

THE
JOHN ELLERMAN
— FOUNDATION —

ANNUAL REPORT
2001 - 2002

Annual report of The John Ellerman Foundation for the year ended 31 March 2002

Contents	Pages
Trustees and staff of the Foundation	1
Advisers to the Foundation	2
History	3
Chairman's Introduction	4
Trustees' Report	6
▪ Introduction	
- Aims and Objectives	
- Policies	
- Organisational Structure	
- Trustees	
- Investment Powers	
- Risk Statement	
- Internal Controls	
▪ Grant-Making Review for the Financial Year 2001 - 2002	8
▪ Review of Some of This Year's Major Grants	14
▪ List of Grants Made During The Period	17
▪ Summary Accounts	
- Statement of Financial Activities	31
- Balance Sheet	32
- Trustees' Statement on Summary Accounts	33
- Auditors' Statement on Summary Accounts	33
▪ Financial Review	34
▪ Notes to the Trustees' Report - Guidelines for Applicants	35

The John Ellerman Foundation

Trustees and staff of the Foundation

Board of Trustees (* Members of Finance Committee)

Peter C Pratt BSc FCIS * (Chairman of Trustees)

Angela R Boschi

Richard J Edmunds *

Dr John H Hemming CMG, MA, DLitt

Susan K MacGregor CBE (Appointed 2 May 2002)

David D Martin-Jenkins FCA * (Chairman of the Finance Committee)

Surgeon Vice Admiral Anthony L Revell CB, FRCA

Lady Riddell BA, LVO

Beverley J Stott BEd *

Members of Staff

Tim Glass: Director and Secretary (from 1 April 2002)

Dr Christopher P Hanvey BA, MPhil, MSc, PhD: Director and Secretary (to 19 October 2001)

Maureen Dreyfus: Administrative Assistant

Sheila Horton: Office Manager

Eileen Terry BA: Appeals Manager

Patricia Yearley BSc, ACA: Finance Manager

Registered address of the Foundation

Aria House, 23 Craven Street, London WC2N 5NS

Tel: 020 7930 8566 Fax: 020 7839 3654

email: postmaster@ellerman.prestel.co.uk website: www.ncvo-vol.org.uk/jef.html

Registered Charity Number 263207

The John Ellerman Foundation

Advisers to the Foundation

Auditors

Sayer Vincent, 8 Angel Gate, City Road, London EC1V 2SJ

Solicitors

Nicholson, Graham & Jones, 110 Cannon Street, London EC4N 6AR

Allen & Overy, One New Change, London EC4M 9QQ

Investment Advisers

Cambridge Associates, 34 Brook Street, London W1K 5DN

Investment Managers & Custodians (Appointed or reappointed 1 June 2001)

Wellington Investment Management, Stratton House, Stratton Street, London W1J 8LA

Schroder Investment Management Limited, 31 Gresham Street, London EC2V 7QA

Merrill Lynch Investment Managers, 33 King William Street, London EC4R 9AS

Phillips & Drew Fund Management Limited (to 31 May 2001)

The Northern Trust Company, 155 Bishopsgate, London EC2V 7QA

Bankers

Coutts & Co., 440 Strand, London WC2R 0QS

The John Ellerman Foundation

History

John Ellerman was born in 1910 into a home of considerable affluence but, early on in life, he showed great concern for other people, particularly those less fortunate than himself. Once he had inherited his wealth, derived principally from the shipping industry and other commercial activities, from his father in 1933, he gave considerable support to innumerable charities. Thus, when it was suggested to him that the amounts that could be made available to charities could be increased dramatically by donating a large part of his assets to grant-making trusts, he embraced this idea enthusiastically. He created The Moorgate Trust Fund in 1970 and The New Moorgate Trust Fund in 1971 and transferred to these bodies some 79% of the shares in Ellerman Lines Ltd. The rather anonymous names for these Trust Funds were chosen because he did not seek, indeed positively avoided, personal publicity. However, sadly he died in 1973 and thus did not live to see the continuing good that these two grant-making trusts would do.

In 1983, facing the need to diversify the investments of the Trust Funds and in order to obtain a greater return on these assets, the Trustees of the two Funds sold the shares in Ellerman Lines and the resulting consideration was invested on the Stock Exchange in a balanced portfolio.

In 1992, the Trustees amalgamated the two Trust Funds, using The New Moorgate Trust Fund as the vehicle for that amalgamation. At the same time, the name was changed to The John Ellerman Foundation - thus honouring the man who made this gift to charity and his father who created the wealth from which the gift came.

The John Ellerman Foundation

Chairman's Introduction

As I look back over my second completed year as Chairman of the Trustee Board, it is a good time to remind myself what a privilege it is working with committed Trustees and staff and together having the opportunity, and the means, to support many charitable organisations doing compelling work. Also, looking back, it is both clear and gratifying to see The John Ellerman Foundation in the vanguard of significant, even radical, change amongst grant giving Trusts.

Most marked amongst the changes has been the adoption of a “total return” approach to our investment portfolio. We have moved away from just using investment income to fund our grant giving to an approach which combines the use of income and capital and aims to maintain grant levels in real terms year on year. We have also substantially restructured the portfolio with a greater global emphasis and entrusted the funds to a new mix of investment managers. These switches have entailed a huge amount of work, especially for the Finance Committee.

The details of all this are covered elsewhere in this report, however I should like to thank David Martin-Jenkins and Patricia Yearley as well as the Committee for all they have done to effect such a smooth transition. In a year which has seen great turbulence in financial markets since 11 September our portfolio has stood up conspicuously well. The effective management of funds is obviously vital to organisations like ours.

