

Registered company number 02729957

Registered charity number 1013025

Scottish registered charity number SC039888

THE LUCY FAITHFULL FOUNDATION

**Consolidated Financial Statements
31 March 2011**

THE LUCY FAITHFULL FOUNDATION

Financial statements for the year ended 31 March 2011

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THE LUCY FAITHFULL FOUNDATION

Reference and Administrative Information

Registered company number

02729957

Charity number

1013025

Scottish registered charity number

SC039888

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Mr R Monk, OBE, QPM
Sir R Tilt

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Ms E Goodall BA
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Baroness V G Howarth OBE (Vice-Chair)
Miss A Jones CBE
Mr E M Nock OBE BA (Jt Hons) Dip IPD (Vice-Chair)
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Ms A Kroeger BAcc

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THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2011 (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 2011. 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.

Our core vision is that child sexual abuse is preventable and that we can work towards a society where children are free from sexual abuse and exploitation. In line with this purpose partnership working with voluntary and statutory sector colleagues and with the new emerging government structures is vital.

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 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.

All the charity's work benefits individuals, their immediate families, other members of their extended family including the children of relations and close family friends. Our integrated family assessment service benefits the family courts and the service users. Our work with criminal justice agencies helps protect children from child sexual abuse. The wider community benefits from our preventative work. Correcting dangerous behaviour before it escalates is a vital way of preventing more children from being sexually abused both on and off line. Our freephone Helpline and website www.parentsprotect.co.uk provide critical information about how to recognise child sexual abuse, protect children from it and develop family safety plans. Face to face 'Parents Protect' courses are also available to parents in England and Wales.

We aim to safeguard children and young people from sexual abuse by collaborating with governments, agencies, individuals and the general public 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 and aim to work with government to deliver effective services. We disseminate our learning to other agencies, especially frontline professionals, and to the public via websites, training materials and events and research papers.

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2011 (Continued)

2. Review of activities and achievements from April 2010 to March 2011

Against a background of major funding cuts we are pleased that with few staffing reductions we are repositioning ourselves to meet changing circumstances. The year began with the ending of a major centrally funded contract for specialist services to probation and the winding down of central funding for Circles of Support and Accountability following the regionalisation of the National Offender Management Service (NOMS). Since then demand from NOMS practitioners continues, but funding from the regions and probation trusts has been very limited. Consequently, we have transferred staff to other areas of work. Our staff have shown admirable ability to adapt and step up to the challenges. Funding from grant making bodies, donations, service participant contributions and spot purchase income generation has enabled us to reach people who would not otherwise have received help.

Some major projects will receive government grants beyond March 2011. These are our work with the Youth Justice Board (YJB) in Young Offender Institutions and Stop it Now! UK & Ireland. Our campaign has grant funding from the Welsh Assembly Government, the Scottish Government and Department for Education (DfE) (previously DCSF) to support national campaign activity in Wales, Scotland and England. We are delighted that the Public Protection and Mental Health Group (PPMHG) of NOMS in the Ministry of Justice is continuing to fund the Stop it Now! Helpline, which is meeting increasing demand from callers.

This year we celebrated the centenary of the birth of our founder, Baroness Lucy Faithfull and accompanied this event with the launch of our 2010 Helpline Report. Our increasing media and communications work, supported by The Schroder Foundation, has raised our profile and enabled our preventative services to reach more people.

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.

2.1 Working with the Family Court System: Expert Assessments and Intervention by our Multi-Disciplinary Team

Expert assessments for local authorities and the family court system have increased by 20% this year compared to 2009/10. Our integrated family work approach is valued as it makes sense in terms of both time and cost savings to the courts and their users. 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.

Given the demand for such work we increased service delivery by deploying more expert staff time. Referral of large family groups, sometimes numbering 7 - 13 individuals, has led to more children and non-abusing family members being assessed. Funding permitting, we plan to continue this expansion in 2011/12.

Our assessments of men have included convicted contact and internet offenders, individuals with historical convictions and those whose conduct had led to concerns about their fitness to care for children. Assessments of women included sexual abusers, but typically involved 'ability to protect' assessments upon 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 its extensive experience in this area and ability to engage in contentious, highly complex, multi generational cases, involving multiple family members.

We offer therapeutic intervention services to families, often within very demanding and therapeutically difficult court timetables. We remain concerned about the low level of referrals for intervention with adult family members initially referred for assessment by local authorities. We continue to need more charitable funds to support such work when the referrers cannot do so.

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Trustees' Report for the year ended 31 March 2011 (Continued)

2.2 Working with agencies concerned with prevention of abuse at work

Government continues to use our specialist services regarding people who abuse in the context of their work and we provide assessment reports to the Independent Safeguarding Authority (ISA).

We have continued to support the DfE in the review of "Safer Recruitment in Schools" training - both workshop and web-based courses - and directly delivered workshops to a range of organisations, including Local Safeguarding Children Boards and independent schools. We assisted the Children's Workforce Development Council (CWDC) in the further development of these materials for the wider children's workforce and have delivered these workshops in partnership with Action for Children.

