

Company Number: 5042279

Paul Hamlyn Foundation

Trustee Report and Financial Statements

2008/09

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# Paul Hamlyn Foundation

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Paul Hamlyn was an entrepreneur, publisher and philanthropist, committed to providing new opportunities and experiences for people regardless of their background. From the outset, his overriding concern was to open up the arts and education to everyone, but particularly to young people. In 1987, he established the Paul Hamlyn Foundation for general charitable purposes.

Since then, we have continuously supported charitable activity in the areas of the arts, education and learning and social justice in the UK, enabling individuals, especially children and young people, to experience a better quality of life. We also support local charities in India that help the poorest communities in that country get access to basic services.

Paul Hamlyn died in August 2001, but the magnificent bequest of most of his estate to the Foundation enabled us to build on our past approaches.

## Mission

To maximise opportunities for individuals and communities to realise their potential and to experience and enjoy a better quality of life, now and in the future. In particular, we are concerned with children and young people and with disadvantaged people.

The objects of the Foundation are to further such charitable purposes and to benefit such charitable institutions as the Trustees see fit.

## Values

In line with our founder Paul Hamlyn's values, we believe in giving opportunities by realising people's potential and in fighting prejudice.

We are interested in finding better ways to do things and help organisations to sustain and develop their work. We pay particular attention to long-term issues. We are not afraid to address issues which others may find challenging or unpopular. Whilst being willing to work in partnership with government, we are also prepared to challenge its (and other people's) established thinking. We believe independent foundations have an important role to play in society.

## Strategic aims

Our strategic aims for the six years 2006-2012 are:

1. Enabling people to experience and enjoy the arts.
2. Developing people's education and learning.
3. Integrating marginalised young people who are at times of transition.

In addition, we have three related aims:

4. Advancing through research the understanding of the relationships between the arts, education and learning and social change.
5. Developing the capacity of organisations and people who facilitate our strategic aims.
6. Developing the Foundation itself to be an exemplar foundation, existing in perpetuity.

## Programmes

We seek to achieve our first five aims by establishing three partly overlapping programmes for our work in the UK: arts; education and learning; and social justice. Themes and priorities within each programme may change over time. Each of the three programmes has an open grant scheme and special initiatives, the latter targeted at issues we particularly want to address to achieve long term improvements in society. We have a separate programme for our work in India.

We expect the programmes and the work we support to have an impact at the levels of individuals, organisations, communities and policy.

## Grant-making information

Full information on the objectives of each programme, their themes and priorities, eligibility and assessment criteria, application and grant making processes is available on the Foundation's website. Eligible applicants are asked to send online an outline application to the Foundation.

For further information, please see [www.phf.org.uk](http://www.phf.org.uk)

# Chair's statement

## A commitment to empowerment

In November 2008 we hosted a group of young refugees and asylum seekers from Hillingdon, West London, at our offices. We had invited them to spend a day with us to learn about the grant-making process as part of our support for a small grants scheme, run by them for the benefit of young people in their area. During the day, these young people were inspired to hear of my father's experience of arriving in Britain as a refugee from Germany in the 1930s, and his achievements in the world of business and philanthropy. At the same time, all of us at the Foundation who spent time with these young people were inspired by their openness, energy and desire to make the most of their lives in this country.

At our recent Trustees away day, we returned to the theme of how we can effectively make a difference, and how we need to find new ways to help people, such as this group, help themselves. We reflected on how we need to keep hold of our core values whilst we expand our grant-making activity and move into new areas of work. We reaffirmed the need to be courageous in supporting unpopular or disregarded causes or backing innovations that could at times fail. While we can offer potentially life-changing opportunities for individuals and groups, we must have the confidence to trust people with the funds we provide, empowering them to shape their projects and plans for themselves.

Our commitment to empowerment extends across much of our work. This year we celebrated the tenth anniversary of our Awards for Visual Artists, part of the Awards for Artists through which we support individual artists and composers. We have continued to develop our work in India, supporting social development to help vulnerable groups of people. We have also worked, through the development of Learning Futures, to improve motivation and the teacher-student partnership, encouraging students to be more involved in how they learn.

In the current economic climate it is important to say something about our spending. We are cautious of what may lie ahead for our investments but have taken a decision for the coming year to maintain spending plans. This is an issue we will need to keep reviewing, but as an independent foundation we believe we have a duty to continue to support organisations whose activities we believe can deliver change, especially as many other sources of funding are declining.

This year we welcomed to the staff two new directors. Lucy Palfreyman, joining us from Church Urban Fund, is our new Finance and Resources Director, and Richard Robinson, joining us from Schroders plc, is Investment Director. We have also appointed a new Trustee, Tom Wylie, a former chief executive of the National Youth Agency. Our education advisor, Tim Brighouse, was recognised with a Knighthood for achievements in education in the Queen's New Year honours. Rushanara Ali is standing down as a trustee after six years. We are grateful for her years of service, during which she has brought her experience of social innovation to bear in helping us to develop our Social Justice programme. We wish her well in her future endeavours.

I am deeply grateful to all of our trustees, advisors and especially our director and the staff for their dedication and commitment.

**Jane Hamlyn**

**Chair**

# Director's Report

## Innovation in troubled times

As this report will testify, our main strategic aims all emphasise innovation. During the year the Innovation Unit (our partner in the Learning Futures Special Initiative) published 'Honest Brokers: brokering innovation in public services'. The Foundation was named as one of a new type of intermediary organisation emerging within the world of public services, known as 'innovation brokers'. These organisations enable innovation by supporting and challenging practitioner innovators, and by managing the drivers and barriers to innovation at scale.

Such endorsements are heartening, but economic developments over the last year have caused us to reflect on aspects of our work. Investment decisions we took in early 2008 have fortunately insulated us from the need to implement quick changes to our plans. While it is too early to come to any certain conclusions, we have sought to assess the possible impact of the recession on the Foundation, on the outcomes we are seeking to achieve and on society more generally. For the year ahead at least we have decided that our aims and objectives remain as appropriate in a recession as before.

The Foundation's work continues to develop as a result of our strategic review in 2006 and the six-year plan we began to implement in that year. The delivery of our strategic aims and objectives remains on track. As planned, we intend to carry out a comprehensive mid-term review in early 2010. Given the economic outlook, however, we will continue to monitor the detailed aims of our grants programmes during the year ahead.

## Special Initiatives

Our plan this year was to stimulate high-quality applications to be part of collaborative action-research initiatives in each of our programme areas. We did so for three Special Initiatives: Right Here (established jointly with the Mental Health Foundation), Learning Futures and Learning Away. We have also made good progress with the development of a new Arts Special Initiative, which is planned for 2009/10.

It is unusual for us to have an impact outside of the UK and India, but we were delighted when the NAMM Foundation, the US-based international trade association for music products, awarded a major grant to the Australian Music Association to support the launch of Musical Futures in Australia's schools.

Also in an international context, our 'Learning Futures' initiative has been launched at a time of intense interest around the world in more radical forms of innovation in pedagogy, beyond the existing models of school improvement. Leading these is the OECD's 'Innovative Learning Environments' project, involving over 20 nations, which is supplementing the knowledge base about learning with inspiring examples of learning arrangements that more explicitly enable young people to acquire 21st century skills. Learning Futures aligns closely with the OECD framework, and its specific focus – engagement – is now a particularly important topic of international research and development interest in education.

Our aim over the course of our strategic planning period is to commit over half our resources through Special Initiatives. We are not yet achieving this aim, but are on track to spend more on Special Initiatives in 2009/10 than on Open Grants.

## Open Grants

We nonetheless believe in the importance of maintaining Open Grants schemes, both as a scanning mechanism for identifying possible future activity, and because of the limited alternative sources of funding for untested approaches. The systems we put in place in November 2006 to improve our understanding of what is being achieved under our Open Grants schemes are helping us to develop a better understanding of what works as illustrated throughout this report. This knowledge informs decision-making and the development of our work.

We have expanded our operations in India in line with our plans. Our consultant Ajit Chaudhuri is now able to devote the whole of his time to advising us. We also set up a programme committee modelled on those which we developed in the UK. We are delighted that Sushma Iyengar, Dr Donald Peck and Shankar Venkateswaran have joined us as advisory members of the India Committee. Our objective to set up an office in India remains unmet while we await the necessary consent from the Reserve Bank of India.

Across all our grant-making activity, we continue to pursue a 'grants plus' approach, by using our ideas and contacts to develop and share knowledge. This can range from a major piece of work to more modest interventions, such as bringing organisations together who we can see are working on similar issues in complimentary ways.

## **Other strategic developments**

This year we reviewed the impact of the changes made in 2006 to our governance. We concluded that our two main aims had been met. First, by establishing programme committees with external advisory members, we had improved decision-making about the development of each grant programme and on applications. Second, we had freed up more time at full Board meetings to review activity and progress towards objectives. The review also highlighted that we needed to involve the full Board of trustees at an earlier stage in the scoping and shaping of new special initiatives; we have since done so.

During 2008/09 we planned to develop and implement a formal research strategy and to audit our funding for capacity building. We were not able to complete these pieces of work in the year, and they remain objectives for the current year.

Our appointment of Lucy Palfreyman as Finance and Resources Director and Richard Robinson as Investment Director represents an unusual move for a UK foundation. While it is quite normal in the US for the finance and investment functions to be distinct, our decision to separate the functions is less typical here. It is intended as part of wider capacity-building measures for the Foundation. We have also increased our communications capacity with the appointment of a Communications Manager, Dan Watson. This has increased the amount and timeliness of the information we provide. A quarterly newsletter is now available, and we will be developing new online systems to deliver a higher quality of service to applicants, grant-holders and other organisations.

We also welcomed to the staff Ushi Bagga, Gillian Goode and Vicki Selby. We said goodbye to Gerry Creedon, our Accountant who had worked for the Foundation since 1990, and to our first Grants Officer, Ruby Ireland. We wish them both well in their future careers.

## **Public benefit**

This year we are explicitly required to report on how our work is of benefit to the public, following changes introduced under the Charities Act 2006. All our grant-making activities are directly linked to our mission. This trustee report focuses on the qualitative nature of our work and how we have impact at the level of the individual, organisation and sector. We seek to do this in a number of ways, particularly by encouraging innovation, empowerment and participation. We believe these demonstrate the public benefit of our work.

## **Robert Duffton**

### **Director**

## Arts programme

This programme is primarily aimed at increasing people's experience, enjoyment and involvement in the arts, with a particular focus on young people.

We support organisations and groups through our open grants scheme, concentrating on work that is transformational at three levels: for the participants, for the funded organisations themselves and, more generally, for the sector in which they operate. We also give grants to talented individuals through our Special Initiatives: the Awards for Artists, JADE Fellowships and Breakthrough Fund.

This year has enabled the Arts programme to consolidate both the Breakthrough Fund and the extension of our Awards for Artists to composers. We also strengthened the analysis of our Open Grants in terms of public outcomes and impact, while continuing to research new possible Special Initiatives.

### Grantee relationships

The biggest area of change in 2008/09 has been the type of relationship that we are developing, with the help of consultant Kate Tyndall, through the Breakthrough Fund. We are much closer to the cultural entrepreneurs at the heart of our first five grants than we would normally be through the Arts Open Grants scheme, often helping them develop their plans through advice or by acting as a sounding board. We have also changed the shape of the risk that we take by committing to these exciting ideas before the details of the projects – such as fully developed plans, timelines or budgets – have been worked out.

As a result of the external evaluation we have carried out since the inception of the Breakthrough Fund and the work that we are doing with grantees, we have placed more emphasis during the second round of applications on assessing whether applicants have the capacity to realise their artistic visions. We very much look forward to developing similar relationships with the 2009 grantees.

In the Arts Open Grants scheme, we introduced outcome targets as part of our formal agreements about 18 months ago and are now able to begin to measure the impact of this process. With two thirds of grantees exceeding or meeting all of their outcome targets, more work is needed to understand why one third did not, and how we can increase the rate of organisations meeting their targets. Another noticeable shift is that we have funded more work including adults this year than in 2007/08 – often alongside young people. This reflected our objective of encouraging inter-generational initiatives. However, we still do not receive many multi-age applications for adults and older people and we therefore look forward to supporting more of this type of work in the future.

Over the last two years, our strategy for the Open Grants schemes across the Foundation's three programmes has been to encourage proposals from outside London and the South East. We were pleased to see that this is beginning to bear fruit, with a better balance between grants to organisations working in London/the South East and elsewhere in the UK. We remain committed to this objective and will continue to monitor this carefully.

We are delighted to be part of the Culture & Learning Consortium that has published 'Get it: The Power of Cultural Learning', a report based on the findings of an extensive public consultation with practitioners working across the cultural and education sectors initiated over a year ago. This report advocates for a change in the way cultural organisations, schools, colleges and other learning settings can work together successfully. We hope that this agenda for advocacy and action will have a significant and durable impact over time.

We started last year, in collaboration with the Association of British Orchestras, a sector-wide discussion to see how classical music organisations, and particularly orchestras, might work more collaboratively as a sector with audiences and communities. While this attempt to generate debate and change seems to have had little impact yet, we hope that a research project aimed at spreading models of good practice to measure the impact of education and

community work will help to generate more follow-up activity – if only because this work was commissioned through the ABO by a group of education managers in orchestras.

## **New avenues**

This year we worked with Maddy Morton and Jill Armstrong, from market research company Lucid, to carry out a series of one-to-one and round table discussions across the country to investigate how we might support the museum and gallery sector, particularly around the notion of engagement and participation. This process has enabled us to start a useful debate with both museum directors and project participants, and to start talking to all the principal agencies working in the field. We are now gathering material on case studies and will continue to scope how we might become involved over the course of next year.

We also started researching last year how we might support artists who work as workshop leaders or animateurs in a variety of settings, from schools to prisons or community groups. Consultant Susanne Burns managed a series of 14 individual interviews and six regional focus groups (facilitated by Deb Barnard) involving 58 people. Using the findings that emerged from this consultation process, we are testing the feasibility of an intervention in this field at two levels: at training stage, when artists study in colleges or universities, and when artists are already working participatively, through continuous professional development opportunities. We look forward to shaping this new possible special initiative in the months to come.

## **Outcomes for arts organisations**

The world's economic disarray and its effects in the UK have obviously begun to have an impact on the arts organisations we are in contact with. At best, it appears that there has been a change in booking patterns (fewer season bookings, tickets purchased later than usual and fewer door sales seem to be the dominant trends). At worst, there are warning signs that fundraising income from private sources – whether from businesses, individuals or charitable organisations like PHF – is dropping. While some organisations have already altered their programming strategies accordingly, it is likely that many more changes are still to come. After a number of years when the arts benefitted from healthy settlements from government and increasing levels of private support, it is difficult to see how expectations on these fronts can be high in the years to come.

