

Registered company number 02729957

Registered charity number 1013025

Scottish registered charity number SC039888

THE LUCY FAITHFULL FOUNDATION

**Annual Report and Financial Statements
31 March 2012**

THE LUCY FAITHFULL FOUNDATION

Financial statements for the year ended 31 March 2012

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THE LUCY FAITHFULL FOUNDATION

Reference and Administrative Information

Registered company number
02729957

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1013025

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Sir Richard Tilt
Frank Cook MP (deceased January 2012)

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Professor Derek Perkins BSc MSc PhD CSi CPsychol AFBPsS
Annie Sheppard Cert Ed CQSW (joined 15 March 2012)
Professor Alec Spencer BA (Hons) MA
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THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2012 (Incorporating the Directors' Report)

The Trustees, who are also Directors of The Lucy Faithfull Foundation ("the charity" or "LFF") for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2012. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" 2005 in preparing the annual report and financial statements of the charity.

The Trustees who held office during the year, and up to the date of this report, are listed on page 3.

1. Objects of the charity

Governing document

The charity is constituted, under its Memorandum and Articles of Association, as a company limited by guarantee, incorporated on 9 July 1992. It was registered as a charity in England and Wales on 16 September 1992. On 23 September 2008 the charity was registered with the Office of the Scottish Charity Regulator (OSCR).

The objects of The Lucy Faithfull Foundation (LFF) are:

- to further the assessment, psychological rehabilitation, treatment, education and care of persons who have committed or are likely to commit sexual offences against others, especially children;
- to further the assessment, care and treatment of the victims (and their families) of the aforesaid offenders and to further the health and welfare of children considered to be at risk of sexual abuse;
- to assist in the prevention of sexual offences (especially those involving children);
- to further study and research into the nature, extent and probable causes of sexual offending, the effects on victims and their families, the effective prevention of such offending and the assessment, treatment and rehabilitation of offenders or likely offenders and disseminate the useful results of such research; and
- to provide education and training to professionals, school governors, parents and the general public in issues relating to sexual offences (especially those involving children), the prevention of such offences, the rehabilitation and treatment of offenders or potential offenders, and the care and treatment of victims.

Our vision is a society where children are free from sexual abuse and exploitation. Our mission is to prevent abuse from happening by working in partnership with voluntary and statutory sector professionals as well as the general public.

Public benefit

Imagine that you could put a protective shield around a child – now you can imagine the work of The Lucy Faithfull Foundation. Our work is about preventing abuse before it starts, working with 'at risk' groups and preventing reoffending.

We work with everyone who can prevent sexual abuse and with those affected by it: children and young people, but primarily the adults surrounding them: parents, teachers, social workers, police, medical professionals. We raise awareness of abuse and provide advice and training to help adults protect children by identifying worrying signs and implementing protective strategies if they have concerns. The wider community benefits from this preventative work.

Our specialist knowledge and experience is key to preventing abuse. Websites and a freephone Helpline, form part of our Stop it Now! UK & Ireland prevention campaign. Face to face 'Parents Protect!' courses provide critical information about how to recognise child sexual abuse, protect children from it and develop family safety plans. Training and consultancy help frontline professionals maximise benefits for families.

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Trustees' Report for the year ended 31 March 2012 (continued)

We work with people who have abused children or are worried by their own thoughts or behaviour. Our work with criminal justice agencies helps protect children from sexual abuse. Police value our services for internet offenders and their families and refer them to our specially designed programmes. We work with young people in custody and we run Circles of Support & Accountability using volunteers to provide watchful support to adult offenders released from prison. Correcting dangerous behaviour before it escalates is a vital way of preventing more children from being sexually abused.

We contribute to policy and procedure reviews concerned with safeguarding children in faith communities, in schools, in leisure facilities, on the internet and living at and away from home, working with government to deliver effective services.

The Trustees confirm that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. They have also complied with the requirements of the Office of the Scottish Charity Regulator.

The Trustees further confirm that the activities of the charity are carried out, in line with its objects, for the public benefit in England, Scotland and Wales. Section 2 of this report details how this has been achieved in the year.

2. Review of Activities and Achievements from April 2011 to March 2012

Against a background of major government funding cuts we were delighted to secure a grant from the Government's Transition Fund to help us reposition the charity to meet the challenges ahead. This grant was for a short period (July to March) and so we decided that best value would be achieved by building on what existed rather than trying to start projects from scratch. The success of the overall project depended on us using our strengths: our staff, our programmes and our existing partner agencies.

We reviewed the content and increased the reach of existing programmes. A major development has been in our programmes for internet offenders and their families. 2011/12 has seen the numbers participating double in comparison with the previous year. We created an individualised programme for young people caught up in internet-related offences, in collaboration with Police Services.

We began projects where we had potential partners but a lack of funding, and used the grant to start projects, creating a 'snowball effect' to attract new money. An example is the West Midlands Circles of Support and Accountability Regional Project in collaboration with probation and other partners.

Groundwork for new, much needed, services began: for example, scoping restorative justice for young people with The AIM Project (AIM) and the Youth Justice Board (YJB), linked to our contract for assessment and intervention in Young Offender Institutions (YOIs). Together with Child and Family Training we have been researching common elements of effective intervention for children. This will continue in 2012/13 using our own resources plus capacity building funding from the Department for Education (DfE) to develop manuals and train trainers for delivery to frontline practitioners. We are also working with the University of Birmingham to develop post-graduate courses focusing on work with child sexual abuse.

Enhancing LFF's fundraising and marketing capacity has been a key use of grants from DfE and the Transition Fund. Back up support was purchased to allow time for existing staff to learn new fundraising skills. Action Planning worked with us to develop a targeted fundraising strategy. The Raiser's Edge fundraising, communication and events database and associated training was purchased and branding and marketing has been enhanced.

We are delighted that our Stop it Now! campaign secured grant funding for this year and the next: from the Welsh Government, the Scottish Government and DfE to support national campaign activity in Wales, Scotland and England. The Offender Management and Public Protection Group (OMPPG) in the National Offender Management Service (NOMS) in the Ministry of Justice continues its support for the Helpline.

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Trustees' Report for the year ended 31 March 2012 (continued)

Our staff and volunteers have shown admirable ability to adapt and step up to the challenges. The time invested has improved our capacity to respond to new opportunities. However, difficulties remain. We are affected by the Legal Services Commission's decision to make massive cuts in hourly rates and the number of hours allowed for Family Court reports, to a point where the viability of continuing our work in that area, much valued by courts, is threatened. Our fundraising ability has improved but bidding for, and monitoring, a lot of small grants is very time expensive. The transition and capacity building experience has been excellent – but the future is by no means plain sailing.

We remain committed to effective practice and innovation, measuring our performance against targets, engaging with referrers and service users to design, feedback on, and update programmes. Evaluation of our services has shown that service users respond positively to engagement with us, and agencies and individual referrers comment on the value of our services, the professionalism of our staff, and the importance of our specialist role in protecting children from sexual abuse. Our increasing media and communications profile and funding from grant making organisations, donations, service participant contributions and spot purchase income generation has enabled us to reach people who would not otherwise have received help.

In 2012 we celebrate our 20th Birthday and the 10th Anniversary of our Stop it Now! Helpline. We launched the celebrations with a successful Parliamentary Reception at the House of Lords hosted by Baroness Howarth of Breckland, OBE, our Vice Chair of Trustees and addressed by DfE Minister, Tim Loughton MP. A further event is planned for later in the year.

2.1 Working with the Family Court System: expert assessments and intervention by our multi-disciplinary team

Expert assessments have reduced by 31% this year compared to 2010/11. Changes in the Legal Services Commission's (LSC) approach to expert witness fees led to cancellations and postponements when lawyers seeking prior funding authority faced cuts and attempted to appeal LSC decisions. We are adapting to changing circumstances, but the future regarding court reports remains uncertain.

Our integrated family work has been valued for many years as it saves time and costs for local authorities, courts and their users. Our experts assess all family members and recommend the best way forward, underpinned by our guiding principle that the needs of children come first.