We consult to The Football Association 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 the Criminal Justice System

2.3.1 Young people who engage in sexually abusive behaviour: Assessment and Intervention

Our contract with the YJB to provide specialist assessment and intervention for young people in four Young Offender Institutions (YOIs) in the secure estate is now in the second year of a 3 year contract. There is scope within the contract to extend it for 2 further years. We will be submitting an evaluation of the service to the YJB in December 2011.

During the year we provided a service to 84 young people, an increase on the previous year (68), reflecting our flexibility in responding to the changing needs of the young people's secure estate. In addition to our main programme we have undertaken short term work with young people to prepare them for programmes in the over 18 estate. We received 49 referrals in the year and delivered 33 visits to young people post release or transfer.

There has been an increased focus on responding to changes in the structure of the estate and aligning our service with the development of units for young people serving long term sentences in 3 YOIs (HMYOIs Wetherby, Ashfield and Warren Hill). We have trained YOI staff, developing and delivering groupwork in collaboration with psychology staff and in the development of collaborative working with personal officers.

In addition to this project we hope to explore restorative justice opportunities and to develop services for young people who engage in sexually abusive behaviour online and for their families.

2.3.2 Adult men and women who sexually abuse children: Consultancy and assistance to the National Offender Management Service (NOMS) with assessment and intervention services

For many years we have helped government manage high risk male sex offenders and female sex offenders. The PPMHG of NOMS in the Ministry of Justice, provided central grant funding for consultancy and assistance with assessment and intervention for probation offender managers. Evaluation of the service showed that 92% of the respondents found our involvement extremely helpful or helpful. Many respondents valued advice 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.

Following the regionalisation of NOMS, central funding for the consultancy contract ceased at April 2010. In exploring alternative sources of funding, we produced material outlining services for probation/police and Multi-Agency Public Protection Arrangements (MAPPA) and met with regional Directors of Offender Management (DOMs) to explore the potential for regional and local funding. The NOMS structure changed again during 2010/11 and due to major budget cuts it is very difficult to secure funding.

Given the expressed need from frontline practitioners for help with female sex offenders we publicised our work to increase opportunities in new markets while retaining our links with criminal justice agencies. We have provided more training, including Stop It Now! events for frontline practitioners and other conference presentations. We secured grant funding from NOMS South West in association with CLINKS to deliver awareness training for Voluntary and Community Sector (VCS) organisations in the area. Participant evaluation was very positive showing clear learning and planned actions.

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Trustees' Report for the year ended 31 March 2011 (Continued)

We have assisted the National Co-ordinator, Child Sex Offender Disclosure Scheme in writing process guidance for police forces managing disclosures in relation to sex offenders including female sex offenders and young people.

Despite some successes our work with probation has been a small part of our activity in 2010/11. Given severe cuts in funding we anticipate the same situation next year. Whilst we intend to collaborate with NOMS and help them manage sex offenders wherever possible, it is difficult to assist as much as we would like given the lack of funding.

2.3.3 Preventing Reoffending: Circles of Support and Accountability (CoSA)

The purpose of our 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 a strong developing evidence base for the effectiveness of 'Circles' in reducing reoffending. We are members of the umbrella body, Circles UK, which positively evaluated our work during the year.

Central funding for CoSA provided from 2002, ceased in December 2010 by which point we had completed Circles started in the previous year. We met with NOMS regions to explore the possibilities of regional Circles Projects and explored collaboration with other agencies. Despite a positive spirit and real potential, the outcome depends on securing grant funding. Sadly, due to the lack of CoSA we have been unable to occupy some volunteers, but at the year end 56 CoSA volunteers remain with us.

A successful enterprise has been our CoSA project 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 Esmee Fairbairn Foundation are funding a 3 year project providing 12 Circles across London.

2.4 Preventing Sexual Abuse from the Beginning: Stop it Now! UK & Ireland

2.4.1 The campaign

The Stop it Now! campaign is led and managed 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 together make up an Advisory Council. Our Director provides leadership to the England, Wales and Scotland national campaign managers. The work is funded by DfE (for England), the Welsh Assembly Government and the Scottish Government respectively, supplemented by grants and donations.

England

The England campaign has continued to work hard to raise the standard of frontline professional practice through organising regional training days in collaboration with partner agencies such as the police, early year's services providers and community safety partnerships. Building upon the success of four events held in 2010, a further four were held in 2011 reaching approximately 360 practitioners. Thanks to new funding from the DfE, this work will continue from 2011 to 2013 with ambitious plans for reaching 3,500 practitioners.

The Oak Foundation is funding a 3 year pilot project to reach Black and Minority Ethnic communities in London, matching the City Bridge Trust funding for Stop it Now! in London. Regional projects in Black Country and Birmingham and London continue to spread prevention messages through parents' courses such as 'Parents Protect'.

Wales

In May, Stop it Now! Wales celebrated its first Anniversary with an event sponsored by Gwenda Thomas AM (the then Deputy Minister for Social Services). It was attended by 40 professionals and 20 parents and carers who had completed 'Parents Protect Plus' courses during the Wales campaign's first year.

