards an investment enabling rollout of Natural Flood Management interventions in the Wyre catchment.
Freshwater

Preserved and improved species health and habitats

- Cheshire Wildlife Trust**
£400,000
An investment towards the purchase of land at Saltersford Farm, Cheshire.
Space for nature
- Norfolk Wildlife Trust**
£440,000
An investment towards the purchase of Sweetbriar Marshes, Norwich.
Space for nature
- Somerset Wildlife Trust**
£959,000
An investment towards the purchase of Honeygar Farm, in the Avalon Marshes, Somerset.
Space for nature
- The Herefordshire Wildlife Trust**
£165,000
An investment towards a land purchase for the Woolhope Dome Living Landscape Project.
Space for nature
- The Wildlife Trust for Bedfordshire, Cambridgeshire and Northamptonshire**
£975,000
An investment towards the purchase of Strawberry Farm.
Space for nature
- Wiltshire Wildlife Trust**
£200,000
An investment towards the purchase of land at Bay Meadows, Wiltshire.
Space for nature
- Woodland Trust**
£910,000
An investment towards the purchase of land at Coombe Farm, Exmouth, Devon.
Space for nature

Infrastructure and New Ideas

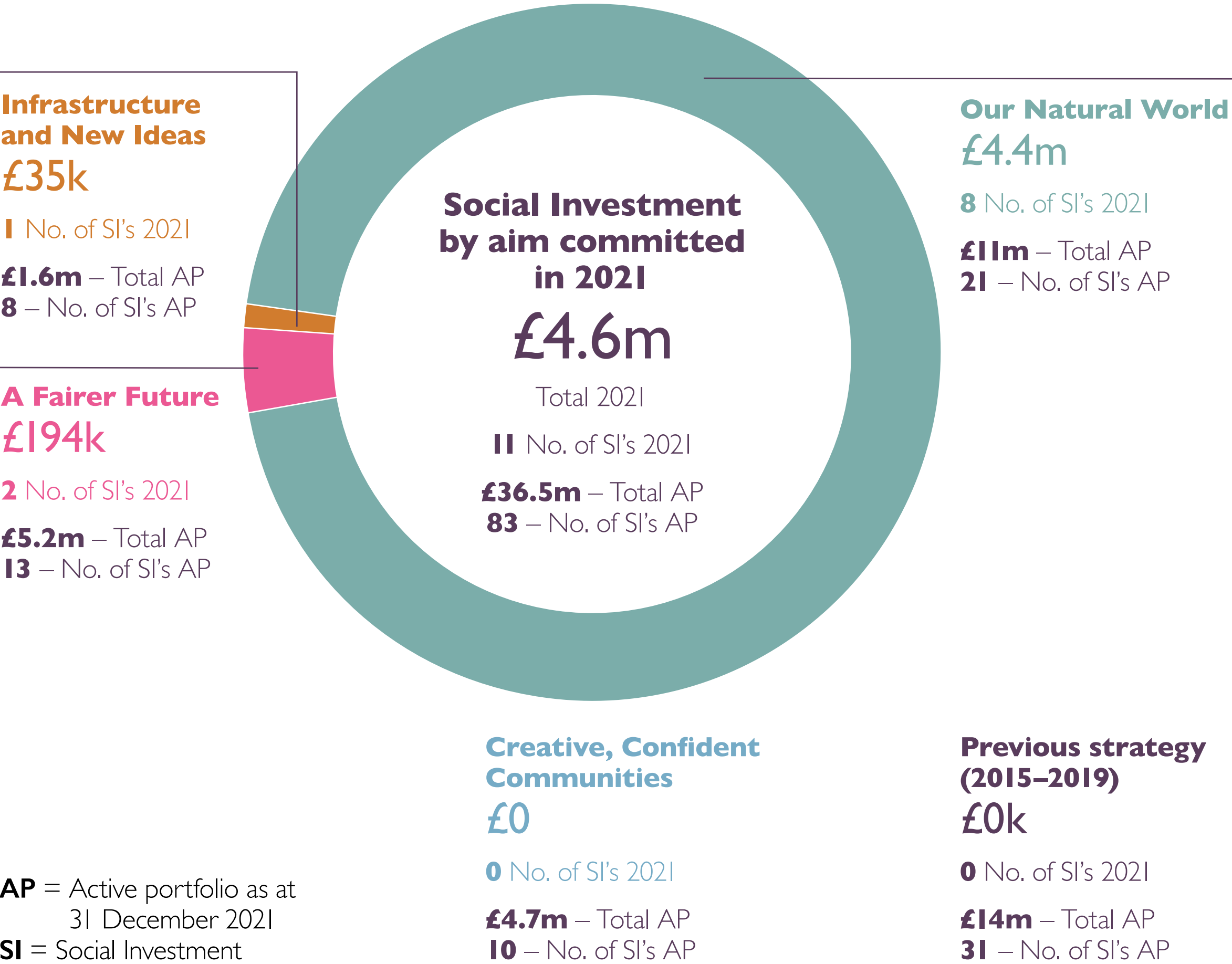
A sector that is creative, enterprising and inventive

- ClearlySo**
£35,000
An investment towards cashflow support to enable the organisation’s survival while it seeks a buyer.