Having ourselves changed the way we agree outcomes with the organisations we fund, we very much hope that the new outcome-focused funding agreements being introduced by Arts Council England to all their regularly funded organisations will provide helpful ammunition to art forms and sectors making cases for excellence, innovation and risk-taking. In this tough climate, this process can hopefully only add to the existing hard evidence of what the arts can achieve.

## **Special Initiatives**

### **Awards for Artists**

#### **Support for individual artists**

#### **£424,410 awarded in 2008/09 (including support costs)**

The Awards for Artists scheme exists to support individual artists to develop their creative ideas and continue to practice regardless of financial or other outside pressures. Eight Awards of £45,000 are given on an annual basis, five for visual artists and three for composers. They are made on the basis of talent, promise, achievements and need.



2008 marked the tenth anniversary of the Awards for Visual Arts. Over the course of the year, we gathered powerful stories showing what the scheme means for past recipients and helping us to build up an overview of its impact:

*"The award became both a catalyst and an underpinning of my experimental practice. It invested freedom and belief into areas that do not expect reward, applause or market approval... A unique and intensely valuable gift, whose benefit will echo to the end of my days."*

Brian Catling, 2001 recipient, on the occasion of the tenth anniversary of the Awards for Visual Arts

*"There are moments in one's career where outside encouragement allows your work to take that grand stride into new territory. A Paul Hamlyn Foundation Award is one of those great encouraging financial pats on the back that make such a moment so important to our profession."*

Richard Wilson, 2002 recipient

To mark the occasion, we also re-launched the Awards' presence on the Foundation's website to show some of the recipients' work through images, audio and video, as well as background information.

The 2008 Award recipients were announced at a reception at the Royal Institute of British Architects in November. Richard Wentworth, the renowned British sculptor, was keynote speaker and made the announcements. The 2008 Awards for Visual Arts recipients were: Duncan Campbell, Marcus Coates, Simon Martin, Terry Smith and Alison Wilding and the Composers were Emily Howard, Evan Parker and Janek Schaefer.

*"I am absolutely delighted to receive a Paul Hamlyn Foundation Award for Composers. To be given a grant with no hidden agenda equates to artistic freedom and for a composer there is no greater privilege. It is a life-changing event."*

Emily Howard, 2008 recipient

## **Jane Attenborough Dance in Education (JADE) Fellowship**

### **Career development for dancers**

#### **£61,958 awarded in 2008-09 (including support costs)**

Set up in 2005 for five years, the JADE Fellowship is awarded to a professional dancer coming to the end of his/her career and wishing to transfer their skills to dance education and community work. The Fellowships commemorate PHF's former arts manager, Jane Attenborough, who died in the 2004 Asian Tsunami. The scheme is based on the belief that professional dancers have valuable qualities and skills to bring to dance in education.

In May 2008, Siobhan Davies Dance was awarded the fourth JADE Fellowship for dancer Tammy Arjona. The Fellowship is designed to give Tammy experience of delivering education and community dance work across a broad range of ages, groups and contexts – as well as developing her project management skills.

During 2008-09, we were delighted that the first JADE Fellow – Simon Cooper – started a new full time post as Rehearsal Director for Verve at the Northern School of Contemporary Dance in Leeds. The second Fellowship, to Northern Ballet for Andy Barker, came to an end and Andy is currently developing his skills further through courses in a range of movement-based practices, with a view to teaching. The third Fellow, René Pieters, has continued to broaden his skills working at Tees Valley Dance and Northumbria University and embarked on this last year of his Fellowship.

Over the course of the year, consultant Susanne Burns undertook an independent evaluation of the Fellowships and her findings and recommendations informed the selection process that resulted in Tammy Arjona joining the scheme. We have committed to continue ongoing evaluation of the programme until at least the end of the fifth Fellowship in 2011. We will develop plans to share our learning over the course of 2009 so that the dance sector as a whole can benefit from the information we are gathering.

*"I am thrilled to be the fourth recipient of the JADE fellowship. It is a new beginning for me and I'm really looking forward to gaining new skills and confidence in teaching within the creative learning area. It is a fantastic opportunity to broaden my experiences of teaching dance and to exchange ideas with other organisations and dance teachers. Learning how I can pass on the knowledge I've gained over the years as a dance artist is something I'm excited about and I hope to grow enormously over the next two years."*

Tammy Arjona, 2008 JADE Fellow

## **Breakthrough Fund**

### **Support for cultural entrepreneurs in the arts**

#### **£1,197,635 awarded in 2008-09 (including support costs)**

A successful arts economy requires not only great artists, but also talented and visionary people who can enable these artists to make great things happen. Paul Hamlyn Foundation launched the Breakthrough Fund, now in its second year, to support exceptional cultural entrepreneurs with a pressing and persuasive vision, drive and a strong track record of making things happen.

Funders are rarely willing to commit at the stage where a vision exists but is not yet clear in terms of deliverable activities, resourcing and risk. Through the Breakthrough Fund, PHF commits funding earlier in the cycle, trusting that grantees, as they progress, will identify and realise their plans and the outcomes of the Fund's support.

Since making our first five grants last year, we have been asked by recipients to give advice, to act as mentors or as external consultants, and to be a sounding board – at times remaining in close contact and having monthly updates and de-briefs.

As the Breakthrough Fund works through nominations only, respected individuals across art forms, practices and regions help us to spot cultural entrepreneurs at critical points in their career, for whom a grant would make a difference. In 2008/09, 14 nominators (all different from last year's) led to PHF receiving 37 proposals, from which the following grants were made:

- Natalie Abrahami and Carrie Cracknell / The Gate Theatre – £254,000
- Tony Butler / Museum of East Anglian Life – £150,000
- Tom Chivers, Sam Hawkins and Marie McPartlin / The London Word Festival – £141,000
- Helen Cole / Inbetween Time Productions – £278,000
- Claire Doherty / Situations – £300,000

The 10 grants that we have made so far over the two years of the Fund have covered elements of core costs (including rent, salaries and contributions to overheads) and some artistic expenditure (from developing new programmes to growing or consolidating existing work). Though centred on individuals, these grants were made to the organisations with which they work.

In the course of the year ahead, we will set up an evaluation framework to measure the impact of the Breakthrough Fund, which we aim to track over a timeframe that extends beyond the grants themselves. We will also embark on a third round of nominations and applications in the course of 2009.

## **Open Grants**

### **Grants Awarded in 2008-09**

#### **Sistema Scotland**

**Core support over two years to grow children's orchestras in Raploch, on the outskirts of Stirling**

**£234,000 awarded over two years**

*Big Noise Raploch* aims to transform lives and empower a community through music, creating new life opportunities for children and their families in a deprived area of Scotland.

Sistema Scotland has started breaking down the cycle of social deprivation which puts children at risk of becoming involved in crime, drug abuse and anti-social behaviour by developing children's social skills, confidence, aspiration and drive; supporting them across all areas of development; and recognising individual achievements. Although only launched in the summer of 2008, *Big Noise Raploch* is the culmination of years of work to adapt the Venezuelan model developed so successfully over 30 years by Maestro José Antonio Abreu and exemplified by the internationally recognised Simon Bolivar Youth Orchestra.

Our grant represents about 80 per cent of core costs for the period spanning the 2009/10 and 2010/11 academic years. It will enable Sistema Scotland to start its second year of activity on a more secure financial footing so that it can continue to grow its already considerable achievements.

**Different approach:** *Big Noise Raploch* is tipping western music education on its head in the way it approaches how children learn to play their instruments, introducing a completely new value system. Rather than individual teaching, practice and ambition, everything is communal. Children begin as part of an orchestra, with shared lessons and practice; the culture is of mutual support, with the aim to be the best one can be, rather than the best. The goal is not about music, but discipline, respect, achievement through work and teamwork, and always striving for excellence.

#### **Sing London**

##### **Organisational development**

**£74,183 awarded over three years**

Working in partnership with a wide variety of arts and community organisations, the Sing London festival aims to provide new opportunities for collective singing, both professional and amateur. Those new to singing are particularly encouraged to take part.

Our grant, made in the summer of 2008, is underpinning the roll-out of the festival into a UK-wide programme of collective singing events called *Sing the Nation*. We are supporting Sing London's core activity and enabling the development of new strands of work. Many elements of the programme are strongly linked to the opening of the 2012 Olympic Games. Sing London has developed strong relationships with key partners and started to develop a national presence.

**Core support:** We have a track record of core support grants that back an organisation's vision and mission. In an increasingly adverse economic climate, we believe it is vital for us to continue to provide this type of funding.

## **Ongoing Grants**

#### **People United**

**Core support to underpin the salary of the founder and director**

## **£30,000 awarded over eighteen months**

People United uses the arts, sport and creative ideas to foster, celebrate and research kindness in all its forms.

Our financial support, soon after the organisation was created, underpinned the development of a three-year strategy, the setting up of the business on a solid footing, and the creation of a website. This was followed by a series of trial projects in schools in Kent and West Yorkshire supported by amongst others, Arts Council England. The work undertaken in the pilot schools focused on stories celebrating good deeds and actions. Assessment by the University of Kent and Canterbury Christchurch University found that it demonstrated significant and consistent changes in pupils' attitudes and how they relate to the wider community.

**Strong methodology:** People United acts as a practical laboratory to test and evaluate social programmes that are catalysts for kindness, using arts and creativity as a tool. They are developing pragmatic and measurable approaches to realising an ideal.

## **Unicorn Theatre**

### **Underpinning the creation of an ensemble of actors for young audiences**

## **£295,000 awarded over three years**

Unicorn, based in a new building in Southwark, is one of the UK's flagship theatres for children.

Through our grant, Unicorn has become one of the few theatres in the country – and the only children's theatre – to have its own in-house ensemble. The six full-time actors have taken part in all the Unicorn productions and played a pivotal role in education and community work. It is through this participatory programme that the benefits of the ensemble have been felt most immediately, creating more direct links between the main stages and education work. Having the same group of actors in the building over a longer period of time has also challenged the boundaries between management and creative teams.

**Changing culture:** Unicorn Theatre is developing a new operating model, partly to maximise the opportunities offered by a new building and partly in response to external and financial pressures. The ensemble is one of the main tools used in the organisational development process they have undertaken.

## **Completed Grants**

### **North Down's Borough Council**

#### **Piloting outreach work in local estates and extending partnerships with local schools as part of the *Aspects Irish Literature Festival***

## **£13,000 awarded over four months**

North Down's Borough Council runs the *Aspects Irish Literature Festival* every September to celebrate Irish writing through the presentation of emerging and established writers.

Our grant was used to develop an education programme, *Young Aspects*, through the expansion of outreach work in schools and the launch of a pilot study with communities from two local estates. The *Writers in Estates* programme faced some difficulties because of low levels of participation from local residents. It was therefore agreed that our grant would be redeployed to focus solely on the development of partnerships in schools and new work with further education institutions.

This strand of work proved successful, exceeding its targets in terms of impact on participants. Because most of the children living on the targeted estates are going to the schools involved in *Young Aspects*, the Council still aims to reach families and friends in due time through these young participants.

**Flexibility:** As a responsive funder, we welcome dialogue with grantees who may need to change their plans to reflect what they have learnt from work having taken place, while remaining true to their original aims and objectives for the grant.

## Education and Learning Programme

This programme has a strong focus on supporting innovation and aims to achieve significant impact, ideally at a national level, across a range of education themes. Our work fosters the development and sharing of new practice, experiences and learning between and within schools, local authorities and voluntary organisations.

This year has seen significant developments across the Education and Learning programme as a number of new ideas for Special Initiatives have crystallised and moved from research and scoping work into implementation phases.

The development of Special Initiatives in this programme has been inspired by the success of Musical Futures, which we set up to encourage new ways of thinking about music making in schools. Over 1000 UK secondary schools are now using the Musical Futures approach to build upon young people's existing passion for music and engage them with active music making in the classroom. An Institute of Education survey of these schools highlighted, among other successes, a 40 per cent increase in the numbers of students electing to continue with their music making at GCSE level. Teachers reported consistently on the positive and lasting changes to their approach to teaching and learning in the classroom.

Building on this, we have developed, in partnership with other key agencies, a new programme to improve young people's experience of music learning as they progress through to secondary school. Transforming Transition will represent a new approach for the Foundation, with an emphasis on garnering active support and contributions from schools, music services, informal learning and voluntary sector organisations across the country, identifying the best of existing practice and creating the tools and resources to enable others to replicate these. We were pleased to have our leadership of this programme endorsed by our partners, who noted our "charm, tact and steel teeth!"

Musical Futures was also the starting point for Learning Futures, a Special Initiative that aims to increase young people's engagement with their learning through school, and to retain their commitment to learning beyond their school years. During the year, we also issued a call for proposals for Learning Away, a Special Initiative that promotes the value of residential learning experiences for schools.

In the higher education sector, we announced in July 2008 seven lead higher education institutes that will be working with PHF and the Higher Education Funding Council for England over the next three years. Our aim will be to understand better the factors, practices and broader strategies that contribute to greater student success and higher retention rates within higher education.

Our five Special Initiatives all share a broad methodology, key elements of which are becoming common to the development and delivery of many of the Foundation's Special Initiatives. These include careful horizon scanning and scoping; an action-oriented, problem-solving and often emergent approach to testing out new ideas, in close partnership with practitioners on the ground; and the building of a wider community of interested parties who may in time adopt our innovative practices themselves. Many of our current initiatives have ambitious objectives and ultimately seek to influence policy and practice in a nationally significant way. However, we are clear that not all future developments need be on this scale.

### Open grants review

During 2008/09 we awarded 35 grants under our Open Grants Scheme and have been pleased to see that the geographical spread of applications from across the UK is gradually improving. With our Arts and Social Justice counterparts we launched revised guidelines with overarching criteria focusing on innovation (finding better ways of doing things, with an emphasis on radical, new and potentially high impact strategies), change (at individual participant, organisational and sector levels) and user participation.

At the same time, within the Education and Learning Programme, we launched a new theme, alongside our long-standing 'Tackling School Exclusion and Truancy' and 'Supplementary Education' themes. The new theme focuses on the development of young people's speaking and listening skills between the ages of 11 and 19 and places a particular emphasis on supporting activities that develop these skills in realistic and ideally 'real world' contexts, so that young people are better equipped to communicate effectively in the world outside of and beyond school.

Many of the grants that we have made under the Open Grants Scheme resonate closely with the approaches to teaching and learning that we advocate through our Special Initiatives, particularly Learning Futures, Musical Futures and Learning Away. Inevitably, the success of programmes designed to tackle school exclusion and truancy usually hinge on the ability of the learning experiences offered to genuinely excite and motivate young people, rather than relying on automatic compliance with a set of instructions or allocated tasks, or conventional transmissive styles of learning from teacher to pupil.

