

Registered company number 2729957

Registered charity number 1013025

Scottish registered charity number SC039888

THE LUCY FAITHFULL FOUNDATION

**Consolidated Financial Statements
31 March 2009**

THE LUCY FAITHFULL FOUNDATION

Financial statements for the year ended 31 March 2009

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THE LUCY FAITHFULL FOUNDATION

Reference and Administrative Information

Registered company number

2729957

Charity number

1013025

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SC039888

Patrons

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Mr R Monk, OBE, QPM
Sir R Tilt

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Miss A Jones CBE
Mr E M Nock OBE BA (Jt Hons) Dip IPD (Vice-Chair)
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Chief Executive

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THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2009 (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 2009. 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 2.

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 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.

Public benefit

The Trustees confirm that they have complied with their duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. They have also complied with other relevant national requirements.

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

What we do

LFF's primary aim is to safeguard children and young people from sexual abuse by collaborating with individuals and agencies internationally to develop a more child sensitive and offender aware culture.

We contribute to legislation and 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.

We work with adult male and female sexual abusers; young people with inappropriate sexual behaviours; victims of abuse and other family members.

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2009 (Continued)

For the Civil Justice System and child protection and safeguarding agencies we provide:

- integrated family and individual assessments and intervention. Specialists work with family members and recommend an appropriate way forward for each person whilst ensuring that the needs of children are paramount. Cases are referred in which males and females, adults and adolescents have sexually abused or are suspected of abusing or presenting a risk to children. These include all aspects of child sexual abuse, including internet related abuse and abuse in the context of employment; and
- case management consultancy and training to professionals concerned about child sexual abuse. These include contracts with agencies concerned with young people who exhibit sexual behaviour problems.

For the Criminal Justice System we provide:

- individually tailored assessment and intervention for young people in custody;
- assessment, intervention, consultancy and training regarding adult male sexual offenders, especially high risk offenders and complex family cases;
- assessment, intervention and consultancy in relation to female sexual offenders in custody and in the community; and
- circles of Support and Accountability for ex-offenders who are released into the community.

For the general public we run a prevention campaign: Stop it Now! UK & Ireland

Stop it Now! UK & Ireland is a public education campaign which recognises child sexual abuse as a preventable public health problem. Led and managed centrally by The Lucy Faithfull Foundation, it is an alliance of voluntary sector partners (some of which run area projects), government departments and statutory agencies.

Based on Stop it Now! US, founded by a survivor of familial sexual abuse, the campaign raises awareness and encourages people to seek help, especially those worried about their own behaviour and those concerned about the behaviour of someone close to them. It works through the provision of a Freephone Helpline, dissemination of information and by establishing projects in England, Northern Ireland, Scotland, Wales and the Republic of Ireland.

2. Review of activities and achievements from April 2008 to March 2009

Overview

Despite the difficult financial context, this has been a successful year for LFF. We are delighted that we have been able to meet our performance and development targets. As in previous years much of our work has been funded by time limited government grants. Although some grants continue to be re-negotiated on an annual basis, making forward planning difficult, we are delighted that the Youth Justice Board (YJB) has awarded us a further contract of three years with potential extension to five years, which allows us to develop our work in Young Offender Institutions. In addition, we have continued to generate income from a wide range of sources enabling us to increase our activities and reach people who would not otherwise have received a service.

Our Stop it Now! campaign benefits from three year grant funding from the Welsh Assembly Government, the Scottish Government and the Department for Children, Schools and Families (DCSF), enabling us to appoint national campaign managers for Wales, Scotland and England under the coordinating leadership of our Stop it Now! UK & Ireland Director.

Generous donations received via New Philanthropy Capital have made it possible for us to extend the work of the Stop it Now! Helpline, including individual and group support for callers.

Our success is due to our commitment to effective practice. We measure our performance against targets, follow up referrers and service users for feedback and where appropriate commission outside agencies to undertake project evaluation. 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 the services we provide, the professionalism of our staff and the importance of LFF's specialist role in protecting children from sexual abuse.

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2009 (Continued)

2.1 Working with the Family Court System

2.1.1 Assessments

Approximately 35% of our income this year has come from expert assessments and interventions commissioned on an individual basis by social services and the family court system. Many referrers use us regularly because they value our integrated family work approach. We can assess all family members and make recommendations for the best way forward for each person, underpinned by our guiding principle that the needs of children come first. During the year the staff who specialise in this work provided 239 assessments of children, young people, women and men. This is a lower figure than last year (271), but in contrast to the previous year staff were involved in different types of work (see 2.1.2 and 2.1.3 below).

Our assessments of men covered a wide range of individuals, from recently convicted contact and internet offenders, to individuals with historical convictions and those whose conduct had led to concerns about their fitness to care for children. Our assessments of women included women who had sexually abused children, but typically involved 'ability to protect' assessments upon individuals involved with known or suspected abusers. We undertook 52 assessments of children and young people, some of whom had been identified as posing a danger to others, but most of whom were perceived to be at risk from their parents or carers. The strength of the staff team which does this work lies in its experience in this area and ability to engage in contentious cases.

Increasingly complex family cases are referred to LFF, for which we use a team to assess and engage all family members where there are concerns about sexual boundaries and behaviours. We assess the needs of the children and the ability of the parents to meet them. In some cases a positive outcome has been achieved through our ability to construct safety plans that the family and the Local Authority have faith in, and which allow the children to live at home. The emphasis on the adults' responsibility to maintain the children's safety means that although some harsh messages are delivered, the family has sufficient confidence in us to listen and invest in change.

2.1.2 Interventions

We offer therapeutic intervention services to families, often within very demanding and therapeutically difficult court timetables. During the year staff spent 934 hours engaging in intervention against 1400 hours last year. We have been particularly concerned by the reduction in funding for interventions for needy children and families from Social Services, which may have been affected by their financial position. Funding for intervention remains problematic and LFF needs charitable funds to support such work when the referrers cannot do so.

Many of our interventions are undertaken on an individual basis. However, a donation enabled us to run a groupwork programme for non-offending parents of children abused within the family. We developed this project in response to research demonstrating that:

- a child's relationship with their mother can be the most important factor in the healing process;
- child sexual abuse has a severe negative impact on non-abusing mothers, partners and carers;
- this in turn can adversely affect their ability to understand the needs of the child who has been abused as well as their future ability to protect children in their care; and
- despite this, resources to help such women are limited and in some areas non-existent.

We designed a 12 session group programme to give participants a greater understanding of the abuse that had happened to their child and family and increased confidence in dealing with the aftermath of the abuse, as well as helping them make informed decisions for the future. The focus was on child sexual abuse within the family and/or by close family friends. Child sexual abuse remains a great social taboo and, in our experience, women in this situation commonly lack someone to talk to who they feel they can trust. Group work can be more beneficial than working with women individually because it helps reduce the sense of social isolation and sense of 'why me?.'

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Trustees' Report for the year ended 31 March 2009 (Continued)

Referrals came from social workers in the West Midlands and seven women attended the programme. Feedback after the group included women saying:

"This programme has kept me sane. I have enjoyed coming here and getting help".