Assessments of men have included convicted contact and internet offenders, those with historical convictions and those whose conduct has led to concerns about their fitness to care for children. Assessments of women included sexual abusers, but were typically 'ability to protect' assessments of women involved with known or suspected abusers. Assessments of children and young people included some who posed a danger, but most were at risk from others. The strength of the staff team lies in extensive experience in this area and ability to engage in contentious, highly complex, multi-generational cases, involving multiple family members. Although the number of assessments has decreased during the year, the number of court appearances has risen due to the increasingly complex cases we undertake.

We offer intervention for families within very demanding, and therapeutically difficult, court timetables. Referrals for intervention with children, especially young people, have increased this year but referrers cannot always afford to fund family work. A grant from Lloyds TSB Foundation has enabled more non-offending family members to receive help when they could not otherwise have done so.

2.2 Working with agencies concerned with abuse in the workplace

Government continues to use our specialist services regarding people who abuse in the context of their work. Our contract to provide assessment reports to the Independent Safeguarding Authority (ISA) was extended and has been renewed from 2012 following a competitive tendering process.

Trustees' Report for the year ended 31 March 2012 (continued)

Since 2004 and the publication of the Bichard Inquiry into the murders of Holly Wells and Jessica Chapman, we have supported DfE in the design and delivery of, as well as revisions to, Safer Recruitment Training for Education and for the Wider Children's Workforce. Whilst the year has seen a number of changes anticipated in existing criminal records checking and the barring functions discharged by the Independent Safeguarding Authority, we have continued to deliver Safer Recruitment Training as well as 'train the trainer' courses to Safeguarding Children Boards, Local Authorities and Independent Schools. Given that the Protection of Freedoms Bill (Royal Assent in May 2012) transfers greater responsibility for wise recruitment decisions to the employer, and away from the State, we are not anticipating a decline in this area of training activity.

We consult to The Football Association (FA) Safeguarding Review Panel which oversees the safeguarding arrangements for children who receive coaching in football, including the fitness to practice of coaches and referees. We provide reports for the FA in cases relating to possible sexual misconduct.

2.3 Working with young people in the Criminal Justice System

2.3.1 Assessment and intervention in Young Offender Institutions

Our contract with the YJB, to provide specialist assessment and intervention for young people in four YOIs in the secure estate is now in the third year of a 3 year contract and has been extended for a further year with potential within the contract for a further one year extension to March 2014.

During the year we provided a service to 87 young people, a small increase on the previous year. We continue to provide short assessments on young people prior to release, prepare young people for intervention programmes in the young adult estate and provide up to 3 post release or post transfer visits to young people to assist their transition to the community or to another YOI, additional to assessment and intervention with young people serving medium to long term sentences. We received 64 new referrals in the year from the YJB Placements Service, an increase of 15 on the previous year, and delivered 60 visits to young people post release or transfer, nearly double the number delivered the previous year.

In addition to direct work with young people we have continued to provide additional activities within each of the YOIs including awareness training for YOI and education staff and the delivery and review of the pilot of a successful groupwork programme open to all young people on the Long Term Unit (LTU) at HMYOI Ashfield. The LTU at HMYOI Warren Hill, the Waveney Unit, opened in the spring of 2012. The LFF practitioners have made a positive transition to the new unit and are working with managers there to develop links with staff and services attached to it.

LFF staff at HMYOI Wetherby continue to provide services to a significant number of young people located on the Keppel Unit, a national resource for vulnerable young people with complex needs and behaviours.

2.3.2 Restorative justice

We used our Transition Fund grant to scope restorative justice opportunities. Our partnership with the AIM project in Greater Manchester was further extended by our commissioning AIM to deliver a scoping study focusing on LFF capacity to develop and deliver restorative interventions with young people who had caused sexual harm to others. Staff from across LFF attended briefing sessions on restorative justice and on the potential for LFF to extend our work in this area. The study shows that our staff skills and experience relate well to further development of restorative justice, fitting with the ethos of other LFF services such as Stop It Now! and Circles of Support and Accountability.

We will focus initially on securing funds to extend our partnership with AIM to provide restorative justice interventions for young people who receive a service from LFF in the YOIs. Our plan is for LFF staff to receive training and support to enable them to become accredited restorative justice practitioners, delivering interventions with consultancy provided by the AIM project. We can then review the potential for extending restorative justice interventions to our services for adults.

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Trustees' Report for the year ended 31 March 2012 (continued)

LFF is currently working with AIM to adapt the AIM Restorative Justice assessment process for application in secure settings with young people. Links have been made with the strategic lead for Restorative Justice within the YJB and we continue to work with AIM to identify young people in our YJB funded contract who may be suitable for the Restorative Justice project delivered by AIM.

2.3.3 Young people's online sexual behaviour

Transition and charitable funding was used to develop and pilot an information and advice service for young people and their parents and carers where there are concerns about the young person's sexual behaviour online and/or in their use of new technologies. The service can be accessed through the Stop It Now! Helpline, including via referral from the Police. The service facilitates:

- Meeting with the young person and their parents (separately or individually) to explore what has happened, what the needs of the family and young person are, and how LFF can help;
- Educating young people and their parents/carers around topics such as internet safety, and how to keep safe when using new technologies;
- Exploring with young people how they can keep themselves and other people safe online;
- Supporting young people and their families in finding the answers to questions about the concerning behaviour itself, and helping families to start communicating about these matters.

The pilot provided a service for ten young people and their families and we are using the positive feedback received to assist in developing an evaluation structure. Future funding will be from charitable donations and participant family contributions.

2.4 Working with adults convicted of sexual offences

2.4.1 Circles of Support and Accountability (CoSA)

The purpose of CoSA is to re-integrate adult sex offenders safely into society, preventing the isolation that increases risk. A 'Circle' consists of a group of volunteers, supported by professional staff, set up around a 'core member' sex offender. They befriend the offender whilst also holding him accountable for his actions. There is strong evidence for the effectiveness of CoSA in reducing reoffending. We are members of the umbrella body, Circles UK, which positively evaluated our work last year. We have a 10 year history of running CoSA countrywide funded centrally by NOMS until 2010.

Currently, we are running a CoSA project in collaboration with the Metropolitan Police for deportee sex offenders returned to the UK after serving a prison sentence abroad. Following an initial grant from the Home Office, Lankelly Chase Foundation and Esmée Fairbairn Foundation are funding the project which will provide 12 Circles across London. Numbers are dependent on referrals of suitable offenders from the Police. The time staff spend in advance of each Circle is greater than for other Circles given limited background information and support. The isolation of these offenders when they arrive in the UK underlines the importance of our work in engaging them and preventing re-offending.

Our West Midlands Regional CoSA project runs in collaboration with Staffordshire & West Midlands Probation Trust and Heantun Housing. These organisations contribute primarily in kind. The plan is to develop CoSA in West Midlands, West Mercia, Staffordshire and Warwickshire with Derbyshire and Northamptonshire joining the project. The intention is that economies of scale will increase financial viability. Transition funding enabled us to recruit and train volunteers and start 3 Circles. 23 trained volunteers are providing Circles in Warwick, Shrewsbury and Birmingham. We will fund these Circles from our own resources to their natural conclusions but we are seeking funding from other sources to increase the Circles so that more people can benefit and economies of scale can be maximised.

2.4.2 Managing online behaviour of registered sex offenders: monitoring software

We continue to use and promote the computer monitoring software 'Securus'. This technology provides information to managers of registered sex offenders about offenders' home computer usage, reassurance to offenders' adult family members that the offender's home computer use is appropriate

Trustees' Report for the year ended 31 March 2012 (continued)

and support to offenders themselves in not succumbing to temptation – because they know inappropriate use will be noticed and acted upon swiftly. Currently 99 people are being monitored by specialist LFF staff. They include arrested, pre-charged and convicted individuals, including two 18 year olds monitored for Probation. Fifteen police forces are using Securus or are in the process of setting up the software. There is a national drive by police across the UK to use monitoring software such as Securus and many forces make it a requirement of Sex Offence Prevention Orders. Securus is also available to men arrested for internet-related offences who contact our Helpline (See 2.5.5).