Chris Hanvey, our Director for nearly 5 years, left in October to go to a top appointment at Barnardo's. We thank him for all he has done for us and for the sector during his time with us and wish him well in his role there as Director of UK Operations. His departure left a gap which turned out to be much longer than anticipated. This was mainly because the new Director, Tim Glass, recruited in December, was not available from The Guidance Council for 4 months. We welcome him most warmly. At the same time, the Trustees are unanimous in appreciation of the four staff at Aria House who worked together brilliantly to provide continuing and excellent service to applicants, beneficiaries, the sector and the Board throughout the six-month period in which there was no Director.

The next notable change, which was finalised on 1 April 2002, has been the merger of The John Ellerman Foundation with the Ellerman Will Trust: General Charitable Fund and the redrafting of the Deed of Settlement to include, within the revised scheme, the statements and guidelines of both organisations. The revised Scheme, as it is now called, is simpler to understand and apply than the previous one. An additional benefit of the merger has been nearly £1m from the Will Trust portfolio.

In May 2002, we found ourselves fortunate to be able to appoint the well known broadcaster Sue MacGregor as a Trustee. Her knowledge and experience of the media and understanding of contemporary issues will be invaluable to the Board. We now have a full complement of 9 Trustees.

We have continued, in pursuit of our policy, to make fewer, bigger grants. Over the last year, more money has been given than in any in our history. The average size of grant is a quarter larger than last year and, perhaps more important still, the trend is to support charities for longer periods allowing closer and sustained relationships.

The John Ellerman Foundation

We continue to get excellent feedback about our policy and practice of giving grants to pay for core funding, and for inviting innovation and co-operation between charities. We are driven to offer help which addresses disadvantage yet also seeks to improve people's quality of life. These guiding themes, and the wishes of our founder, provide beacon lights as we wrestle with deciding the competing claims of so many worthwhile potential beneficiaries.

Each year we ask ourselves "how can we do what we do better?". Each year we make visible and important progress. But there always seems too much still left to do! Most frustrating of all is the fact that half of all the applications for grants continue to be completely outside our guidelines. Though each receives courteous attention, we must address this wasted effort head on.

In seeking those fewer beneficiaries of larger sums we must also learn to improve in two areas: how best to judge between competing applicants in identical fields; and how better to evaluate, in practical ways, the real impact of our funding upon beneficiary organisations and the people or causes they support. There are opportunities for us to take a lead, perhaps alongside other similar foundations.

All this is exciting and stimulating work and requires the personal interest and commitment of our staff and Trustees. It is exactly what we are all about. We look forward to another rewarding year of progress in support of charities and in fulfilling our founder's wishes.



Peter C Pratt
Chairman

The John Ellerman Foundation

Trustees' Report

INTRODUCTION

Aims and Objectives

In accordance with the Trust Deed of the new Scheme, the Trustees' objective is to apply the income and, at their discretion, part of the capital of the Foundation for charitable purposes.

The Foundation aims to support a broad cross-section of charities doing work of national significance in the four categories of Medical Practice and Disability; Community Development and Social Welfare; The Arts and Conservation. The Foundation is not permitted to make grants for any purpose in the Continents of America south of the USA. Grants are only made to registered charities which operate nationally.

The Trustees aim to continue to make larger grants than in the past, to enable charities to make a real difference to the people they serve and in the work they do.

The Trustees aim to control general costs to ensure that the maximum amount of available funds can be granted to charities.

Policies

The Foundation's policies are continually being developed and refined. These are discussed in detail at Board meetings and Away Days for staff and Trustees.

Grant-Making Policy: The Foundation aims broadly to maintain future levels of grants to charities in real terms and therefore the amount allocated for grants each year is increased in line with inflation. The amounts allocated per category for 2002/2003 are:

Medical and Disability	45%	£2,029,500
Community Development and Social Welfare	30%	£1,353,000
The Arts	15%	£ 676,500
Conservation	10%	<u>£ 451,000</u>
Total		<u>£4,510,000</u>

While medical practice will continue to be funded, the Trustees will no longer accept applications for assistance with medical research. Intended instalments of grants for research already agreed will continue to be subject to our usual practice of review.

The Trustees have a special interest in two areas of funding. Applications are encouraged from charities carrying out innovative work and from two or more charities working together. In recognising the day-to-day funding needs of charities, the Foundation also welcomes applications for core costs. This includes the cost of head-office personnel.

Reserves Policy: The Reserves Policy is to maintain the capital value of the investment portfolio in order to be able to continue to support charities in the long term. The capital value of the investments at 31 March 2002 was £103.8m (£107.2m: 31 March 2001).

The John Ellerman Foundation

Investment Policy: The Investment Policy, which follows from the Reserves Policy, is to adopt a strategy which will achieve good returns at an appropriate level of risk for the Foundation. Following a review of investment management during the year, the Foundation adopted a global Total Return policy. Furthermore, the Trustees have a Socially Responsible Investment approach which includes not investing in tobacco-related companies.

Environmental Policy: The staff team continue their awareness of environmental issues and recycle or re-use paper and office materials wherever possible.

Organisational Structure

The Trustees hold regular Board meetings throughout the year, at approximately six-week intervals, to discuss grant applications and other business of the Foundation. Grant applications are thoroughly reviewed, with input from both staff and Trustees on the work of respective charities and on visits made to their premises.