"This programme gave me the strength to (make the best decisions for my children)".

"It helped me a great deal ... to look to the future and not get in that situation again".

"The group has done so much for me, and I do believe it could help others. Don't know what I would have done without the support of the group".

2.1.3 Consultancy and programme development for a Local Authority

A programme for children was commissioned by a large Local Authority working closely with Probation to run their community sex offender treatment and matching programme for non offending parents, which LFF co-authored. The Authority wanted a fully integrated service, linking not only work with offenders and partners but also with children and young people who have been sexually abused. Our programme is for work with children from 5 to 18 years and therefore for children and young people at a range of stages of development, as well as to whole families who have been affected by sexual abuse. The method is based on that developed over the years by LFF, applying knowledge of sex offenders to direct work with children and families, enabling the worker to identify and meet the specific needs of the individual child and family.

We are providing the Authority with training and on-going consultancy in delivering the programme and are delighted that LFF has been able to contribute to all the components of a fully integrated service and hope to replicate it for other authorities.

2.2 Working with the Criminal Justice System

2.2.1 Young people who engage in sexually abusive behaviours

The work of the YJB funded project in the Young Offender Institutions (YOIs) expanded in 2008/9 to include provision for a part time practitioner at HMYOI Ashfield, Bristol. The service is now provided in four YOIs (Wetherby, Ashfield, the Oswald Unit at Castington and the Carlford Unit at Warren Hill). We have worked with 53 young people over the year (39 last year) and have delivered post release or post transfer visits to 17 young people. The post release visits often include contact with the young person's family as well as the Young Offender Team or Probation Case Manager responsible for their licence supervision. The project has again met the targets set within the grant conditions.

The results of an independent evaluation were made available during the year. This described how our project influenced the pathways of the young people worked with and the decision-making process of the prison, Youth Justice and probation authorities that the young people encountered. The following are extracts from the executive summary of the report:

- *'The work of The Lucy Faithfull Foundation therapists has an extremely positive impact on young people throughout their progress through the criminal justice system'.*
- *'The assessment and intervention work is valued by the young people they work with. Young people describe the importance of developing trusting relationships with the therapists: this is often the first time they have felt able to trust somebody and to talk openly and honestly about what has happened before, during and after their offence'.*
- *'The work that the therapists do with families of the young people is described by professionals as being outstanding, and the family interviewed were extremely positive about the benefits of engaging with The Lucy Faithfull Foundation'.*

Brainbox Research, May 2008.

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Trustees' Report for the year ended 31 March 2009 (Continued)

Other developments during 2008/09 have included LFF practitioners at HMYOI Wetherby working on a joint initiative with G-Map, University of Birmingham, colleagues from other teams within LFF and other interested parties, directed at developing the Good Lives Model (GLM) for work with young people, including the practical application and evaluation of the model. In a joint initiative with the Youth Justice Board, LFF is piloting a restorative justice intervention with a young person in custody. Consultancy and direct work with the young person and the victim is being provided by the AIM (Assessment-Intervention-Move on) project which has experience in restorative justice interventions and had developed an assessment tool for restorative approaches.

The LFF practitioners at HMYOI Wetherby provided a well received contribution to the induction programme for staff on the newly opened Keppel Unit at the establishment. The Unit is designed to house vulnerable young people from across the estate.

The YJB have continued to provide funding for work with young women within the units for 17 to 18 year old females within the young people's secure estate. Work has taken place with one young woman at the Josephine Butler Unit at HMP Downview and with two young women at the Toscana Unit, HMP Foston Hall.

At the end of September 2008, the YJB issued a tender for the provision of a specialist service for young sexual abusers in the young people's secure estate to take over from the service provided by us. We were successful in bidding for the contract which is for an initial 3 year period with the potential for 2 additional years at the end of this period. The contract allows for an expanded service at HMYOI Ashfield and for a further 6 places at an additional YOI.

2.2.2 Adult men and women who sexually abuse children

The Ministry of Justice (MOJ) (previously part of the Home Office) provides central grant funding for our involvement with men and women in the community who fall within their remit.

Ex-residents of the Wolvercote Clinic

Central funding for ongoing contact and practical support for ex-residents of the Wolvercote Clinic ceased at the end of March 2008. The out of office hours, weekend and Bank Holiday telephone helpline continued throughout the year providing support to ex-residents as well as to volunteers and core members involved in our Circles of Support and Accountability.

Circles of Support and Accountability

Sexual offenders who have abused children often return to the community from prison isolated from healthy social networks. The role of 'Circles' is to reduce the risk posed by such offenders. 'Circles', originated by the Mennonite Church in Canada, balance the needs of the community to be protected with the need of the offender for social support. 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.

The 'Circles' Project which LFF runs has successfully met all the targets set out in the specification of the 2008/09 contract. We started the year with 8 Circles from the previous year. Of these, 5 have now ended with 2 continuing to have informal contact with their core member as phase two Circles. We started 4 new Circles for the MOJ plus a Circle for a faith community member funded by the Catholic Church. We ended the year with 7 formal Circles and 2 phase two informal Circles which have continued into the current financial year. Ongoing Circles development and promotional activity has included meetings with local faith/community groups, statutory and voluntary agencies as well as attendance and delivery of presentations at professional conferences and meetings.

The outcomes achieved in relation to LFF's Circles work have demanded considerable staff time and resources in an effort to respond to, develop and promote Circles of Support and Accountability. Throughout the financial year, we recruited and trained 45 volunteers (28 last year), with more volunteers waiting to receive training following selection.

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Trustees' Report for the year ended 31 March 2009 (Continued)

In addition, LFF staff have made a significant contribution to both the development of and successful 'birth' of Circles UK, which has now established itself as the official national body supporting and promoting Circles. They have produced the Circles Code of Practice, which has been agreed and adopted by all Circles Projects, including LFF. We continue to work closely with Circles UK contributing to the development and evaluation of Circles across England and Wales.

Consultancy to the National Offender Management Service

Under this project LFF staff provide consultancy to probation offender managers. Once again, the service has been positively received. Our expertise in working with high risk male sex offenders within the criminal justice system has enabled us to provide valuable assessment and case management advice. In addition we have staff who specialise in working with female sexual offenders and have provided a consultancy, assessment and intervention service regarding 42 women throughout the year. We have met the targets for the year. Overall we have worked with and/or provided consultancy services regarding 186 offenders. Of these referrals, 133 were referred in 2008/09 and 53 were referred the previous year but work continued with them during the current year.

In addition to consultancy for probation offender managers, we provided a separately funded consultancy service to individual prisons regarding women during 2008/09 and provided training in assessment. Via a secondment we are working with the Women & Young People's Group to help them develop a strategy for female sex offenders, including an assessment protocol.

We continue to evaluate the effectiveness of our consultancy service by sending questionnaires to those offender managers who referred cases to us and needed a service which progressed beyond an initial telephone consultation. These have included assistance with assessment, risk management, treatment planning and some intervention. LFF staff identified a number of men suffering from post traumatic stress disorder (PTSD). The men were finding it difficult to engage in treatment due to their PTSD and initially presented as disengaged from the treatment process. A Trauma Scale Inventory test was applied to them, which allowed for an assessment of their PTSD and a report given to the offender manager. This then enabled further referrals to specialist trauma centres.