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Trustees' Report for the year ended 31 March 2011 (Continued)

In June 2010, Stop it Now! Wales launched the Commit to Prevent! campaign, designed to put preventing child sexual abuse on the political agenda ahead of the May 2011 elections. The campaign engaged with the public, professionals and politicians. It resulted in over 1,500 public signatures of support (1,000 of which were collected during the National Eisteddfod), 43 candidates signed the online petition, and we have the opportunity for follow up meetings with a number of newly elected Assembly Members in the coming months.

Six 'Parents Protect Plus' courses were delivered to 50 parents and carers and six 'Professionals Protect' training days were held reaching approximately 60 multi agency professionals.

Scotland

Stop it Now! Scotland has recently commenced an Inform and Inform Plus pilot programme (see 2.5.1) in Edinburgh following training from our experienced practitioners. The Prison Project to get sexual abuse information, prevention, disclosure and Helpline awareness into prisons is ongoing following the appointment of a project coordinator.

The National Manager is also working on a proposed Diversion Project for young people who are reported to police for posting self-taken indecent images (sexting). This project is being explored with Lothian and Borders Police. 2011-2012 will see Parents Protect courses taken forward in Scotland (closely linked to the roll-out of Community Disclosure).

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

Following the KPPP Public Education pilots the Home Office commissioned us to support a national roll out to accompany roll out of the disclosure process. This involved creating a 'toolkit' for Police services - to enable them to organise and deliver their own events - and developing a supporting website, www.parentsprotect.co.uk which was launched in October 2010 and included a learning programme about how to develop family safety plans. To publicise its launch, we issued a national press release with supporting comments from the Home Secretary, Teresa May, and from the lead on the Management of Sexual and Violent Offenders at the Association of Chief Police Officers, Chief Constable Paul West.

2.4.3 Stop it Now! UK & Ireland Helpline

Our confidential freephone Helpline 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 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.

In December 2010 we launched our new Helpline Report for the period 2005 – 2009. It showed that calls have increased by 74% over those four years. (3,182 in 2009 compared with 1,834 calls in 2005). During this period the Helpline received 11,975 calls from 5,634 callers who were looking for information, advice and support in connection with child sexual abuse issues. Over 50% of calls were made by adults concerned about their own thoughts or behaviour towards children, 25% were made by adults concerned about another adult and 4% were made by adults concerned about the sexual behaviour of a child or young person. Other calls were from professionals (8%) and survivors of child sexual abuse (4%). The calls demonstrated that people will seek help from a confidential advice line on this difficult issue, even when it is very close to home.

Demand continues to increase. The total number of calls for the financial year 2010/2011 is 4,530 (3,380 last year) which is an average of 378 calls per month compared to 282 last year. We receive core funding for the Stop it Now! Helpline from the PPMHG. We subsidise a third telephone line for caller follow up support. We are delighted that the PPMHG are continuing the funding into 2011/12. However, this is at a fixed rate. We are seeking funding from charitable sources to meet the increasing need for telephone and face to face follow up work.

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Trustees' Report for the year ended 31 March 2011 (Continued)

2.5 Working with Internet Abuse

2.5.1 Educational programmes for abusers and for their families

Our Inform and Inform Plus courses were designed in response to needs identified through the Stop it Now! Helpline. '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 we are running programmes in Surrey, Bristol and Birmingham. This year 124 people attended courses (96 last year). Feedback from participants has been very positive. An innovative approach to funding has made these courses 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 2011/12.

2.5.2 Internet safety seminars in schools

This year we ran 61 seminars for parents and students (2,800 people), hosted primarily by schools. Half the parents returned evaluation forms: 97% said the seminars were useful or very useful, with 78% finding them very useful in raising awareness of how to keep their children safe online. They are funded by contributions from schools and grant making bodies. The latter was reduced this year following the ending of a grant. However, Ecclesiastical Insurance (EI) subsidised 36 events and 21 schools self funded. One change has been a significant increase in the number of seminars provided for students (25 this year compared with 13 last year). We delivered seminars to schools in Croydon, Kingston, Middlesex, Surrey, and West Sussex. The schools were a mixture of primary, secondary, state, independent and special needs schools. We also delivered to Surrey Fostering Services and to the working families' network of Hogan Lovells, an international legal firm based in Central London.

EI funded us to research additional resources and support that might be necessary to keep children with special educational needs safe online. This work with teachers, students and parents led to modified presentations which EI have subsidised for SEN schools and parenting groups.

2.5.3 A pioneering project to manage the online behaviour of known registered sex offenders

We continue to use and promote the computer monitoring software 'Securus'. The use of this technology provides information to sex offender managers about offenders' home computer usage; reassurance to offenders' adult family members that the offenders' 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 and acted upon. Currently 60 individuals are being monitored by specialist LFF staff. They include arrested, pre-charged and convicted individuals, with two 18 year olds being monitored on behalf of Probation. Currently 12 police forces are either using Securus or are in the process of setting up the software, with one force monitoring over 50 registered sex offenders. There is a national drive by police forces across the UK to use monitoring software such as Securus as many forces are now making it a requirement of offenders' Sex Offence Prevention Orders.

2.6 Training

In house study days

This year we ran a programme of subject specific study days delivered 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.

Additional training events

We have provided 175 days (142 in 2009/10) of training to a variety of criminal justice and children's services agencies, schools, housing associations and universities. Most of these events were hosted in the home areas of the commissioning agencies.