The Protégé project, developed by Central Saint Martins at the University for the Arts in London is a great example of using self-directed learning to identify and demonstrate the maverick talents that many excluded young people have, to raise their own aspirations towards further education or enterprise and also to challenge the perceptions that educators, policy makers and the wider public often hold about these young people and their abilities.

The Teens and Toddlers programme run by Children: Our Ultimate Investment and supported through a new grant this year, which gives students hands-on experience of looking after toddlers in early years settings, has already proved an effective model for re-engaging disaffected learners despite its primary focus on preventing teenage pregnancy. Several of the new supplementary school grants awarded this year, including those to Esforal and Al-Haqq, as well as grants under the Tackling School Exclusion and Truancy theme, such as those to Bath Festivals and Kensington and Chelsea College, illustrate the very positive impact that new types of learning relationships can achieve, with peers, family and community members other than teachers sharing responsibility for supporting young people's learning.

We have commissioned a review of the impact and future potential of our Open Grants theme to tackle school exclusion and truancy and are hopeful that the results of this will further develop our understanding about the approaches and strategies that can most effectively engage learners and best equip them for the future. The findings of this review, together with examination of the impact of our Supplementary Education grants and the ongoing evaluation and research associated with our Special Initiatives will influence the future development of our work as we aim to use our resources to best effect in the fields of education and learning.

## **Growth factors**

The developments in the programme this year have brought with them the growth of the Education and Learning Team, particularly through the appointment of new external associates who are leading or supporting the work of our Special Initiatives. It has also brought a wider awareness, particularly among schools, of the role we aim to play in fostering innovative practice to improve outcomes for learners across the education system.

*We were pleased to have our leadership of [Transforming Transition] endorsed by our partners, who noted our "charm, tact and steel teeth!"*

## **Special initiatives**

### **Student retention grants programme**

#### **Learning what works best to support and retain students in higher education**

##### **£482,723 in 2008/09 (including support costs)**

The focus of this initiative is on learning about the most effective strategies that universities can employ to ensure high continuation and completion rates within higher education, particularly for students from more disadvantaged backgrounds and from families or communities that do not have a tradition of higher education.

The primary purpose of our support is to generate robust, evidence-based analysis and evaluation, and to ensure effective sector-wide dissemination to contribute to the development of good practice. Through engaging and supporting universities in better understanding their practice around retention, and the interventions and approaches that are most successful in ensuring high retention and completion rates, this initiative will ultimately improve the

quality of retention work in Higher Education Institutions (HEIs), ensure more effective use of resources to support student retention and help to further raise retention and completion rates.

Together with our partner, the Higher Education Funding Council for England, we particularly sought collaborative proposals that enabled comparative studies between institutions and a shared approach to evaluation and dissemination. From 63 initial applications, seven universities were selected to work with us, with an overall group of 19 HEIs participating as partners. The seven successful lead applicants are:

- University of Leicester
- Anglia Ruskin University
- University of Sunderland
- University of Reading
- Aston University
- Northumbria University
- Nottingham Trent University

Each of these has begun an in-depth, three-year evaluation of their own retention practices and a number have already presented their work at national conferences and seminars.

The work will be greatly strengthened by the overarching coordination and support role which a partnership between the Higher Education Academy and Action on Access is fulfilling on our behalf. A number of mechanisms for sharing learning, both between ourselves and our seven partners, and with the wider sector have been established, and the support team will also play a key role in helping to synthesise the key learning from the initiative and to identify and articulate insights of relevance to other institutions.

## **Learning Futures**

### **Developing new teaching and learning practices in schools**

#### **£127,677 in 2008/09 (including support costs)**

Learning Futures aims to encourage innovation in teaching and learning practice in secondary schools to better meet the needs and aspirations of young people and teachers in the 21<sup>st</sup> century. The models developed under the initiative should ensure that more young people engage actively and positively with their learning, both through their school years and beyond.

For an initiative that is yet to move into its implementation phase (from September 2009), Learning Futures has attracted an impressive response. Together with our partner, the Innovation Unit, we set out our thinking about the key characteristics that we believe ought to underpin 21st century teaching and learning practices. We have built a community of over 300 schools wishing to explore these further. From these, 54 submissions were received from schools wishing to partner with us and form a core group of Learning Futures schools to pilot innovative pedagogical practices. Fifteen schools were shortlisted who show a high level of change readiness, presented realistic yet radical proposals and are willing to work collaboratively to create the tools and resources that will enable schools elsewhere to replicate their successful practices.

Just a few of the exciting ideas to be tested over the coming year include:

- school students, home-educated students and adult learners working together to design and pursue their own peer-assessed learning experiences
- training parents to extend the range of leaders supporting learning in school
- piloting language learning where students each select their own language to study, supported by a teacher who becomes a facilitator of self-directed learning



- drop-in, independent learning centres on the school site staffed by sixth form students with subject expertise
- a range of community-based, enterprise and problem-based learning projects taking place in real world contexts

In all cases, our partner schools are seeking to balance more traditional teaching and learning approaches with methods that ensure students can see for themselves the relevance of learning. New activities are constructed with the active involvement of young people themselves. Learning experiences and processes take place both in and out of school contexts, and vary the learner/teacher mix, recognising the value of a much wider range of roles than those inherent in the traditional teacher-pupil relationship.

## **Learning Away**

### **Achieving more through school residentials**

#### **£33,793 in 2008/09 (including support costs)**

Learning Away is a new special initiative that aims to support schools in significantly enhancing young people's learning, achievement and well-being by using innovative residential experiences as an integral part of the curriculum. The initiative will run for six years, during which we will work closely with a selected group of schools across the UK to pilot innovative models and learn from exemplary practice in this area, in order to achieve significant shifts in schools' commitment to high-quality residential learning experiences.

The initiative was launched at the national *Learning Outside the Classroom* conference in October 2008. We received 71 initial submissions and have invited fuller proposals from 25 partnerships of schools, with a view to selecting, in summer 2009, around a third of these as our action-research partners for the initiative.

Across the shortlisted proposals, we have seen some creative ideas that challenge common perceptions about the learning outcomes, types of activities and locations of residentials. These include a strong emphasis on the co-design and delivery, with students, of learning experiences; a number of cross-phase proposals with secondary school pupils mentoring primary children; and some creative ways of overcoming the structural, organisational or funding issues that commonly prevent schools from undertaking residentials. Many applicants are committed to providing a progression of high-quality residentials for all students throughout their school lives.

A vast range of learning experiences are proposed – ranging from environmental to vocational, adventurous to spiritual, subject immersion to family learning, and community-building to student leadership – across a variety of locations. With the enthusiasm shown so far, we are confident that our Learning Away partners will prove to be effective advocates and exemplars to challenge and support others to learn from and build on their experiences over the next few years.

*"For some children a week's residential is worth more than a term of school. We know we want it for our own children – we need to make sure other people's children experience it too."*

Tim Brighouse, former London Schools Commissioner and PHF Programme Advisor

## **Musical Futures**

### **Supporting innovation in school music education**

#### **£203,474 in 2008/09 (including support costs)**

This year, Musical Futures has been marked by a growing sense of shared ownership of the initiative by schools and teachers.

In less than three years, the number of schools across the country implementing the approach has grown from around 30 in the pilot phase to more than 1000 – a third of all the secondary schools in the country. Although we have supported this by providing resources, training and networking opportunities, the scale of the take-up has primarily been because teachers and practitioners have come to Musical Futures themselves, have explored its ideas and resources, and have found innovative and unique ways of integrating it into their own music departments. It is radical enough for them to feel they are making a significant change to their practice (and usually seeing major improvements), yet it is accessible enough not to feel threatening, or that they must implement it in one particular way.

Since our celebratory 'In Your Hands' event, held at the Southbank Centre in June, our new network of 27 Champion Schools has begun to realise our vision of a sustainable initiative that is owned and reinvigorated by those that use the Musical Futures approach on a day-to-day basis. Evaluation of the free training courses that have been provided by our Champion Schools throughout the year has shown that, so far, 87 per cent of delegates are now considering implementing Musical Futures in their schools. The forthcoming launch of a second edition of the Musical Futures Teachers' Resource Pack and an updated website, populated in large part by new resources developed by teachers, will help to extend the programme's reach even further over the coming year.

We are continuing to work with the Institute for Education as they conduct independent evaluation of the programme and gather further evidence of the impact that Musical Futures is having across the education sector, within schools and for the individual teachers and young people that participate.

*"Musical Futures is regarded as one of the major advances in music-teaching pedagogy in this country since the turn of the century"*

Peter Stedman, Classroom Music magazine

## **Open grants**

### **Grants awarded 2008/09**

#### **Amana - Improving educational support for BME young people in Bristol**

##### **Supplementary Education theme**

##### **£141,178 over three years**

Amana was awarded a grant for an innovative and strategic programme that aims to improve the quality of educational support and provision for Black and Minority Ethnic (BME) young people, particularly those from the Somali community. This will be achieved through increasing the number of trained educational practitioners from the BME and Somali communities able to work in local schools – both mainstream and supplementary – and also in early years settings.

Over a three-year period Amana will train 36 members of the community to become qualified teaching assistants and 90 people in childcare. Amana believes that the project will be replicable and has scope to be scaled up further. Ultimately, this project could reduce the need for supplementary schools to deliver primary educational support in the core subjects of Maths, Science and English, through providing more BME educational practitioners in the mainstream classroom who are, for example, able to support students with English as an additional language.

**Opportunity:** This grant has the potential to release supplementary schools from the delivery of core subjects and allow them to develop more culturally enriching curricula and/or to provide additional learning opportunities and qualifications to students that mainstream schools do not offer.

## **I CAN – Secondary Talk**

### **Speaking and Listening theme**

**£300,000 over 15 months**

Our first grant under the new Speaking and Listening theme was awarded to I CAN to support the development phase of an ambitious national initiative. Secondary Talk aims to transform secondary schools into places where the speech, language and communication skills of all young people are actively supported by staff with the knowledge, skills and confidence to do so effectively.

Secondary Talk aims to create systemic change through supporting schools in the development of evidence-based practice, necessary staff skills, quality assurance and curriculum so that a whole-school approach to communication skills development for all students is achieved. The initiative is intended to directly tackle the significant numbers of young people that, even at secondary school, have limited communication skills.

New theme: Limited communication skills hamper relationships, behaviour and learning, limiting potential within the world of work. Our new grant theme aims to facilitate a sector-wide transformation in addressing these problems.

## **People and Work Unit – Glyncoch Community Bridges**

### **Truancy and Exclusion theme**

**£92,263 over five years**

The People and Work Unit has developed an innovative community programme to improve school attendance and reduce exclusions and behaviour problems among children from Wales's poorest communities. The project will test and disseminate a community response to chronic problems of poor attendance and behaviour among its young people, tackling the cultural attitudes that impact on schooling, helping pupils build their capacity to thrive in learning, and building their families' capacity to support them.

Over a five-year period, the Unit will work with a cohort of 60 young people from Glyncoch, an impoverished ex-mining community, following them from primary school through to age 16 and piloting a comprehensive model of community-led support and activities, working closely with a wide-range of local services and agencies.

Innovative approach: The Unit's hypothesis for this work is that although there is much that schools could do to improve young people's experience of education, there are also cultural issues that only the community can address.

## **Ongoing grants**

### **Restorative Solutions – Restorative Approaches in Schools (RAiS)**

#### **Truancy and Exclusion theme**

**£147,750**

Since April 2007, Restorative Solutions has been developing and implementing its Restorative Approaches programme in a number of Bristol schools. The approach is founded on principles of restorative justice and processes that bring together those responsible for conflict situations with those harmed by the conflicts to establish what happened, hold young people to account for their behaviour and reach agreement about what can be done to make things better.

Restorative Approaches was established as a demonstration project to understand the best ways of implementing the approach in schools, to develop replicable models that could be scaled up nationally and to incorporate independent evaluation. Eight Bristol secondary schools are currently participating in the project, with others in the city soon to introduce the approach.

Independent evaluation has highlighted the positive impact the project has had on the climate for learning in schools and on attendance rates, and that restorative approaches are likely to have been significant in the reductions in fixed-term exclusions recorded at the participating schools. Over the course of this grant significant progress has been made nationally as well, with several local authorities adopting restorative approaches as part of their schools' behaviour policies and the DCSF now promoting the approach.

**Sectoral impact:** The potential for scaling up this work has been realised through its adoption by other schools and DCSF's support.

*"Our core values of trust and respect are fully reflected within the methodology and practice associated with Restorative Approaches. The impact on student behaviour and their well-being has been dramatic. Introducing RAiS has supported our efforts in improving attendance and reducing fixed-term exclusions."*

Headteacher and Deputy Head at Brislington Enterprise College.

## **Newham Somali Homework Club – the Positively Motivated Project**

### **Supplementary Education theme**

**£30,677**

This small supplementary school in East London has developed the Positively Motivated Project to meet the needs of their older students who felt that the existing homework club, which focused on maths, English, Arabic and Somali, did not meet their changing needs, particularly in relation to post-16 choices and understanding the world of work and further education.

The project is involving secondary aged students from the Somali community in selecting and researching topics, conducting interviews and writing, editing and designing a quarterly newsletter which is printed and distributed within the local community. Through this process, students have been learning about different careers, and local issues such as bullying, youth participation and the potential impact of the 2012 Olympic Games. Each newsletter edition is publicly presented to members of the local community.

Although this grant was awarded under our Supplementary Education theme, there is a close fit to our more recent 'Speaking and Listening' theme, which emphasises the value of young people developing these skills through learning in 'real-world' contexts.

**Youth empowerment:** This grant meets a specific need identified by some of the young people participating in the project.

# Social Justice Programme

**This programme is concerned about social justice for young people living in the margins of society, particularly those groups who are most disadvantaged and making critical transitions in their lives.**

These young people include groups such as, asylum seekers, refugees and migrants facing multiple barriers to integration, young offenders leaving prison, young people at risk of offending, those struggling with mental ill-health, victims of violence and abuse, and those with complex needs, including disability. For many, social injustice means they are not regarded as equal citizens and struggle to access resources to meet basic needs. Often their views are not fully taken into account in decision making that affects their lives, and public perceptions of them lead to stigma and caricature. At this time of economic recession, our concern is with those who are most vulnerable who suffer the most, and our commitment is to support work that helps those who may have no-one to turn to for help – even when that work is risky.

All of the organisations we support regard young people not simply as problems for society, or challenges with complex needs, but as citizens with the talent, skills, ideas and energy to change their lives and improve the lives of others around them. Often these organisations are seeking more effective ways to help young people identify the range of assets they do have, and to capitalise upon them – and this is a significant challenge in a society that places such great emphasis on educational attainment. The pay-off, if they get this right, is that the young people they work with are far better placed to cope with an increasingly uncertain world than they would otherwise have been. We seek to support and assist those who wish to innovate in this area.