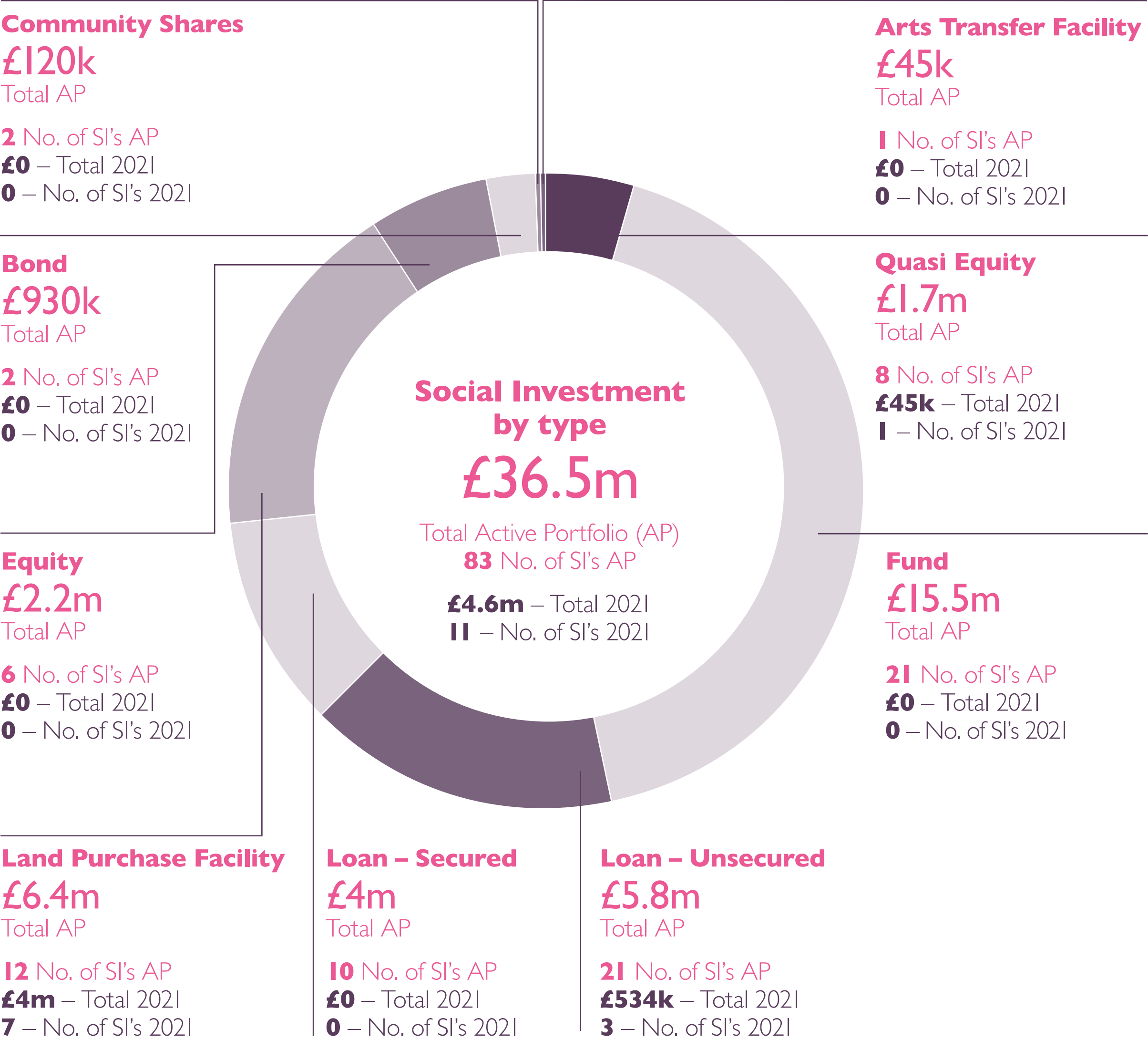
Social investment-related grants

In 2021, we made 11 social investment-related grants totalling £477k. Note, these are included in the overall figures for grant-making and listed on pages 15 to 41.

Social Investment by aim



Social Investment by product type



TASK Fund

TASK Fund

40Tude Curing Colon Cancer £5,000	British Refugee Council £10,000	Climate 2025 Limited £15,000	Gerald Finzi Trust £5,000	Liberdade Community Development Trust £5,000	Natural History Museum £5,000
Alcohol Research UK £5,000	British Trust for Ornithology £13,000	Continuo Foundation £5,000	Give a Book £5,000	LIFEbeat UK £4,000	Neighbours in Poplar £3,000
Alternative Theatre Company £5,000	Britten Pears Arts £15,000	Dagenham and Redbridge Community Trust £10,000	Guy’s and St Thomas’ Foundation £15,000	Love Learning Scotland £10,000	Nordoff Robbins Music Therapy £5,000
Anne Frank Trust UK £5,000	Campaign Against Living Miserably £7,000	Dandelion Time £6,000	Guy’s and St Thomas’ Foundation £5,000	Lower Ure Conservation Trust £15,000	North East Sport £15,000
ASHA North Staffordshire £5,000	Canine Partners for Independence £5,000	David Rattray Memorial Trust £5,000	Home-Start Ashford & District £7,000	Maggie’s Cancer Caring Centres £10,000	Northern Ballet Limited £10,000
Ask the question £10,000	CARE4CALAIS £5,000	Durrell Wildlife Conservation Trust – UK £15,000	Home-Start Horizons £10,000	Manchester Refugee Support Network £5,000	Olympias Music Foundation £10,000
Astley Ainslie Community Trust £5,000	CARE4CALAIS £15,000	East London Music Group £5,000	Home-Start Oxford £5,000	Migration Museum Project £5,000	Orchestra of the Age of Enlightenment £10,000
Best Beginnings £10,000	Chamber Orchestra of Europe £10,000	Edinburgh World Heritage Trust £15,000	Hoping Foundation £5,000	Museum of the Troubles and Peace £10,000	Oxford Bach Soloists £5,000
Black Cultural Archives £5,000	Charities Trust £10,000	Empty Kitchens, Full Hearts CIC £10,000	Howard League for Penal Reform £5,000	National Literacy Trust £12,000	Oxford Lieder £7,500
BLKOUT £10,000	Chelsea Physic Garden £5,000	English Touring Opera £15,000	INQUEST Charitable Trust £5,000	National Museum Scotland Charitable Trust £10,000	Pancreatic Cancer UK £5,000
Bridewell Organic Gardens £5,000	Chess in Schools and Communities £5,000	FANZA (Foundation for Australia & New Zealand Arts) £5,000	Jewish Book Council £5,000	National Opera Studio £7,500	Peace of Mind £2,000
British Film Institute £5,000			Kaa Intrepidus Trust £5,000		Peer UK Ltd £8,000

TASK Fund

Pembroke College £5,000	Scottish Policy Foundation £15,000	Switch the Play £15,000	The Gold from the Stone Foundation £15,000	The Social Bite Fund £15,000	University of Lincoln £2,000
Photography Oxford £2,500	Scottish Refugee Council £10,000	The Advocacy Academy £10,000	The Grange Festival £12,000	The Sustainable Soils Alliance Community Interest Company £10,000	University of Sheffield £10,000
Porchlight £6,000	Shelter £10,000	The Amber Foundation £8,000	The Kensington & Chelsea Foundation £5,500	The Teesside Family Foundation £10,000	Wasafiri £10,000
Queen Elizabeth Scholarship Trust £10,000	Sickle cell and Young Stroke Survivors £10,000	Theatre Development Trust £5,000	The Literature Prize Foundation £15,000	The Telling £5,000	Wincanton Community Venture £5,000
Queercircle £10,000	South Downs National Park Trust £5,000	Theatre Development Trust £10,000	The Magpie Project £15,000	The WB Yeats Bedford Park Project £5,000	Wolfson College £10,000
Red Squirrel Survival Trust £5,000	Southwark Allstars £5,000	The Belgrade Theatre Trust (Coventry) Ltd £5,000	The National Trust £15,000	Thomas Tallis Society £15,000	Wood Street Mission £5,000
Rekindle School Ltd £10,000	Staffordshire Women’s Aid £10,000	The Branch Trust £10,000	The Paul Cottingham Trust £10,000	Together In Musical Expression £10,000	Worcester College £15,000
Resume Foundation £5,000	St Andrews School Association £10,000	The City of Leicester Museums Trust £10,000	The Playground Theatre £3,000	Triangle Arts Trust £5,000	WWF-UK £10,000
Royal Opera House Covent Garden Foundation £10,000	St Bartholomew’s Heritage £14,000	The Clod Ensemble £8,000	The Poetry School £5,000	Tribe Arts £10,000	Yarm Youth and Community Association £3,000
Salusbury World £15,000	St Giles Trust £5,000	The English Concert £15,000	The Salisbury Cathedral Girl Chorister’s Fund £5,000	Tutor the Nation £5,000	Yorkshire Wildlife Trust £15,000
Samling Institute for Young Artist £10,000	St John’s College, Cambridge £10,000	The Europaeum £10,000	The Sick Children’s Trust £3,000	University Hospitals Coventry and Warwickshire Charity £10,000	Zion Arts Centre Limited (Z-arts) £5,000
Sangini £5,000	Swadhinata Trust £5,000	The Friends of the Scrubs £10,000			

Trustees' Report

Objectives and Activities

Esmée Fairbairn Foundation exists and operates for the public benefit. Through setting its strategy and through its funding the Foundation has focused on creating social and environmental impact to improve our natural world, secure a fairer future and strengthen the bonds between communities in the UK. In determining its strategy and in the administration of the Foundation generally, the Trustees have paid due regard to the guidance published by the Charity Commission under section 4 of the Charities Act 2011.