See 2.4.1 for Stop it Now! training events.

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Trustees' Report for the year ended 31 March 2011 (Continued)

2.7 Collaborative Research: Publications

We continue to collaborate with the University of Birmingham and others to research internet and female sexual offending. In addition to book chapters, our publications include papers in the Journal of Sexual Aggression, Journal of Family Violence and the Journal of Aggression, Conflict and Peace Research.

2.8 Influencing policy and practice development

In the UK

Our expertise means that we participate in reviews of policy and practice. 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 (2007) and we led on Action One of the resulting report (see 2.4.2 Keeping the Public in Public Protection). 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 Ministry of Justice. We have contributed to consultations on Working Together and Crime Prevention and are active members of the UK Council for Child Internet Safety working groups on "Better Education" and "Public Awareness". 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.

2.9 Donations to Lucy Faithfull Foundation

We are grateful to 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 and the Worshipful Company of Security Professionals Charitable Trust for their generosity to us. We are grateful to all the smaller private donors 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: to John Murphy for swimming the Channel and to Christine Platt for climbing Mount Kilimanjaro.

3. Planning for the Future

The forthcoming year is an extremely challenging one, with increasing major public sector funding cuts affecting our services. However, we are very pleased that we will be receiving government support to aid the transition process. We continue to position LFF to take advantage of new opportunities and challenges.

Our strategic aims are to:

- Develop the work described in this report to increase the protection of children and young people from sexual abuse and prevent offending.
- Ensure necessary services are developed into sustainable models.

To achieve these aims our priorities are:

- Ongoing review of existing services to ensure cost efficiency, including the use of volunteers where appropriate, and to ensure that services remain relevant to beneficiaries' needs
- Increasing marketing of income generating services
- Increasing development of preventative interventions with mixed funding (public sector, charitable funding and participant contributions)
- Enhancing ability to respond to tenders, e.g. from local authorities and criminal justice agencies, and secure new contracts
- Increasing contribution from participants and beneficiaries via fees, where appropriate
- Increasing joint partnership projects with other agencies

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Trustees' Report for the year ended 31 March 2011 (Continued)

- Increasing programme-specific revenue from grant-making trusts and family foundations, developing strong long-term links
- Growing sources of unrestricted funds (companies, individual giving) and support in-kind, with a view to supporting continuing innovation and increasing efficiency
- 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.

Our core vision is that child sexual abuse is preventable and that we can work towards a society where children are free from sexual abuse and exploitation. In line with this purpose partnership working with voluntary and statutory sector colleagues and with the new emerging government structures is vital.

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 Arnon Bentovim, Emilie Goodall and Mel Nock 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 and confirmed the broad range of skills and experience available within the Board. The matter is kept under review.

5. Trustee induction and training

The Trustees have an induction and training programme 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.

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 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. The key principal risks which the charity is exposed to, as identified by the Board of Trustees are included in section 8.4 of this report.

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.

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Trustees' Report for the year ended 31 March 2011 (Continued)

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 78 employees of whom 44 are full time, 21 are part time and 13 are sessional workers. We have 56 CoSA and 6 Stop it Now! volunteers.

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 2010/11.

8. Financial review

8.1 Income and expenditure - Current Year

The Trustees set a breakeven budget for 2010/11 but acknowledged that the increased level of integrated family work required to achieve this was very challenging and a potential call on reserves of up to £100k was identified.

The significant uplift in the level of integrated family work achieved during the year combined with cost savings brought the loss for 2010/11 closer to the original budget than expected at £24,063 (being the amount of undesignated general reserves utilised). This deficit combined with the net movement in designated and restricted funds gives rise to a net deficit for the year of £60,916 (2010: surplus of £17,800).

Income for the year was £3,057,745 (2010: £3,208,661). Following regionalisation of NOMS, the centrally funded grant for services to NOMS ended at 31 March 2011 and the grant for CoSA was significantly reduced creating an income gap of £324,000. However funds raised from charitable trusts and redeployment of appropriately experienced staff enabled us to contain the income reduction year on year at just under £151,000.

Salary costs were higher this year by £54,930 due to the full year impact of staff changes that occurred mid way through 2009/10 as well as current year changes. In spite of these additional costs total expenditure reduced by £72,200 to £3,118,661 (2010: £3,190,861). Savings year on year were achieved through greater utilisation of LFF staff on the grant funded activity, better recovery of central costs from the projects and review of services leading to cost efficiencies.

Assessments & Interventions

Overall, assessment and intervention has increased by 10% from £1,737,884 in 2009/10 to £1,914,683 in 2010/11.

Demand for our Inform and Inform Plus courses from private individuals referred by the Police has also increased significantly.

In 2009/10 we saw a fall in vetting and barring referrals for assessment following the transfer of responsibilities to the ISA from the DCSF and this continued in 2010/11 with a further drop of 15%.

Referral for intervention with adult family members referred by local authorities is declining and there has been an 18% reduction in this work compared with the previous year, reflecting the impact of public sector cuts. However, due to the demand for family assessments by our multi-disciplinary team which handles complex, multi-handed cases, there has been an increase in assessments of non-offending family members of 28% compared with the previous year. The value of our whole family assessments is also reflected in the increase in assessments of children. The combined increase in assessments and intervention work with children and young people in the family court arena is 35%.