We help to promote social justice in a number of ways. Through our Open Grants, we award grants across the UK, mainly to voluntary organisations but also on occasion to statutory bodies. Our Open Grants scheme has developed over the last 18 months, dividing into two themes. The first seeks to support activity to develop 'progression pathways' for those young people who face most difficulties in making the transition to adulthood. The second seeks to encourage stronger links and understanding between young people in communities that are divided and/or separated.

We are seeking applications that are socially innovative – not with the objective of disregarding approaches that are proven to work, but to encourage organisations to try to improve them, widen their application or apply them in different contexts or hitherto neglected areas, perhaps with new partners. We also give priority to funding outside London.

## Listening to young people

One of the driving forces behind the formation of this programme was a concern that young people were being unfairly represented by the mass media, and that those in positions of power, whilst 'listening', have been subsequently unable or unwilling to change the way they worked in response to what they heard. . We strongly believe that in many cases, young people are best placed to work with their peers to find solutions to their problems. Therefore, we now expect applicants for funding through our Open Grants scheme to be able to show how young people have helped shape, will deliver, and – if possible – will evaluate the impact of work proposed. We also ensure that across our new initiatives, where appropriate, young people play an active role in their governance and evaluation.

Our Special Initiatives may also have grant-making as part of their approach, but are often action-research based, or pilots to develop new models of practice.

For example, with Right Here, our Special Initiative on mental health, we are concerned not only with helping young people who experience mental ill-health, but with the practical challenge of ensuring that young people get support earlier and in a way that suits them. This helps prevent them from needlessly entering a mental health system which we know is seldom in their long-term interests.

Underpinning our initiatives is a recognition of the need for wider systemic and institutional change. However, this process is complex and challenging, and we have had to make sure that we are in a position both to understand what works well, and to acknowledge and learn where our approach has not worked so well.

Ongoing evaluation of Special Initiatives yields insights into how we can improve what we do. For example, the Reading and Libraries Challenge Fund sought to encourage change through a wide range of innovative projects in libraries and prisons, supporting activities for young people, including refugee and asylum seekers and those in care. The Fund led to a great deal of innovative practice and imaginative approaches, but our assumptions that these alone would lead to longer term change were unfounded. Instead we learned lessons about how we might have done more to enable projects to have an impact on their institutions – by engaging policy- and decision-makers earlier, by supporting grantees in the management and delivery of their work, and by helping them to explain the impact they were having to others.

We have drawn heavily on this learning in designing Right Here, which seeks explicitly to develop new service models in mental health provision for young people, and uses a range of approaches to help achieve this, including consultancy and evaluation support for grantees; ongoing engagement with national and local policy makers; support for grantees to exchange ideas and good practice; and independent ongoing evaluation designed to help us adapt and improve how we approach our objectives.

### **Supporting calls for change**

We also engage with policy makers around the areas we work in, and we will consider support for strengthening new or existing social movements or campaigns. Along with The Diana, Princess of Wales Memorial Fund and the Esmée Fairbairn Foundation we are providing grant support for 'Citizens for Sanctuary' – helping to embed in policy and practice the recommendations of the Independent Asylum Commission.

Our research into the experiences of young undocumented migrants, which we plan to publish during 2009/10, has highlighted, in particular, the importance that these young people have reliable information about their rights, a need also evident in our work with refugee community organisations over the years. We have also reviewed areas where we have already been an active funder. Our review on youth justice looked the effectiveness of our grant funding in prisons and young offenders institutions, and will help us to identify how we might target our support more effectively in future.

From such reviews, and through informal reflection on our work, it is clear that foundations can add value by helping to support organisations beyond funding. Therefore, we continue to develop ways of enabling grantees to access opportunities for development, exchange and networking.

Paul Hamlyn was passionate about social justice. Where there is now growing consensus around the impact of inequality and division in society, so too is there an urgent need for charitable foundations like ours to think more flexibly about how we promote and enable social change. Increasingly, this programme will aim not only to help young people overcome social injustice, but also to identify and challenge some of its underlying causes.

## **Special Initiatives**

### **Right Here**

**Mental Health Initiative: building resilience among 16-25 year olds**  
**£256,823 spent in 2008/09 (including support costs)**

In partnership with the Mental Health Foundation, we have embarked on a five-year action research programme to explore how young people's mental health needs can be better addressed.

Mental health problems among children and young people have risen substantially in the UK in the past 50 years. Young people experiencing mental ill-health face the challenges of misunderstanding and stigma, as well as the practical difficulties of finding appropriate support.

This initiative will help organisations that work with young people to work with others across various sectors to develop new ways of enabling young people to access the type of support they need, when and where they need it. It will see statutory and voluntary organisations working together differently, in order to promote mental health among young people, prevent mental ill-health among struggling individuals, and intervene earlier and more effectively with those starting to move into illness.

The initiative was open to a wide variety of organisations, on the basis that we are interested in finding new ways to deliver mental health support to young people. Research from the Mental Health Foundation's Listen Up! project (run from 2002-07) showed that young people struggled to access the support they needed, and wanted support to be available to them in more accessible places.

In late 2008 we received over 200 applications from organisations to be pilot sites for the initiative. In February 2009 we announced a shortlist of 11, which were invited to make second stage applications. At the end of the process we expect there to be up to four pilot sites from around the UK, with a final announcement due in July 2009.

Right Here will select a small group of pilot sites to work with, and assist them both financially and with consultancy and evaluation support. The group will come together to learn and exchange good practice, and their progress will be shared with a wider community of practice and policy. The Tavistock Institute has been commissioned to carry out a participative evaluation of the initiative, with young people playing a major part. Young people are also equal partners in the governance of the overall initiative and will be involved in steering each pilot partnership.

The Special Initiative has its own website, [www.righthere.org.uk](http://www.righthere.org.uk)

## **Young Undocumented Migrants**

### **Research into the everyday lives of young undocumented migrants in the UK £7,569 spent in 2008/09 (including support costs)**

In 2007 we commissioned City University's Department of Sociology, working in partnership with the Refugee Studies Centre at Oxford University, to carry out qualitative research into the lives of young undocumented migrants in the UK. The research was open-ended and exploratory, looking in detail at the experiences of young people from China, Brazil, Zimbabwe, Ukraine and Kurds from Turkey. One special feature of the research was the range of practical steps we asked the researchers to take to help build the skills and capacity of individuals and organisations involved in the research - , through workshops, training and the provision of ICT equipment.

The emphasis on capturing life stories in the words of young people themselves reflects our concern to understand the predicaments many are in, and to begin the process of finding practical ways to enable them to regain some control over their lives. We will do this with others who are also concerned to help the most vulnerable among these groups, and the publication of the research later in 2009 will be the first step in this process.

Not surprisingly, many young people interviewed were living in precarious situations, open to exploitation and harm. But equally compelling in their stories are the skills, energy and enterprise that they bring to our communities. Seen in this way, these young undocumented migrants are no different from many of the other young people we seek to assist - potential assets to their communities, but struggling to realise their potential.

*"Being undocumented in this country means that you don't exist"*  
Rojhan, 27

*"I think all people came here in search of a better life. And, I belong to those same people, young people who came here not just for a better life but to find out about another country, meet different people, to develop"*  
Victoria, 24

## **Reading and Libraries Challenge Fund**

### **£25,032 spent in 2008/09 (including support costs)**

The Reading and Libraries Challenge Fund was one of the Foundation's earliest Special Initiatives, and is now closed to new applications. Launched in 2003, it comprised three funding streams:

- **Right to Read** for looked-after children and young people in public care
- **Free with Words** for prisoners and young offenders
- **Libraries Connect** for neglected communities such as refugees and asylum seekers.

The Fund amounted to arguably the largest single investment by a charitable foundation in the work of public libraries since the days of Andrew Carnegie, and was unusual in providing some funding directly to public libraries (as well as prisons). It aimed to encourage libraries and other institutions to improve access to books and reading among young people and others experiencing disadvantage, including refugees and asylum seekers and care leavers.

Perhaps more ambitious was the aspiration that the work supported by the Fund would lead to lasting change – not only in terms of access to books and reading, but in the culture and ways of working of public libraries and other institutions, such as prisons and care services.

The Fund was also an example of proactive grant-making. Applicants made initial applications to one of the three streams, and then staff at the Foundation provided support and feedback as they developed their application further. Once funding was agreed, grantees could access a range of resources to support and enhance their work. These resources included one-to-one contact with Paul Hamlyn Foundation staff, workshops, conferences, web-based resources and networking between projects.

The Fund was evaluated from the start and the findings from these evaluations, along with policy and practice challenges for the future, will be published in the Fund's Final report

*"You have to ask their opinions and be prepared to be told that, what you thought was a 'great idea' might not be viewed the same by them"*

Librarian, Dorset

## **Refugee and Asylum Seeker Fund**

### **Support for the integration of young asylum seekers**

#### **£26,742 spent in 2008/09 (including support costs)**

The fund has a special focus on the integration of 11–18 year old asylum seekers and refugees, including those who are unaccompanied, and also aims to develop the capacity of refugee community organisations (RCOs), particularly those from outside London.

£3.3 million has been awarded to 69 organisations across the UK: 28 were RCOs and the remainder other organisations working in partnership with RCOs. The fund is now closed to applications.

Ongoing evaluation was a central element, designed to be participatory and ensure that grantees were able to learn from successes and failures as their work progressed. We also supported grantees through workshops and events for training and information exchange.

Our evaluators spent a great deal of time talking with project managers and young people and their report will be published later in 2009. The initial findings show that, among other things, the value and challenge of partnership working, and the benefits to RCOs of exposure to new ways of working.

Young people were involved in the planning and delivery of nearly all projects, but to different degrees. Organisations we supported were committed to youth involvement in principle, but often struggled to implement this effectively. This is an area we are addressing through our Open Grants scheme, which requires organisations to improve the effectiveness of their youth engagement.



## **Open Grants**

### **Grants awarded in 2008/09**

#### **SkyWay**

##### **Digital Pioneers Hub for marginalised BME young people in Hackney**

**£200,000 over three years**

Digital Pioneers recognises and builds upon the hidden skills and talents of Hackney's most disengaged young people. Through outreach and drop-in, young people access taster sessions in digital media – music-making, design and production – and develop skills, confidence and experience, becoming trainers and mentors of other participants.

The teenagers SkyWay works with have struggled to take part in mainstream training, employment, education and career structures. Often, previous failure and negative feedback have tainted any likelihood of engagement in the future. SkyWay's experience has shown that they are often highly entrepreneurial, creative and independent. If given training, support and direction, coupled with flexibility, freedom to experiment and opportunities for hands-on learning, these young people aspire to do their own thing.

**Empowerment:** Participants have responded well to SkyWay's approach, which allows young people to get support and direction when they need it, and even to pursue their interests in establishing their own businesses.

#### **Citizen Organising Foundation**

##### **Citizens for Sanctuary campaign**

**£75,000 over three years**

In 2006, South London CITIZENS asked 12 commissioners to conduct a nationwide review of the UK's asylum system. The Independent Asylum Commission spent two years gathering testimony from asylum seekers and the public, taking evidence from experts, and engaging in dialogue with the authorities. It produced over 180 recommendations to safeguard people who seek sanctuary here and restore public confidence in the UK's role as a place of sanctuary for those fleeing persecution.

Citizens for Sanctuary aims to find ways of making those recommendations a reality. We are funding the campaign in partnership with The Diana, Princess of Wales Memorial Fund and Esmée Fairbairn Foundation.

**Supporting change:** Our support for this campaign reflects a desire to drive change at a policy-making level.

#### **Kinetic Levenmouth YMCA**

##### **Street:Live**

**£150,000 over three years**

Based in Fife, Scotland, Kinetic began as a youth theatre and evolved into working with young people to tackle anti-social behaviour and exclusion from education and employment. The Street:Live programme attracts large numbers of young people to a range of fortnightly sporting and artistic events. Many go on to engage in other opportunities Kinetic can provide through various social enterprises.

Kinetic's work is delivered by a young team, most of whom have risen up through its volunteering programmes. The organisation has won plaudits locally and nationally – not least for the dramatic fall in anti-social behaviour in the areas where it operates.

**Youth-led youth work:** Kinetic believes that the process of genuinely engaging with young people means encouraging each individual to identify their own strengths and weaknesses, helping them build meaningful and productive relationships with others, and encouraging them to take on leadership and volunteering roles.

## **Urbis Learning**

### **Extension of the Reclaim project in Manchester**

**£49,800 over two years**

Reclaim is a six-month programme for vulnerable 12–14 year olds living in areas associated with crime, unemployment and social instability. Many are disaffected from learning and their communities are socially and geographically isolated.

The programme involves intensive mentoring and events, including working with local statutory bodies and creative and sports providers. Self-development, discipline and anger-management courses form part of the syllabus, along with teamwork and respect for legitimate authority. Participants can volunteer in their communities and receive mentoring from local professionals. Reclaim and its young participants have developed a reputation for ground-breaking work, and won numerous awards including a Philip Lawrence Award in 2008 for outstanding achievement in good citizenship.

**Negative stereotyping:** Despite the project's successes, participants have sometimes struggled to keep media interest focused on the positive work that they do. Last year they produced an open letter explaining their frustration at the approach of the media, which has too often concentrated on youth crime, rather than stories of young black men engaged positively in their area.

*"Since the project started, we have been approached by newspapers, magazines and TV companies, most of who want to talk to us about guns and knives and gangs. We keep trying to explain that we are not involved in gangs and crime; we're black boys doing positive things in this area – and then journalists go away, as they tell us that's not the story people are interested in ... The project has changed our lives in so many ways. We now consider ourselves reliable, respectable, articulate and creative young black men. Adults constantly criticise teenagers for being irresponsible, but the way the media tries to represent our area as if everyone was a drugs runner or gangster is totally irresponsible and morally wrong."*

Extract from an open letter from 14-year-old participants in the Reclaim project

## **Ongoing grant**

### **Music and Change**

#### **Youth engagement in North London**

**£75,000 over two years**

Music and Change (MAC) is an organisation which, through music, seeks to promote social inclusion and positive mental health, give marginalised young people a voice and support community integration.

The small staff, complemented by volunteers and local young people, work on a housing estate in North London, and attract young people – many of whom are involved in gangs and crime – to weekly music sessions. Participants learn skills around DJ-ing, music-making, and producing lyrics. Some have begun developing and leading activities for younger children, known as mini-MAC.

**Measuring success:** MAC has energised the estate, bringing together a diverse mix of young people, helping them develop new skills and friendships, and offering them support with issues in their lives. The success of the approach is being measured in an ongoing evaluation, involving psychologists from University College London. It is hoped that the model may be scaled up and adopted elsewhere.

## India Programme

**This programme supports social development in India through funding to non-governmental organisations. In India we are concerned with seeking to empower vulnerable groups to develop, particularly women and children.**

The India Programme has expanded significantly over the past few years, and we maintained relationships with 35 different organisations across India in the course of 2008/09 through support to 38 different projects. The projects supported were larger than previous years, with half of them obtaining grants of more than £40,000 and five obtaining more than £100,000.