In October 2020, the Foundation launched its [Strategic Plan 2020-25](#).

The Foundation’s primary interests are A Fairer Future, Creative, Confident Communities and Our Natural World. Pages 7 to 12 give an overview of funding, a list of all grants made in 2021 is outlined on pages 14 to 54.

The public benefit created by the Foundation’s grant-making and social investment is demonstrated in this report through listing of grants and social investments that we have made.

Achievements and performance and Plans for future periods

The achievements of the Foundation and its impact, as well as plans for future periods; are outlined in the Chair’s statement on page 4 and the Chief Executive’s report on pages 5 and 6.

Values

Our values are equity, kindness, integrity, ambition, and working together. They act as a guide for Trustees and staff about how we work at Esmée. They are intended to provide a frame of reference for taking actions and making decisions at every level.

Equity



Ambition



Kindness

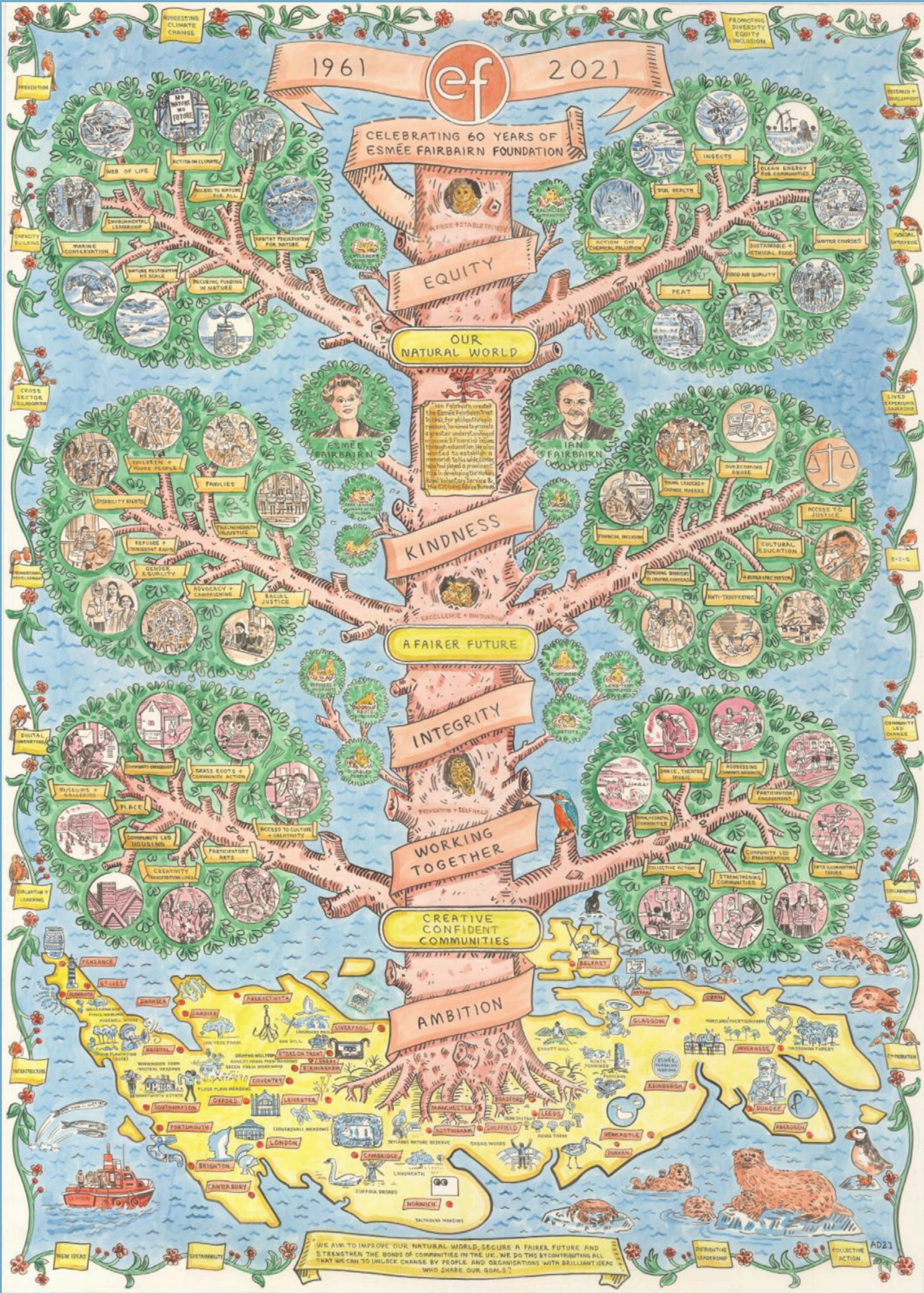


Working together



Integrity





Celebrating 60 years of Esmée Fairbairn Foundation

2021 marked the Foundation’s 60th anniversary. We’re grateful to artist Adam Dant for creating a beautiful artwork to commemorate our 60 years. With the help of Trees for Cities and Woodland Trust, six groves were planted across the four UK nations.

A heartfelt thanks to all the brilliant people and organisations who we have worked alongside over the years. We’re so proud of all that we have achieved together.



The occasion was also a chance to reflect over our 60 years, and to celebrate the incredible changes we have played a small role in making, as well as what’s important to us.

Special thanks to Creative Studios for helping to capture it.



Woodland Trust



North Sea Wildlife Trust



B Arts



We Belong



Family Rights Group



Woodland Trust



Plunkett Foundation

Financial Review

Financial policies

The Foundation’s finance and investment policies are intended to provide long-term stability and liquidity sufficient for the financing of the Foundation’s grants and social investments while maintaining the real value of the endowment.

The Foundation has an Investment Policy Statement that sets out the long-term investment objective, risk-profile, strategic asset allocation and investment restrictions as well as encompassing our policies on Responsible Investment. This is reviewed annually. The Foundation’s strategic asset allocation reflects a total-return objective without specific focus on income-generating investments. This approach means that we consider all sources of return, including interest, dividends, capital distributions from funds, and realised and unrealised gains and losses. Income alone would not usually meet all of our future spending needs.