The Trustees, in line with the Trust Deed, can appoint a Committee to act on their behalf, with a quorum of three Trustees.

The Finance Committee is responsible for financial and investment matters. It consists of four Trustees, meeting at least five times a year, and reports fully to the Trustee Board on its findings and recommendations. Its role includes reviewing the annual budget, quarterly management accounts and financial accounts in detail; developing appropriate investment policies and meeting the investment managers; ensuring that adequate internal controls and procedures are in place and are working effectively; and meeting the external auditors.

Trustees

The Trustees have been granted incorporation by the Charity Commissioners (under the Charities Act 1960) as the Trustees of The John Ellerman Foundation Incorporated. The Trust Deed allows for a maximum of nine and a minimum of three Trustees.

Trustees are selected according to the skills, knowledge and experience which they can contribute to the Foundation's work. Potential trustees are interviewed by the Chairman, a panel of Trustees and the Director and the recommendation for their appointment is put before the Board of Trustees for approval.

The day-to-day running of the Foundation's affairs is carried out by a team of four full-time and one part-time member of staff.

Investment Powers

The Trust Deed permits the Trustees to invest the Foundation's funds in such types of investments worldwide as they think fit. The investments held by the Foundation have been acquired in accordance with the powers available to the Trustees. During the year the Trustees employed the professional services of investment consultants, Cambridge Associates, and four investment managers; Wellington Investment Management, Schroder Investment Management, Merrill Lynch Investment Managers and Phillips & Drew Fund Management (Phillips & Drew for the period to 31 May 2001).

The John Ellerman Foundation

Risk Statement

The Trustees have considered the major risks to which the Foundation is exposed and have established systems and internal controls to mitigate them. In particular, the Trustees have taken professional advice in the selection and appointment of investment managers, have agreed a mandate with a well-diversified portfolio and continually monitor the investment performance.

Internal Controls

Although the number of staff and volume of financial transactions may be lower than those for operational charities, the Trustees have a duty to ensure that adequate systems and procedures are in place, to safeguard the Foundation's assets. After assessing the control environment and the nature and extent of risk, the Finance Committee ensures that appropriate internal controls are implemented and monitored and therefore that the risks are managed and controlled. The Committee reports fully to the Board of Trustees on its findings and the Trustees believe that the current internal controls are satisfactory.

GRANT-MAKING REVIEW FOR THE FINANCIAL YEAR 2001 - 2002

The Foundation continues to seek ways to improve the quality of its work and, by the end of this calendar year, aims to have completed level two of the adopted Practical Quality Assurance System for Small Organisations (PQASSO). In the same time-frame, the Staff Handbook will be ready. It will contain a comprehensive list of up to date policies including those on relevant aspects of Governance, Grant-Making, Employment, Health and Safety, Security, Finance and Risk Management.

In reviewing grants, there are three main objectives. The first is to assess how well the Foundation is doing in fulfilling its policies. The second is to identify changing patterns over a longer time-frame and highlight the implications. The final objective is to sketch out possible changes and opportunities for the future.

Figure 1: Volumes – Year on Year Comparison

THE JOHN ELLERMAN FOUNDATION				
Volumes - Year-on-Year comparison				
	<u>2000 - 2001</u>	<u>2001 - 2002</u>		
Applications	1395	1410		
New Grants	77	104		+ 35%
Total Grants	199	173	→	- 13%
Funds Distributed	£4.12m	£4.43m		
Average Grant Size	£21k	£26k	→	+ 24%

The data in Figure 1 reveals that the number of new grants rose sharply from 77 to 104 (35%) during the year whilst the number of grants fell to the lowest ever at 173. Average grant size has gone up by nearly a quarter.

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All this reflects the policy of seeking to give bigger and fewer grants which, as the chart shows, has been applied with consistent effect over the last few years. What is not shown is that the number of grant applications received last year was almost identical to the number received in each of the two previous years.