In the latest evaluation, 114 questionnaires were circulated and the response rate was 75%. The feedback received from those offender managers who responded was overwhelmingly positive with 92% finding the involvement extremely helpful or helpful. Case consultancy, where offender managers required specialist input to develop a supervision, intervention, risk management plan, was especially in demand, as well as the request for assistance with administering interventions to offenders. Offender managers expressed the opinion that not only had the guidance they received helped to manage their offender's risk effectively, but also positive working relationships had been established between the offender manager and the LFF practitioner.

Many of the respondents said how appreciative they were for the specialist input and advice, especially in connection with very complex or "stuck" cases. The feedback relating to female offenders was especially positive, suggesting an ongoing need for the opportunity to access high-quality expert advice in managing female sexual offenders in the community.

Over 20% of respondents indicated that they would like the LFF practitioners to become more actively involved in administering one to one interventions with their clients on an ongoing basis, but the existing contract does not allow for this.

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Trustees' Report for the year ended 31 March 2009 (Continued)

Comments included the following:

- *"Consultant has fully embraced the case and has adapted her role to allow for developments - now a level 3 MAPPA case. She has given full and very useful reports of all the contact with the offender. She also attended a MAPPA meeting to advise on risk management."*
- *"The LFF worker sent me through a very concise and detailed plan and various activities for supervision and to address his offence, whilst taking account of his learning needs."*
- *"I found it very beneficial to talk through this case with the LFF worker whose background and expertise were self-evident. Response to my enquiries was prompt and efficient as well as supportive."*
- *"The trauma inventories have been invaluable in throwing light on decades of dysfunctional behaviour which has so far not been amenable to any intervention."*
- *"This is the only female sex offender that I have worked with. I am extremely grateful for all of the information, further reading, advice and support provided."*
- *"We have so few of these cases that it is difficult to build up a working knowledge and this has given me greater confidence in having the materials to work with female sex offenders."*
- *"We need LFF to be able to administer and carry out specialist intervention on complex cases. These interventions are NOT available elsewhere."*

2.3 Child sexual abuse in work settings - education

We have provided specialist services regarding people who abuse in the context of their work. The DCSF has continued to use our services in a variety of ways. This year we received 41 new referrals for assessment from the Department. Having won the tender for training caseworkers we have provided 12 courses for the new Independent Safeguarding Authority.

We have continued to support DCSF in the review of "Safer Recruitment in Schools" training – both workshop and web-based courses – and have directly delivered workshops to such diverse organisations as Local Safeguarding Children Boards, Independent schools and the Premier League. We are now assisting the Children's Workforce Development Council (CWDC) in the further development of these materials for the wider children's workforce.

2.4 Child sexual abuse in faith communities

During the year we have assessed individuals and provided training and advice on the development of safeguarding policies and practice to the Catholic Church in England and Wales, the Church of England, the Methodist Church and the Church of Scotland.

2.5 Sexual abuse prevention: Stop It Now! UK & Ireland

2.5.1 The campaign

The year has seen a change of leadership at Stop it Now! UK & Ireland. We want to thank the outgoing director, Tink Palmer, for her important work in developing our strategy over the last four years and wish her well for the future. 2008/09 saw major developments for Stop it Now! UK & Ireland. Funding from the Welsh Assembly Government, the Scottish Government and the DCSF enabled us to appoint national campaign managers for Wales, Scotland and England under the co-ordinating leadership of Donald Findlater, our new Stop it Now! UK & Ireland Director. Donald is ideally suited to the role having been involved in bringing Stop it Now! to the UK in 2000 and developing its Helpline.

Stop it Now! Scotland and Wales were formally launched in Spring 2009. Both were highly successful events at Government buildings in Edinburgh and Cardiff respectively. The launch in Cardiff received particularly good media coverage. Thanks to government grants and The Schroder Foundation's continuing financial support for our media communications post, we have been able to maximise affordable media opportunities to promote the campaign. However, if we are to make Stop it Now! truly a household name, we need significantly more funding to achieve this.

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Trustees' Report for the year ended 31 March 2009 (Continued)

The Oak Foundation agreed to fund a 3 year pilot project to reach Black and Minority Ethnic communities in London, matching the City Bridge Trust funding for Stop it Now! development work in London. Work with New Philanthropy Capital helped in the development of a well articulated theory of change and overall evaluation framework for Stop it Now!

We have designed and distributed public education and information materials since starting the campaign in 2002. By 31st March 2009 we had distributed:

- 163,587 'Preventing Child Sexual Abuse' leaflets;
- 317,130 'What We All Need To Know To Protect Our Children' leaflets, which are packed with information on signs to be aware of in children and adults and actions to take;
- 313,111 'Child's Play? Preventing Abuse Among Children And Young People' leaflets, which give guidance on what is appropriate and what is inappropriate regarding behaviour between children and young people;
- 76,828 'The Internet And Children: What's The Problem?' leaflets, providing detailed advice and information about internet related issues;
- 7,254 copies of these leaflets have been distributed in the Welsh language;
- 1,363 information packs about Stop it Now!; 140,453 Helpline Cards, 60,883 posters and 40,590 postcards; and
- in addition, 10,000 copies of each of the leaflets have been distributed across the Home Office's sex offender disclosure pilot projects in Hampshire, Warwickshire, Cambridgeshire and Cleveland following the Child Sex Offender Review.

Stop it Now! reflects the breakdown of organisational barriers and the trend towards greater working in partnership, as is developing in the wider social care community, but with clear lines of responsibility and accountability. We support regional developments through our Operations Group and find host agencies to run and fund them - area projects run by our partner organisations appear in their accounts.

Keeping the public in public protection: parent education initiatives (KPPP)

Linked to Stop it Now! two pilot public education initiatives in Surrey and Birmingham have been funded by the Home Office following publication of the Child Sex Offender Review in 2007. These are called 'SMARTenough?' run by LFF in Surrey and 'Educate2protect' run by Stop it Now!'s Barnardo's led project in the West Midlands. These aim to increase awareness of parents and carers of what to look for and what to do in order to protect their children from sexual abuse.

2.5.2 Stop it Now! UK & Ireland Helpline

The Stop it Now! Helpline continues to receive core funding from the Public Protection Unit of the Ministry of Justice. A donation enabled us to add a third telephone line for callback in 2008/09 with additional support staff.

The media portrayal of a 'monster' image of the 'typical' sexual abuser discourages people from seeking help, especially if the abuse is happening in their family. The reality is that 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.

Our Helpline Report (2006) demonstrated that people will seek help from a confidential advice line. This year 57% of our calls came from people worried about their own behaviour, with 33% coming from people worried about another adult or young person, often a close family member or friend. Concerns included worries about internet related behaviours as well as offline abuse. The Ministry of Justice funded us to deal with 150 calls a month, but over the year we received an average of 249 per month. This indicates a substantially greater need, in fact some two thirds more than was estimated, and all the indications are that this demand will continue to increase.