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Trustees' Report for the year ended 31 March 2011 (Continued)

Prevention

In the prior year unrestricted prevention income included the April 2009 'Tools to Take Home' conference fees of £31,817, most of which was matched by costs, and the ISA training income of £16,782. Excluding these activities our Training activity has increased by 12% year on year.

Restricted funding has reduced by 49% compared with last year following the cuts in the centralised funding of our CoSA and NOMS programs.

8.2 Income and expenditure - Next Year

Funding has been committed by the PPMHG for 2011/12 to the Stop It Now! Helpline with the intention of funding continuing in 2012/13. We have confirmed funding for 2011/12 and for 2012/13 from the DfE in support of training for frontline practitioners under the banner of our Stop It Now! England Campaign. Stop It Now! Scotland is in the second of three years of core funding from the Scottish Government plus additional funding for continuing projects into 2011/12.

In addition we have assured core funding for next year funding for Stop It Now! Wales from the Welsh Assembly Government, Oak Foundation funding for the BAMER project in London and the contract with the YJB goes into its third year with the contract negotiated at a £20,000 reduction.

The CoSA Project for offenders returning to London from abroad continues in 2011/12 with support from the Home Office, from Lankelly Chase Foundation and from the Esmee Fairbairn Foundation. The support from Lankelly Chase and Esmee Fairbairn continues into 2012/13.

Lloyds TSB Foundation is supporting work with the families of offenders over the next two years with a grant and our media and communications work continues to be supported by a donation from The Schroder Foundation for 2011/12.

We are pleased to have secured government support in 2011/12 from the Transition Fund to aid us in strategic developments and reduce reliance on government funding through 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.

Over a third of LFF's income is generated through integrated family work contracted on an ad hoc basis with lawyers and Local Authorities. However, the Legal Services Commission is currently challenging family court fee levels for expert witnesses as part of its review of the family courts and as yet we do not know how this will affect us.

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 Lucy Faithfull Foundation Trading Limited

During 2010/11 the only activity in the trading company was the collection of the outstanding debtors which totalled £12,270 as at 31 March 2010, following the Directors' decision in the previous year to continue the activities carried out in the trading company in the charity.

As from 31 March 2011, the trading company is dormant as the activities are now carried out by the charity.

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2011 (Continued)

8.4 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 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 the 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.
- ***Challenges to fee levels***
Potential expert witness fee reductions in family court work by the Legal Services Commission may require 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 2010/11 the general undesignated reserves have achieved 68% of the target level.

8.5 Investment policy

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

8.6 Related party transactions

The related party transactions are disclosed in note 22 to these financial statements.

THE LUCY FAITHFULL FOUNDATION

Trustees' Report for the year ended 31 March 2011 (Continued)

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 the group and of their 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;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity and group will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the transactions of the charitable company and the group and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group 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

On 1 October 2010, Horwath Clark Whitehill LLP changed its name to Crowe Clark Whitehill LLP.

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 15 August 2011 and signed on its behalf by:

Dr A Bentovim MB BS FRC Psych
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 2011 set out on pages 17 to 28.

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 group's and the charitable company's affairs as at 31 March 2011 and of the group's 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.

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

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.

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 or the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate accounting records; or
- the parent charitable company 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

15 August 2011

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

Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 31 March 2011

	Note	Unrestricted funds £	Restricted funds £	Total 2011 £	Total 2010 £
Incoming resources					
Incoming resources from generated funds:					
Investment income	3	3,629	-	3,629	4,815
Incoming resources from voluntary funds:					
Grants & donations	4	13,331	568,200	581,531	560,385
Incoming resources from charitable activities:					
Assessment and intervention	5 a)	1,914,683	-	1,914,683	1,737,884
Prevention	5 b)	223,151	334,751	557,902	905,577
		<u>2,137,834</u>	<u>334,751</u>	<u>2,472,585</u>	<u>2,643,461</u>
Total incoming resources		<u>2,154,794</u>	<u>902,951</u>	<u>3,057,745</u>	<u>3,208,661</u>
Resources expended					
Charitable activities:					
Assessment and intervention		1,737,268	25,000	1,762,268	1,534,174
Prevention		426,336	879,900	1,306,236	1,608,135
Total charitable expenditure		<u>2,163,604</u>	<u>904,900</u>	<u>3,068,504</u>	<u>3,142,309</u>
Governance costs		<u>50,157</u>	-	<u>50,157</u>	<u>48,552</u>
Total resources expended	6	<u>2,213,761</u>	<u>904,900</u>	<u>3,118,661</u>	<u>3,190,861</u>
Net (outgoing)/incoming resources for the year, being net (expenditure)/income for the year	7	(58,967)	(1,949)	(60,916)	17,800
Fund balances brought forward		<u>1,141,797</u>	<u>3,899</u>	<u>1,145,696</u>	<u>1,127,896</u>
Fund balances carried forward at 31 March 2011	16	<u>1,082,830</u>	<u>1,950</u>	<u>1,084,780</u>	<u>1,145,696</u>

All amounts relate to the continuing activities of the group.