The supported projects were also spread across the country, with 24 of them based in rural areas. We have traditionally had less focus on southern India, which is better developed, and this has continued in 2008/09 with only one major project, the Independent Commission for People's Rights and Development (ICPRD) functional in three districts of Karnataka.

Several new relationships have been begun in rural Maharashtra, including Social Action for Association and Development (SAAD) in Parbhani and Shashwat Trust and Shishuadhar in Pune. The project with Sathi provides a PHF-supported presence in several towns in eastern Uttar Pradesh. The remote North East continues to be represented for PHF by The Ant. A shift in focus from the main metropolitan cities to supporting basic services in smaller towns has also begun.

### Varied sectors

Our policy of supporting work as per the skills, inclinations and requirements of local NGO partners has given us considerable sectoral variety. Our traditional focus on health, education and disability continues, and there have been several new projects relating to children (Shishuadhar), governance (SWATI), integrated development (Arthik Anusandhan Kendra) and women (ICPRD and SAAD). Some of the supported projects are completely new work, some are continuations at a different scale, and others enable the replication of a model in a different area.

We have also found that we support opposing ideological spectrums. For example, within Microfinance we support Samaj Pragati Sahayog's bank-linkage model alongside Action for Social Advancement's (ASA) microfinance institution model. This is similar to our support for street children, where with Sathi we support returning them home at the earliest opportunity and with Salaam Baalak Trust and Chetna we support rehabilitating them in Delhi.

### Measuring outcomes and governance

There has been considerable emphasis on project appraisal and monitoring in 2008/09, especially given that our financial commitments to projects have increased. We now focus as much on ensuring that our NGO partners are adequately governed as we do on project monitoring, and we have finalised a set of minimum standards that we expect all NGO partners to adhere to. We are happy to note that most of our NGO partners have internal governance standards that are of far greater rigour.

We began a system of longer term (six- to seven-year) relationships in 2003. This year saw the first of such relationships (Salaam Baalak Trust and ASA) draw to a close. We need to look to continue to keep such NGO partners within the PHF family (without funding) as the relationships have been intense and we have learnt significantly. More such relationships (Seva Mandir and Cbintan) will draw to a close in the coming year.

This coming year (2009/10) is an election year in India, and we will need to gauge the outcomes for shifts in the state's policies towards the poor. Other challenges for the year include setting up a permanent presence in India, for which we have applied for the necessary permissions, and developing an effective programme of support in the poorest eastern parts of the country.

## **Case studies**

### **SWATI – Society for Women’s Action and Training Initiatives**

#### **Promoting the Right to Information**

**Rs 1,519,060 (£20,083)**

The Indian Parliament passed the Right to Information (RTI) Act in 2005 to promote transparency in public life. However, political apathy, lack of awareness and bureaucratic resistance have created significant barriers to its effective implementation.

SWATI began an initiative to create awareness of the RTI in Surendranagar district of Gujarat in 2006. Its work training RTI volunteers, setting up help lines and help desks, and creating a forum of NGOs promoting the use of RTI, enabled the RTI movement to spread across the district.

Support from PHF looks to enable SWATI to consolidate by following up on applications that have received an unsatisfactory response from the authorities, by enabling women and marginalised communities to use the RTI, and by focusing the RTI on public causes such as the Employment Guarantee Scheme, the Public Distribution System and the state health services. The support will also enable SWATI to replicate its model in two more districts in Gujarat – Mehsana and Patan.

**Empowering poor communities:** Even a well-intentioned government scheme can have many gaps that form barriers to access by poor communities. A small and focused NGO intervention can enable much larger schemes to be beneficial to the poor.

## **Child Survival India**

### **Health Programme in Savda Ghevra**

**Rs. 579,400 (£7,189)**

This project is part of an initiative, Growth for All, which looks to apply management skills to development interventions and to bring together local governments, the corporate sector, donor agencies and NGOs to address problems faced by poor communities.

Some years ago, to make land available for the Commonwealth Games (scheduled for 2010), the Delhi Government resettled slum communities on a remote plot of land in North West Delhi. Basic social development services were slow to follow, leading to problems of access to health, education and livelihoods for the 2,500 families here.

Our grant supports part of a larger programme to provide basic health services to the resettled community. Child Survival India runs an emergency service, conducts health camps, and sets up health groups that link the community to the government's health services.

**Collaboration:** This project has illustrated the importance of collaboration. The PHF-supported health project is part of a much larger initiative that involves local government, NGOs and other donors and its success is partly determined by work done by others who are not answerable to PHF in any way.

## **Sathi**

### **Re-Integrating Runaway Children on Railway Platforms**

**Rs. 3,750,000 (£49,419)**

Sathi has worked with runaway children since 1997. It set up operations in the poorer North Indian states, from where most runaway children in the large cities originate, in 2005. The Foundation's support began in 2007 for operations in Kanpur Railway Station, and has gradually extended to railway stations in Patna, Moghalsarai, Lucknow and Gorakhpur.

Sathi teams identify runaway children and then house them in temporary shelters where they are counselled while contact is established with their homes. So far, nearly 1300 children have been returned home, of which 90 per cent stay there. If children have been away for more than six months or are addicted to drugs, they are repatriated after a month-long camp that enables re-integration into society.

**Controversy:** Mainstream discourse on runaway children is not in favour of immediate repatriation. Sathi's experience is that most children leave home for trivial reasons and can be easily repatriated. Its data may be able to influence opinion.

*"As with all slum resettlement colonies in the capital, problems are aplenty - no running water, drains that lead nowhere and are not connected to most houses, a very long commute if they want to go to their old places of work, a government dispensary that opens for just three hours a day, a government primary school under tin roofs that get burning hot in summer... As Srikant Sastri of Growth For All took a group of visitors from the Salzburg Global Seminar and the 21st Century Trust around the colony, it was apparent that the NGOs had already instilled in many residents the hope of a better future."*

Joydeep Gupta, a journalist associated with the 21<sup>st</sup> Century Trust and the Salzburg Seminar, following a visit to Savda Gheva.

## Other Grants

The Foundation sometimes makes other awards that do not fit within the programme aims, although they normally relate to our areas of interest. These awards are not made in response to applications. This year we made three other awards.

### **Disasters Emergency Committee**

Relief and rehabilitation work in Burma

£100,000

Cyclone Nargis struck Burma (Myanmar) in May 2008. Estimates of the death toll vary but official figures now place the total confirmed dead at over 77,000, with a further 55,000 people missing. The disaster created 150,000 displaced persons, as homes were lost to storm damage and flooding. The United Nations described as 'severely affected' an area with a population of 1.4 million. In the weeks that followed, disease and famine threatened as efforts were hampered by non-cooperation from the military government.

The Foundation contributed to the Disasters Emergency Committee, an umbrella organisation that fundraises and coordinates the activities of a group of charities with expertise in providing humanitarian aid. Its work in Burma addressed the immediate needs of survivors, in particular those that are vulnerable, and sought to help them reconstruct their lives 'in safer more resilient communities that are better able to withstand future disasters' (DEC Burma Vision Statement).

### **The Helen Hamlyn Trust**

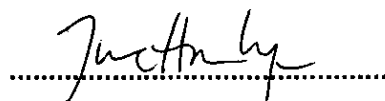
Support for the Helen Hamlyn Trust 2008/09

£2,000,000

The principal focus of the Trust is on the initiation of medium- and long-term projects, funded by way of grants, solely or with partners, linked to the shared interests of Lady Hamlyn and her late husband, Paul Hamlyn.

The current strategy for grant-making is concentrated on the following areas of activity: Medical, the Arts and Culture, Education and Welfare, Heritage and Conservation in India, International Humanitarian Affairs and Healthy Ageing. Within these areas of activity the Trust also supports a number of projects with a design focus which are undertaken by the Helen Hamlyn Centre at the Royal College of Art, London.

The Trust's core aim is to initiate and support innovative medium- to long-term projects, which will effect lasting change and improve quality of life.

A handwritten signature in dark ink, appearing to read 'Jane Hamlyn', is written over a horizontal dotted line.

**Jane Hamlyn**

**Chair**

List of grants awarded in 2008/09		
<b>Arts Programme</b>		
<b>Open Grants</b>		
Aldeburgh Music	To develop Faster than Sound into the UK's first dedicated programme for mixing classical and electronic music, centred around Aldeburgh's new 'musical campus'.	£240,000
Anjali Dance Company	To support significant organisational change in the provision of education and outreach activities for people with learning disabilities, including the employment of a learning disabled dance artist in the core team.	£36,200
Antrim Borough Council	A multi-disciplinary arts project enabling Antrim Borough to work with rural isolated or house-bound participants through an original partnership with the mobile library service.	£27,100
Artichoke Trust	A contribution to the core costs of mounting the flagship public free event for Liverpool Capital of Culture in September 2008 – an ambitious show developed with the engineering genius behind Royal de Luxe's giants, François Defarozière, and his company La Machine to be played out against the landmarks of the city.	£50,000
Association of British Orchestras	To support the appointment of an evaluation consultant to collate best practice examples in terms of measuring the impact of work on participants and communities and develop guidance notes and models for orchestras.	£8,000
B Arts	A three-year programme of workshops and training for individuals within culturally isolated communities in North Staffordshire, empowering these 'Barefoot Doctors' to deliver arts projects in their local communities.	£160,000
Berkshire Youth Dance Company	As part of a schools tour of new works, the company will undertake new initiatives for young people; formalise the management structure of the organisation and develop the skills of company members.	£7,072
Cheek by Jowl Theatre Company	Using a 1995 production of As You Like It, Cheek by Jowl will explore ways in which the company might make its archive accessible.	£7,000
Deveron Arts	A three-year artist residency and commission programme that will result in issue-based socially-engaged contemporary arts projects in the rural community of Huntly, Aberdeenshire.	£34,200
Drake Music Project	The Artistic Director post will drive forward crucial objectives, including: demonstrating that disabled musicians have high artistic aspirations and can attain musical excellence; challenging narrow views of what disabled musicians can achieve; and promoting disabled artists' work to a national audience.	£30,000
Fevered Sleep	A participation and research project, bringing together artists, children under fourteen, people over 70 and gerontologists, exploring the theme of ageing.	£7,000
Firefly Arts	To expand the delivery of Firefly's youth theatre process within informal settings to new areas across Scotland and to apply these processes to informal education settings to support the Scottish Curriculum for Excellence.	£76,000
Foundation for Community Dance	To create a framework for accredited training and continued professional development in the community dance sector, for the benefit of practitioners, employers and participants in community dance.	£74,555
FutureEverything CIC	FutureEverything is a research-active, creative studio that experiments with art, music and emerging technologies. The grant will support their flagship event, the annual Futuresonic Festival in Manchester, which blurs boundaries between art practice, social innovation and technological experimentation.	£60,000
Glyndebourne Productions Limited	Seed funding towards the development of Glyndebourne's Creative and Media Diploma Pilot.	£20,000
Half Moon Young People's Theatre	A programme of Research and Development opportunities emphasising BME/disability for emerging artists and companies aimed at changing the ecology of the Theatre for Young People sector.	£98,549
Heart'n Soul	Building on a pilot project to recruit and train a media team, establishing a key part of Heart'n Soul's creative development programme for young people with learning difficulties.	£46,000
IC: Innovative Craft/Dovecot Studios	To underpin a series of two maker-led exhibitions and events; enabling makers to develop innovative and effective ways of communicating their practice more directly to audiences.	£50,000
Modern Art Oxford	Support for the extension of a programme of collaborative art activities and events on the Rose Hill housing estate in Oxford.	£150,000
More Music in Morecambe	Core support to underpin the strategic development of the organisation through three distinct, though interlinked, elements: community participation; education and creative productions.	£75,000
Music SS-7	A new programme of music participation initiatives for young people in Derry - in and outside of school, adapting the Musical Futures principles to local needs and fitting within an existing programme of events.	£53,542
Newham Sixth Form College (NewVic)	To support the development of the Saturday Club in east London, a high-quality, mixed art-form, artistic programme which develops and presents emerging artists alongside established artists.	£43,000
Norfolk Music Works	To support a community music project in and around Dereham, Norfolk linking sports and the arts, culminating a final performance in a swimming pool at the Leisure Centre.	£9,000
Polka Children's Theatre Ltd	To develop a pilot project with deaf children, which will transform the way Polka puts children at the heart of its creative processes.	£20,000
Protein Dance	To support 'Dear Body', a production which will include an amateur cast of dancers alongside professionals, to challenge the traditional notion of professional dance performance and increase access to contemporary dance.	£70,000
RJO (Cultivate)	Building on three pilot projects, RJO will establish a network of young promoters across Cornwall, systematically increasing the number of participating young people over three years.	£56,624
Room 13 Harefield	To build capacity of this working artists' studio based in a primary school in Bristol, to cater for a wide range of age groups; to act as a resource for the local community and to provide an exemplar model of youth-led artistic and educational practice.	£37,560
Royal Shakespeare Company	Supporting an ambitious national pilot to change the way teachers and artists teach Shakespeare in school; building on the 'Stand Up for Shakespeare Manifesto.'	£180,000
Sing London Limited	Support to underpin the development and rolling out of the Sing London festival into a national programme of collective singing events, throughout London and England, called 'Sing the Nation'.	£74,183
Slobhan Davies Dance	To support an artist focused model of innovative dance delivery in primary schools, inspired by Slobhan Davies' choreographic methodology and commitment to artistic collaboration.	£82,472
Sistema Scotland	Core support over two years to grow children's orchestras, in a deprived Scottish area near Stirling, to cultivate ambition, aspiration, self-respect, discipline, teamwork and pride among children, adults, families and the wider Raploch community.	£234,000
Sound Sense	In the wake of Arts Council England having stopped its regular support of the organisation, this core grant will enable Sound Sense to test a new sustainable operating model as a professional association and development agency for community music and musicians.	£39,000