In a random sample of 10% of calls from the whole year, 96% had identified, agreed actions for the callers to take. Many callers telephone again to discuss how they have implemented this action and ask for further advice, demonstrating real motivation to change. We provide follow up support to callers prepared to identify themselves and risk the consequences, but this is limited by funding. During the year we provided 100 days support funded by the Ministry of Justice and a further 52 days from our own resources, including donations.

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Trustees' Report for the year ended 31 March 2009 (Continued)

Since establishing the Helpline, we have received over 13,000 calls. This has been achieved with relatively little publicity. If we had more funding we could increase the reach of our public awareness campaign and call numbers would be likely to rise steeply. Donations are necessary to achieve this and protect more children.

2.6 Working with internet abuse

2.6.1 Educational programmes for abusers and for their families

During 2007/08 we received increasing referrals, many to the Stop it Now! Helpline, about worrying internet activity. Consequently, we designed two programmes. 'Inform', for partners, friends or family members of individuals who have been looking at online images of child abuse, and 'Inform Plus' for men arrested, cautioned or convicted for accessing indecent images of children. There are very few services for these groups, who are growing in number. Probation programmes exist for some convicted male offenders, but many individuals arrested on suspicion of downloading child pornography experience lengthy periods on bail and may ultimately receive a police caution or court sentence that does not include an intervention programme. We are not aware of any other services offering assistance to partners, friends or family of this type of offender, who often feel bewildered and distraught about what has happened and don't know what action to take. We believe that the provision of services such as Inform and Inform Plus is vital to effective child protection and abuse prevention.

To date we have run 18 Inform and 22 'Inform Plus' courses, mostly in the south-east. Thanks to a generous donation from the Taylor Family Foundation, in 2008-2009 we extended availability of these courses to Bristol and the south west region. In addition, most Inform and Inform Plus participants made a financial contribution to the cost of the courses.

'Inform'

Adult family members and close friends of individuals who have been looking at online child abuse images either self-refer or are referred to the 'Inform' programme by outside agencies. This programme is run over 5 sessions and provides information about online pornography, particularly child abuse images, and aids understanding of how and why people develop a problem. Inform also provides a 'safe' environment in which participants can ask questions or talk about their own situations. Feedback from the 18 attendees of the 'Inform' programme between April 2008 and March 2009 was very positive, with all participants saying the course was 'very suitable' for their needs. Comments on aspects of the course which participants felt to be most useful included: "being able to speak to others in a similar situation without being judged"; "getting information on the legal system"; "awareness of risk factors"; and "feeling that you are not the only one going through this".

'Inform Plus'

People who have been arrested, cautioned or convicted for downloading indecent images of children can self refer to the Inform Plus programme, with their arresting police officer notified of their enrolment. This 10 session course has also been positively received by those attending. Within the financial year, a total of 63 participants have successfully completed the programme and there is a further programme with 9 participants currently running in Bristol which will be completed in 2009. Of those who attended the group, feedback has been very positive with the majority of participants describing the course modules as useful or very useful. Comments from group attendees include the following: "I wanted to understand my own actions and the reasons I offended – I felt the course helped me do that"; "I wanted to understand why I sought illegal images and to realise how best to stop reoffending – whilst there is no easy and complete answer, the course has given me lots to consider and I am confident that this will enable me to counteract any risky behaviour"; "I hate to admit it but when I was told that I wouldn't want the course to end, I didn't initially believe it. I do now. And thank you".

After the courses have finished, participants can continue to seek support and advice from us via telephone contact. Additionally, a review session is offered to both Inform and Inform Plus participants approximately eight to ten weeks following completion of the programme. This enables group members to meet again and discuss how they are getting on and what strategies they have implemented as a result of the courses.

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Trustees' Report for the year ended 31 March 2009 (Continued)

2.6.2 Internet safety seminars in schools

These seminars, which we have delivered since 2004, are provided to parents and mostly hosted by schools. The majority of schools appear not to have funding to provide this type of facility for parents, so we sought this from donations. In the current year, funding has been provided by Hedge Funds Care UK, supplemented by The Lucy Faithfull Foundation's own resources.

During the year we extended our delivery of seminars to include Berkshire, Bristol, Birmingham, Buckinghamshire, East Sussex, Hampshire, Kent, Norfolk, and Oxfordshire as well as Surrey. From April 2008 to March 2009, we delivered 66 seminars in primary, secondary and special schools. We also delivered them to parenting groups, children's centres and a conference organised by the Council for Voluntary Service.

1575 parents attended the sessions and 69% returned evaluation forms. The feedback showed that 97% found the seminar useful or very useful, with the majority, 68% falling into the very useful category. 98% said their awareness had been raised. 95% felt more confident to help their children stay safe online. 94% were able to identify one action they would take as a result of the seminar, the most common being to talk with their children about the issues raised in the presentation. Other common responses were to visit the recommended websites and move the family computer to a shared area.

Following significant demand, we designed lesson plans for students aged 10 – 14 (Year 6 to Year 8) and over the last six months we delivered 19 lessons to 967 students.

Over the academic year (October 2008 to June 2009) we delivered 62 internet safety seminars with a further 10 dates confirmed with primary and secondary schools before the end of Summer Term 2009. There is further demand for events in the Autumn Term, funding permitting.

2.6.3 Managing the online behaviour of known offenders

During the year, we pioneered, in collaboration with Surrey Police and Securus (a Surrey-based software company) the use of monitoring software to ensure that home computers were used appropriately by known, registered sex offenders. This involved developing appropriate "violation libraries"; supporting police in establishing appropriate protocols for usage; evaluating the initial pilot phase of the work and disseminating this information to Police Forces across UK and Ireland, as well as to other agencies involved in public protection. A number of conference presentations are anticipated as a result.

Use of this technology affords reassurance to sex offender managers about home computer usage; reassurance to close family members of offenders that their home computer use is appropriate; and support to offenders themselves in not succumbing to temptation – because they know any inappropriate use will be noticed quickly.

Interest in this monitoring technology is increasing, and we have purchased the technology in-house to allow appropriate members of our staff (currently ex-police officers) to take the role of monitor. A number of 'Inform Plus' participants are volunteering to be monitored, and are paying for this service.

2.7 Collaborative research: publications

Internet offenders:

Our joint research project with the University of Birmingham's Forensic Psychology Department on the profiles and treatment needs of internet offenders has led to three papers:

Beech A.R., Elliott I.A., Birgden A & Findlater D (2008) The Internet and child sexual offending: A criminological review. In the June – July 2008 edition of *Aggression and Violent Behaviour*.

Ian A. Elliott, Anthony R. Beech, Rebecca Mandeville-Norden, & Elizabeth Hayes (2009). Psychological profiles of internet sexual offenders: Comparisons with contact sexual offenders. In the March 2009 edition of *Sexual Abuse: A Journal of Research and Treatment*.

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2009 (Continued)

Ian A. Elliott & Anthony R. Beech (2009). Understanding online child pornography use: Applying sexual offense theory to internet offenders. To be published in the May-June 2009 edition of *Aggression and Violent Behaviour*.