The notes on pages 19 to 28 form part of these financial statements.

THE LUCY FAITHFULL FOUNDATION

Consolidated and Charity Balance Sheets as at 31 March 2011

Registered number: 02729957

	Note	Group 2011 £	Group 2010 £	Charity 2011 £	Charity 2010 £
Fixed assets					
Tangible assets	11	4,489	6,658	4,489	6,658
Investments	12	-	-	100	100
		<u>4,489</u>	<u>6,658</u>	<u>4,589</u>	<u>6,758</u>
Current assets					
Debtors	13	571,079	763,622	571,079	761,660
Cash at bank and in hand		961,935	849,973	961,935	849,885
		<u>1,533,014</u>	<u>1,613,595</u>	<u>1,533,014</u>	<u>1,611,545</u>
Creditors:					
amounts falling due within one year	14	(452,723)	(474,557)	(452,823)	(472,607)
		<u>1,080,291</u>	<u>1,139,038</u>	<u>1,080,191</u>	<u>1,138,938</u>
Net current assets		<u>1,080,291</u>	<u>1,139,038</u>	<u>1,080,191</u>	<u>1,138,938</u>
Net assets		<u>1,084,780</u>	<u>1,145,696</u>	<u>1,084,780</u>	<u>1,145,696</u>
Funds					
Unrestricted funds					
General funds		1,082,830	1,106,893	1,082,830	1,106,893
Designated funds		-	34,904	-	34,904
		<u>1,082,830</u>	<u>1,141,797</u>	<u>1,082,830</u>	<u>1,141,797</u>
Restricted funds		<u>1,950</u>	<u>3,899</u>	<u>1,950</u>	<u>3,899</u>
Total funds	16,17	<u>1,084,780</u>	<u>1,145,696</u>	<u>1,084,780</u>	<u>1,145,696</u>

The financial statements were authorised for issue and approved by the Trustees on 15 August 2011 and signed on their behalf by:

Dr A Bentovim MB BS FRC Psych
Chairman

The notes on pages 19 to 28 form part of these financial statements.

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2011

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).

(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 2011/12. Further funding is also already secured for 2012/13. 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) Consolidation

These financial statements consolidate the results of The Lucy Faithfull Foundation and its trading subsidiary up to 31 March 2011 on a line by line basis.

(e) 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.

(f) 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.

(g) 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 2011

1. Accounting policies (Continued)

(h) 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

(i) 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.

(j) 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.

(k) Recognition of liabilities

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

(l) 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.

(m) 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 £3,057,479 (2010: £3,167,130), expenditure £3,118,395 (2010: £3,149,330) giving net outgoing resources of £60,916 (2010: net incoming resources £17,800).

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 17 give the information required under the Companies Act 2006.

3. Investment income

	2011	2010
	£	£
Bank interest	<u>3,629</u>	<u>4,815</u>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2011

4. Voluntary income	2011 £	2010 £
Unrestricted		
The Schroder Foundation	-	50,000
Other Donations	<u>13,331</u>	<u>6,894</u>
	13,331	56,894
Restricted		
Stop it Now!		
Stop it Now! England		175,000
Contribution to UK & Ireland Director London Campaign Manager		20,000
Stop it Now! London		52,660
Stop it Now! Scotland		44,353
Stop it Now! Wales		86,168
Stop it Now! Wales		59,638
		<u>7,647</u>
	445,100	445,466
Other		
Media & Communications Post		-
Circles of Support and Accountability		-
Circles of Support and Accountability Inform & Inform Plus		-
Keeping the Public in Public Protection		50,000
Vulnerable Children Project		-
Internet Safety Seminars in Schools		-
Internet Safety Seminars in Schools		6,900
Internet Safety Seminars in Schools		<u>1,125</u>
	568,200	503,491
Total voluntary income	<u>581,531</u>	<u>560,385</u>

Funded by:

DfE	200,000	175,000
The Henry Smith Charity	-	20,000
The City Bridge Trust	24,295	52,660
The Oak Foundation	49,965	44,353
The Scottish Government	100,436	86,168
Welsh Assembly Government	60,632	59,638
Community Foundation in Wales	9,772	7,647
	<u>445,100</u>	<u>445,466</u>
The Schroder Foundation	10,000	-
Lankelly Chase Foundation	11,250	-
Esmee Fairbairn Foundation	4,000	-
The Taylor Family Foundation	25,000	-
HO Violent Crime Unit	61,950	50,000
Ecclesiastical Insurance	5,000	-
Ecclesiastical Insurance	4,400	-
Hedge Funds Care UK	-	6,900
Royal Borough of Kingston-upon-Thames	<u>1,500</u>	<u>1,125</u>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2011