2.4.3 Female sexual offending

As limitations on funding streams reduced the opportunities for NOMS to use our assessment and intervention services, our profile as consultants with expert knowledge of female sexual offending increased. Requests for advice include criminal justice, health professionals and residential care providers. We extended our geographical profile, responding to requests to address national risk management conferences in Scotland, as well as engaging in strategic discussions about service provision for female sex offenders within the Scottish criminal justice system. We provided services in Northern Ireland and responded to international requests for assistance.

Our research and publication profile has increased with two book chapters due for publication in 2012/13. We have a new training programme focusing specifically on therapeutic engagement. This has been well received by practitioners from third sector, criminal justice and social care, given its potential to enhance their practice in applying gender responsive models of working.

Transition funding was used to revise our assessment and intervention structure and to review our coding framework for assessment of female sex offenders and its application for training and development. A partnership with Merseyside Probation Trust facilitated a pilot project to provide information and support to the families of convicted female sex offenders. This arose from our experience of working with a family where the woman's children and partner received no support or advice from statutory agencies in dealing with the aftermath of her arrest and conviction and of responding to the many questions they had about her behaviour and how it impacted on them. We will be applying for funding to grant making bodies to enable further development of the pilot.

2.5 Preventing sexual abuse from the beginning

2.5.1 Stop it Now! UK & Ireland campaign

Stop it Now! is led and run by the Lucy Faithfull Foundation. It is supported by an alliance of voluntary sector partners, including children's charities, survivor groups and statutory and government sector representatives who form our Advisory Council. Our Stop it Now! Director leads and oversees the national campaign managers. The work is funded by DfE (for England), the Welsh Government and the Scottish Government respectively, supplemented by grants and donations.

England

Since April 2011 the England campaign has been funded by the DfE with support from the Transition Fund grant to fulfil key safeguarding objectives, including raising the standard of frontline practice through child sexual abuse training and equipping parents and carers with vital knowledge to help keep children safe. In collaboration with partner agencies such as the Police, Local Safeguarding Children's Boards and early year's services providers, we delivered 9 training days to 894 frontline workers. In addition, a further 982 workers received sector specific briefings and Stop it Now! England staff delivered workshops at conferences hosted by partners to a further 345 practitioners.

To help parents and carers protect their children from sexual harm, 1,228 adults attended Parents Protect! ninety minute public education sessions. 171 frontline workers were trained to deliver the sessions and incorporate the messages into their daily work. 30,371 people visited the Parents Protect! website with 3,675 staying for over 5 minutes and 2,122 staying for over ten minutes.

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Trustees' Report for the year ended 31 March 2012 (continued)

The Oak Foundation funded project for Black and Minority Ethnic communities in London, matching the City Bridge Trust funding for Stop it Now! in London, reached the end of its pilot phase in late 2011. A full evaluation of the project, which aims to equip parents and carers in BME communities with information about keeping children safe, will be published in early 2012. The project is culminating in the creation of a 'toolkit' for others to use when planning prevention programmes with BME communities. An event for European organisations, concerned with protecting children and interested in taking the project forward and utilising the toolkit, was held in May 2012.

The regional project in the Black Country and Birmingham has been brought under the Stop it Now! England banner and continues to spread prevention messages through parents' courses such as 'Parents Protect!', as well as delivering training through the Local Safeguarding Children's Boards.

Wales

At the National Eisteddfod in August, Stop it Now! Wales launched 'Act to Prevent' – a follow on from 'Commit to Prevent' which ran in 2010. The 'Act to Prevent' campaign called on the public to commit to taking one action to help protect a child from sexual abuse. These actions included: putting up a poster, talking to a child about safe boundaries, sharing our Helpline number with friends and visiting the Parents Protect! website. Over 1,000 members of the public signed up to an action at the event.

This year we delivered 15 'Parents Protect!' sessions reaching 125 adults. Six 'train the trainer' sessions were held with 95 frontline workers who will deliver their own Parents Protect! sessions. Five extended 5-week 'Parents Protect Plus!' programmes were delivered to over 60 parents and carers. 'Professionals Protect' training was delivered to 90 practitioners, including staff, at Womens' Aid groups across Wales, St John's Cymru Safeguarding and Volunteer Departments, the All Wales Sexual Health Network and the Department of Justice and Criminology, Swansea University.

Co-funded by the Welsh Government and the Martin Roberts' Children's Fund, we began piloting a primary prevention project with nursery and primary schools. We worked with teachers and other staff to help raise their awareness of harmful sexual behaviour among children and young people, and increase their confidence in dealing with such behaviour. This included providing specialist training for nominated safeguarding school staff, developing a suite of educational resources for use in educational settings with children and young people, and creating awareness raising materials for parents and carers.

Funding from the Welsh Government has been agreed for 2012/13 and 2013/14 to enable Assistant National Managers to be employed to expand the work of Stop it Now! across Wales.

Scotland

Stop it Now! Scotland has been involved in a baseline survey of attitudes towards child sexual abuse, the first of its kind in the country. The survey was conducted in the Tayside area. 1,200 questionnaires were sent out at the end of 2011. It received a 24% return rate with 54 respondents asking for face-to-face interviews. The results of this survey will be reported in August 2012.

In September Stop it Now! Scotland took on responsibility for the National Community Disclosure Scheme 'Keeping Children Safe'. Funding for this has been provided by the Scottish Government (Justice Department: Policing and Public Protection Unit) until the end of March 2014.

All community police officers are being trained in the 'Upstream Project' (Parents Protect!) so that they can be 'prevention agents' in their communities. The training has been delivered to almost 600 community officers in the 8 police forces. This programme of work is expected to continue through 2012/2013 and will be rolled out to the Catholic Church and Safeguarding in Sport.

In May 2011, we began the 'Talk abOUT it!' pilot project in partnership with HMP Addiewell. The Survivor Scotland Strategy of the Scottish Government provides funding as prisoners are

Trustees' Report for the year ended 31 March 2012 (continued)

disproportionately more likely to be affected by child maltreatment, including child sexual abuse, than the general population. Provision of information about abuse and its impact and signposting prisoner-survivors and families to agencies and resources is intended to lead to more pro-social conduct and a decrease in recidivism. The pilot was a resounding success with 60% of prisoners choosing to access project material while in custody and 100% receiving material on release. Prison staff tell us that such an access rate is unprecedented. Due to the success of the pilot, HMP Addiewell continues to work with Stop it Now! Scotland and agreement has been reached to extend the project into other prisons.

Services that respond to internet offending, including the provision of educational programmes for internet offenders and their families have been piloted and will continue when funding allows.

2.5.2 Primary prevention in schools

We have continued our internet safety seminars in schools. 30 events were invoiced this year and we are grateful to Ecclesiastical Insurance for their support. Due to staff time spent in developing transition funded projects, we have delivered fewer seminars than in the previous year. However, we anticipate that 2012/13 will show increased activity in this area.

In addition, we are collaborating with Southwark Council and with representatives from other EU countries to pilot a primary prevention project in schools tailored to take account of the needs of the different countries. Staff will deliver educational sessions to children as well as to their parents.

2.5.3 Keeping the Public in Public Protection: parent education initiatives (KPPP)

Following the KPPP Public Education pilots, we continued to sit on the Home Office Child Sex Offender Disclosure Scheme Project Board through 2011/2012. While this advisory panel came to an official end in April 2012, we remain committed partners on the 'virtual project board' that the Home Office and ACPO (Association of Chief Police Officers) chair to continue to oversee the Disclosure Scheme. The educational pilots that ran alongside the disclosure scheme to support prevention efforts, and culminated in the creation of Parents Protect! (www.parentsprotect.co.uk), are being taken forward across England, Wales and Scotland (see above) thanks to funding from the respective governments (see 2.5.1 above).

2.5.4 Stop it Now! UK & Ireland Helpline

Our confidential freephone Helpline is 10 years old this year. It is available to anyone who wants advice about child sexual abuse related issues. However, it is aimed particularly at people concerned about their own sexual thoughts or behaviours or those of another adult or young person.