Funding targets are arrived at with consideration given to the average value of the investment portfolio, but may be adjusted to take account

of need and operational capacity. Funding targets may be over or under-spent in an individual year. The Foundation’s support and governance spend is set by reference to total spend levels to ensure it remains reasonable and proportionate.

All funds held by the Foundation are unrestricted and available to the Foundation to apply for the general purposes of the Foundation as set out in its governing document. The Foundation aims to achieve a total return of RPI +4% in order to meet its spending requirements. At the year-end the value of reserves held was £1,446 million.

Review of spending

During 2021 the Foundation spent £56.4m (2020 £57.1m) on grant-making and social investment. Support spend was £3.3m (2020: £3.0m), or 5.6% (2020: 5.0%) of our total spend. Grant-making spend for the year was £51.6m (2020: £53.5m).

Social investments committed to in 2021 were £4.6m (2020: £4.0m) across 11 investments (2020: 12). Drawdowns during the year

amounted to £4.7m (2020: £3.6m). At the end of the year the Foundation’s social investment portfolio was £20.2m (2020: £18.8m), with an additional £6.1m (2020: £6.7m) committed but not yet drawn. The draw down limit for our social investment portfolio is £45 million.

Investment review

Our investments ensure that we can keep working to improve our natural world, secure a fairer future and strengthen the bonds in communities in the UK for decades to come.

The market value of the Foundation’s investments at the end of 2021 was £1.482 billion (2020: £1.172 billion), an increase of £309.9 million after spending. The portfolio outperformed by 19.3% in 2021. The total return was 31.1% in 2021 (2020: 12.0%)

Annualised performance over	Actual return %	Target return (UK RPI+4%) %	Over/(under) performance %
1 year	31.1	11.8	19.3
3 years	17.5	7.8	9.7
5 years	12.6	7.7	4.9
since inception (2000)	8.1	7.0	1.1

compared to the Foundation’s long-term investment objective (RPI+4%) which was up 11.8% during the year (versus 5.2% in 2020).

Looking back over one-year, three years, five years and since inception, the performance on an annualised basis of the portfolio against our long-term investment objectives is as per the table below.

Financial market performed strongly in 2021 despite a backdrop of concerns including the ongoing global pandemic, supply chain issues and concerns over rising inflation. The MSCI All World (GBP) rose by 19.6%. The S&P was up 26.9% in US dollar terms.

Earnings growth was the main driver of stock returns and the strong performance of the largest technology

companies such as Microsoft, Google, Apple and Tesla was a factor in driving indices higher. Given that strong stock performance was concentrated in a few areas, 2021 was a challenging year for active funds to outperform index funds.

The economic recovery, particularly in the US, has been remarkably robust and very low interest rates continued to contribute to the high valuation of risk assets. Key bond market indices to post their first losses since 2013.

Looking forward, we expect inflation levels to stay elevated and believe

that our focus on high quality and innovative companies with pricing power will provide a level of protection for the portfolio. We will likely underperform in an environment where commodities and lower quality cyclicals are leading for the market.

A period of high inflation and low growth (“stagflation”) would be a challenge for the portfolio with most asset classes underperforming but we have a relatively high level of cash and liquid assets that could be used to cover our spending

	2021 %	2020 %	Change %
Return Drivers			
Global equities	33.4	32.6	0.8
Emerging equities	3.3	3.8	(0.5)
Private investments	37.4	30.8	6.6
Hedge funds	7.3	10.3	(3.0)
Diversifiers			
Low volatility funds	10.2	14.0	(3.8)
Cash			
Investment cash	8.5	8.1	0.4
Currency hedge	(0.1)	0.4	(0.5)

Financial Review *continued*

requirements. We regularly conduct stress tests to anticipate how the portfolio would perform in different scenarios and we are holding a year's worth of grant spending in a separate cash reserve outside the main endowment in recognition of the uncertain environment.

Our core global funds were up 20.6%, versus their benchmark which was up 23.0%. Our non-core global funds were up 12.3% versus their benchmark which was down 1.6%.

Our private investment funds rose by 84.6% during 2021, far exceeding their benchmark, with re-rating of some of our mature, venture capital fund being particularly material. A number of positions are unrealised and we expect performance to be volatile over the coming quarters.

Results in any one year need to be seen in the context of progress over longer time horizons and we continue to look for managers with a strong team, a clear approach to stock selection and a thoughtful, long-term approach to investment.

The Foundation's funding and operational costs are in sterling,

the majority of our investments are not. We continue to run a passive currency hedging programme which reduces the impact of currency fluctuations on performance and has the effect of lifting the endowment's effective exposure to sterling.

See the second table on page 58 for the portfolio's asset allocation at the end of the year.

Responsible investment

We are aware that the Foundation's mission or its credibility may be undermined if we invest in businesses whose activities undermine our values and grant-making objectives.

We are in the process of transitioning our portfolio to managers who place ESG (environmental, social and governance) considerations at the centre of their investment process. We avoid investing in new funds which might have holdings that conflict directly with the outcomes of our funding and we are continually looking to upgrade our list of managers to those with a strong approach to responsible investing.

We also have a £25m allocation within our endowment to funds

looking to achieve enhanced ESG impact alongside financial return. This allocation is for funds which may not fit within our mainstream investments due to size, focus or risk profile.

Separately in 2021, we launched a £10m impact investing allocation, managed by our social investment team, in conjunction with our investment consultants, which will focus entirely on impact funds. We will use this pilot to inform our longer-term investment strategy. The starting point for our impact investing decisions will be the intent to generate positive, measurable social and environmental outcomes (the impact) alongside the achievement of financial returns in lockstep.

Within our endowment, we aim to be proactive asset owners by engaging with companies on issues that are aligned with our funding priorities. We work with other foundations and investors through the Charities Responsible Investment Network and look for opportunities to promote corporate behaviour which is in the interests of long-term shareholders.

The Foundation is a signatory to the United Nations' Principles for Responsible Investment (UNPRI)

and to the UK Funder Commitment on Climate Change. We are one of a growing number of foundations who recognize that the growing climate emergency is a serious risk to the pursuit of our charitable aims. You can see an update on our progress towards the Funder Commitment on Climate Change's six goals on our [website](#).

In 2021, we made a commitment that our investment portfolio will be net zero in terms of carbon emissions by 2040 at the latest. But we believe that the actions we have already taken and what we do now over the next decade, is what will make the most difference.

We are aware that simply divesting from certain shares does not have a direct impact in the real world. Our preference, as shareholders, is to encourage businesses to change to a low carbon operating model and we can do this by voting and engagement.

On a ten-year time horizon, we will have aligned the investment portfolio with the goals of the Paris Climate accord. Some actions will be particularly challenging, but they are firmly aligned with our focus on

being a long-term investor and will ultimately be beneficial to our investment portfolio.

Risk management

The Trustee Board is responsible for the oversight of the risks faced by the Foundation. The Trustee Board and Audit and Risk Committee regularly review the Foundation's risk position, internal controls assessment and compliance with relevant statutory and finance regulations.