Figure 2: Ten-Year Trends – 1991 to 2001

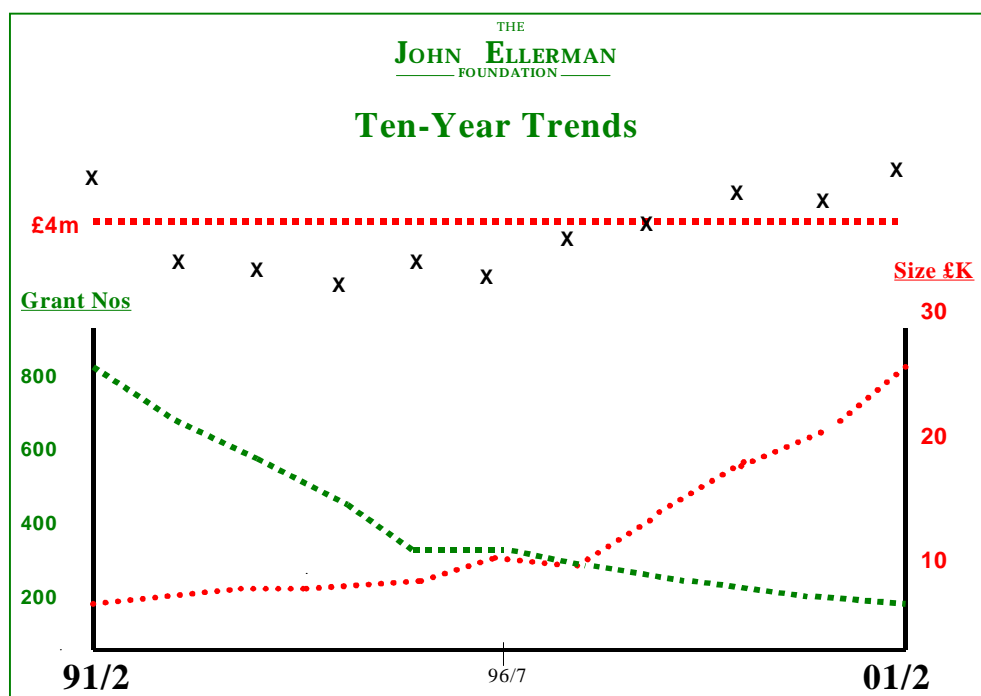


Figure 2 illustrates the pattern of grant-giving over the last ten years in three key areas. First, the total funds donated, shown against the dotted red line at the top, point to the gradual growth in spending since 1998 – the year in which it was agreed total grant funds should rise each year with inflation. More marked are the two trends of policy, a mirror image of each other, which show the decline in grant numbers and the increase in average grant size. During 1991/2, 806 grants were given to charities at an average of £5k. Last year 171 charities received grants with the average size of £26k per grant year.

There have been two periods of accelerated change as a result, first in the early 90s and more recently over the last three or four years. The strategic question is how many is “fewer” and how big is “bigger”. Although the policy is towards bigger grants, Trustees recognise that small grants can be critically important to charities. Perhaps it is time also to consider what charities most require in terms of all-round support. At a recent visit to a small medical charity, for example, it appeared that expert advice in marketing and communications was at least as much needed as funds.

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Figure 3: Applications Process

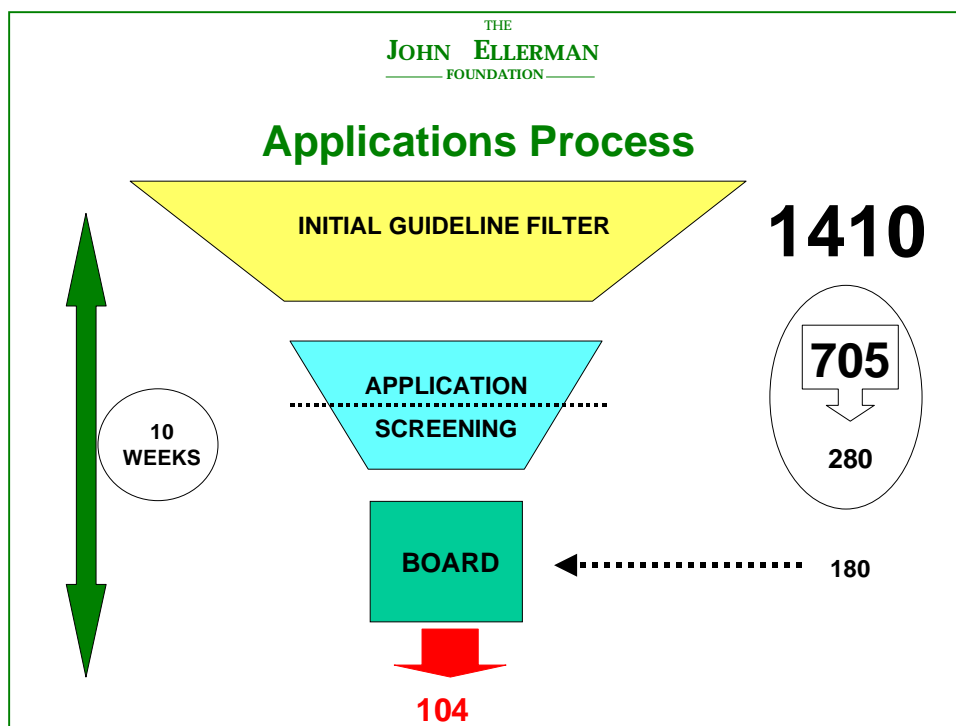


Figure 3 illustrates the volume of applications and stages to achieve funding. Total applications were almost the same as for the last two years. So too were the numbers of applications outside the guidelines, exactly half the total of 1,410. This high proportion represents huge wasted effort both for charities and for the Foundation's staff in responding to each of them.

In 2000, the Foundation introduced a two-stage application process in which Trustees first consider a short letter before inviting a full application. Feedback from applicants, those who fail as well as succeed, suggests this is working well. Last year, 280 full applications were invited. Of these, two-thirds were taken forward to a Trustee Board meeting for consideration with the success rate at over 50%.

The Trustees recognise the importance of making decisions based on the best possible information, not just about the applicant organisation, but also about the range of charities operating in similar fields. Considerable emphasis, therefore, continues to be placed on staff and Trustee visits, whenever possible, as a means of assessing the relevance and quality of the application.

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Figure 4: Category Analysis

<small>THE</small> JOHN ELLERMAN <small>FOUNDATION</small>			
Category Analysis			
	Budget Allocation %	Application Volume %	Actual Grants
MEDICAL AND DISABILITY	45	27%	67
COMMUNITY DEVELOPMENT AND WELFARE	30	44%	64
THE ARTS	15	16%	25
CONSERVATION	10	8%	17
		(5 other)	173

Figure 4 shows the level of demand and the number of grants funded in each of the four categories. The allocation of funding to each category works well. Although the figures show relatively higher demand for Community and Welfare as compared to Medical and Disability, all categories are massively oversubscribed with applications.

There is a difference in the size of grants given under each category. Medical and Arts grants average £30k and £27k respectively, which is significantly more than the £23k average for the other two categories.