The media portrayal of a 'monster' image of the 'typical' sexual abuser discourages people from seeking help, especially if the abuse is in their family. Sexually abusive behaviours are perpetrated by a wide range of different types of people who present very different levels of risk. Some abusers want to stop, and some people want help for family members, but fears of the consequences of seeking help, including loss of family and being shunned, keeps child sexual abuse a secret.

To date, our helpline staff have dealt with 26,642 calls made by 12,288 first time callers. The total number of calls recorded in 2011/2012 is 4,965 (4,530 last year) representing a 9.6% increase. In addition, 350 calls were recorded regarding face to face meetings arranged with Helpline callers.

The breakdown shows that 63.9% of calls were from adults concerned about their own behaviour offline and increasingly online. 20% were from adults concerned about another adult, 4.2% were from adults worried about a child or young person displaying concerning behaviour, 3.2% were from adults concerned about a child showing signs of being abused, 2% were from adult survivors of sexual abuse and 4.4% were from professionals seeking advice. The remaining 2.3% were made up of adults concerned about a child groomed online, calls from a child, general internet concerns and requests for general information. The calls demonstrate that people will seek help from a confidential advice line on this difficult personal issue. We aim for the caller to take one clearly agreed action from the call. Each year we take a random sample of 10% of calls for the year, and the outcome this year was that 97.5% of the sample had an identified, agreed action.

Trustees' Report for the year ended 31 March 2012 (continued)

We provide a telephone callback service with experienced practitioners, which gives initial callers the option of engaging in extended conversations on issues of concern. During the year, 555 of the 2,081 first time callers took this opportunity. In addition, callers can receive face to face services, and this year we provided 752 hours (equivalent to 100.27 days) assistance. Some callers moved on to our educational programmes for internet-related abusers and their families (see 2.5.5).

The OMPPG provides core funding. We subsidise a third line for caller follow-up support. We are delighted the OMPPG are continuing funding, albeit at a reduced level in 2012/13 due to their budget reductions. We are seeking funding from charitable sources to meet the need for telephone follow up as well as for the face to face follow up work which will no longer be funded by the OMPPG.

2.5.5 Working with callers referred to the Helpline by Police at the point of arrest for internet-related offending

In response to needs identified through the Stop it Now! Helpline, we developed our educational and support programmes. 'Inform' is for partners, friends or family members of individuals who have been looking at online images of child abuse, and 'Inform Plus' is for men arrested, cautioned or convicted for accessing indecent images of children.

As more police services encourage people arrested to contact us for help, demand for the service has grown and this year has seen a major expansion. We trained more staff and recruited new sessionals to meet the need. We ran programmes in five areas (3 last year) Surrey, Bristol, Birmingham, Sheffield and Nailsworth. This year we ran 16 Inform Plus groups attended by 139 people, and 9 Inform groups attended by 39 people, so in total 178 people attended groups (124 last year). In addition we ran individual programmes: 68 people participated in individual Inform Plus and 17 in Inform. In total, 263 people participated in these educational programmes throughout the year.

An innovative approach to funding has made these programmes possible: a mixture of charitable trusts (The Taylor Family Foundation for both courses and Lloyds TSB Foundation for Inform), participant contributions and our own resources. We plan to continue this model into 2012/13. Feedback from participants has been very positive. They tell us how much the courses have helped at a desperate time in their lives:

Feedback from an Inform Plus service user

"I would like to thank the course organisers and presenters who made me feel human again and gave me some clear understanding of my offending behaviour. It gave me a focus in my most desperate time and helped me to discuss the situation with the family."

Feedback from an Inform service user

"From what I understand, the way the internet is evolving, internet offending will increase and as a result offenders have families and friends who will suffer the effects. This has to be a major problem, not just for individuals but for society. This has to be one of the most complex situations to face in secret. There has been no part of our lives which has not been affected. I feel so sorry for people who are going through this experience without any assistance from Lucy Faithfull. Thank you."

2.6 Training

In house study days

This year we ran a programme of subject specific study days led by our expert team. These can be accessed on an individual basis by practitioners from many agencies wishing to increase their knowledge base and enhance their practice. 169 people attended 16 study days.

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Trustees' Report for the year ended 31 March 2012 (continued)

Additional training events

We have provided 136 training days for a variety of criminal justice and children's services agencies, including schools, housing associations and universities. Most of the events were hosted in the local areas of the commissioning agencies. We also provided extensive training for frontline practitioners within the context of our Stop it Now! programme. (See 2.5.1 for Stop it Now! training events.)

2.7 Collaborative research and publications

We continued to work with the University of Birmingham and others to research internet and female sexual offending. In addition to book chapters, our publications include papers in sexual abuse: A Journal of Research and Treatment; Law and Human Behavior; Deviant Behavior; Psychological Services; the Journal of Sexual Aggression, Journal of Family Violence and the Journal of Aggression, Conflict and Peace Research. We collaborated with Child and Family Training to research the common elements of effective evidence-based intervention with children and families, and with Child Exploitation and Online Protection (CEOP) to explore characteristics of men engaged in child sexual exploitation.

This year our research psychologist received the BPS Division of Forensic Psychology's Junior Award and The Association for the Treatment of Sexual Abusers ATSA Graduate Student Award.

2.8 Influencing policy and practice development

In the UK

Our expertise leads to participation in policy and practice reviews. During the year we have been active stakeholders on the Home Office Project Board following the Review of the Protection of Children from Sex Offenders in 2007 (see 2.5.3). In addition, we are seeking to influence policy regarding female sexual offenders through our work with the Ministry of Justice. We are active members of the UK Council for Child Internet Safety working groups on "Better Education" and "Public Awareness". We are involved in the Government's 'Roundtable' on Child Sexual Exploitation. We influence safer recruitment practices through our work with a wide range of agencies.

In continental Europe

We continue to work with colleagues to develop best practice in work with young people, and we host and support meetings for practitioners in the UK and in The Netherlands, where we are working with colleagues to help them develop a Stop it Now! programme.

For the Foreign and Commonwealth Office (FCO)

Following the 2009 Pitcairn Islands child safety review, which made recommendations regarding the supervision of men on the island convicted for child sexual abuse and the protection of children resident on the island, a further review was commissioned in 2011. This required one of our Principal Practitioners to travel to the island and undertake interviews with professionals and islanders. The review reported to the FCO and the Department for International Development and noted significant improvements in the management of the convicted men and a generic improvement in the Islanders' attitudes to child safety.

2.9 Communications

Our communications activities are driven by our mission to protect children from sexual harm. Using appropriate communication channels, we work hard to increase awareness of our work, our services and what can be done to help protect children in the workplace, the community and at home.

Our websites are a key aspect of this work. At the end of 2011, our application to Google for a Google Advertising Grant was successful. Our adverts went live in January 2012 and have had a major impact on visits to websites. Visits to www.lucyfaithfull.org.uk have increased 43% with 27,327 visits in 11/12, compared to 19,153 in the previous year. www.stopitnow.org.uk saw a 61% increase in

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2012 (continued)

visitors with 28,621 in 11/12, compared to 17,732 in the previous year. Since www.parentsprotect.co.uk launched in October 2010, 40,342 people have visited it, (34,040 in 2011/12). This year we continued to use Facebook to communicate with the public and Twitter for more professional audiences (including our project partners).

The quarterly Stop it Now! Newsletter, Stop Press!, gives an insight into what we have been doing and what we have coming up. It is for all those who work with children and families, or are involved in child protection, as well as parents and carers. Over 2,500 people receive the publication by email and this number is growing.

We continue to contribute to news stories, features and debates on issues related to protecting children from harm. Over the year we contributed to international, national, regional and local television, radio, print and online articles and features. We would like to thank The Schroder Foundation for their continued funding.