Synergy Theatre Project	Funding towards Synergy's new writing programme to develop prisoners' and ex-offenders' playwriting skills to raise awareness about issues surrounding criminal justice.	£130,000
Take Art Limited	To build infrastructure of early years arts practice in Somerset by placing creative arts practitioners within Children's Centre teams, in tandem with county arts organisations.	£60,000
Tête-à-Tête Productions Ltd	A series of initiatives to support the artists taking part in the 2008 Tête-à-Tête summer festival at Riverside Studios, enabling them to share feedback and attend each other's performances and events.	£5,000
The Arvon Foundation	A three-year partnership programme with football clubs to enable young people to attend residential courses in Arvon writing centres.	£71,615
The London Centre for International Storytelling	A two-year programme of storytelling performances by established and emerging artists in the studio at Soho Theatre, accompanied by mentoring to support the professional development of these artists.	£39,760
The Making	To enable an innovative three-year programme of professional development in contemporary craft, developed in collaboration with Oxford Brookes University, for trainee and established art and design teachers.	£79,000
The Poetry Archive	A feasibility study into the practicalities and benefits of making the Poetry Archive's recordings of poets' reading their work available as digital downloads.	£10,000
The Poetry Society	Three strands of work: Groundwork and partnership development, Local Authority Membership packages, and poetry provision for trainee teachers over three to four years.	£162,000
Topolski Memoir Ltd	Schools education and outreach programme in the run-up to the opening of the newly restored/reopened Topolski Memoir of the Century Centre on London's Southbank.	£25,000
Various Voices London 2009	To create a festival celebrating non-professional singing by lesbian, gay, bisexual and transgender (LGBT) people from across Europe and provide a template for how the amateur arts sector can work with professional organisations to deliver accessible works of high artistic quality.	£32,500
<b>Total - Arts Open Grants</b>		<b>£2,730,932</b>
<b>Special Initiatives</b>		
<b>Awards for Artists</b>		
2008 Awards for Composers		£135,000
2008 Awards for Visual Artists		£225,000
Support costs		£64,410
		£424,410
<b>Breakthrough Fund</b>		
Gate Theatre		£254,000
Inbetween Time Productions		£278,000
London Word Festival		£141,000
Museum of East Anglian Life		£150,000
Oh Yeah Music Centre		£44,450
Situations		£300,000
Support costs		£30,185
		£1,197,635
<b>Jane Attenborough Dance in Education Fellowships</b>		
Siobhan Davies Dance		£50,000
Support costs		£11,958
		£61,958
<b>Total - Arts Programme</b>		<b>£4,414,935</b>



<b>Education Programme</b>		
<b>Open Grants</b>		
Advocacy in Somerset	Maze will pioneer a new casework advocacy service for young people in secondary schools at risk of truancy or exclusion to help them get their lives back on track.	£149,883
African Future Development	To improve links with mainstream schools and develop learning initiatives to provide a more effective service to disadvantaged African children and young people.	£34,337
Al-Haqq Supplementary School	To raise the educational aspirations and achievements of local children aged 5 to 18 years from all ethnic backgrounds through supplementary education.	£32,874
Amana Education Trust	Amana aims to increase the number of trained educational practitioners from the Somali (and other BME) communities, to encourage women to volunteer at supplementary schools and train as childcare workers and to deliver a comprehensive package of learning and support for parents.	£141,178
Aqoon Community & Education Services	Aqoon is seeking funding for a year long project to provide personalised learning and academic support outside school hours for targeted underachieving Somali pupils in Key Stages 3 and 4.	£45,000
Bath Festivals	The Write Team model of year-long creative writing workshops will be further developed to embed, across several schools, pedagogical approaches that can succeed in re-engaging pupils.	£149,744
Bilingual Learning and Teaching Association	Complementary Saturday classes and parents' workshops to raise the learning potential of ethnic minority primary aged children in Bradford.	£22,630
Black Country Holistic Approach	A Multi Media Arts alternative education facility for disaffected young people at risk of school exclusion.	£48,975
Brook Street Childcare	Funding for teacher and assistant to scale-up a successful pilot of a Nurture Group at Brook Street Primary School.	£80,000
Catch Up	Training deliverers within Traveller centres to pilot and monitor the use of Catch Up Literacy and Catch Up Numeracy which are both evidence based interventions.	£26,400
Children: Our Ultimate Investment (UK)	Strategic development work to support the national expansion of 'Teens and Toddlers', a teenage pregnancy prevention programme that is also very successful in re-engaging young people with learning.	£102,250
Community Service Volunteers	A plan to tackle truancy and school exclusion by boosting young people's confidence, self-awareness and sense of responsibility through a programme of leadership training.	£33,350
CPR Success Zone	An initiative to develop good practice and reduce fixed term exclusions in a cluster of six primary schools by employing additional behaviour support staff who will work with vulnerable pupils.	£99,514
ESFORAL	Esforal is proposing to develop and run a three year project of intergenerational learning which would address underachievement by children in the Latin American community in London, through developing parental/carer/grandparental awareness of how to support children's learning.	£14,440
Fostering Network	An Education Development Worker to work with foster carers, schools and children in addressing the causes of educational underachievement, absenteeism and exclusion.	£45,000
Help Somalia Foundation	To provide supplementary schools to raise the educational attainment of members of the Somali community living in the London Borough of Brent.	£44,347
Hornafrik Integration Projects Ltd	Employment of a Schools Liaison Project Coordinator, to open the channels of communication between Somali refugee families and 30 local schools in the London Borough of Southwark.	£45,100
I CAN	An ambitious programme which aims to transform secondary schools into places where the speech, language and communication skills of all young people are actively supported by staff with the knowledge, skills and confidence to do so effectively. The programme aims to impact positively on young people's achievement, inclusion, behaviour and employability. Our grant would fund the development phase of this initiative, prior to a pilot delivery phase and then national roll out.	£300,000
Kensington & Chelsea College	A programme of peer mentoring at Kensington and Chelsea College to improve the achievement and retention rates for young people aged 16 to 25 years who are ex offenders, at risk of offending, disadvantaged, disaffected or not in employment, education or training.	£66,762
Kidscape Campaign For Children's Safety	Kidscape is proposing to run a year long project teaching assertiveness to children who are truanting because of bullying at school, in one or more of the four areas of the UK where bullying is currently rife, according to Kidscape data ( Hertfordshire, Cheshire, Wales and Essex).	£40,000
London School of Economics	A 15 month project to research and put together a coherent menu of well-evaluated programmes that can be used by secondary schools to improve delivery of the recommended programme of study for 'personal wellbeing'.	£75,000
Mobex Network Limited	A year-long alternative education programme delivered in four UK locations in close partnership with schools, that aims to turn 'cycles of failure into cycles of success'.	£164,700
On Track Projects	A project to cater for young people and families with the aim of increasing school attendance and improving family relationships throughout Rhondda Cynon Taf, South Wales.	£66,200
People and Work Unit	Development of a comprehensive model of community-led support, tackling cultural attitudes that impact on schooling to help pupils in one of Wales' poorest communities build their capacity to thrive in learning and their families' ability to support them.	£92,263
Relate South Devon	Family counselling in schools to help both school and family get the child back on track and enable the child to continue their education.	£18,000
Romsey Mill Trust	Romsey Mill will extend their innovative Transitions Programme within Cambridgeshire to improve attendance in secondary schools and share their practice with schools countywide.	£82,809
Shpresa Programme	Shpresa will extend their supplementary school, develop training programmes for mainstream teachers and parents and share their exemplary practice with others, including the Somali community.	£100,934
South Warwickshire Carers Support Service	Educational Support Project to work with young carers in education whose caring responsibilities at home lead to educational underachievement, truancy and exclusion.	£39,000
Talk Together London CIC	Capacity building work, including the development of a business plan and a fundraising strategy and working towards quality standards, to enable realisation of Talk Together London's ambitious expansion plans.	£10,000
The Baytree Centre	The PEACH Project helps school-aged girls through working closely with both the girl and her parents in order to help the girl to improve her academic attainment, raise her aspirations, and mature as a person.	£89,838
The Learning Trust	This programme aims to build and support the delivery of a new cultural curriculum across Key Stages 1-4 for three minority ethnic groups - African, African-Caribbean and Turkish/Kurdish. The curriculum will be developed and piloted by seven supplementary schools in Hackney. Resources and schemes of work will then be shared with other supplementary schools, mainstream schools and other local authorities.	£103,276
True Heart Theatre	The theatre will deliver a TIE project in English and Cantonese to students, teachers and parents to 16 Chinese Supplementary Schools in London and surrounding area.	£6,260

University of the First Age	A leadership development programme for young people aged 14-19, at risk of exclusion, that will involve these young leaders in setting up and delivering activity clubs for younger pupils with poor attendance and behavioural issues.	£130,639
Youth Sport Trust	Learning, Sport and Physical Activity Opportunities for Young People in Leicester.	£5,000
YWCA England & Wales	An accredited informal education programme for girls aged between 6 and 16 in St Helens to prevent school exclusion and disengagement with education.	£55,157
<b>Total - Education Open Grants</b>		<b>£2,561,260</b>
<b>Special Initiatives</b>		
<b>Higher Education Student Retention</b>		
Higher Education Funding Council for England		£480,000
Support Costs		£2,723
		£482,723
<b>Learning Away</b>		
Support Costs		£33,793
<b>Musical Futures</b>		
Support Costs		£203,474
<b>Learning Futures</b>		
Support Costs		£127,677
<b>Total - Education and Learning Programme</b>		<b>£3,408,927</b>

<b>Social Justice Programme</b>		
<b>Open Grants</b>		
African Healthcare & Counselling Services	To empower BME young people with mental health problems.	£56,668
Asylum Support & Immigration Resource Team	Advocacy, representation and training seeking to ensure that the voices of marginalised asylum seeking communities are brought into the mainstream.	£120,000
Body & Soul	The salary costs of Body & Soul's Founder and Director, plus a contribution towards a creative-led HIV youth project she is leading.	£127,400
Brathay Hall Trust	Prospects is a nine-month development programme to support ex-offenders into full employment. Employers will receive training and support to employ ex-offenders.	£110,225
Centre for Crime and Justice Studies	Research project to produce life stories of young people living with severe mental distress who have also committed one or more serious violent acts.	£101,700
Citizen Organising Foundation	To support the organiser post for the Citizens for Sanctuary project.	£75,000
Citizenship Foundation	Bringing together local young asylum seekers/refugee groups and youth groups involving established residents, in order to empower them to jointly engage in positive community action.	£120,000
Clapperboard UK Ltd	To develop a sustainable business model described through a detailed business plan.	£7,335
Dance United	Support for the Artistic Management Team in order for it to focus on new areas of work. This will include creating new work through partnerships with organisations in the social exclusion sector.	£240,000
Diversity Films	Brand New will broaden opportunities for the communities of Easterhouse, Scotstounhill and Govanhill by facilitating film making projects that encourage integration between young people and enable them to screen their own stories and highlight collective issues.	£75,000
Eye Citizen	Seed funding to carry out research and development for the creation of a free service for marginalised groups and individuals to help them use the social media and citizen journalism to enable their voices to be heard.	£6,000
International Learning and Research Centre	The ILRC will work with teachers to enable students from both migrant and established communities to tell their personal stories and develop biographies in collaboration with their peers, families and the wider communities, to help develop an appreciation and value of cultural diversity.	£44,668
Levenmouth YMCA	An initiative tackling anti-social behaviour, delivering changes of behaviour & attitude through positive young person centred activities.	£150,000
Media 19	A three-year project linking creative media producers with marginalised young people to create quality content for new media platforms and public spaces. The project will assist young people, and communities to deliver their messages through social networks, User Generated Content, public exhibition platforms and peer-to-peer technologies.	£169,983
Music and Change	Music for Change is an collaborative, innovative, multi-agency project which, through the creation of music, seeks to promote social inclusion and positive mental health, to give marginalised young people a voice and to support their integration into their communities.	£75,000
National Children's Bureau	To explore and record the views of children and young people in Northern Ireland, especially marginalised children, to ensure these are heard and taken seriously.	£88,781
Ormliston Children & Families Trust	To support newly arrived young people, and young people from the host community, to integrate in school and community life via the development and delivery of training materials and workshops.	£34,996
People's Palace Projects	Support for the Director to strategically develop the organisation in order to maximise the impact of PPP's Favela to the Word project, and develop understanding of the use of arts in the social justice field.	£150,000
Positive Images	Enable young women at Eastwood Park Prison to produce expressive drama based films which help to reduce self harming behaviour and increase well being.	£10,000
Pure Media UK	To support the Graduate Programme which will give young people the skills to set up their own social enterprises, developing a new generation of cultural leaders and entrepreneurs.	£198,000
Shetland Arts Development Agency	A restorative arts project with marginalised young people who have been referred to the Community Mediation Team due to interpersonal difficulties.	£7,500
Skyway Charity	Marginalised BME young people (13-25) will acquire digital media and IT skills while exploring creativity and self-expression, to enhance both self-esteem and employability.	£200,000
The Diana, Princess of Wales Memorial Fund	This proposal is for a review of existing evidence on what is known about attitudes to asylum (in the context of immigration more generally), and the extent to which future work on changing or improving attitudes in this area can build on past campaigning work.	£2,000
The Foyer Federation	The creation of a positive social behaviour contract for young people to help them develop and verify the investments they need to complete their transition into independence.	£176,568
The Reader	Capacity-building investment to help create a national organisation capable of delivering social justice through shared reading in small local groups.	£90,000
Theatre in Prisons & Probation Centre	An arts based training and advocacy programme aimed at agencies who work with young male sex workers, including health agencies dealing with HIV Aids.	£25,000
Tros Gynnal	Funding to develop current pilot work into a two-year project to enable young refugees and asylum seekers to influence issues that affect their lives, and to be represented in the future development and delivery of services.	£182,261
Until the Violence Stops/Tender	Funding for the executive director to expand a school based inclusion project which aims to tackle domestic and sexual violence.	£75,000
Urbis	Urbis Learning focuses on how people live together in the city. This phase of their Initiative is the extension and development of a previously run Moss Side based pilot project to two other locations in Manchester. Reclaim offers in-depth mentoring, challenging young people to make real differences to their communities.	£49,800
West of Scotland Regional Equality Council	To assist marginalised young people from migrant Roma communities in Glasgow to access services and play a more empowered role in bridging the gulf in understanding between them and more settled communities in their local area. The project will also work with partners in Glasgow to address poverty, and discrimination strategically at a grassroots level.	£74,927
<b>Total - Social Justice Open Grants</b>		<b>£2,843,812</b>

Special Initiatives		
Right Here		
Mental Health Foundation		£60,000
Support costs		£196,823
		£256,823
Reading & Libraries Challenge Fund		
Support Costs		£25,032
Refugee & Asylum Seeker Fund		
Support Costs		£26,742
Undocumented Migrants - Research Initiative		
Support Costs		£7,569
Returned Grant		-£120,256
Total - Social Justice Programme		£3,039,722

<b>India Programme</b>		
<b>Open Grants</b>		
Arthik Anusandhan Kendra	Integrated development in Lalgarh Block	£28,221
Association for Rural Advancement through Voluntary Action & Local Involvement	Building institutions that challenge poverty	£43,914
Baihar Nari Utthan Sewa Mahila Mandal	Development initiative with the Baiga Tribal Community	£41,929
BD Tatti Memorial Charitable Trust	Pre-primary education for deaf children	£7,180
Child Survival India	Health programme in Savda Ghevra	£7,189
Childhood Enhancement through Training and Action (CHETNA)	Taking education to the streets	£49,456
Independent Commission for People's Rights and Development (ICPRD)	Youth forums against gender based violence	£29,280
Janvikas Samajik Sanstha (JVSS)	Education support for socially excluded children	£15,235
Regional Centre for Development Cooperation	Livelihood programme in Nabarangpura	£27,001
Saath Charitable Trust	Integrated development of Sankaltnagar slum	£95,422
SATHI	Reintegrating runaway children on railway platforms	£49,419
Shashwat Trust	Agriculture development for displaced tribal community	£14,874
Shishuadhar - For the Child	Non-institutional services for children in distress	£8,518
Social Action for Association and Development	Women and child development in Parbhani	£5,714
SWATI - Society for Women's Action and Training Initiative	Promoting the right to information	£20,083
The Ant (Action Northeast Trust)	Promoting the community's right to equitable health care	£14,934
Exchange rate differences		-£728
<b>Total - India Programme</b>		<b>£452,742</b>

<b>Other Grants</b>		
Disasters Emergency Committee	Relief and rehabilitation work in Burma	£100,000
The Helen Hamlyn Trust	Support for the Helen Hamlyn Trust 2008-2009	£2,000,000
Wigmore Hall Trust	Donation in memory of Rick Rogers	£500
<b>Total - Other Grants</b>		<b>£2,100,500</b>

## Reference and administrative details and audit report

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The annual report (which comprises pages 1 – 51 and the list of trustees, staff and advisers) and financial statements are prepared on a combined basis for:

- The Paul Hamlyn (1987) Foundation (the Trust) established on 15 April 1987 by Trust Deed which has been amended in subsequent years. Registered charity number 327474.
- Paul Hamlyn Foundation (the Company), formed on 3 February 2004 as a charitable company limited by guarantee and not having a share capital. Company number 5042279 (registered in England and Wales) and registered charity number 1102927.