Residential assessment and treatment:

Our experience of running Wolvercote Residential Clinic for adult male sex offenders is described in Eldridge, H. & Findlater, D. (2009): *A Community Residential Treatment Approach for Child Sex Abusers: A Description of The Lucy Faithfull Foundation's Wolvercote Clinic and Related Projects* (2009) in Beech, A.R., Craig, L., & Browne, K. D. *Assessment & Treatment of Sex Offenders: A Handbook*. Wiley

Female sexual offenders:

We commissioned a study with the University of Birmingham to research women who sexually abuse children. This will assist assessment of risk of harm and help determine treatment needs of such women. Eldridge, H.J, Elliott, I.A., Ashfield, S. "Assessment of women who sexually abuse children" in Calder MC (Ed) (2009) *Sexual abuse assessments* (2nd edition) Russell House Publishing.

2.8 Influencing policy development

LFF seeks to influence policy in our field. Our expertise means that we are often invited to participate in reviews of policy and practice. During the year we have been active stakeholders in the Home Office's Review of the Protection of Children from Sex Offenders which reported in 2007, which is now in the implementation stage, and the Government's Sexual Violence Stakeholder Advisory Group. Our previous Stop it Now! Director was a board member of the Internet Watch Foundation and a member of the Home Office Task Force for Internet Safety. In addition, we are seeking to influence policy in relation to female sexual offenders through our work with Women and Young People's Policy Group of the Prison Service.

2.9 Donations to Lucy Faithfull Foundation

During the year New Philanthropy Capital, which vets charities for donors, continued to include us in their list of recommended charities. We have used the generous donations from this source to start new projects and develop existing ones as described above.

Regarding Stop it Now! we are grateful for the continued support of the Henry Smith Charity and for the smaller private donations, all of which enable us to develop this work. We would like to make particular mention of Tink Palmer's family who asked that donations following a family bereavement should go to Stop it Now!

We would like to thank everyone who has given us money to further our aims in safeguarding children and preventing sexual abuse.

Lucy Faithfull Foundation Trading Limited

LFF provides training and consultancy via its wholly owned subsidiary, Lucy Faithfull Foundation Trading Limited. Gift aided donation from the Trading Company to LFF is £67,299 this year compared to £60,198 in 2007/08. During the year we provided 150 days (127 last year) of training to universities, Multi Agency Public Protection Panels, children's services departments, Local Safeguarding Children Boards, lawyers, Health Service, National Offender Management Service, Independent Safeguarding Authority, Police, National Organisation for the Treatment of Abusers, Premier League, General Dental Council, children's charities, schools and faith communities.

We did not run our regular conference 'Tools to Take Home' in the 2008/09 financial year. However, the event ran in April 2009. As usual this was a partnership event with the University of Birmingham and included 119 delegates involved in the assessment and treatment of sexual offenders. Keynote presentations and seminars were delivered by national and international presenters, to provide practitioners with techniques to improve their practice.

It is the intention of the directors of the subsidiary company to transfer these activities to the charity within the next twelve months.

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2009 (Continued)

3. The Future

General

We continue to position LFF to take advantage of new opportunities and challenges in the forthcoming year. These include the developing organisational structures such as the National Offender Management Service (NOMS), the Local Safeguarding Children Boards and the Independent Safeguarding Authority. Although we will continue to receive central funding for our Ministry of Justice projects during 2009/10, the regionalisation of NOMS, which is likely to become fully operational in 2010/11 is a challenge for national providers offering specialist services such as ourselves. Liaison with a number of different regions as opposed to a central point increases administrative costs and the complexity of bidding for and managing contracts.

The Public Law Outline and funding changes for Local Authorities continue to affect Local Authorities, but we welcome the Laming Report's recommendations which, if implemented, could help ensure that families receive the services they need.

All the above, combined with the general economic climate means that we need to conserve our reserves and take a cautious approach to expansion in order to ensure the long term sustainability of the charity.

We aim to strengthen our ability to influence policy and public attitudes through the media. Donations received via New Philanthropy Capital continue to help us reach these goals. We plan to raise funds to enable our clinical resources to reach people who would not otherwise receive help and for further research into the effectiveness of our work.

3.1 Funding for Stop it Now! UK & Ireland and its helpline

Although core funding from the governments of England, Wales and Scotland enables us to employ campaign managers for each country, and the Media and Communications Manager is able to provide expert advice and help, additional funds are needed to facilitate production of new marketing materials and, more importantly, to secure advertising space in key media to ensure the widest possible public awareness of our materials and our helpline.

Experience also shows us that local or regional projects are highly effective at making their public aware of Stop it Now! Funding is needed to support the Director and National Managers to establish more projects in the various nations and to consolidate links with local media and agencies.

The Ministry of Justice grant provides 100 days post call follow up. To meet the demand from callers we desperately need additional funding.

3.2 Projects dependent on new funding for survival

Donations received via New Philanthropy Capital have enabled us to pilot new projects and support existing ones. However, these won't continue without further funding.

Groupwork for non-offending parents of children who have been sexually abused within the family (see 2.1.2)

Funding permitting, we want to build on our successful pilot and make the group available to agencies and courts for women referred to us for assessment of risk and ability to protect. We have sought financial contributions towards the groupwork from the agencies concerned but to date this has been unsuccessful. It is very sad to see that whilst there is funding for assessment, there appears to be nothing for an intervention programme that would help the women cope with their own feelings and aid their children's recovery process. We want to broaden the referral base to include other community based centres who lack funding but who are in contact with women who would also benefit from the programme.

Educational courses for internet abusers and for their families: Inform and Inform Plus (See 2.6.1)

Additional funding is needed to support continuation of these courses. We would dearly like to expand provision into the Midlands where there is an established need.

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2009 (Continued)

The CROGA self-help website

We have previously assisted the University of Cork with their COPINE project (Combating Paedophile Information Networks in Europe) in the development of their web-based programme (CROGA), which is a self-help programme for those with an interest in online child pornography. In early 2008, we took over responsibility for this site from the University of Cork in order to sustain its availability but also with a view to reviewing content in the light of developing knowledge as well as feedback. This activity was funded from a donation. We need to ensure CROGA's continued availability as well as to revise its content in the light of new research findings and evidence of treatment effectiveness with the internet offender population.

Internet Safety Seminars for Parents (see 2.6.2)

Hedge Funds Care UK shared the cost of funding these with LFF for the last two years, but unfortunately they have told us they can no longer continue to do so. The seminars have been very well received but we need a further grant to enable us to reach more schools and consequently more parents.

ESSAY (European Society working with Sexually Abusing Youth)

European collaborative work in relation to young people who engage in inappropriate sexual behaviours is facilitated by LFF and Dutch colleagues. To date, practitioners from eleven European countries have been represented at the regular seminars. We need more funding to help us host more seminars and enable more practitioners from different countries to attend.

Research

A donation enabled us to fund research psychology time to evaluate and enhance the effectiveness of our work across the organisation. We plan to work with the University of Birmingham and with New Philanthropy Capital to develop new ways of evaluating our work and measuring progress, but we need more funds to develop this work.

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 Baroness V G Howarth, Barry Coker and Adrienne Jones 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.