2.10 Fundraising

Fundraising through 2011/2012 has centred on using the Transition Fund and DfE grants to help us prepare for the future. They have enabled us to purchase temporary support staff so that selected employees can increase their fundraising skills with the benefit of expert external advice. We have created an audience-led fundraising strategy, which enables us to consider all available funding avenues and the work needed in each area. Work to enhance our brand and assess our positioning and messaging is key to moving further forward in fundraising avenues such as corporate and public facing work. This will continue through 2012/2013.

Implementation of the fundraising and relationship management software, 'Raiser's Edge', will help us target communications and streamline our fundraising efforts, resulting in a more effective approach.

2012/2013 will see us launch the 'Yours Faithfully' campaign – a new public facing fundraising drive which allows people to sign up to protect children from sexual harm and will support individual fundraisers who want to support us.

Individual fundraisers from 2011/2012 have said:

Young fundraiser: "We think Stop it Now! does a great job and we wanted to help by raising money for them. It is a sensitive subject but we wanted to raise awareness of the campaign so that more pupils know about it."

London based fundraiser: "I have seen the benefits of Lucy Faithfull Foundation's work first hand I really wanted to continue to support in any way I could. The walk was extremely hard but I think knowing I was raising money for such a good cause kept me going through the darker moments."

2.11 Donations and grants to Lucy Faithfull Foundation

We are grateful to the governments of England, Scotland and Wales who continue to support our work despite their budget constraints. We would like to thank The Taylor Family Foundation, The Schroder Foundation, City Bridge Trust, Ecclesiastical Insurance, The Oak Foundation, Lloyds TSB Foundation, Cardiff Children and Young People's Partnership Cymorth, the Community Foundation in Wales, the Worshipful Company of Security Professionals Charitable Trust and Google for their generosity towards us. We are grateful to all the private donors, including our service users, who have supported our work and would like to thank everyone who has given us money to further our aims in safeguarding children and preventing sexual abuse. Particular thanks go to individuals who have truly 'gone the extra mile' for us.

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2012 (continued)

3. Planning for the Future

The forthcoming year will be an extremely challenging one. However, the investment last year has helped us position Lucy Faithfull Foundation to take advantage of new opportunities.

Our strategic aims are to:

- develop activities and services which increase the protection of children and young people from sexual abuse and prevent offending.
- ensure necessary services are based on sustainable models.

To achieve these aims, our priorities are to:

- ensure existing services are cost efficient and remain relevant to beneficiaries' needs
- engage in large scale marketing of income-generating services
- increase development of preventative activities and interventions, especially internet-related programmes, with mixed funding (public sector, charitable funding and participant contributions)
- tender for contracts with local authorities and criminal justice agencies
- increase contribution from participants and beneficiaries via fees, where appropriate
- increase joint partnership projects with other agencies
- increase programme-specific revenue from grant-making trusts and family foundations, developing strong long-term links
- increase fundraising activity and sources of unrestricted funds (companies, individual giving) and support in-kind, with a view to supporting continuing innovation and increasing efficiency
- promote on-going strategic plan development by the Trustees Board and executive, with emphasis on increasing the diversity of income streams over the next two years.

We believe that child sexual abuse is preventable. We will work towards a society where children are free from sexual abuse and exploitation through our collaboration with voluntary and statutory sector colleagues and with the general public.

4. Recruitment and appointment of Trustees

The charity's Trustees are directors of the company for the purposes of charity law and under the company's Articles. The charity is run by a Board of Trustees which meets on a quarterly basis, and at such other times as considered necessary. The Board has a permanent Governance, Finance and General Purposes Committee, which meets quarterly and at such other times as considered necessary and reports back to the Board.

There is a requirement for one third of Trustees to retire by rotation. At the last AGM this resolution resulted in Valerie Howarth, Barry Coker, Adrienne Jones and Alec Spencer retiring. In accordance with the Articles and Memoranda they were re-elected.

The Board of Trustees seeks to ensure the needs of the groups listed in the objects of the charity are appropriately reflected through the diversity of professional experience within the Trustee body. This diversity also provides support regarding technical matters related to operating in a modern business environment. Potential Trustees are considered for appointment by the Governance, Finance and General Purposes Committee, and recommendation for their appointment is put forward to the full Trustee board. This year, Gaynor McKeown, Annie Sheppard and Paul West joined the Board.

A skills and diversity audit was conducted during 2011/12 and confirmed the broad range of skills and experience available within the Board. The matter is kept under review.

5. Trustee induction

The Trustees have an induction programme which enables any new Trustees to become familiar with their obligations and with operational matters in respect of the work of the charity, including the accounting framework and future plans and objectives. The Board recognises the importance of Trustees undertaking ongoing development as needed.

Trustees' Report for the year ended 31 March 2012 (continued)

6. Risk assessment and management

The Board of Trustees reviews and assesses the risks that the charity faces on an ongoing basis and updates the Risk Register. Regular meetings involving the Governance, Finance and General Purposes Committee, and also the Senior Management executive team, identify new areas of risk and consider these in relation to the organisation's activities. The latter reviews the project action plans regularly with particular attention to risk management. Awareness of the possible impact on the overall strategy of the charity enables the Board to take all reasonable steps to minimise or remove risk and have appropriate systems in place. High level risks are outlined in section 8.3.

LFF's Risk Management and Major Risk Register was last updated in June 2012. However, LFF's strategic plan is a working document involving action points for Trustees and staff at all levels and is reviewed regularly. It ensures that the organisation maximises opportunities and manages risk within a changing environment and aims for diversification of funding sources to support the activities listed within the plan. Quarterly reports are provided to Trustees, showing the progress of longer term contract/grant funded projects, grant applications in process and the progress of spot purchase and short term contract activity.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with Health and Safety and for promoting and safeguarding the welfare of children and vulnerable adults.

7. Organisational structure

The charity has a Chief Executive and four executive directors who are responsible for influencing, reviewing and implementing the strategic direction and policy of the organisation. This group meets regularly with the project managers at the monthly meetings to review the project action plans. Most of the members of both groups are from professional backgrounds relevant to the work of the charity.

This team is also responsible for the individual supervision of staff and for the development of their skills and working practices. The charity operates across the UK and also seeks to influence policy and share information internationally. It has 86 employees of whom 42 are full time, 23 are part time and 21 are sessional workers. We have 45 volunteers assisting with CoSA and Stop it Now!.

In addition to supervision and training, staff receive support related to their differing personal needs and those arising out of the nature of the tasks and advice provided by the charity.

We recognise that our primary assets are our staff and volunteers, and the Trustees wish to thank them for their commitment and contribution to our success throughout 2011/12.

8. Financial review

8.1 Income and expenditure – Current Year

The Trustees set a breakeven budget for 2011/12 but acknowledged that this relied on a continuing level of assessment income that would be difficult to achieve in view of the LSC's published intention to cap rates for family court reports. The LSC changes started to impact on referral levels in December 2011. A high number of cancellations and postponements continued through to March 2012. The reduction in adult assessments has been mitigated by the increased number of group and individual internet-offender intervention programmes "Inform Plus", funded mainly from participant contributions. However the combined assessment and intervention services delivered to adult offenders still fell by 19%.

Since we specialise in the more complex cases, and many of our referrals involve multiple family members, the reduction in adult offender referrals has had an even greater impact on the number of non-offending parent and children assessments undertaken in 2011/12, though families in need of

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2012 (continued)

intervention have benefitted from an increase in funding from local authorities (as well as voluntary income from charitable trusts).

The overall reduction in income for assessment and intervention services has been contained at 12%, but this is still a significant reduction of £226,576.

There was a nominal increase of £5,222 in total Prevention income, the 18% uplift in training and consultancy work being offset by the ending of the Ministry of Justice's central funding for Circles of Support & Accountability.

In spite of the LSC referral reductions, LFF's total income for 2011/12 grew by 5.5% to £3,223,993 (2011: £3,057,479). This growth has come from voluntary income and is mainly attributable to the additional Stop it Now! projects in Scotland funded by the Scottish Government (£48,648 year on year increase), the DfE funded Capacity Building grant of £21,000, the grant of £344,000 from the Office for Civil Society's Transition Fund as well as the £37,500 from Lloyds TSB Foundation for family intervention.