On 6 May 2004, the Trustees of the Trust transferred the activities and all (except £5.2m) of the assets of the Trust to the Company. On 31 March 2009 the Trust continued to retain assets to the value of £4.7m.

The principal office of both the Trust and the Company is 18 Queen Anne's Gate, London, SW1H 9AA, which is also the registered office of the Company.

## Structure, governance and management

The Board of Trustees, comprising not less than three and not more than ten members, meets at least four times a year to agree the broad strategy and areas of activity of the Foundation, including consideration of grant-making, investment, reserves and risk management policies and performance. The Board considers grant applications above £150,000 (this was increased from £75,000 in 2008).

The principal committees, which all report to the Board of Trustees, are:

- Arts, Education and Learning and Social Justice Programme Committees (each comprising three trustees and up to four external advisory members) and the India Programme Committee (comprising three trustees) meet at least quarterly to consider applications up to £150,000. Decisions on applications to the UK programmes up to £10,000 may also be taken by staff committees and are reported through the Programme Committee to the Board of Trustees.
- Finance and Investment Committee, comprising five trustees and two external advisory members, meets quarterly to consider investment strategy, manager appointment and performance, and twice a year to consider financial matters.
- Remuneration Committee, comprising the Chair and the Chairman of the Finance and Investment Committee, meets at least once a year.

The day to day management of the Foundation is delegated by the Board of Trustees to the Director.

The Board keeps the skill requirement for Trustees under review. The Trustees create a long list of appropriate people to meet identified gaps. A sub-committee interviews a shortlist of candidates. Trustees are initially appointed only until the next AGM by the Appointor provided for in the Articles of Association. The renewal of appointments (for a period of up to three years) is made by all trustees acting as members of the company. The current Appointor is Jane Hamlyn, who was designated so under Paul Hamlyn's Will. The induction process for any newly appointed trustee comprises a meeting with the Chair, and meeting(s) with the Director and other staff, together with receipt of a pack containing copies of the Memorandum and Articles of Association, the annual report and accounts, board and committee minutes and Charity Commission guidance notes.

Trustees have identified and considered the major strategic, operational and financial risks to which the Foundation is exposed. They are satisfied with the procedures which have been established to review these risks regularly, and with the actions taken to mitigate exposure to them.

Trustees have considered the Charity Commission's guidance on public benefit and confirm their view that the Foundation's objects and aims as set out on page 1 are in alignment with the public benefit requirements of the 2006 Charities Act. The Trustees Report on pages 1 to 37 demonstrates the activities of the Foundation and how they meet the Principles as defined in the Act.

## Statement of trustees' responsibilities

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

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

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The maintenance and integrity of the Paul Hamlyn Foundation's website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



## Independent auditors' report to the members of the Paul Hamlyn Foundation

We have audited the financial statements of the Paul Hamlyn Foundation for the year ended 31 March 2009 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial statements have been prepared under the accounting policies set out therein.

### ***Respective responsibilities of trustees and auditors***

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the charitable company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Trustees' Annual Report is consistent with those financial statements.

We also report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

### In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charity as at 31 March 2009, and of its incoming resources and application of resources, including its income and expenditure and cash flows, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

*PricewaterhouseCoopers LLP*  
PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

London *30<sup>th</sup> June 2009*

# Financial Review

## Endowment fund and investment portfolio

The Endowment fund represents the original and subsequent gifts by Paul Hamlyn, both in his lifetime and under the terms of his will, together with the net gains arising from the related investment assets. The trustees have discretion to make disbursements from the Endowment fund in circumstances which they consider appropriate. Investment returns from the endowment investment portfolio are used to finance grant-making and other work.

The Foundation has wide investment powers which are specified in its Memorandum of Association. Investment policy is set by the Board of Trustees, but authority to decide strategy is delegated to the Finance and Investment Committee. During the year under review, in order to bolster the resources available to trustees, the decision was taken to appoint an Investment Director, who would act as an executive officer to the Finance and Investment Committee. The committee, with input from senior staff and consultants, sets asset allocation and engages professional managers running a multi-asset, multi-manager portfolio. Most of the managers have discretionary mandates although the direct property portfolio is run on an advisory basis.

The Foundation's investment policy is to:

- Maintain in the long run the real purchasing power of the Endowment fund.
- Invest in a diverse range of assets which are most likely to give good total returns in the long term, in order to maximise the total real value of the amounts available for grant-making and other work.
- Manage volatility as far as possible, while accepting that a degree of volatility is concomitant with seeking high returns.

In the year under review, the Finance and Investment Committee continued to increase the broad spread of investments whilst continuing modest commitment to hedge funds, venture/private equity investments and specialist cash and currency management. Whilst this continuing move into alternative assets is likely to reduce dividend and investment income at least in the short term, it is aimed at increasing total returns on a long-term basis and controlling the overall volatility of the portfolio.

Significant developments in the year included:

- Adding to cash held in the portfolio by reducing global and UK equity exposure in view of the deteriorating economic outlook.
- Augmenting our investments in hedge funds by adding three new managers, including those who specialise in distressed debt.
- Adding exposure on an opportunistic basis to new venture funds, as well as a commodity manager, and an emerging currency specialist investment vehicle.
- Re-organising the Foundation's bond holdings to more closely align with the selected benchmarks.

The main asset allocation changes to the Endowment fund during the year were:

- Reducing publicly quoted equities by allocating money away from equity managers. This, in combination with market falls, resulted in our equity allocation reducing from 56% to 40%. Combined with the defensive action taken in 2007/08, this helped protect the overall portfolio from the worst of the bear market.

- In the summer of 2008, action was taken to protect the value of the portfolio by moving circa 49% of the cash assets held into US dollars and Euros. Subsequent to this, the Finance and Investment Committee established a formal currency neutral position for cash management going forward.
- Overall exposure to property at year end was 5%, hedge and venture funds 10%, and fixed interest and cash 45%.

The Foundation's endowment investment portfolio fell by about 9% for the year, mainly due to the fall in equity and property assets. At the end of the year the endowment's value was broadly in line with the trustees aim of preserving its real purchasing power (ie: Paul Hamlyn's bequests adjusted for RPI).

## Unrestricted fund

The Foundation's unrestricted fund is used to finance the Foundation's tangible fixed assets/working capital, and to provide a short-term buffer for grant-making and other costs. The trustees intend that the unrestricted fund should be approximately six months of grant-making expenditure. At the end of the year the fund remains higher than this target. It will be reduced in future years as income levels decrease as the investment portfolio is weighted to holdings which focus on capital gain and increased grant-making, specifically on special initiatives, takes effect.

## Expenditure

Grants awarded were lower than in 2007/08 (£13.4m compared with £14.5m) as decisions on some special initiatives were delayed until mid-2009 for operational reasons. However, overall awards on special initiatives have remained at 25% of all awards, excluding funding for the Helen Hamlyn Trust, as in 2007/08. The Foundation remains on course to achieve the trustees' strategic objective to increase the proportion of expenditure on special initiatives in the current planning cycle (to 2012). Open grants awards have consequently remained at 75% of awards made.

Support cost expenditure has increased from £1.9m to £2.0m largely due to staff changes and recruitment costs. Investment management fees have reduced slightly in line with reductions in portfolio value.

## Financial risks

The Foundation's principal material financial risks, including foreign exchange exposures, relate to its investment portfolio and are in line with similar long-term endowment funds in the sector. Overall investment risk management is predicated on running a diversified portfolio of high quality assets across a wide variety of asset classes and markets. The longer term strategic asset mix is set by the Finance and Investment committee, with input from Cambridge Associates and others. Individual investment mandates are awarded to specialist managers after scrutiny by the Finance and Investment Committee with input from various sources.

## Management changes

After five years as Finance Director, Jonathan Sheldon left Paul Hamlyn Foundation in 2008 to take up a position at the Health Foundation. I am grateful to him for his work. His resignation gave trustees the opportunity to think about the twin functions of Finance and Investments with the result that we have taken the opportunity to separate the roles. We have appointed Lucy Palfreyman as Finance and Resources Director and Richard Robinson as Investment Director. Both have long experience in their related but distinct areas of specialisation and we look forward to working with them.

**Bob Boas, Finance and Investment Committee Chairman**

# Statement of Financial Activities for the year ended 31 March 2009

	Notes	2009 Unrestricted fund £m	2009 Endowment fund £m	2009 Total £m	2008 Total £m
<b>Incoming resources from generated funds</b>					
Legacy income		-	-	-	0.235
Donation income		0.002	-	0.002	-
Investment income	2	14.221	-	14.221	20.280
<b>Total incoming resources</b>		<b>14.223</b>	<b>-</b>	<b>14.223</b>	<b>20.515</b>
<b>Resources expended</b>					
Investment management	3	1.916	-	1.916	2.205
Grant-making	4	15.418	-	15.418	16.347
Governance	6	0.030	-	0.030	0.027
<b>Total resources expended</b>		<b>17.364</b>	<b>-</b>	<b>17.364</b>	<b>18.579</b>
<b>Net incoming resources and net income for the year</b>		<b>( 3.141 )</b>	<b>-</b>	<b>( 3.141 )</b>	<b>1.936</b>
<b>Other recognised gains and losses</b>					
Realised and unrealised gains (losses) on fixed asset investments	8	-	( 44.106 )	( 44.106 )	( 36.964 )
<b>Net movement in funds</b>		<b>( 3.141 )</b>	<b>( 44.106 )</b>	<b>( 47.247 )</b>	<b>( 35.028 )</b>
<b>Funds at 1 April 2008</b>		<b>19.444</b>	<b>494.068</b>	<b>513.512</b>	<b>548.540</b>
<b>Funds at 31 March 2009</b>		<b>16.303</b>	<b>449.962</b>	<b>466.265</b>	<b>513.512</b>

The Statement of Financial Activities includes the Income and Expenditure Account and the Statement of Total Recognised Gains and Losses  
The notes on pages 47 to 51 form part of these financial statements

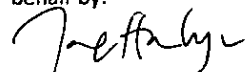
# Balance Sheet at 31 March 2009

	Notes	2009 Unrestricted fund £m	2009 Endowment fund £m	2009 Total £m	2008 Total £m
<b>Fixed assets</b>					
Tangible assets	7	0.149	-	0.149	0.196
Investment assets	8	-	449.909	449.909	494.070
		<u>0.149</u>	<u>449.909</u>	<u>450.058</u>	<u>494.266</u>
<b>Current assets</b>					
Debtors	9	1.480	-	1.480	1.464
Other investments	10	28.620	0.066	28.686	31.127
Cash at bank and in hand		0.133	-	0.133	0.014
		<u>30.233</u>	<u>0.066</u>	<u>30.299</u>	<u>32.605</u>
<b>Creditors falling due within one year</b>	11	<u>( 9.042 )</u>	<u>( 0.013 )</u>	<u>( 9.055 )</u>	<u>( 8.539 )</u>
<b>Net current assets</b>		<u>21.191</u>	<u>0.053</u>	<u>21.244</u>	<u>24.066</u>
<b>Total assets less current liabilities</b>		<u>21.340</u>	<u>449.962</u>	<u>471.302</u>	<u>518.332</u>
<b>Creditors falling due after more than one year</b>	12	<u>( 5.037 )</u>	<u>-</u>	<u>( 5.037 )</u>	<u>( 4.820 )</u>
<b>Net assets</b>		<u>16.303</u>	<u>449.962</u>	<u>466.265</u>	<u>513.512</u>
<b>Funds at 31 March 2009</b>		<u>16.303</u>	<u>449.962</u>	<u>466.265</u>	<u>513.512</u>

The notes on pages 47 to 51 form part of these financial statements

The financial statements on pages 44 to 51 were approved by the trustees on 30th June 2009 and were signed on their

behalf by:



Jane Hamlyn  
Trustee



Bob Boas  
Trustee

# Cash Flow Statement for the year ended 31 March 2009

	2009 Unrestricted fund £m	2009 Endowment fund £m	2009 Total £m	2008 Total £m
<b>Net incoming/(outgoing) resources for the year</b>	(3.141)	-	(3.141)	1.936
Less investment income earned	(14.221)	-	(14.221)	(20.280)
Add back investment management charges	1.916	-	1.916	2.205
Less legacy income	-	-	-	(0.235)
Add back depreciation	0.102	-	0.102	0.144
(Increase) in debtors	(0.020)	-	(0.020)	(0.075)
Increase/(decrease) in creditors due within one year	0.603	-	0.603	(8.536)
Increase/(decrease) in creditors falling due after more than one year	0.217	-	0.217	2.737
<b>Net cash inflow/(outflow) from operating activities as defined by FRS 1</b>	<b>(14.544)</b>	<b>-</b>	<b>(14.544)</b>	<b>(22.104)</b>
<b>Returns on Investment</b>				
Investment income received	14.225	-	14.225	20.885
Investment management charges paid	(2.003)	-	(2.003)	(2.219)
<b>Capital expenditure and financial investments</b>				
Purchase of tangible fixed assets	(0.056)	-	(0.056)	(0.043)
Sale of tangible fixed assets	0.001	-	0.001	0.001
Purchase of fixed asset and other investments	-	(250.864)	(250.864)	(1,295.263)
Sale of fixed asset and other investments	2.441	250.919	253.360	1,298.418
<b>Increase/(decrease) in cash for the year before financing</b>	<b>0.064</b>	<b>0.055</b>	<b>0.119</b>	<b>(0.325)</b>
<b>Financing</b>				
Legacy income	-	-	-	0.235
<b>Increase (decrease) in cash for the year</b>	<b>0.064</b>	<b>0.055</b>	<b>0.119</b>	<b>(0.090)</b>
Cash at bank and in hand at 1 April 2008	0.014	-	0.014	0.104
Movement during the year	0.064	0.055	0.119	(0.090)
<b>Cash at bank and in hand at 31 March 2009</b>	<b>0.078</b>	<b>0.055</b>	<b>0.133</b>	<b>0.014</b>

# Notes to the financial statements for the year ended 31 March 2009

## 1 Principal accounting policies

The financial statements have been prepared on a going concern basis and in accordance with applicable Accounting Standards in the United Kingdom and the Companies Act 1985. A summary of the more important accounting policies, which have been applied consistently, is set out below.