A skills and diversity audit was conducted during 2008/9 with a view to identifying any potential gaps in the knowledge base of Trustees. The Trustees have accepted the findings of the audit which confirmed the broad range of skills and experience available, and this will be kept under review.

5. Trustee induction and training

The Trustees have an induction and training program which enables any new Trustee 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 training and development as needed.

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2009 (Continued)

6. Risk assessment and management

The Board of Trustees reviews and assesses the risks that the charity and its subsidiary face on an ongoing basis. Regular meetings involving the Governance, Finance and General Purposes Committee, and also the Senior Management Staff Team, identify new areas of risk and consider these in relation to the organisation's activities. 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.

LFF's strategic plan is a working document involving action points for Trustees and staff at all levels. It 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 grant funded contracts secured, grant applications in process and the progress of non grant funded 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 three executive directors who meet every two months and are responsible for influencing, reviewing and implementing the strategic direction and policy of the organisation. This group meets regularly with the project managers. 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 75 employees of whom 48 are fulltime, 15 are part time and 12 are sessional workers. A further 54 people are volunteers involved in Circles of Support and Accountability activity. In addition to supervision, 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.

The Foundation recognises its primary assets are its staff and volunteers, and the Trustees wish to thank them for their commitment and contribution to its success throughout 2008/09.

8. Financial review

8.1 Income and expenditure

Overall income in 2008/2009 increased by £601,392 but there has been a corresponding increase in expenditure of £593,151 as we have continued to invest in specialist staff and considerably increased our campaigning activities in relation to Stop It Now!

We generated net income of £148,834 (2007/8: £140,593) and had general unrestricted reserves of £1,122,050 (2007/8: £979,062) at 31 March 2009. This represents 34% of next year's planned expenditure.

Overall income increased by 22%. The increase is attributable to additional revenue from grants, donations and bank interest earned on fixed term deposits.

The grant income for the Stop it Now! Campaign increased by £238,428 to £447,623 in 2008/9 (2007/8: £209,195) as London and Scotland Managers were operational for a full year and the England and Wales Managers came on board mid way through the year.

The donations and grants through New Philanthropy Capital had a significant impact on the year's resources, with Schrodgers, Taylors and two anonymous donors funding a number of posts and special projects, amounting to £179,123 in 2008/9 (2007/8: £32,031).

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2009 (Continued)

8.2 Reserves policy

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

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

- *The short term nature of grants and regionalisation*
The Ministry of Justice grants are currently for one year only. The consultancy and Circles contracts will not receive central funding beyond April 2010. 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.
- *Flexibility, security and planning opportunities*
We wish to be able to respond to opportunities to restart residential work and would need sufficient reserves to be able to update our programme and retrain staff should the need arise. In addition, we need the facility to consider available options when the lease on our Surrey office runs out in December 2009.

Under present circumstances, the Trustees consider that the current level of reserves is in line with satisfactory progress in moving towards the achievement of their stated reserves policy.

8.3 Investment policy

Funds are held in fixed term cash deposits, access to which reflects our operational needs.

Statement of Trustees' responsibilities

Charity and company law require the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group at the end of the year and of the surplus or deficit for that year. In preparing those financial statements, the Trustees are required to:

- select the most suitable accounting policies and then apply them consistently;
- 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 group will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Each Trustee/Director, who was a Trustee/Director of the charitable company at the date that this report was approved, has taken all steps that they ought to have taken as a Trustee/Director in order to:

- make themselves aware of any relevant audit information (as defined by the Companies Act 1985); and
- ensure that the auditors are aware of all relevant audit information (as defined).

As far as each Trustee/Director is aware, there is no relevant audit information of which the charity's auditors are unaware.

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2009 (Continued)

Auditors

During the year, Chantrey Vellacott DFK LLP resigned as auditors of the charity and Horwath Clark Whitehill LLP were appointed in their place.

Horwath Clark Whitehill LLP 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 **19 August 2009** and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'A Bentovim', with a long horizontal flourish extending to the right.

Dr A Bentovim MB BS FRC Psych
Chairman

THE LUCY FAITHFULL FOUNDATION

Independent Auditors' Report to the members of The Lucy Faithfull Foundation

We have audited the group and parent company financial statements of The Lucy Faithfull Foundation for the year ended 31 March 2009 set out on pages 21 to 31. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985 and to the charity's trustees, as a body, in accordance with section 44(1)(c) 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees (who are also the directors of The Lucy Faithfull Foundation for the purposes of company law) responsibilities for preparing the 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 (United Kingdom and Ireland).

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 comply with the requirements of regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you if, in our opinion, the information given in the Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company 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 other transactions with the charitable company is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom 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 charitable company'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.

THE LUCY FAITHFULL FOUNDATION

Independent Auditors' Report to the members of The Lucy Faithfull Foundation

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 the affairs of the charitable company and of the group as at 31 March 2009 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985 and comply with the requirements of regulation 8 of the Charities Accounts (Scotland) Regulations 2006; and
- the information given in the Trustees' Report is consistent with the financial statements.

Horwath Clark Whitehill LLP

HORWATH CLARK WHITEHILL LLP

Chartered Accountants and Registered Auditors
St Bride's House
10 Salisbury Square
London
EC4Y 8EH

19 August 2009

THE LUCY FAITHFULL FOUNDATION

Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 31 March 2009

	Note	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
Incoming resources					
Incoming resources from generated funds:					
Investment income	3	39,299	-	39,299	28,519
Incoming resources from voluntary funds:					
Grants & donations	4	186,710	579,455	766,165	262,898
Incoming resources from charitable activities:					
Assessment and intervention	5 a)	1,169,516	-	1,169,516	1,180,343
Prevention	5 b)	224,692	1,140,382	1,365,074	1,266,902
		<u>1,394,208</u>	<u>1,140,382</u>	<u>2,534,590</u>	<u>2,447,245</u>
Total incoming resources		<u>1,620,217</u>	<u>1,719,837</u>	<u>3,340,054</u>	<u>2,738,662</u>
Resources expended					
Charitable activities:					
Assessment and intervention		1,003,973	-	1,003,973	1,057,149
Prevention		431,881	1,713,991	2,145,872	1,503,375
Total charitable expenditure		<u>1,435,854</u>	<u>1,713,991</u>	<u>3,149,845</u>	<u>2,560,522</u>
Governance costs		<u>41,375</u>	<u>-</u>	<u>41,375</u>	<u>37,547</u>
Total resources expended	6	<u>1,477,229</u>	<u>1,713,991</u>	<u>3,191,220</u>	<u>2,598,069</u>
Net incoming resources, being net income for the year	7	142,988	5,846	148,834	140,593
Fund balances brought forward		979,062	-	979,062	838,469
Fund balances carried forward at 31 March 2009	16	<u>1,122,050</u>	<u>5,846</u>	<u>1,127,896</u>	<u>979,062</u>

All amounts relate to the continuing activities of the group.

The comparative figures for 2008, above, have been re-analysed between the categories within charitable income and expenditure to better reflect the nature of the income/costs and to ensure consistency with 2009. There is no effect on the result for the year.

The notes on pages 23 to 31 form part of these financial statements.