There was minimal change overall in staffing costs during 2011/12. A small number chose to reduce their hours or left our employment. Consequently there was a drop to 57 FTE staff (2011: 58). However there has been a shift in the staff make up with more fixed term contracts, part time and sessional staff utilised to increase our flexibility to match resources with the demand for our services.

Continuing management focus on improving service delivery and cost efficiency resulted in the expenditure increasing by only 3% to £3,206,834 (2011: £3,118,395) and a small increase in unrestricted reserves was achieved of £19,109 (2011: reduction in unrestricted reserves of £58,967).

8.2 Income and expenditure – Next Year

Funding has been committed by the OMPPG for 2012/13 to the Stop it Now! Helpline, with the intention of continued funding in 2013/14, provided their budget permits. We have confirmed funding for 2012/13 from the DfE for agreed deliverables including frontline practitioner and Parents Protect training under the banner of our Stop it Now! England Campaign. Stop it Now! Scotland is in the third year of core funding from the Scottish Government plus additional funding for continuing projects into 2012/13 and 2013/14.

The Welsh Government has confirmed funding through 2012/13 and 2013/14 for agreed deliverables to expand Stop it Now! across Wales. The YJB has confirmed funding for 2012/13.

The CoSA Project for deportee offenders returning to London from abroad continues in 2012/13 with support from the Lankelly Chase Foundation and from the Esmee Fairbairn Foundation.

Lloyds TSB Foundation continues to fund work with the families of offenders with a grant for 2012/13.

Our grant in 2011/12 from the Office for Civil Society under the Transition Fund has helped us to make strategic developments towards diversification of income streams. We are taking a mixed funding approach, including: participant fees, partnership arrangements, use of volunteers as well as a significant increase in fundraising activity, supported by professional fundraising consultants. We are enhancing our fundraising and marketing ability following purchase of the Raiser's Edge database. In addition, we plan to continue and extend the practice of service users contributing to the cost of their services.

28% of LFF's income is generated through integrated family work, contracted on a case by case basis. This is a mixture of commissions from Local Authorities for assessments and interventions and reports for the Family Courts. As described in 8.1, the latter is affected by the LSC's decision to make massive cuts in hourly rates and the number of hours allowed for Family Court reports, to a point where the viability of continuing to prepare such reports, much valued by the courts, is threatened. We are taking steps to adapt to change, but the situation remains difficult.

Trustees' Report for the year ended 31 March 2012 (continued)

All our services are subject to ongoing reviews, focusing on improving service delivery and identifying cost efficiencies where possible, with the aim of achieving full cost recovery in the long term on established activities. Given the above, the Trustees are satisfied that it remains appropriate to continue to prepare the financial statements on the going concern basis.

The Trustees do however recognise the need to keep investing in new developments and technologies to ensure that LFF's work stays relevant and continues to be able to provide authoritative guidance and leadership in tackling key issues and protecting children from sexual abuse.

8.3 Reserves policy reflecting principal risks

The Trustees keep the reserves under regular review. The current aim of the charity is to achieve unrestricted funds (excluding amounts held as fixed assets), which are the free reserves of the charity, at a level which equates to six months' of total expenditure plus allowance for other risks, commitments and obligations.

This is as a result of the Trustees' review of risk in light of the following issues:

- ***The short term nature of grants***
LFF has a high investment in retaining its staff whose specialist skills are vital to our future. We need time to secure replacement activities and switch staff into new areas of work in a difficult economic climate.
- ***The variable nature of grants and the uncertainty of timing of renewal***
It is often the case that we are not told whether some grants will be renewed until the previous year's grant has come to an end. In addition, experience over recent years has been a significant time lag between projects starting and the agreed funding being received, so we need to be able to fund our work in the interim period.
- ***The impact of government cuts***
We need to be able to retain staff during periods when the demand for services slows as a consequence of funding constraints.
- ***Grant payment cash flow***
We have to fund the costs of some grant funded projects for up to 4 months before payments are received as an increasing number of grant funders require payment by results, paying quarterly in arrears.
- ***Challenges to fee levels***
We continue to experience expert witness fee reductions in family court work by the Legal Services Commission. This requires us to fund the cost of challenging decisions and to fund the delays caused in the interim by the need for LSC approval ahead of work being undertaken.
- ***Flexibility, security and planning opportunities***
We wish to be able to respond to new developments where necessary and need sufficient reserves to be able to develop programmes and retrain staff.

Under present circumstances, the Trustees consider that satisfactory progress is being made in moving towards a prudent level of reserves that ensures that charitable activities can be sustained through short term dips and breaks in funding, and provision is made to fully meet all staff obligations in the event of long term changes. At the end of 2011/12, the general free undesignated reserves have achieved 69% of the target level.

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2012 (continued)

8.4 Investment policy

Funds are held in cash and fixed term deposits, access to which reflects our operational needs and the interest rates obtainable.

8.5 Related party transactions

There were no related party transactions in the year ended 31 March 2012, for the prior year refer to note 21 to these financial statements.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

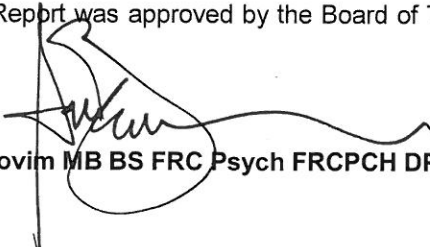
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Auditor

Crowe Clark Whitehill LLP are the auditors for the Foundation and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The Trustees' Report was approved by the Board of Trustees on 3 September 2012 and signed on its behalf by:


Dr Arnon Bentovim MB BS FRC Psych FRCPCH DPM
Chairman

Independent Auditor's Report to the Members of The Lucy Faithfull Foundation

We have audited the financial statements of The Lucy Faithfull Foundation for the year ended 31 March 2012 set out pages 22 to 33.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the Members of The Lucy Faithfull Foundation

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Sally Kirby

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

St Bride's House
10 Salisbury Square
London
EC4Y 8EH

10 September 2012

Crowe Clark Whitehill LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE LUCY FAITHFULL FOUNDATION

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 31 March 2012

	Note	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Incoming resources					
Incoming resources from generated funds:					
Investment income	2	10,051	-	10,051	3,629
Incoming resources from voluntary funds:					
Grants & donations	3	11,066	951,911	962,977	581,531
Incoming resources from charitable activities:					
Assessment and intervention	4 a)	1,688,107	-	1,688,107	1,914,683
Prevention	4 b)	263,649	299,209	562,858	557,636
		<u>1,951,756</u>	<u>299,209</u>	<u>2,250,965</u>	<u>2,472,319</u>
Total incoming resources		<u>1,972,873</u>	<u>1,251,120</u>	<u>3,223,993</u>	<u>3,057,479</u>
Resources expended					
Costs of generating funds:					
Costs of generating voluntary income		-	60,382	60,382	-
Charitable activities:					
Assessment and intervention		1,535,032	177,429	1,712,461	1,762,268
Prevention		366,684	1,015,259	1,381,943	1,305,970
Total charitable expenditure		<u>1,901,716</u>	<u>1,192,688</u>	<u>3,094,404</u>	<u>3,068,238</u>
Governance costs		<u>52,048</u>	<u>-</u>	<u>52,048</u>	<u>50,157</u>
Total resources expended	5	<u>1,953,764</u>	<u>1,253,070</u>	<u>3,206,834</u>	<u>3,118,395</u>
Net incoming/(outgoing) resources for the year, being net income/(expenditure) for the year	6	19,109	(1,950)	17,159	(60,916)
Fund balances brought forward		1,082,830	1,950	1,084,780	1,145,696
Fund balances carried forward at 31 March 2012	15	<u>1,101,939</u>	<u>-</u>	<u>1,101,939</u>	<u>1,084,780</u>

All amounts relate to the continuing activities.

The notes on pages 24 to 33 form part of these financial statements.