5.	Incoming resources from charitable activities	2011 £	2010 £
	a) Assessment and intervention		
	Unrestricted		
	Adults	1,060,019	956,389
	Young people – in Young Offender Institutions funded by the Youth Justice Board	626,043	586,210
	Young people and children – Other	<u>228,621</u>	<u>169,172</u>
		1,914,683	1,711,771
	Restricted		
	Young people – in Young Offender Institutions funded by the Youth Justice Board	-	26,113
		<u> </u>	<u> </u>
		1,914,683	1,737,884
		<u> </u>	<u> </u>
	b) Prevention		
	Unrestricted		
	Training and Consultancy	<u>223,151</u>	<u>248,037</u>
	Restricted		
	Nature of Work		
	Consultancy to NOMS (Probation)		249,240
	Circles of Support and Accountability	24,524	99,323
	Home Office		20,000
	Violent Crime Unit	10,000	-
	Dyfed Powys Probation	11,250	-
	Ministry of Justice		288,977
	PPMHG of NOMS	288,977	288,977
	Stop it Now! Helpline		
		<u> </u>	<u> </u>
		334,751	657,540
		<u> </u>	<u> </u>
		557,902	905,577
		<u> </u>	<u> </u>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2011

6. Total resources expended

	Staff costs £	Direct costs including depreciation £	2011 Group Total £	2010 Group Total £
Charitable activities				
(Unrestricted) Assessment and intervention	1,249,717	487,551	1,737,268	1,508,061
(Restricted) Assessment and intervention	25,000	-	25,000	26,113
(Unrestricted) Prevention	194,542	231,794	426,336	445,157
(Restricted) Prevention	747,133	132,767	879,900	1,162,978
	<u>2,216,392</u>	<u>852,112</u>	<u>3,068,504</u>	<u>3,142,309</u>
Governance costs				
External audit	-	18,093	18,093	17,883
Professional advice	-	1,243	1,243	1,754
Trustees' expenses/meetings	-	6,920	6,920	5,598
Trustees' indemnity insurance	-	1,419	1,419	1,381
Company secretarial	5,567	-	5,567	5,284
Apportionment of management time	16,915	-	16,915	16,652
	<u>22,482</u>	<u>27,675</u>	<u>50,157</u>	<u>48,552</u>
	<u>2,238,874</u>	<u>879,787</u>	<u>3,118,661</u>	<u>3,190,861</u>

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

	2011 £	2010 £
Auditor's remuneration:		
Fees payable to the group's auditor for the audit of the group's annual financial statements	18,093	17,883
Fees payable to the group's auditor in respect of other services	1,243	2,341
Depreciation	5,192	5,462
Operating lease rentals	<u>116,074</u>	<u>114,967</u>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2011

8. Staff	2011 Full time equivalent No	2010 Full time equivalent No
The average weekly number of persons employed by the group during the year was:		
Charitable activities	57	57
Governance	1	1
	<hr/>	<hr/>
	58	58
In addition there are 13 sessional staff (2010:13)	<hr/> <hr/>	<hr/> <hr/>
	2011	2010
	£	£
Staff costs for the group comprised:		
Wages and salaries	2,031,680	1,981,983
Social security costs	204,957	199,724
Pension costs	2,237	2,237
	<hr/>	<hr/>
	2,238,874	2,183,944
	<hr/> <hr/>	<hr/> <hr/>

One employee earned between £60,000 - £70,000 (2010: One employee earned between £60,000 - £70,000).

9. Trustees

None of the trustees received any remuneration in the year (2010: £ nil).

Reimbursed expenses incurred in the year on behalf of 3 trustees were £2,174 (2010: £2,465 for 3 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 2011

11. Tangible fixed assets Group and Charity

	Motor vehicles £	Office & computer equipment £	Furniture & fittings £	Total £
Cost				
At 1 April 2010	13,185	91,103	4,121	108,409
Additions	-	3,810	-	3,810
Disposals	-	(1,180)	-	(1,180)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2011	13,185	93,733	4,121	111,039
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2010	9,288	88,342	4,121	101,751
Charge in the year	1,947	3,245	-	5,192
Less depreciation on disposal	-	(393)	-	(393)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2011	11,235	91,194	4,121	106,550
	<hr/>	<hr/>	<hr/>	<hr/>
Net book values				
At 31 March 2011	1,950	2,539	-	4,489
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2010	3,897	2,761	-	6,658
	<hr/>	<hr/>	<hr/>	<hr/>

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:

	2011 £	2010 £
Turnover	266	36,417
Administrative expenses	(266)	(36,417)
	<hr/>	<hr/>
Profit on ordinary activities before and after taxation	-	-
Payment under gift aid	-	-
	<hr/>	<hr/>
Result for the year	-	-
	<hr/>	<hr/>
Net assets	100	100
	<hr/>	<hr/>

** Lucy Faithfull Foundation Trading Limited became dormant from 31 March 2011 as its activities are now carried out through the parent charity.