Nearly three years ago, the Foundation decided to stop funding Medical Research as a specific category. The Trustees felt that there were other grant-giving trusts in a better position to do this.

The Foundation's mandate has always been to improve the quality of life for people in many different circumstances. This is not only about meeting fundamental needs like food, shelter and medical care. It is also about enriching lives. The stimulus of music, drama, galleries and museums and the growing importance of needing to preserve our environment are together essential elements of the notion of thriving community.

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Figure 5: Linear Operational Analysis

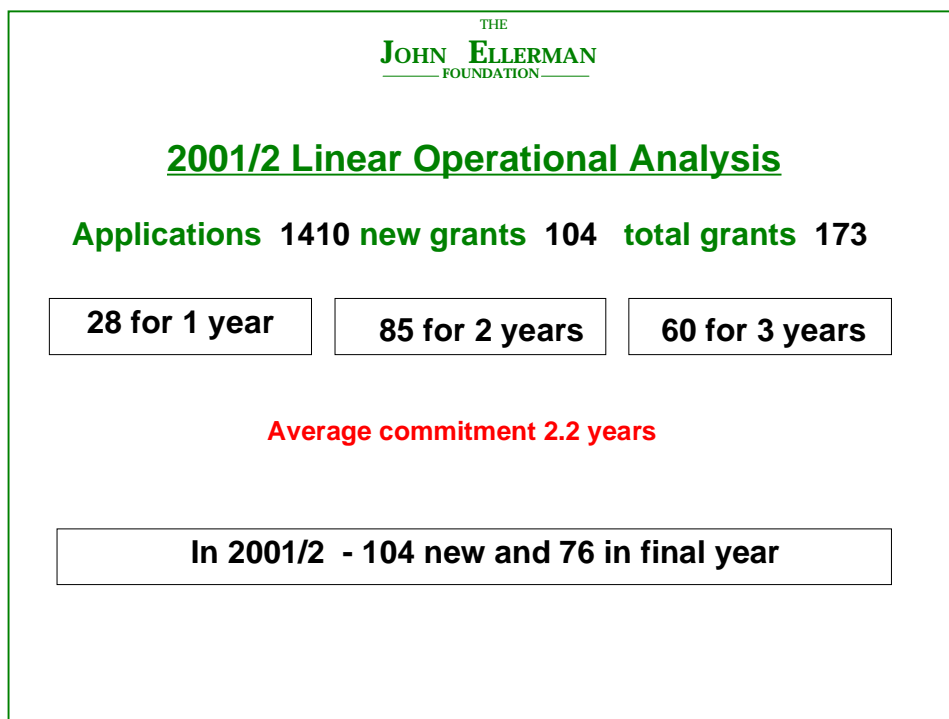


Figure 5 shows the length of grant offered by the Foundation over recent years. The first significant change is the gradual increase in the number of two-year and three-year grants. Last year the average commitment was 2.2 years.

Also, there was a large number of “new” grants made last year. However, a significant proportion of these were to organisations the Foundation has, at one time or another, previously funded. Nonetheless, this high turnover does appear to make it more difficult to establish partnerships with beneficiary organisations.

The other issue exposed by this analysis is the variation in cash available year by year, dependent on grants entered into during the previous two years. This was not a surprise as commitments become bigger and seemingly for longer. The Trustees will review this in due course.

Opportunities For The Future

Like all similar trusts, the Foundation is determined to get better at what it does. The Trustees work very hard to be as fair and even handed as possible when making decisions on grants but, of course, there is no way in which disappointment can be eliminated for a proportion of applicants. It is hoped to continue to reduce this by ensuring the guidelines and funding priorities are clearer.

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Another priority is to improve research and evaluation. This is unlikely to mean creating a specialist function. However, the Foundation is keen to work more with other grant-making trusts to share information and collaborate in other ways. The introduction of Gifts software last year has improved data management so that the Trustees should have the best available information at each stage of the decision-making process. This is not just about particular applicants, but also, and of increasing importance, about the sector in which the applicant works. With so many charities operating in similar or identical areas, the Foundation is keen to fund those judged to be most effective and those with the potential to expand services which have greatest impact.

Recent experience is that, especially for “start-up” and smaller charities in the Community and Welfare Sector, although funds are most welcome, so too might be additional specialist support such as business planning, financial management and fundraising. The Trustees intend to find out more about this and see if there are useful working models which result in being able to offer practical support as well as money. The aim is to enable smaller innovative charities to grow in confidence and self-sufficiency.

This report includes a selection of case studies of successful charities working in different fields, which the Foundation has supported. At the end of the day, this is part of the Foundation's underlying purpose: not just to support excellent work with the funds which it is privileged to possess, but to help promote and spread good ideas and proven best practice more widely.

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Review of Some of This Year's Major Grants

The following are very brief accounts from five of the organisations which we fund, to illustrate and bring to life just one or two aspects of the excellent work being done.

Help The Hospices



Funding has enabled Help the Hospices, the national charity for the hospice movement, to establish and run a major awards programme to support the work of individual hospices across the country.

Expertise and experience of multi-professionals working in the hospice movement have been drawn together to form a Grants Committee to oversee the programme. By working in partnership in this way, it has been possible to offer a flexible funding resource to the UK hospice movement.