THE LUCY FAITHFULL FOUNDATION

Balance Sheet as at 31 March 2012

Registered number: 02729957

	Note	2012 £	2011 £
Fixed assets			
Tangible assets	10	1,270	4,489
Investments	11	100	100
		<hr/>	<hr/>
		1,370	4,589
Current assets			
Debtors	12	445,061	571,079
Cash at bank and in hand		1,282,984	961,935
		<hr/>	<hr/>
		1,728,045	1,533,014
Creditors:			
amounts falling due within one year	13	(627,476)	(452,823)
		<hr/>	<hr/>
Net current assets		1,100,569	1,080,191
		<hr/>	<hr/>
Net assets		1,101,939	1,084,780
		<hr/>	<hr/>
Funds			
Unrestricted funds			
General funds		1,101,939	1,082,830
Restricted funds		-	1,950
		<hr/>	<hr/>
Total funds	15,16	1,101,939	1,084,780
		<hr/>	<hr/>

The financial statements were authorised for issue and approved by the Trustees on 3 September 2012 and signed on their behalf by:


Dr Arnon Bentovim MB BS FRC Psych FRCPCH DPM
 Chairman

The notes on pages 24 to 33 form part of these financial statements.

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2012

1. Accounting policies

(a) Company status

The charity is a company limited by guarantee and a registered charity in England and Wales, and in Scotland.

(b) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, applicable accounting standards and Statement of Recommended Practice "Accounting and Reporting by Charities" revised 2005 (SORP 2005). The financial statements are presented for the parent charity only. The subsidiary undertakings have not been consolidated on the grounds that the activities are not material to the Group as they are dormant.

(c) Going concern

The charity produces annual budgets and forecasts which take into account expected changes in the funding streams and which demonstrate that the charity will be able to continue to operate. As described in section 8.2 of the Trustees' Report, the charity has secured funding in the form of a number of government grants and contracts as well as funds from charitable trusts for 2012/13. Further funding is also already secured for 2013/14. Due to this secured funding the Trustees have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. On this basis, the Trustees consider it appropriate to continue to prepare the financial statements on the going concern basis.

(d) Fund accounting

General funds are unrestricted funds that are available for use at the discretion of the Trustees in furtherance of the objects of the charity.

Restricted funds are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes. The aim and use of the restricted funds are set out in the notes to the financial statements.

(e) Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

When funding has been specified by the funder as being for a future period, or the charity has not yet demonstrated entitlement to the income, then the income is deferred.

Where material, donated facilities and services or gifts-in-kind are recognised in the SOFA at an appropriate value to the charity.

(f) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the acquisition, or the proportion of staff time spent on each type of activity.

Governance costs comprise of constitutional and statutory requirements incurred in the general running of the charitable company.

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2012

1. Accounting policies (Continued)

(g) Tangible fixed assets

Tangible fixed assets (in excess of £1,000) are depreciated at rates calculated to write off the cost on a straight line basis over the expected useful economic lives of the assets as follows:

Motor vehicles	25% straight line
Office equipment	10% straight line
Computer equipment	33.33% straight line
Furniture and fittings	20% straight line

(h) Operating leases and hire purchase contracts

Rentals applicable to operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are recognised in the SOFA over the period of the lease.

(i) Pensions

The charity offers staff the option to join a stakeholder pension scheme, which is non-contributory by the employer. It is not general practice for any employer contributions to pension schemes to be made. Where appropriate, employer contributions are accounted for when they fall due.

(j) Recognition of liabilities

Liabilities are recognised once there is a legal or constructive obligation that commits the charity to the obligation.

(k) Software

The cost of new software is fully written off in the period incurred. Support and maintenance costs are recognised in the period to which they relate.

2.	Investment income	2012 £	2011 £
	Bank interest	<u>10,051</u>	<u>3,629</u>

THE LUCY FAITHFULL FOUNDATION
Notes to the financial statements
For the year ended 31 March 2012

3. Voluntary income – grants & donations	2012	2011
	£	£
Unrestricted		
Donations	<u>11,066</u>	<u>13,331</u>
Restricted		
Stop it Now!	Funded by:	
Stop it Now! England	DfE	200,000
London Campaign Manager	The City Bridge Trust	24,295
Stop it Now! London	The Oak Foundation	49,965
Stop it Now! Scotland	The Scottish Government	100,436
Stop it Now! Wales	Welsh Assembly Government	60,632
	Waterloo Foundation	-
	Martin Roberts Children's Fund	-
	Community Foundation in Wales	9,772
	<u>483,972</u>	<u>445,100</u>
Other		
Transition Fund Project	Office for Civil Society	-
Media & Communications Post	The Schroder Foundation	10,000
Capacity Building	DfE	-
Circles of Support and Accountability	Lankelly Chase Foundation	11,250
Circles of Support and Accountability	Esmee Fairbairn Foundation	4,000
Inform & Inform Plus	The Taylor Family Foundation	25,000
Inform & Family Intervention	Lloyds TSB Foundation	-
Keeping the Public in Public Protection	HO Violent Crime Unit	61,950
Vulnerable Children Project	Ecclesiastical Insurance	5,000
Internet Safety Seminars in Schools	Ecclesiastical Insurance	4,400
Children's equipment	Whitegates Children's Trust	-
Internet Safety Seminars in Schools	Royal Borough of Kingston-upon-Thames	1,500
	<u>2,625</u>	<u>1,500</u>
	<u>951,911</u>	<u>568,200</u>
Total voluntary income	<u><u>962,977</u></u>	<u><u>581,531</u></u>

THE LUCY FAITHFULL FOUNDATION
Notes to the financial statements
For the year ended 31 March 2012

4. Incoming resources from charitable activities

	2012 £	2011 £
a) Assessment and intervention		
Unrestricted		
Adult Offenders	500,016	614,852
Families	381,053	445,167
Young people – in Young Offender Institutions funded by the Youth Justice Board	605,061	626,043
Young people and children – Other	201,977	228,621
	<u>1,688,107</u>	<u>1,914,683</u>
b) Prevention		
Unrestricted		
Training and Consultancy	<u>263,649</u>	<u>222,885</u>
Restricted		
Nature of Work	Funded by:	
Circles of Support and Accountability	Ministry of Justice	
	PPMHG	24,524
	Kent Probation	-
	Home Office	
	Violent Crime Unit	10,000
	Dyfed Powys Probation	11,250
Stop it Now! Helpline	Ministry of Justice	
	PPMHG of NOMS	288,977
	<u>288,970</u>	<u>288,977</u>
	<u>299,209</u>	<u>334,751</u>
	<u>562,858</u>	<u>557,636</u>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements
For the year ended 31 March 2012

5. Total resources expended

	Staff costs £	Direct costs including depreciation £	2012 Total £	2011 Total £
Costs of generating funds:				
(Restricted) Costs of generating voluntary income	<u>11,816</u>	<u>48,566</u>	<u>60,382</u>	-
Charitable activities				
(Unrestricted) Assessment and intervention	1,141,559	393,473	1,535,032	1,737,268
(Restricted) Assessment and intervention	116,336	61,093	177,429	25,000
(Unrestricted) Prevention	222,752	143,932	366,684	426,070
(Restricted) Prevention	774,593	240,666	1,015,259	879,900
	<u>2,255,240</u>	<u>839,164</u>	<u>3,094,404</u>	<u>3,068,238</u>
Governance costs				
External audit	-	19,451	19,451	18,093
Professional advice	-	1,221	1,221	1,243
Trustees' expenses/meetings	-	7,059	7,059	6,920
Trustees' indemnity insurance	-	1,432	1,432	1,419
Company secretarial	5,655	-	5,655	5,567
Apportionment of management time	17,230	-	17,230	16,915
	<u>22,885</u>	<u>29,163</u>	<u>52,048</u>	<u>50,157</u>
	<u>2,289,941</u>	<u>916,893</u>	<u>3,206,834</u>	<u>3,118,395</u>

6. Net incoming/(outgoing) resources are stated after charging:

	2012 £	2011 £
Auditor's remuneration:		
Fees payable to the auditor for the audit of the annual financial statements	19,451	18,093
Fees payable to the auditor in respect of other services	3,000	1,243
Depreciation	3,219	5,192
Surplus on Disposal of Smart Car	(150)	-
Operating lease rentals	<u>119,874</u>	<u>116,074</u>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2012

7. Staff

	2012 Full time equivalent No	2011 Full time equivalent No
The average weekly number of persons employed by the group during the year was:		
Charitable activities	56	57
Governance	1	1
	<u>57</u>	<u>58</u>
In addition there are 21 sessional staff (2011:13)		
	<u>2012</u>	<u>2011</u>
	£	£
Staff costs for the group comprised:		
Wages and salaries	2,075,327	2,027,678
Social security costs	208,562	204,957
Healthcare	3,815	4,002
Pension costs	2,237	2,237
	<u>2,289,941</u>	<u>2,238,874</u>

One employee earned between £60,000 - £70,000 (2011: One employee earned between £60,000 - £70,000).