### (a) Basis of accounting

The financial statements are prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities<sup>2</sup> issued in March 2005, and the historical cost convention as modified by the revaluation of fixed asset investments.

The foundation has two funds, their operation is explained on page 42 to 43.

Details of both entities which are included in these accounts are given in the reference and administrative details on page 38.

### (b) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Foundation is legally entitled to the funding and the amount can be quantified with reasonable certainty.

### (c) Resources expended

Resources expended are the cost of generating funds, grant-making and governance costs.

Investment management fees are the only cost of generating funds.

Grant-making represents the costs of activities in furtherance of the Foundation's objects and includes the grants awarded by the Foundation, and the support costs associated with them. Where they cannot be directly derived, support costs are allocated between grant-making activities on the basis of the value of grants awarded. This represents a change in methodology from 2007/08 where allocation was on the basis of the number of grants awarded and their monetary value.

Governance costs are the costs associated with the strategic direction and corporate management of the Foundation and include the cost of providing the infrastructure which allows the Foundation to operate and to generate information required for public accountability.

Grants are recognised when they have been awarded and the grantee has been informed.

### (d) Tangible fixed assets

All of the tangible fixed assets are held for charitable use.

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition. Tangible fixed assets with a cost of less than £500 are not capitalised.

Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful economic lives of the assets concerned. The Foundation plans to surrender the lease of its offices in the next year or so and therefore shortened the expected life of certain assets in the prior year. The effect of this change is an increase of £0.017m on the depreciation charge in each of the years ending 31 March 2009 and 2010. The principal useful economic lives used for this purpose are:

	No of years
Furniture and fittings	4 to 12
Computer equipment	4
Leasehold property (life of the lease)	12

### (e) Fixed asset investments

Listed investments are stated at their market value at the year end. The Statement of Financial Activities includes unrealised gains and losses arising from the revaluation of the investment portfolio in the year and realised net gains and losses arising on disposals.

Investment properties held directly have been valued by Cushman and Wakefield, an independent firm of international property consultants and valuers. Pooled property investments are stated at net asset value as calculated by the various managers and reviewed by Cushman and Wakefield.

The carrying value of unlisted investments is the trustees' best estimate of the market value at the balance sheet date.

### (f) Foreign currencies

Income denominated in foreign currencies is recorded at the rate of exchange ruling on the date of receipt. Foreign currency investments are valued at their year-end market value translated into sterling at the year-end exchange rate or at the contract rate where foreign currency investments are subject to an underlying hedge. All



gains or losses on translation are taken to the Statement of Financial Activities in the year in which they occur.

**(g) Operating leases**

Costs in respect of operating leases are charged on a straight line basis over the lease term.

**(h) Pension costs**

The Foundation makes payments to the defined contribution personal pension plans of all its employees. The payments are based on a salary percentage and are charged to the Statement of Financial Activities in the period to which they relate.

**(i) Irrecoverable value added tax**

Irrecoverable VAT is included as part of the expenditure to which it relates.

## 2. Investment income

	2009	2008
	£m	£m
UK equities	2,583	7,180
Overseas equities	5,307	3,532
Fixed interest securities	0,000	5,327
UK investment property	1,610	1,679
Term deposits	4,498	2,562
Unlisted investments	0,223	-
<b>Total</b>	<b>14,221</b>	<b>20,280</b>

Fixed income: The management techniques utilised for the specialist fixed interest portfolio of the Foundation do not make precise attribution between capital and income. In 2008 the capital gain on fixed income securities was treated as income. The accounting treatment for 2009 and going forward is to include the capital gain (loss) in the asset value and this is included in note 8.

## 3. Cost of generating funds

	2009	2008
	£m	£m
Investment management fees and consultancy	1,916	2,205

With respect to investments in hedge funds and private equity funds, the management agreements of the underlying funds provide for compensation to the respective managers in the form of management and performance fees determined as a percentage of net assets. All fees are deducted from the funds' assets and are reflected in the net asset values reported.

## 4. Charitable activities: Grant-making

During the year ended 31 March 2009, the following charitable donations were awarded by the Foundation:

	2009 Grants awarded £m	2009 Support costs £m	2009 Grant- making £m	2008 Grant- making £m
Grants awarded by value				
Arts	4,415	0,651	5,066	5,607
Education and Learning	3,409	0,504	3,913	3,803
Social Justice	3,039	0,490	3,529	3,883
India	0,453	0,077	0,530	0,759
Other Grants	2,101	0,279	2,380	2,295
	<b>13,417</b>	<b>2,001</b>	<b>15,418</b>	<b>16,347</b>

### Number of grants awarded

	2009	2008
Arts	51	55
Education and Learning	36	58
Social Justice	31	51
India	16	18
Other Grants	3	4
	<b>137</b>	<b>186</b>

A schedule of the grants awarded in each programme area is given elsewhere in this report. All grants were awarded to organisations with the exception of £0.360m (2008: £0.360m) awarded to eight (2008: eight) individuals.

## 5. Support costs

	2009 £m	2008 £m
Gross salaries	0,835	0,759
Social security costs	0,083	0,084
Other pension costs	0,098	0,095
Other employment costs	0,058	0,038
<b>Total payroll and related costs</b>	<b>1,074</b>	<b>0,976</b>
Operations support	0,365	0,186
Property expenses	0,195	0,357
Communications	0,052	0,044
Office expenses	0,212	0,165
Depreciation and loss on disposals	0,103	0,144
	<b>2,001</b>	<b>1,872</b>

Support costs reflect the management structure of the organisation. Operations support includes the costs of temporary staff and recruitment.

The average number of persons employed by the Foundation during the year was 21 (2008: 19). The number of employees whose salaries, including any ex gratia payments, were above £60,000 was:

	2009 Number	2008 Number
£60,000 to £70,000	1	-
£90,001 to £100,000	1	2
£110,001 to £120,000	1	-

During the year the Foundation made contributions of £28,231 (2008: £36,208) to the personal pension plans of these employees.

The trustees are not employed by the Foundation and do not receive any emoluments in respect of their services.

Travel expenses of £1,643 (2008: £3,752) were reimbursed to four (2008: three) trustees during the year.

## 6. Governance costs

	2009	2008
	£m	£m
Audit fees	0.018	0.018
Legal and professional fees	0.002	-
Office expenses	0.010	0.009
	<u>0.030</u>	<u>0.027</u>

## 7. Tangible fixed assets

	Leasehold property £m	Furniture and fittings £m	Computer equipment £m	Total £m
<b>Cost</b>				
As at 1 April 2008	0.511	0.139	0.214	0.864
Additions	0.000	0.003	0.053	0.056
Disposals	0.000	-0.002	-0.013	-0.015
As at 31 March 2009	<u>0.511</u>	<u>0.140</u>	<u>0.254</u>	<u>0.905</u>
<b>Depreciation</b>				
As at 1 April 2008	0.424	0.090	0.154	0.668
Charge for the year	0.043	0.017	0.042	0.102
Disposals	0.000	-0.002	-0.012	-0.014
As at 31 March 2009	<u>0.467</u>	<u>0.105</u>	<u>0.184</u>	<u>0.756</u>
<b>Net Book Value</b>				
As at 31 March 2009	<u>0.044</u>	<u>0.035</u>	<u>0.070</u>	<u>0.149</u>
As at 1 April 2008	<u>0.087</u>	<u>0.049</u>	<u>0.060</u>	<u>0.196</u>

## 8. Fixed asset investments

	2009	2008
	£m	£m
Market value at 1 April 2008	494.070	530.799
Purchases	250.864	1,295.263
Sales	( 250.919 )	( 1,295.028 )
Net realised and unrealised losses	( 44.106 )	( 36.964 )
Market Value as at 31 March 2009	<u>449.909</u>	<u>494.070</u>

Investments at market value comprised:	2009	2008
	£m	£m
UK equities	32.251	96.357
Overseas equities	146.433	179.103
Fixed interest securities	114.132	110.000
UK Investment property	21.386	30.875
Alternative securities	36.971	20.182
Term deposits	88.305	51.643
Unlisted investments	10.431	5.910
<b>Total (including cash held for investment by managers)</b>	<u>449.909</u>	<u>494.070</u>

Trustees consider that any incidental cash balance held by an investment manager is an integral part of its asset allocation and have included it in the appropriate asset class.

## 9. Debtors

	2009	2008
	£m	£m
Prepayments and other debtors	0.221	0.201
Accrued investment income	1.259	1.263
	<u>1.480</u>	<u>1.464</u>

## 10. Other investments

	2009	2009	2009	2008
	Unrestricted fund	Endowment fund	Total	Total
	£m	£m	£m	£m
Fixed Interest securities	0.466	-	0.466	12.597
Cash deposits	28.154	0.066	28.220	18.530
	<u>28.620</u>	<u>0.066</u>	<u>28.686</u>	<u>31.127</u>

#### 11. Creditors falling due within one year

	2009	2009	2009	2008
	Unrestricted fund	Endowment fund	Total	Total
	£m	£m	£m	£m
Grants payable	8.234	-	8.234	7.652
Prepaid rental income	0.313	-	0.313	0.313
Investment management fees accrual	0.124	-	0.124	0.211
Accruals and creditors	0.357	0.013	0.370	0.306
Taxation and social security contributions	0.014	-	0.014	0.057
	<u>9.042</u>	<u>0.013</u>	<u>9.055</u>	<u>8.539</u>

#### 12. Creditors falling due after more than one year

	2009	2009	2009	2008
	Unrestricted fund	Endowment fund	Total	Total
	£m	£m	£m	£m
Grants payable in one to two years	3.744	-	3.744	3.713
Grants payable after two years	1.293	-	1.293	1.107
	<u>5.037</u>	<u>-</u>	<u>5.037</u>	<u>4.820</u>

#### 13. Special initiative expenditure

The Foundation establishes special initiatives in order to meet its aims. Periodically the trustees allocate resources to these initiatives. The current total allocations, and the amounts expended in this year and earlier years, and the amounts which may be expended in future years, are shown below.

	Earlier years	This year	Future years	Total
	£m	£m	£m	£m
Award for Artists	0.420	0.424	1.256	2.100
Breakthrough Fund	1.292	1.198	2.010	4.500
Higher Education Retention	0.000	0.483	0.117	0.600
Jane Attenborough Dance in Education	0.175	0.062	0.038	0.275
Learning Away (Residential Experiences)	0.000	0.034	2.223	2.257
Learning Futures	0.038	0.128	1.119	1.285
Musical Futures / MuFu Transitions	1.786	0.203	0.789	2.778
Reading and Libraries Challenge Fund	3.248	0.025	0.015	3.288
Refugee and Asylum Seeker Fund	3.332	0.027	0.015	3.374
Right Here	0.001	0.257	1.228	1.486
Young Undocumented Migrants Research	0.184	0.008	0.020	0.212
	<u>10.476</u>	<u>2.849</u>	<u>8.830</u>	<u>22.155</u>

#### 14. Operating lease commitments

The Foundation occupies its offices under a lease which expires in 2012. The current rent is £0.189m inclusive of VAT (2008: £0.176m).

The Foundation has a tenant's option to break the lease by giving six months' notice.

## Trustees, staff and advisers

### Trustees

Jane Hamlyn (Chair)  
Rushanara Ali (to June 2009)  
Bob Boas  
Michael Hamlyn  
James Lingwood

Estelle Morris  
Lord Moser  
Anthony Salz  
Peter Wilson Smith  
Tom Wylie (from April 2009)

### Staff

Ushi Bagga  
Denise Barrows  
Rob Bell  
Susan Blishen  
Regis Cochefert  
Gerry Creedon  
Tony Davey  
Sarah Jane Dooley  
Susan D'Sylva  
Robert Dufton  
Maria Ferron  
Gillian Goode  
Lisa Howard  
Ruby Ireland  
Fatima Joaquim  
Maria Karska  
Richard King  
Barbra Mazur  
Denise Mellion  
Marcello Moro  
Lucy Palfreyman  
Richard Robinson  
Vicki Selby  
Liz Scott  
Jonathan Sheldon  
Dan Watson  
Faye Williams

Grants Officer (from June 2008)  
Education and Learning Programme Manager  
Social Justice Programme Manager  
Mental Health Special Initiative Manager  
Arts Programme Manager  
Accountant (to October 2008)  
Information and Resources Officer  
Grants Officer  
Finance Officer  
Director  
Chair and Director's Assistant  
Grants Assistant (from June 2008)  
Grants Assistant  
Grants Officer (to August 2008)  
Housekeeper  
Administration Officer  
Grants Assistant  
Grants Officer  
Education and Learning Programme Manager (maternity leave cover from May 2009)  
Grants Assistant  
Finance & Resources Director, Company Secretary (from November 2008)  
Investment Director (from January 2009)  
Learning Futures Co-ordinator (from February 2009)  
Accounts and IT Officer  
Director of Finance (to April 2008)  
Communications Manager (from September 2008)  
Grants Officer

### Advisers

Robert Berkeley  
Professor Sir Tim Brighouse  
Kate Brindley  
Ajit Chaudhuri  
Julian Corner  
Lord Gavron  
Roger Graef  
Sushna Iyengar  
Dr Donald Peck  
Jonathan Reekie  
Shankar Venkateswaran  
Claire Whitaker  
Vanessa Wiseman  
Dr Paul Woolley

Social Justice  
Education and Learning  
Arts  
India  
Social Justice (to March 2009)  
Investments  
Social Justice  
India  
India  
Arts  
India  
Arts  
Education and Learning  
Investments

### Registered Auditors

PricewaterhouseCoopers LLP, 1 Embankment Place, London WC2N 6RH

### Solicitors

Withers LLP, 16 Old Bailey, London EC4M 7EG

### Bankers

NatWest plc, 208 Piccadilly, London W1A 2DG

### Investment Advisers

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