A diversity of projects has already been supported through this programme, benefiting all areas of palliative care and making a discernible difference to patients, their families and friends as well as the hospice. Projects supported during 2001 included:

- The development of new or extended hospice services e.g. establishing lymphoedema services, a pre-bereavement visiting service, and an interpretation service.
- Research projects, including research into the 'user voice' and into a non-clinical review of patients' needs.
- Providing vital equipment such as upgrading electric beds and mattresses and purchasing 'Lightwriters' to assist patients whose condition impedes their ability to communicate.

In addition, the overall success of this programme has now provided Help the Hospices with a working model that can demonstrate to other potential funders of the hospice movement the value of such partnerships.

The Depaul Trust



The Depaul Trust helps disadvantaged, homeless and excluded people throughout the country. They offer accommodation, training and long term help for people who might otherwise have little to look forward to.

The Trust is growing all the time, so as well as taking on new projects and merging with other smaller charities (that would otherwise have to close), it will be offering free consultancy to smaller organisations. This is where our funds have been directed - supporting the infrastructure and long term work. Thus the grant has not just helped the Trust and its immediate beneficiaries, but will have a knock on effect throughout the sector.

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The Peper Harow Foundation



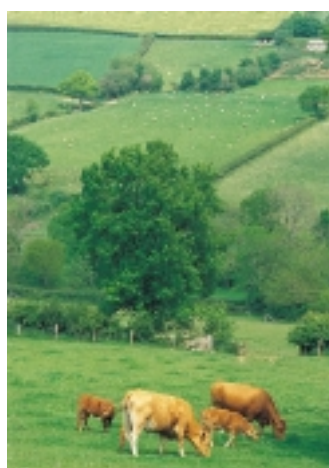
Since 1971, the work of Peper Harow Foundation has been founded on the provision of therapeutic communities that are able to provide long-term residential care, treatment and education to children and young people who are victims of early and severe deprivation, loss, trauma and abuse.

In more recent years, with the general trend away from residential care and towards placing even very damaged children with families, the Peper Harow Foundation has expanded its work to support children in family placements, carers, parents and school placements, and to provide short-term residential support where family placements are at risk of breaking down or actually reach that point.

Their child and placement support work has developed considerably since first running a children's support group pilot in Shropshire in 1997. This work in Shropshire is now incorporated into the joint Social Services and Education *Looked After Children's* project thereby securing statutory funding. In Northampton, since 2000, they have been able to establish a small, short-term residential unit (Abington House) which is supported by an intensive, outreach support programme for children in family placements and their carers in cases where the placement is threatened with break-down. Last year, with the addition of a full-time Outreach Co-ordinator, they were able to support 20 of the most vulnerable children/family placements in the county, and have now secured funding from the local authority to continue and expand this work over the coming year.

Our Trustees and staff have been able to visit other established or redeveloped units, for example at Greenfields and Cottleston Pie in the South East, where outstanding work is going on with desperately traumatised and abused children.

The Soil Association



The Soil Association is the leading organisation in the UK working for organic food and farming; it also champions world-wide efforts to support organic agriculture. Over the last five years there has been a genuine sea-change in public attitudes towards organic agriculture, as people have become increasingly concerned about the environmental and health effects of intensive farming methods. Agricultural threats and crises – including E-coli, salmonella, antibiotics in meat, chemical pesticides, genetic modification, mad cow disease, the foot and mouth crisis – have combined to create a public mood that is deeply cynical of intensive agriculture and desperately searching for food sources that can be trusted. Thanks in large measure to the work of the Soil Association, organic food is now widely recognised as being safe, healthy, environmentally beneficial, kind to animals and supportive of local

The John Ellerman Foundation



The Soil Association has experienced fast organisational growth during these recent years, as more people turn to it for authoritative and balanced information about food farming practices, and more farmers request help to convert to organic. The demands placed on the organisation have seemed at times to be overwhelming. We have responded with a series of grants to enable the Soil Association to install professional systems and practices appropriate to the organisation's new size and importance. Funds have been earmarked to support the establishment of new financial planning and management systems. It is uncommon for a charitable foundation to support this area of work and the grant has contributed directly to establishing a new, firm, financial footing for the Soil Association.

Handel House Museum



The Handel House Museum opened to the public on 8 November 2001 and has been an outstanding early success. This grant helps the Museum to pursue its curatorial role in a highly professional and scholarly manner, including preserving and promoting the work of Handel and developing a series of temporary exhibitions. The grant also facilitates the managerial role of the Director, fundamental to the day-to-day operation of the Museum. Because the grant covers the first three years of operation, it provides much needed financial security as the Museum finds its feet.

What follows is an extract from a recent review of the project in *The Times* newspaper in which the leadership of the Museum Director was especially praised.

"There have been more than 10,000 visitors since the opening just before Christmas, far exceeding the targets set, and before the museum has featured in any major guides... Simply to hear music in this room, where *Messiah* and countless operatic masterpieces were composed...is a profoundly moving experience, especially when the music is performed by young people."

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List of grants made during the year ended 31 March 2002

The following list of grants made during the year includes reference to future intended payments which are conditional upon the receipt of satisfactory reports.