The Foundation has a risk-management process designed to identify the major risks that could impact on the aims in the Foundation's Strategic Plan. This process identifies the major risks the Foundation faces, the likelihood of occurrence, the significance of the risk, and any mitigating controls that are in place. It also seeks to identify any actions and resources required to manage these risks further.

The Foundation's investment activities are its main financial risk. This risk is managed, with the support of investment advisers, through: regular review of our investment policy;

management of strategic asset allocation; risk measurement and reporting; independent valuation and performance reporting; diversification across a broad range of asset classes, geographies, investment managers and investment strategies; and ongoing market and manager updates and due diligence.

The levels of manager concentration, currency exposure, leverage and liquidity are also key factors in managing the risks of the investment portfolio. Policies and restrictions to help manage these risks are included in the Investment Policy Statement.

Structure, Governance and Management

The operation of Esmée Fairbairn Foundation is governed by a Charity Commission Scheme, dated 14 January 2002, which enables the assets to be applied by the Trustees at their discretion for general charitable purposes. The Charity Commission approved an incorporation of the Trustee body on 16 June 2008 in the name of The Trustees of Esmée Fairbairn Foundation.

The Foundation is a charity registered in England and Wales, number 200051.

Trustee Board

The Foundation's Trustees are listed on page 76 of this report. The Trustee Board meets six times each year to set and oversee the delivery of the Foundation's strategy. A number of Trustee committees support the work of the Foundation throughout the year.

The Foundation has a clear organisational structure with documented lines of authority and delegation, which is reviewed regularly by the Audit and Risk Committee and the Trustee Board. The Foundation also has segregation of duties with regard to governance, management, grant-making, social investments, finance and investment. Procedures are in place for documenting decisions, actions and issues.

An induction programme is put in place for new Trustees.

Audit and Risk Committee

The Audit and Risk Committee reviews and recommends to the Trustee Board systems of internal control on financial and governance issues and oversees risk management. It also reviews the draft Annual Report and Accounts and meets with the Foundation's external auditors.

Finance and Administration Committee

The Finance and Administration Committee reviews and recommends to the Trustee Board annual budgets, staff remuneration and benefits. It also oversees major property, IT, governance and other projects.

The salaries of the senior management team are set by the Finance and Administration Committee and includes reference to peers and other comparators.

Investment Committee

The Investment Committee formulates investment policy, oversees its implementation, manages overall asset allocation, monitors investment performance and reports to the Trustee Board.

Nominations Committee

The Nominations Committee makes recommendations to the Trustee Board on the appointment of new Trustees.

Funding decisions

An Executive Committee takes decisions on grants up to £60,000. An Approvals Committee, comprising Trustee and Executive members, takes decisions on grants and awards up to £200,000 and social investments up to £400,000. All decisions on grants and awards over £200,000 and social investments over £400,000 go to the Trustee Board.

Statement of Trustees’ Responsibilities

In respect of the Trustees’ Annual Report and the financial statements

Under charity law, the trustees are responsible for preparing a Trustees’ Annual Report and financial statements in accordance with applicable law and regulations.

The trustees are required to prepare the charity financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

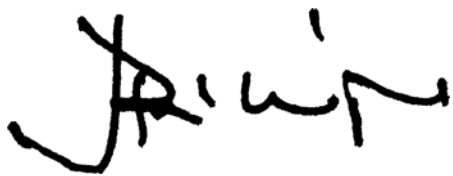
The charity’s financial statements are required by law to give a true and fair view of the state of affairs of the charity and its incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the charity financial statements;
- state whether the charity financial statements comply with the Scheme rules, subject to any material departures disclosed and explained in the financial statements;
- assess the charity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations or have no realistic alternative but to do so.

The trustees are required to act in accordance with the Scheme rules of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity’s transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

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



Sir Jonathan Phillips
Chair
26 April 2022

Independent Auditor’s Report

to the Trustees of Esmée Fairbairn Foundation

Opinion

We have audited the financial statements of Esmée Fairbairn Foundation (“the charity”) for the year ended 31 December 2021, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity’s affairs as at 31 December 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease their operations, and as they have concluded that the charity’s financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements (“the going concern period”).

In our evaluation of the trustees’ conclusions, we considered the inherent risks to the charity’s business model and analysed how those risks might affect the charity’s financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- We consider that the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
- We have not identified, and concur with the trustees’ assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity’s ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee and inspection of policy documentation as to the Charities high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Trustees’ meetings, investment committee strategy meetings and audit and risk committee meetings minutes.
- Considering remuneration incentive schemes and performance targets for management.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is non-judgmental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management/ those posted and approved by the same user/ those posted to unusual accounts.

Independent Auditor’s Report *continued*

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience ,and through discussion with management (as required by auditing standards) and discussed with management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), taxation legislation and the Charities Act legislation and we assessed the extent of compliance

with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Charity’s license to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, data protection, anti-money laundering and specific areas of regulatory capital and liquidity and certain aspects of company legislation recognising the nature of the Charities activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management, inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises the Trustees’ Annual Report; Overview and Funding. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees’ Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Independent Auditor’s Report *continued*

Trustees’ responsibilities

As explained more fully in their statement set out on page 61, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity’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 they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities

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 our opinion in an auditor’s report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC’s website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity’s trustees as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity’s trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Neil Palmer
For and on behalf of KPMG LLP,
Statutory Auditor

26 April 2022

Chartered Accountants

15 Canada Square
London
E14 5GL

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities

For the year ended 31 December 2021

	Notes	2021 £'000 Unrestricted	2020 £'000 Unrestricted
Income and endowments from:			
Investments	2	4,519	4,363
Other	2	558	427
Total		5,077	4,790
Expenditure on:			
Raising funds	3, 5	3,492	3,299
Charitable activities	4, 5	54,945	56,528
Total		58,437	59,827
Net gains on investments	9	356,844	126,391
Net income		303,484	71,354
Other recognised losses:			
Loss on disposal of tangible assets		9	-
Net movement in funds		303,475	71,354
Funds at 1 January		1,142,354	1,071,000
Funds at 31 December	15	1,445,829	1,142,354

The notes on pages 67 to 75 form part of these accounts.
The Foundation has no recognised gains or losses other than the net movement in funds for the year.

The net income and resulting net movement in funds in each of the financial years are from continuing operations.

Balance Sheet

At 31 December 2021

	Notes	2021 £'000 Unrestricted	2020 £'000 Unrestricted
Fixed assets			
Tangible assets	8	217	292
Investments	9	1,481,581	1,171,679
Social investments	10	20,204	18,802
Total fixed assets		1,502,002	1,190,773
Current assets			
Debtors	11	199	195
Cash at bank and in hand		2,422	2,817
Total current assets		2,621	3,012
Creditors: Amounts falling due within one year	12	(30,896)	(30,507)
Net current liabilities		(28,275)	(27,495)
Total assets less current liabilities		1,473,727	1,163,278
Creditors: Amounts falling due after more than one year	13	(27,828)	(20,854)
Provisions: for liabilities	14	(70)	(70)
Total net assets	15	1,445,829	1,142,354

The notes on pages 67 to 75 form part of these accounts.
The accounts were approved and authorised for issue by the Trustee Board on 26 April 2022.