THE LUCY FAITHFULL FOUNDATION

Consolidated and Charity Balance Sheets as at 31 March 2009

	Note	Group 2009 £	Group 2008 £	Charity 2009 £	Charity 2008 £
Fixed assets					
Tangible assets	11	10,939	7,677	10,939	7,677
Investments	12	-	-	100	100
		<u>10,939</u>	<u>7,677</u>	<u>11,039</u>	<u>7,777</u>
Current assets					
Debtors	13	640,945	652,840	585,601	658,132
Cash at bank and in hand		956,238	847,378	939,507	794,131
		<u>1,597,183</u>	<u>1,500,218</u>	<u>1,525,108</u>	<u>1,452,263</u>
Creditors:					
amounts falling due within one year	14	(480,226)	(528,833)	(408,251)	(480,978)
		<u>1,116,957</u>	<u>971,385</u>	<u>1,116,857</u>	<u>971,266</u>
Net current assets		<u>1,116,957</u>	<u>971,385</u>	<u>1,116,857</u>	<u>971,266</u>
Net assets		<u>1,127,896</u>	<u>979,062</u>	<u>1,127,896</u>	<u>979,062</u>
Funds					
Unrestricted funds					
General funds		1,092,731	979,062	1,092,731	979,062
Designated funds		29,319	-	29,319	-
		<u>1,122,050</u>	<u>979,062</u>	<u>1,122,050</u>	<u>979,062</u>
Restricted funds		<u>5,846</u>	<u>-</u>	<u>5,846</u>	<u>-</u>
Total funds	16,17	<u>1,127,896</u>	<u>979,062</u>	<u>1,127,896</u>	<u>979,062</u>

The financial statements were authorised for issue and approved by the Trustees on **19 August 2009** and signed on their behalf by:



Dr A Bentovim MB BS FRC Psych
Chairman

The notes on pages 23 to 31 form part of these financial statements.

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2009

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 1985, applicable accounting standards and Statement of Recommended Practice "Accounting and Reporting by Charities" revised 2005 (SORP 2005).

(c) Consolidation

These financial statements consolidate the results of The Lucy Faithfull Foundation and its trading subsidiary up to 31 March 2009 on a line by line 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. Designated funds are unrestricted funds which have been set aside by the Trustees for specific purposes. The aim and the use of the designated funds are set out in the notes to the financial statements.

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.

Where applicable, donated facilities and services or gifts-in-kind are recognised in the SOFA.

(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.

(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:

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

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2009

1. Accounting policies (continued)

(i) Pensions

The charity offers staff the option to join a stakeholder pension scheme, which is non-contributory by the employer. It is not standard practice for any employer contributions to pension schemes to be made, other than in exceptional circumstances. 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.

(l) Charity's results

A separate SOFA for the charity has not been presented as permitted by paragraph 397 of SORP 2005. The charity's income was £3,144,546 (2008: £2,518,121), expenditure £3,063,011 (2008: £2,437,726) giving net incoming resources of £81,535 (£2008: £80,395).

2. Income and expenditure account

A separate income and expenditure account has not been presented as the figures comprising net income for the year shown in the SOFA on page 21 give the information required under the Companies Act 1985.

3. Investment income	2009 £	2008 £
Bank interest	<u>39,299</u>	<u>28,519</u>
4. Voluntary income Unrestricted	2009 £	2008 £
The Schroder Foundation & private donor	79,319	20,681
Anonymous Donor via New Philanthropy Capital (NPC)	89,804	6,350
The Taylor Family Foundation	10,000	5,000
Other Donations	<u>7,587</u>	<u>9,653</u>
	186,710	41,684
Restricted		
Stop it Now!		Funded by:
Stop it Now! England		DCSF
Contribution to UK & Ireland Director		Henry Smith Charity
Contribution to printing costs		Stop it Now! Black Country
London Campaign Manager		City Bridge Trust
Stop it Now! Scotland		Scottish Government
Stop it Now! Wales		Welsh Assembly Government
		<u>200,500</u>
		90,000
		<u>35,000</u>
		50,000
		-
		4,500
		<u>54,500</u>
		32,545
		<u>84,918</u>
		24,575
		<u>72,705</u>
		7,575
		<u>447,623</u>
		209,195
Other		
Surrey Projects		Various funders
Keeping the Public in Public Protection		Violent Crime Unit
Internet Safety Seminars in Schools		Hedge Funds Care UK
		<u>10,832</u>
		1,419
		<u>100,000</u>
		2,500
		<u>21,000</u>
		8,100
		<u>579,455</u>
		221,214
Total voluntary income	<u><u>766,165</u></u>	<u><u>262,898</u></u>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2009

5.	Incoming resources from charitable activities	2009	2008
		£	£
	a) Assessment and intervention		
	Unrestricted		
	Assessments, interviews and reports and consultancies: families	610,052	715,275
	Non-residential interventions with adult perpetrators	452,335	355,036
	Assessments, interventions and consultancies: children and adolescents	107,129	110,032
		<hr/>	<hr/>
		1,169,516	1,180,343
		<hr/> <hr/>	<hr/> <hr/>
	b) Prevention		
	Unrestricted		
	Training and Consultancy	224,692	225,886
	Restricted		
	Nature of Work		
	Services to National Probation and Circles of Support		
	Young Offender Institutions - work with young people		
	National Helpline		
	Funded by:		
	Public Protection Unit	383,007	403,428
	Youth Justice Board	468,398	376,688
	Public Protection Unit	288,977	260,900
		<hr/>	<hr/>
		1,140,382	1,041,016
		<hr/>	<hr/>
		1,365,074	1,266,902
		<hr/> <hr/>	<hr/> <hr/>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2009

6. Total resources expended

	Staff costs £	Direct costs including depreciation £	2009 Group Total £	2008 Group Total £
Charitable activities				
Assessment and intervention	778,986	224,987	1,003,973	1,057,149
(Unrestricted) Prevention	415,157	16,724	431,881	215,462
(Restricted) Prevention	996,486	717,505	1,713,991	1,287,911
	<u>2,190,629</u>	<u>959,216</u>	<u>3,149,845</u>	<u>2,560,522</u>
Governance costs				
External audit	-	16,512	16,512	14,580
Trustees' expenses/meetings	-	3,070	3,070	1,397
Trustees' indemnity insurance	-	1,314	1,314	1,286
Legal Fees – OSCR & Constitutional review	-	2,279	2,279	-
Company secretarial	4,837	-	4,837	4,347
Apportionment of management time	13,363	-	13,363	15,937
	<u>18,200</u>	<u>23,175</u>	<u>41,375</u>	<u>37,547</u>
	<u>2,208,829</u>	<u>982,391</u>	<u>3,191,220</u>	<u>2,598,069</u>

7. Net incoming resources are stated after charging:

	2009 £	2008 £
Auditors' remuneration:-		
Fees payable to the group's auditors for the audit of the group's annual financial statements	16,512	14,580
Fees payable to the group's auditors in respect of other services	4,497	-
Depreciation	12,171	23,985
Operating lease rentals	<u>106,264</u>	<u>104,829</u>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2009

8. Staff	2009 Full time equivalent No	2008 Full time equivalent No
The average weekly number of persons employed by the group during the year was:		
Charitable activities	56	51
Governance	1	1
	<u>57</u>	<u>52</u>
	<u><u>2009</u></u>	<u><u>2008</u></u>
	£	£
Staff costs for the group comprised:		
Wages and salaries	1,996,689	1,689,945
Social security costs	209,903	178,267
Pension costs	2,237	10,743
	<u>2,208,829</u>	<u>1,878,955</u>

One employee earned between £60,000 - £70,000 (2008: no employees earned over £60,000).