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2011

13. Debtors	2011		2010	
	Group £	Charity £	Group £	Charity £
Trade debtors	-	-	12,271	-
Amounts due from group undertaking	-	-	-	10,309
Other debtors	349,338	349,338	425,400	425,400
Prepayments	54,485	54,485	52,667	52,667
Accrued income	167,256	167,256	273,284	273,284
	<u>571,079</u>	<u>571,079</u>	<u>763,622</u>	<u>761,660</u>

14. Creditors: amounts falling due within one year	2011		2010	
	Group £	Charity £	Group £	Charity £
Amount due to group undertakings	-	100	-	-
Taxation and social security	73,749	73,749	74,394	74,394
Other creditors	110,079	110,079	132,575	132,575
Accruals	57,379	57,379	49,180	47,230
Deferred income (see note 15)	211,516	211,516	218,408	218,408
	<u>452,723</u>	<u>452,823</u>	<u>474,557</u>	<u>472,607</u>

15. Movement in deferred income:	£
Balance at 1 April 2010	218,408
Grants received in advance in 2010/11	118,752
Other income received in advance in 2010/11	10,425
Allocation of funds to income in 2010/11	<u>(136,069)</u>
Balance at 31 March 2011	<u>211,516</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	15,231
The Scottish Government: funding for Stop it Now! Scotland projects	73,903
Lloyds TSB Foundation: for families of offenders	37,500
The Schroder Foundation: funding for Media post	15,000
Lankelly Chase Foundation: for Circles of Support and Accountability	3,750
Esmee Fairbairn Foundation: for Circles of Support and Accountability	20,000
Home Office: for Keeping the Public in Public Protection	8,050
Royal Borough of Kingston-upon-Thames: for Internet Safety Seminar Programme	3,375
YJB: funding for specific projects in 2011/12	5,061
Home Office: for Circles of Support and Accountability	15,000
Dyfed Powys Probation: for Circles of Support and Accountability	3,750
NOMS South West: Women's Small grants fund	471
Other deferred income	<u>10,425</u>
	<u>211,516</u>

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2011

16. Funds	1 April 2010 £	Incoming resources £	Resources expended £	31 March 2011 £
Unrestricted - General funds	1,106,893	2,154,794	2,178,857	1,082,830
Unrestricted - Designated funds				
The Schroder Foundation for Media Post	34,904	-	34,904	-
Total unrestricted funds	<u>1,141,797</u>	<u>2,154,794</u>	<u>2,213,761</u>	<u>1,082,830</u>
Restricted funds				
DfE: for Stop it Now! England	3,899	200,000	201,949	1,950
The City Bridge Trust: Stop it Now! London	-	24,295	24,295	-
The Oak Foundation: Stop it Now! London	-	49,965	49,965	-
The Scottish Government: for Stop it Now! Scotland	-	100,436	100,436	-
The Welsh Assembly Government: for Stop it Now! Wales	-	60,632	60,632	-
Community Foundation in Wales: for Stop it Now! Wales	-	9,772	9,772	-
The Schroder Foundation: for Media Post	-	10,000	10,000	-
Lankelly Chase Foundation: for Circles of support and Accountability	-	11,250	11,250	-
Esmee Fairbairn Foundation: for Circles of support and Accountability	-	4,000	4,000	-
The Taylor Family Foundation: for Inform & Inform Plus	-	25,000	25,000	-
Home Office: for Keeping the Public in Public Protection	-	61,950	61,950	-
Ecclesiastical Insurance: for vulnerable children project	-	5,000	5,000	-
for Internet safety seminars	-	4,400	4,400	-
Royal Borough of Kingston-upon-Thames: for Internet safety seminars	-	1,500	1,500	-
Ministry of Justice: for Circles of Support and Accountability	-	24,524	24,524	-
Home Office: for Circles of Support and Accountability	-	10,000	10,000	-
Dyfed Powys Probation: for Circles of support and Accountability	-	11,250	11,250	-
Ministry of Justice: for Stop it Now! Helpline	-	288,977	288,977	-
Total restricted funds	<u>3,899</u>	<u>902,951</u>	<u>904,900</u>	<u>1,950</u>
Total funds	<u><u>1,145,696</u></u>	<u><u>3,057,745</u></u>	<u><u>3,118,661</u></u>	<u><u>1,084,780</u></u>

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 adults and young people who abuse children.

THE LUCY FAITHFULL FOUNDATION

Notes to the financial statements For the year ended 31 March 2011

17. Analysis of group net assets between funds

	Fixed assets £	Net current assets £	Fund Balances £
Unrestricted funds	2,539	1,080,291	1,082,830
Restricted funds			
DFE (relating to fixed assets)	<u>1,950</u>	<u>-</u>	<u>1,950</u>
Group funds	<u>4,489</u>	<u>1,080,291</u>	<u>1,084,780</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 2011 (2010: 10).

19. Commitments under operating leases

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

	2011		2010	
	Land and buildings £	Other £	Land and buildings £	Other £
In less than one year	54,842	8,004	12,063	-
One to two years	52,408	-	54,842	4,628
Two to five years	-	-	-	4,535
	<u>107,250</u>	<u>8,004</u>	<u>66,905</u>	<u>9,163</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.

22. Related party transactions

During the year the charity received legal advice from Bates, Wells & Braithwaite London LLP. Purchases for these services totalled £2,410 (2010 – £9,745) of which £1,140 (2010 – £ nil) was owed to the LLP at the year end. The entities are deemed to be related parties as Mr J Trotter who is a trustee of The Lucy Faithfull Foundation is also a partner of Bates, Wells & Braithwaite London LLP.

The Lucy Faithfull Foundation has taken advantage of the FRS 8 exemption from disclosing transactions with group entities.