Signed in the name and on behalf of The Trustees of Esmée Fairbairn Foundation:
 Sir Jonathan Phillips
Chairman

Cash Flow Statement

For the year ended 31 December 2021

	Notes	2021 £'000	2020 £'000
Net cash used in operating activities	18	(51,795)	(63,849)
Cash flows from investing activities			
Income from investments		4,519	4,363
Sale of investments		323,057	372,985
Purchase of investments		(246,897)	(281,638)
Increase in investment cash		(36,774)	(24,813)
Decrease/(increase) in other investment balances		4,322	(9,377)
Cash inflow on derivative financial instruments		3,234	3,643
Purchase of tangible fixed assets		(58)	(163)
Net cash provided by investing activities		51,403	65,000
Cash flows from financing activities			
Cash outflow to finance lease commitments		(3)	(3)
Net cash used in financing activities		(3)	(3)
Change in cash in the year		(395)	1,148
Cash brought forward		2,817	1,669
Cash carried forward		2,422	2,817

The notes on pages 67 to 75 form part of these accounts.

Notes to the accounts

Basis of accounting and accounting policies

Legal status

The Foundation is a charity registered in England and Wales, number 200051. The operation of Esmée Fairbairn Foundation is governed by a Charity Commission Scheme, dated 14 January 2002, which enables the assets to be applied by the Trustees at their discretion for general charitable purposes. The Charity Commission approved an incorporation of the Trustee body on 16 June 2008 in the name of The Trustees of Esmée Fairbairn Foundation.

Basis of accounting

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it

applies including update bulletin 1 applicable from 1 January 2016 and update bulletin 2 applicable from 1 January 2019.

The accounts have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’.

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

Judgements made by the Trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed toe in relation to the valuation of investments and are discussed below.

The Trustees are satisfied that the Foundation has sufficient reserves and liquidity within the investment portfolio to continue as a going concern for the next 12 months from the date of approval of these financial statements. Cash flow forecasts are regularly prepared; assets within the investment

portfolio can be liquidated to meet short term requirements. The Trustees are satisfied that the Foundation’s ability to continue operating throughout COVID with minimal disruption to operations, and that the Foundation’s capacity to continue as a going concern will note effected under the current pandemic scenario.

Incoming resources

Incoming resources are recognised in the Statement of Financial Activities in the period in which the Foundation becomes entitled to receipt. Dividend income and related tax credits are recognised from the ex-dividend date when they become receivable.

Resources expended

Direct costs of generating funds, charitable activities and support costs are charged to the relevant category or activity according to the area to which the expenditure relates. Support costs incurred that relate to more than one cost category are apportioned based on the number of full-time equivalent staff allocated to that activity.

Grants are recognised as expenditure in the year in which they are approved and such approval has been communicated to the recipients, except to the extent that they are subject to conditions that enable the Foundation to revoke the award.

Pension

The Foundation operates a defined contribution group personal pension scheme for employees. The assets of the scheme are held separately from those of the Foundation. The annual contributions are charged to the Statement of Financial Activities.

Irrecoverable VAT

Irrecoverable Value Added Tax (VAT) is included in the Statement of Financial Activities within the expenditure to which it relates.

Taxation

The Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is

potentially exempt from UK taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 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.

To the extent that the Foundation engages in overseas activity, or derives income from overseas, it may incur a foreign tax liability depending on the application of the tax legislation in the relevant jurisdiction.

Tangible fixed assets

Tangible fixed assets are included in the balance sheet at cost less accumulated depreciation. Leasehold improvements are depreciated over the term of the lease. Office and computer equipment is depreciated at between 20% and 33% per annum. Depreciation is charged on a straight-line basis over the assets’ useful lives.

Leased assets

Assets obtained under finance leases are capitalised as tangible fixed assets and depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Foundation. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payments is charged to the Statement of Financial Activities over the period of the lease.

All other leases are operating leases. Operating lease annual rentals are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

Investments

Quoted investments

Quoted investments are stated at market value at the balance sheet date. Asset purchases and sales are recognised at date of trade.

I. Basis of accounting and accounting policies *continued*

Unquoted investments

Unquoted investments are valued at the Foundation’s best estimate of fair value as follows:

Pooled investments are stated at fair value, the basis of fair value being the market value of the underlying investments held. These valuations are provided by the fund managers and are subject either to independent valuation or annual audit.

Unquoted hedge funds are valued by reference to the market value of their underlying investments. These valuations are provided by the third party hedge fund administrators.

Private equity investments are held through funds managed by private equity groups. As there is no identifiable market price for private equity funds, these funds are included at the most recent valuations from the private equity groups where:

i. the private equity group provides a fair value that complies with the International Private Equity and Venture Capital Valuation Guidelines; or

ii. the private equity group provides valuations that comply with International Financial Reporting Standards or US GAAP.

Where a valuation is not available at the balance sheet date, the most recent valuation from the private equity group is used, adjusted for cashflows and foreign exchange movements and any impairment between the most recent valuation and the balance sheet date.

Derivative financial instruments

Derivatives are recognised in the balance Sheet at fair value. Where the Foundation uses forward currency contracts to reduce currency exposure in its investment portfolio the fair value of these forward exchange contracts is estimated by using the gain or loss that would arise from closing the contract at the balance sheet date. Managers of segregated funds may enter into derivatives as part of their portfolio risk management, fair values of these derivatives are provided by the fund managers.

Social Investments

Social investments that are loans are accounted for at the outstanding amount of the loan less any provision for unrecoverable amounts. Unquoted equity, social investment funds and partnerships, and similar social investments are held at cost, less any provision for diminution in value, unless the Foundation is able to obtain a reliable estimate of fair value. Quoted investments are stated at market value at the balance sheet date.

Realised and unrealised gains and losses on investments

Realised and unrealised gains and losses on programme-related investments are included in ‘charitable activities’ within the Statement of Financial Activities.

Realised and unrealised gains and losses on all other investment assets are included in ‘Net gains on investments’ within the Statement of Financial Activities.

Realised and unrealised gains and losses on foreign exchange transactions

Transactions denominated in foreign currency are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate ruling at the balance sheet date. All gains and losses on exchange, realised and unrealised, are included in the appropriate income or expenditure category in the Statement of Financial Activities.

Provisions

Provisions have been made for possible future liabilities arising from contracts entered into by the Foundation.

Related party transactions

Transactions with related parties are disclosed in the notes to these financial statements. The Foundation’s policy is for Trustees, Executive and advisers to declare their interest and exempt themselves from all relevant discussions and decisions which may involve a transaction with a related party or in which they may have a conflict of interest.