8. Trustees

None of the trustees received any remuneration in the year (2011: £ nil).

Reimbursed expenses incurred in the year on behalf of 3 trustees were £2,065 (2011: £2,174 for 3 trustees).

9. Taxation

The company is a registered charity, and as such is entitled to tax exemptions on all its income and gains, properly applied for its charitable purposes.

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2012

10. Tangible fixed assets

	Motor vehicles £	Office & computer equipment £	Furniture & fittings £	Total £
Cost				
At 1 April 2011	13,185	93,733	4,121	111,039
Disposals	(5,390)	-	-	(5,390)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2012	7,795	93,733	4,121	105,649
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2011	11,235	91,194	4,121	106,550
Charge in the year	1,950	1,269	-	3,219
Less depreciation on disposal	(5,390)	-	-	(5,390)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2012	7,795	92,463	4,121	104,378
	<hr/>	<hr/>	<hr/>	<hr/>
Net book values				
At 31 March 2012	-	1,270	-	1,270
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2011	1,950	2,539	-	4,489
	<hr/>	<hr/>	<hr/>	<hr/>

11. Investments

The charity holds unlisted investments at a net book value of £100 (original cost of £200) in the following subsidiary undertakings, both of which are dormant:

	Country of Incorporation	Principal activity	Class of shares	Percentage of share capital held
Stop it Now! UK & Ireland Limited	England	Dormant*	Ordinary £1	100%
Lucy Faithfull Foundation Trading Limited	England	Dormant*	Ordinary £1	100%

*Net assets £100

12. Debtors

	2012 £	2011 £
Trade debtors	228,897	349,338
Prepayments	55,408	54,485
Accrued income	<u>160,756</u>	<u>167,256</u>
	<u>445,061</u>	<u>571,079</u>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2012

13. Creditors: amounts falling due within one year

	2012 £	2011 £
Trade creditors	187,907	110,079
Amount due to group undertakings	100	100
Taxation and social security	77,280	73,749
Accruals	56,226	57,379
Deferred income (see note 14)	<u>305,963</u>	<u>211,516</u>
	<u>627,476</u>	<u>452,823</u>

14. Movement in deferred income:

	£
Balance at 1 April 2011	211,516
Grants received in advance in 2011/12	232,091
Other income received in advance in 2011/12	21,738
Allocation of funds to income in 2011/12	<u>(159,382)</u>
Balance at 31 March 2012	<u>305,963</u>

Deferred income represents monies received in advance for funding agreed for work to be carried out in the next financial year.

	£
The Oak Foundation: for Stop it Now! BAMER project	29,026
The Scottish Government: funding for Stop it Now! Scotland projects	114,319
The Schroder Foundation: funding for Media post	8,500
The Taylor Family Foundation	40,350
Martin Robert Children's fund for Wales Schools project	4,100
Lankelly Chase Foundation: for Circles of Support and Accountability	15,000
Esmee Fairbairn Foundation: for Circles of Support and Accountability	38,000
Ecclesiastical Insurance: projects	5,760
Whitegate Children's fund	359
Royal Borough of Kingston-upon-Thames: for Internet Safety Seminar Programme	750
Home Office: for Circles of Support and Accountability	10,000
Ministry of Justice PPMHG	18,061
Other deferred income	<u>21,738</u>
	<u>305,963</u>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2012

15. Funds

	1 April 2011 £	Incoming resources £	Resources expended £	31 March 2012 £
Unrestricted - General funds	<u>1,082,830</u>	<u>1,972,873</u>	<u>1,953,764</u>	<u>1,101,939</u>
Restricted funds				
DfE: for Stop it Now! England	1,950	210,519	212,469	-
DfE: for Capacity Building	-	21,000	21,000	-
Office of Civil Society: for Transition Fund Project	-	344,000	344,000	-
The Oak Foundation: Stop it Now! London	-	54,656	54,656	-
The Scottish Government: for Stop it Now! Scotland	-	149,084	149,084	-
The Welsh Government: for Stop it Now! Wales	-	58,813	58,813	-
Waterloo Foundation: for Stop it Now! Wales	-	5,000	5,000	-
Martin Roberts Children Fund: for Stop it Now! Wales	-	5,900	5,900	-
The Schroder Foundation: for Media Post	-	31,500	31,500	-
Lloyds TSB Foundation: in support of Inform and Family intervention	-	37,500	37,500	-
Lankelly Chase Foundation: for Circles of Support and Accountability	-	3,750	3,750	-
Esmee Fairbairn Foundation: for Circles of Support and Accountability	-	6,000	6,000	-
The Taylor Family Foundation: for Inform & Inform Plus	-	10,800	10,800	-
Home Office: for Keeping the Public in Public Protection	-	8,050	8,050	-
Ecclesiastical Insurance: for internet safety, vulnerable children and Helpline	-	2,573	2,573	-
Royal Borough of Kingston-upon-Thames: for Internet safety seminars	-	2,625	2,625	-
Whitegates Children's Trust: Children's equipment	-	141	141	-
Kent Probation: for Circles of Support and Accountability	-	1,489	1,489	-
Home Office: for Circles of Support and Accountability	-	5,000	5,000	-
Dyfed Powys Probation: for Circles of Support and Accountability	-	3,750	3,750	-
Ministry of Justice: for Stop it Now! Helpline	-	288,970	288,970	-
Total restricted funds	<u>1,950</u>	<u>1,251,120</u>	<u>1,253,070</u>	<u>-</u>
Total funds	<u>1,084,780</u>	<u>3,223,993</u>	<u>3,206,834</u>	<u>1,101,939</u>

The general funds represent the unrestricted funds of the charity.

Restricted funds comprise funding received, and expended, in relation to specified activities in furtherance of the objects of the charity. These grants support the charity's work in relation to practitioner-led tasks, offering clinical and other support on offence prevention programmes, assessment, intervention and consultancy related to adults and young people who abuse children.

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2012

16. Analysis of net assets between funds

	Fixed assets £	Net current assets £	Fund Balances £
Unrestricted funds	<u>1,370</u>	<u>1,100,569</u>	<u>1,101,939</u>

17. Members' liability

The charity does not have a share capital and is limited by guarantee. In the event of the charity being wound up, the maximum amount which each member is liable to contribute is £5. There were 13 members at 31 March 2012 (2011: 10).

18. Commitments under operating leases

The charity had annual operating commitments under non-cancellable operating leases expiring as follows:

	2012		2011	
	Land and buildings £	Other £	Land and buildings £	Other £
In less than one year	8,000	-	54,842	8,004
One to two years	44,408	-	52,408	-
Two to five years	54,842	4,935	-	-
	<u>107,250</u>	<u>4,935</u>	<u>107,250</u>	<u>8,004</u>

19. Contingent liabilities

There were no contingent liabilities at the year end, nor in the previous year.

20. Capital commitments

There were no capital commitments at the year end, nor in the previous year.

21. Related party transactions

There were no related party transactions in the year. During the previous year the charity received legal advice from Bates, Wells & Braithwaite London LLP. Purchases for these services totalled £2,410 in 2011 of which £1,140 was owed to the LLP at 31 March 2011. The entities are deemed to be related parties as Mr John Trotter who is a trustee of The Lucy Faithfull Foundation is also a partner of Bates, Wells & Braithwaite London LLP.