THE ARTS

Almeida Theatre Company Limited Towards the capital cost of improvements to the theatre	2 nd payment of 2	£15,000
British Museum Towards the cost of restoration of the King's Library	1 st payment of 1	£100,000
English National Opera Towards core funding	1 st payment of 1	£50,000
Foundation for Young Musicians Towards cost of core funding	3 rd payment of 3	£10,000
Guild of Church Musicians Towards core costs	1 st payment of 1	£10,000
Handel House Trust Ltd Towards salary costs of Director's post	1 st payment of 3	£20,000
Live Music Now Towards expansion of work in North East England and the home counties	2 nd payment of 2	£10,000
London Mozart Players Towards cost of rural touring programme, and education and outreach workshops in East Anglia and Lincolnshire	1 st payment of 2	£10,000
London Philharmonic Orchestra Limited Towards support of the orchestral programme, education work and targetting of new audiences	1 st payment of 2	£40,000
National Portrait Gallery Towards Access programme to improve physical and intellectual access for disabled and disadvantaged groups	1 st payment of 3	£20,000
National Youth Dance Trust Towards core funding to secure the position of Executive Director	2 nd payment of 2	£10,000
National Youth Orchestra of Great Britain Towards support for the core programme of activities	1 st payment of 2	£35,000

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National Youth Theatre Towards core costs	2 nd payment of 3	£15,000
New Shakespeare Company Towards core funding	2 nd payment of 2	£10,000
Opera North Towards core funding	1 st payment of 2	£25,000
Royal Academy Trust Towards core funding	3 rd payment of 3	£10,000
Royal West of England Academy Towards cost of installing climatic control units in five galleries	1 st payment of 1	£50,000
Sir John Soane's Museum Towards cost of restoring the 1st floor Fine Rooms	1 st payment of 2	£20,000
St David's Cathedral Towards cost of an external porch to the 12 th century north door	1 st payment of 1	£10,000
Suffolk Cathedral Millennium Appeal Towards remaining £1.1m shortfall of Appeal	4 th payment of 4	£25,000
Theatre Museum Towards core funding to support the recording programme of the National Video Archive of Performance	2 nd payment of 3	£40,000
Theatre Museum Challenge grant conditional on additional funding being secured from Victoria & Albert Museum	Matching payment	£20,000
Victoria & Albert Museum Towards redesign of British Galleries	2 nd payment of 2	£50,000
Viva Chamber Orchestra Limited Towards joint concert series with Young Concert Artists Trust	1 st payment of 1	£10,000
Welsh National Opera Towards core funding to help unlock Arts Council's stabilisation award	1 st payment of 2	£40,000
TOTAL FOR THE ARTS		£655,000

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COMMUNITY DEVELOPMENT AND SOCIAL WELFARE

Abbeyfield Society Towards cost of a new full-time post	1 st payment of 3	£30,000
Action on Elder Abuse Towards core funding to support the post of Finance/Administration Assistant	2 nd payment of 2	£18,000
Africa Now Towards water supply and land management Improvements	1 st payment of 2	£10,000
After Adoption Joint project between After Adoption and Parents for Children, to provide permanent families for children with exceptional needs	2 nd payment of 3	£22,000
Age Concern Towards cost of establishing Sustainable Rural Grants Fund	3 rd payment of 3	£40,000
Anti-Slavery International Towards implementation in developing countries of the ILO Convention on Child Labour	2 nd payment of 2	£15,000
Association of Charitable Foundations Towards core costs	1 st payment of 1	£3,870
Big Issue Foundation Towards salary of Deputy Chief Executive	1 st payment of 1	£10,000
Book Aid International Towards cost of books to support teacher training, primary education and EFL teaching	1 st payment of 2	£20,000
Bourne Trust To provide an Information/Support Service for women with mental health needs coming into custody in HMP Holloway for the first time	3 rd payment of 3	£15,000
Boys' & Girls' Clubs of Northern Ireland Towards cost of appointing part-time regional staff to implement a programme of youth sports activities	1 st payment of 1	£15,000
British Executive Service Overseas Towards core UK costs	2 nd payment of 2	£20,000

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British Sports Trust Towards set-up costs for a Regional Development Manager for the East Midlands	1 st payment of 1	£30,000
CARE International UK Towards salary costs of three staff	1 st payment of 2	£35,000
Carers UK Towards salary of the post, particularly to support work on health issues and employment	1 st payment of 3	£30,000
Catholic Children's Society (Westminster) Towards cost of services to travellers on Westway site	3 rd payment of 3	£20,000
Centrepoint Towards funding the Head of Housing - Emergency & Rough Sleeping	1 st payment of 1	£30,000
Children 1st Towards running costs of Parentline Scotland	1 st payment of 2	£15,000
Community Foundation Network Towards the salary of a development director for the London Unit	3 rd payment of 3	£35,000
Community Service Volunteers Towards core funding of the CSV Volunteering Partners Programme	2 nd payment of 3	£32,000
Contact the Elderly Towards core costs and some project funding	1 st payment of 2	£35,000
Crime Concern Towards employing an additional Development Officer	2 nd payment of 2	£20,000
Cruse Towards the post of Finance Manager	2 nd payment of 2	£10,000
Cyprus Veterans' Association WWII Towards cost of assisting widows or other dependants of those who lost their lives in action to visit graves in war cemeteries, and for veterans or widows in need	1 st payment of 1	£5,000
Depaul Trust Towards cost of a new unit to promote new initiatives, co-ordinate mergers and acquisitions, and offer consultancy services to charities in difficulty	1 st payment of 3	£65,000