2. Income and endowments

Income from investments	2021 £'000	2020 £'000
Equity investments	230	713
Multi-asset investments	—	—
Alternative investments	3,277	2,776
Fixed income investments	1,000	540
Investment cash and other investment balances	12	334
Total income from investments	4,519	4,363
Other income	2021 £'000	2020 £'000
Bank interest	—	4
Income from social investments	558	423
Total other income	558	427

3. Expenditure on raising funds

	2021 £'000	2020 £'000
Advisers' and custodian fees and borrowing costs	2,960	2,720
Direct staff and other costs	219	242
Support cost allocation	313	337
Total expenditure on raising funds	3,492	3,299

4. Expenditure on charitable activities

	2021 £'000	2020 £'000
Grant funding	51,625	53,528
Direct staff and other costs	1,249	1,005
Support cost allocation	2,071	1,995
Total expenditure on charitable activities	54,945	56,528

Grants and Social Investments approved in the year are listed on pages 14 to 51 in the Annual Report accompanying these accounts.

5. Support cost allocation

	Raising funds £'000	Charitable activities £'000	2021 £'000	2020 £'000
Support staff costs	130	799	929	881
Premises, technology and other costs	183	1,272	1,455	1,451
Total support costs	313	2,071	2,384	2,332
Total support costs for the prior year	337	1,995		

Total Trustees' expenses of £3,647 (2020: £1,891) are included in support costs and in costs of generating funds. Expenses were reimbursed to 8 (2020: 6) Trustees during the year and were related to travel. The Trustees received no remuneration for their role as Trustee during this or the preceding year.

6. Staff costs

	2021 £'000	2020 £'000
Salaries	1,828	1,624
Social security costs	209	186
Pension contributions	227	201
Other staff related costs	127	117
Total staff costs	2,391	2,128

The Foundation operates a defined contribution group personal pension scheme and makes employer contributions of 12.5% when matched by a 5% employee contribution.

The Foundation considers its key management personnel comprise the trustees and the senior management team. The senior management team consists of 7 (2020: 7) employees, 7 (2020: 6.9) on a full-time basis. The total employment benefits including employer pension contributions of the senior management team were £645,291 (2020: £574,817). The Trustees are not remunerated.

The average number of employees during the year calculated on a full-time basis was as follows:

	2021	2020
Investment management and oversight	3	3
Funding	30	26
Governance	2	2
Total number of employees	35	31

The average number of employees during the year calculated on a head count basis was 36 (2020: 32).

The number of employees who received remuneration of more than £60,000 in the year was as follows:

	2021	2020
£60,000 - £69,999	3	4
£70,000 - £79,999	2	—
£80,000 - £89,999	2	2
£90,000 - £99,999	—	—
£100,000 - £109,999	—	—
£110,000 - £119,999	—	1
£120,000 - £129,999	1	—

All the employees paid over £60,000 had employer contributions, equal to 12.5% of salary, made under the group personal pension scheme, this is consistent with the approach for all employees.

7.Auditor’s Remuneration

The auditor’s remuneration constituted an audit fee of £61,200 (2020: £59,472) and additional tax advisory work of £17,160 (2020: £13,320).

8. Tangible fixed assets

	Leasehold improvements £'000	Office and computer equipment £'000	Total £'000
Cost			
At 1 January 2021	527	682	1,209
Additions in the year	–	58	58
Disposals in the year	–	(50)	(50)
At 31 December 2021	527	690	1,217
Accumulated depreciation			
At 1 January 2021	527	390	917
Depreciation charge for year	–	124	124
Accumulated depreciation on disposals	–	(41)	(41)
At 31 December 2021	527	473	1,000
Net book value			
At 31 December 2021	–	217	217
At 1 January 2021	–	292	292

The net book value of assets held under finance leases included above is £15,340 (2020: £2,569) and the depreciation charge on these assets for the year was £260 (2020: £3,151).

9. Investments

	2021 £'000	2020 £'000
i) Market value		
Equity investments	516,940	423,978
Fixed income investments	30,568	31,462
Alternative investments	764,010	572,228
Money market investments	45,005	45,003
Investment cash	111,951	75,578
Other investment balances	14,599	18,921
Derivative financial instruments	(1,492)	4,509
Total market value of investments	1,481,581	1,171,679

Investment cash includes all cash balances managed as part of the investment portfolio. Other investment balances include collateral related to the forward currency contracts, accrued income, amounts receivable on investment sales and accrued investment costs.

The Foundation has entered into commitments to invest in private equity funds and venture capital funds. At the balance sheet date outstanding commitments totalled £94.0m (2020: £93.3m). The Foundation models its cashflows based upon the original commitment.

9. Investments *continued*

ii) Purchases, sales, gains and (losses)	Market value 2020 £'000	Purchases £'000	Sale proceeds £'000	Investment gain/(loss) £'000	Market value 2021 £'000
Market value					
Equity investments	423,978	109,263	(88,814)	72,513	516,940
Fixed income investments	31,462	10,000	(11,064)	170	30,568
Alternative investments	572,228	127,634	(223,179)	287,327	764,010
Money market investments	45,003	-	-	2	45,005
Total	1,072,671	246,897	(323,057)	360,012	1,356,523
iii) Reconciliation to book cost	Book cost 2020 £'000	Purchases £'000	Sale proceeds £'000	Investment gain/(loss) £'000	Book cost 2021 £'000
Book cost and realised gains					
Equity investments	281,176	109,263	(88,814)	15,353	316,978
Fixed income investments	30,237	10,000	(11,064)	301	29,474
Alternative investments	384,835	127,634	(223,179)	117,181	406,471
Money market investments	45,000	-	-	-	45,000
Total book cost	741,248	246,897	(323,057)	132,835	797,923
Market value adjustment					
Unrealised gains	331,423			227,177	558,600
Total	1,072,671	246,897	(323,057)	360,012	1,356,523

			2021	2020
iv) Derivative financial instruments			£'000	£'000
Derivative position at year end			(1,492)	4,509
Derivative financial instruments total net positions			(1,492)	4,509
v) Realised and unrealised gains/ (losses) on investments			2021	2020
	Realised gain/(loss) £'000	Unrealised gain/(loss) £'000	£'000	£'000
Equity investments	15,353	57,160	72,513	46,035
Multi-asset investments	-	-	-	(2,138)
Fixed income investments	301	(131)	170	4,101
Alternative investments	117,181	170,146	287,327	76,184
Money market investments	-	2	2	3
	132,835	227,177	360,012	124,185
Investment cash and other investment balances	2,734	(3,135)	(401)	3,250
Derivative financial instruments	3,234	(6,001)	(2,767)	(1,044)
Total gains on investments	138,803	218,041	356,844	126,391
Gains in the prior year	98,437	27,954	126,391	

9. Investments *continued*

	2021 £'000	2020 £'000
vi) UK and overseas holdings		
Equity investments		
Overseas listed	114,400	94,732
Overseas unlisted	299,857	258,793
UK listed	48,371	39,570
UK Unlisted	54,312	30,883
	516,940	423,978
Fixed income investments		
Overseas listed	30,568	31,462
	30,568	31,462
Alternative investments		
Overseas listed	-	22,114
Overseas unlisted	756,382	541,151
UK unlisted	7,628	8,963
	764,010	572,228
Money market investments		
Overseas listed	45,005	45,003
	45,005	45,003
Total	1,356,523	1,072,671

Domicile of investment holdings is determined by the place of listing of the fund vehicle not of the underlying securities held therein.