9. Trustees

None of the trustees received any remuneration in the year (2008: nil).

Reimbursed expenses incurred in the year on behalf of 4 trustees were £2,818 (2008: £1,397 for 2 trustees).

10. 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 2009

11. Tangible fixed assets for use by the charity and group

	Motor vehicles £	Office & computer equipment £	Furniture & fittings £	Total £
Cost				
At 1 April 2008	5,390	82,974	4,121	92,485
Additions	7,795	7,639	-	15,434
Disposals	-	(691)	-	(691)
	<u>13,185</u>	<u>89,922</u>	<u>4,121</u>	<u>107,228</u>
Depreciation				
At 1 April 2008	4,679	76,009	4,121	84,809
Charge in the year	2,660	9,511	-	12,171
Disposals	-	(691)	-	(691)
	<u>7,339</u>	<u>84,829</u>	<u>4,121</u>	<u>96,289</u>
Net book values				
At 31 March 2009	<u>5,846</u>	<u>5,093</u>	-	<u>10,939</u>
At 31 March 2008	<u>711</u>	<u>6,965</u>	-	<u>7,677</u>

12. Investments

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

	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	Training	Ordinary £1	100%

*Net assets £100

The results of Lucy Faithfull Foundation Trading Limited, extracted from its audited financial statements, are summarised below:

	2009 £	2008 £
Turnover	262,807	280,739
Administrative expenses	(195,508)	(220,541)
	<u>67,299</u>	<u>60,198</u>
Profit on ordinary activities before and after taxation	67,299	60,198
Payment under gift aid	(67,299)	(60,198)
	<u>-</u>	<u>-</u>
Retained profit for the year	-	-
	<u>100</u>	<u>100</u>
Net assets	100	100

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2009

13. Debtors	2009		2008	
	Group £	Charity £	Group £	Charity £
Trade debtors	183,029	-	51,731	-
Amounts due from group undertaking	-	71,658	-	44,080
Gift Aid receivable from group undertaking	-	67,299	-	55,822
Other debtors	352,673	352,673	245,478	245,479
Prepayments	28,142	18,120	24,322	22,106
Accrued income	77,101	75,851	331,309	290,645
	<u>640,945</u>	<u>585,601</u>	<u>652,840</u>	<u>658,132</u>

14. Creditors: amounts falling due within one year	2009		2008	
	Group £	Charity £	Group £	Charity £
Trade creditors	3,399	-	5,851	-
Amounts due to group undertakings	-	-	-	-
Taxation and social security	97,016	62,136	77,427	55,609
Other creditors	137,093	137,093	115,065	115,064
Accruals	39,701	34,301	38,396	36,689
Deferred income (see note 15)	203,017	174,721	292,094	273,616
	<u>480,226</u>	<u>408,251</u>	<u>528,833</u>	<u>480,978</u>

15. Movement in deferred income:	£
Balance at 1 April 2008	292,094
Grants received in advance in 2008/9	169,334
Other income received in advance in 2008/9	33,683
Allocation of funds to income in 2008/9	(292,094)
	<u>203,017</u>
Balance at 31 March 2009	<u>203,017</u>

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

Included in deferred income are the following Grants funds:

YJB set aside for agreed projects in 2009/10	34,194
Scottish Government funding for Stop it Now! Scotland in 2009/10	60,507
Hedge Funds grant for completion of Internet Safety Seminar Programme	6,900
Oak Foundation funding for Stop it Now! London BAMER project	67,733
	<u>169,334</u>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2009

16. Funds	1 April 2008 £	Incoming resources £	Resources expended £	31 March 2009 £
Unrestricted - General funds	979,062	1,441,824	(1,328,155)	1,092,731
Unrestricted - Designated funds				
Schroder Foundation donation designated for media communications post	-	79,319	(50,000)	29,319
Taylor Family Foundation donation designated for Inform and Inform Plus	-	10,000	(10,000)	-
Anonymous Donation via NPC				
Additional Helpline follow up days	-	23,999	(23,999)	-
Non offending parent groupwork	-	21,000	(21,000)	-
CROGA Project development	-	4,000	(4,000)	-
Psychologist posts (2)	-	40,075	(40,075)	-
Total unrestricted funds	979,062	1,620,217	(1,477,229)	1,122,050
Restricted funds				
DCSF: for Stop it Now! England	-	200,500	(194,654)	5,846
Welsh Assembly Government: for Stop it Now! Wales	-	72,705	(72,705)	-
Scottish Government: for Stop it Now! Scotland	-	84,918	(84,918)	-
Henry Smith Charity: for Stop it Now!	-	35,000	(35,000)	-
City Bridge Trust: Stop it Now! London	-	54,500	(54,500)	-
Hedge Funds Care UK: for Internet safety seminars	-	21,000	(21,000)	-
Surrey grant: for Internet safety seminars	-	10,832	(10,832)	-
YJB for YOI service provision	-	468,398	(468,398)	-
MoJ: for Stop it Now! Helpline	-	288,977	(288,977)	-
MoJ: for Circles of Support and Accountability	-	99,323	(99,323)	-
MoJ: for COSA & ex residents helpline	-	7,644	(7,644)	-
MoJ: for NOMS consultancy	-	276,040	(276,040)	-
HO: for public education pilot	-	100,000	(100,000)	-
Total restricted funds	-	1,719,837	(1,713,991)	5,846
Total funds	979,062	3,340,054	(3,191,220)	1,127,896

The general funds represent the unrestricted funds of the charity, which are not designated for particular purposes. Designated funds are unrestricted funds earmarked for particular purposes as described above.

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 people who abuse children, and programmes for young people serving a community or custodial sentence.

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2009

17. Analysis of group net assets between funds

	Fixed assets £	Net current assets £	Long term (liabilities) £	Fund balances £
Unrestricted funds	5,093	1,116,957	-	1,122,050
Restricted funds				
DCSF (relating to fixed assets)	<u>5,846</u>	<u>-</u>	<u>-</u>	<u>5,846</u>
Group funds	<u>10,939</u>	<u>1,116,957</u>	<u>-</u>	<u>1,127,896</u>

18. 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 10 members at 31 March 2009 (2008: 9).

19. Commitments under operating leases

The group had annual operating commitments under non-cancelable operating leases expiring as follows:

	2009		2008	
	Land and buildings £	Other £	Land and buildings £	Other £
In less than one year	33,819	-	-	-
One to two years	49,600	-	-	-
Two to five years	-	8,172	97,382	7,297
	<u>83,419</u>	<u>8,172</u>	<u>97,382</u>	<u>7,297</u>

20. Contingent liabilities

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

21. Capital Commitments

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