10. Social Investments

	Market value 2020 £'000	Transferred £'000	Drawn £'000	Repaid £'000	Investment gain/(loss) £'000	Market value 2021 £'000
Market value						
Equity investments	1,893	-	-	-	-	1,893
Fixed income investments	7,378	(9)	708	(1,430)	(35)	6,612
Alternative investments	9,531	9	4,033	(1,594)	(280)	11,699
	18,802	-	4,741	(3,024)	(315)	20,204

Reconciliation of book cost to market value has not been disclosed as the market value of the portfolio is not materially different from cost.

Alternative investments comprise land and property, social investment funds and partnerships, quasi-equity investments and social impact bonds.

At the year end £6.1m (2020 £6.7m) of social investment had been committed but remained undrawn, and a further £3.2m (2020 £3.1m) was approved subject to agreement of terms, making a total promised of £9.3m (2020: £9.8 million).

Social Investments approved in the year are listed on pages 49 to 51 in the Annual Report accompanying these accounts.

11. Debtors

	2021 £'000	2020 £'000
Prepayments and other debtors	199	195
As at 31 December	199	195

12. Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Grant commitments	30,715	30,314
Accruals	150	158
Trade and other creditors	28	33
Commitments due under finance leases	3	2
As at 31 December	30,896	30,507

13. Creditors: amounts falling due after one year

	2021 £'000	2020 £'000
Grant commitments	27,816	20,854
Commitments due under finance leases	12	-
As at 31 December	27,828	20,854

14. Provisions

	2021 £'000	2020 £'000
As at 1 January	70	70
Charge for the year	-	-
As at 31 December	70	70

The provision relates to possible future liabilities arising from contracts entered into by the Foundation.

15. Reserves

	2021 £'000	2020 £'000
As at 1 January	1,142,354	1,071,000
Net income	303,484	71,354
Other recognised losses	(9)	-
Net movement in funds in the year	303,475	71,354
As at 31 December	1,445,829	1,142,354

All funds held by the Foundation are unrestricted and available to the Foundation to apply for the general purposes of the Foundation as set out in its governing document.

16. Operating leases

At year end the Foundation had lease agreements in respect of property for which payments extend over a number of years.

Total future minimum lease payments under non-cancellable operating leases for each of the following periods:	2021 £'000	2020 £'000
Not later than one year;	661	661
Later than one year and not later than five years	237	897
Total future minimum lease payments under non-cancellable operating leases	898	1,558

17. Related party transactions

There were no related party transactions during the year or in the prior year.

18. Reconciliation of net income to cash flow from operating activities

	2021 £'000	2020 £'000
Net income for the reporting period	303,475	71,354
Depreciation charge for the year	124	112
Loss on disposal of tangible assets	9	-
Finance lease commitment	16	-
Gains on investments	(356,844)	(126,391)
Income from investments	(4,519)	(4,363)
Increase in debtors	(4)	(182)
Increase/(decrease) in creditors	7,350	(2,914)
Cash outflow to social investments	(4,741)	(3,612)
Cash inflow from social investments	3,024	1,988
Increase in social investments provisions	315	159
Net cash used in operating activities	(51,795)	(63,849)

Trustees, Senior Management Team, Committees and Advisers

Trustees

Sir Jonathan Phillips
Chair

Professor Claire Alexander

Edward Bonham Carter

Tom Chandos

Joe Docherty

Flora Fairbairn

John Fairbairn

Beatrice Hollond

Professor David Hill CBE

Kate Lampard CBE

Dame Stella Manzie CBE
(to 01.03.2022)

Eleanor Updale

Dr Wanda Wyporska

Senior Management Team

Dame Caroline Mason CBE
Chief Executive

James Wragg
Chief Operating Officer

Matt Cox
Investment Director

Gina Crane
Director of Communications
and Learning

Veda Harrison
Director – A Fairer Future and
Creative, Confident Communities

Liam McAleese
Director – Our Natural World

Sharon Shea
Director of Portfolio

*A full list of staff can be found
on the website.*

Committees

Audit and Risk Committee

Professor David Hill CBE
Chair

Professor Claire Alexander
(from 10.02.2022)

John Fairbairn

Dame Stella Manzie CBE
(to 01.03.2022)

Finance and Administration
Committee

Sir Jonathan Phillips
Chair

Tom Chandos

Beatrice Hollond

Investment Committee

Beatrice Hollond
Chair

Tom Chandos

Edward Bonham Carter

Joe Docherty

Dame Caroline Mason CBE

Jason Mitchell
(Co-opted member
from 01.01.2022)

Gautham Radhakrishnan
(Co-opted member
from 01.01.2022)

Peter Readman
(Co-opted member –
to 31.12.2021)

Nominations Committee

Sir Jonathan Phillips
Chair

Edward Bonham Carter

John Fairbairn

Kate Lampard CBE

Advisers

Auditor

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15 Canada Square
London E14 5GL

Solicitors

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London Bridge
London EC4R 9HA

Veale Wasbrough Vizards LLP
24 King William Street
London EC4R 9AT

Bankers

Royal Bank of Scotland plc
London Victoria (A) Branch
119/121 Victoria Street
London SW1E 6RA

Investment Advisers

Cambridge Associates Ltd
Cardinal Place
80 Victoria Street
London SW1E 5JL

Custodian

JPMorgan Chase Bank, N.A.
25 Bank Street
Canary Wharf
London E14 5JP

Our History



In 1961 Ian Fairbairn, a leading City figure, decided to endow a charitable foundation with the bulk of his holdings in M&G, the company he had joined some 30 years before.

M&G was a pioneer of the unit trust industry in the UK. It grew out of Ian Fairbairn's determination that investments in equities, previously the preserve of the affluent, should be available to all – giving everyone the potential to own a stake in the nation's economy.

His purpose in establishing the Foundation was two-fold. In the interests of wider prosperity, he aimed to promote a greater understanding of economic and financial issues through education. He also wanted to establish a memorial to his wife, Esmée, who had played a prominent role in developing the Women's Royal Voluntary Service and the Citizens Advice Bureau. She was killed in an air-raid during the Second World War. Prior to Ian's death in 1968 he indicated that the Foundation should support a broad range of charitable purposes.

Esmée Fairbairn's sons, Paul and Oliver Stobart, also contributed generously to the Foundation established in their mother's memory.

In 1999 the Foundation sold its holding in M&G as part of the company's takeover by the Prudential Corporation plc. As a result, the Foundation's endowment grew significantly in value as did the size and scope of the grants it was able to make.

Today, Esmée Fairbairn Foundation is one of the largest independent funders in the UK.

Photo credits

Esmée Fairbairn Foundation

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