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Elderly Accommodation Counsel Towards core costs of free advice service to individuals	1 st payment of 2	£15,000
Emmaus UK Towards the establishment of a £5million fund to start ten new communities	1 st payment of 3	£50,000
Fairtrade Foundation Towards core funding	2 nd payment of 2	£15,000
Family Service Units Towards core costs of Central Services	2 nd payment of 3	£25,000
Farms for City Children Towards running costs	3 rd payment of 3	£10,000
Field Lane Foundation Towards funding advice and advocacy for homeless families in temporary accommodation, in partnership with King's Cross Homelessness Project	1 st payment of 3	£15,000
Friends United Network Towards core costs - for co-ordinator's salary	2 nd payment of 3	£20,000
Help the Aged Towards balance of cost required to establish a Handy Van scheme in Birmingham	1 st payment of 1	£15,000
Help the Handicapped Holiday Fund Towards cost of UK holidays for low-income families with a disabled dependant	1 st payment of 2	£10,000
Home-Start UK Towards core costs	1 st payment of 2	£40,000
House of St Barnabas in Soho Towards cost of employing a full-time Mental Health Support Worker	3 rd payment of 3	£10,000
Inside Out Trust Towards support costs for the post of Restorative Link Co-ordinator	1 st payment of 3	£22,000
King George's Fund for Sailors Towards grants to Merchant Navy charities	2 nd payment of 2	£40,000
Local Solutions Towards core funding	1 st payment of 2	£20,000

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London Voluntary Service Council Towards costs of PEACe (Personnel, Employment and Conciliation Service)	2 nd payment of 2	£10,000
Medical Foundation for the Care of Victims of Torture Towards cost of Social Casework programme	2 nd payment of 3	£35,000
National Association of Victim Support Schemes Towards cost of a national pilot of 30 Serious Crime Training Courses in 2002-3, and 2003-4	1 st payment of 2	£20,000
National Council for Voluntary Organisations Towards support costs of new programme: Creating a more sustainable funding environment	2 nd payment of 2	£25,000
National Early Years Network Towards core costs	2 nd payment of 2	£10,000
Padstones Towards cost of housing young people not covered by local authority funding	1 st payment of 1	£18,000
Parents for Children Towards cost of a full-time adoption manager to co-ordinate post-adoption support	1 st payment of 2	£40,000
Peper Harow Foundation Towards provision of psychotherapy for fostered children on a non-residential basis	2 nd payment of 2	£30,000
Prisoners Abroad Towards new initiatives to protect prisoners' physical and mental health	1 st payment of 2	£20,000
Prisoners of Conscience Appeal Fund Towards the relief budget	2 nd payment of 2	£20,000
Raleigh International Towards cost of places for young people on projects in Africa	1 st payment of 2	£25,000
Re-Solv Towards cost of funding	1 st payment of 2	£10,000
Refuge Towards development funding to cover internal infrastructure costs	1 st payment of 2	£50,000

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Refugee Council Towards support costs of Community Development Team	2 nd payment of 3	£35,000
Samaritans Towards funding of Dependency Programme	2 nd payment of 3	£15,000
Sea Cadet Association Towards cost of safety and maintenance programme	2 nd payment of 2	£15,000
Shelter Towards annual running costs	1 st payment of 2	£50,000
St Martin in the Fields Social Care Unit Towards cost of support services, in particular accelerated access to detoxification and rehabilitation	2 nd payment of 2	£10,000
St Mungo Community Housing Association Towards salary of Pre-Tenancy Training Co-ordinator and costs of evaluation and dissemination	1 st payment of 3	£30,000
UK Advocacy Network Towards core costs	2 nd payment of 2	£15,000
VSO Voluntary Service Overseas Towards cost of sending 4 highly-skilled volunteers to fill strategic placements in Kenya and Uganda	1 st payment of 2	£30,000
Who Cares? Trust Towards content development project for Carezone	1 st payment of 1	£20,000
Women's Aid Federation of England Towards awareness campaign: A Future without Fear	2 nd payment of 3	£15,000
Write Away Towards cost of administering clubs for children and adults	1 st payment of 2	£21,000
Y Care International Towards continuation of pilot programme of HIV/AIDS awareness training and assistance to AIDS orphans	1 st payment of 3	£20,000
TOTAL FOR COMMUNITY DEVELOPMENT AND SOCIAL WELFARE		£1,476,870

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CONSERVATION

BirdLife International Towards core funding	1 st payment of 2	£25,000
British Butterfly Conservation Society Towards the support costs of a Regional Development Officer	2 nd payment of 2	£10,000
BTCV - British Trust for Conservation Volunteers Towards cost of 2-year Management and Leadership Development Programme	2 nd payment of 2	£18,000
Environmental Investigation Agency Towards cost of long-distance research, onsite investigation in India, producing a report and video and capacity-building	1 st payment of 2	£15,000
FIELD Towards core funding to enable FIELD to diversify its work	1 st payment of 2	£20,000
Forum for the Future Towards developing a measure of the extent to which Forum for the Future transforms people and organisations	1 st payment of 2	£40,000
Game Conservancy Trust Towards cost of setting up and running a major new study of the conservation of farmland birds, in collaboration with the British Trust for Ornithology	1 st payment of 2	£10,000
Global Canopy Foundation Towards start-up costs	1 st payment of 1	£10,000
Natural History Museum Towards Phase Two construction costs of the Centre	1 st payment of 2	£100,000
Plantlife Towards Back from the Brink recovery programme	2 nd payment of 3	£10,000
Royal Botanic Gardens Kew Towards a DNA Bank and genetic fingerprinting project concentrating on threatened UK plant species	1 st payment of 1	£10,000
RSNC - The Wildlife Trusts' UK National Office Towards grants to local Wildlife Trusts	2 nd payment of 2	£20,000

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Soil Association Towards cost of employing a Business and Finance Director	1 st payment of 3	£50,000
St. Tiggywinkles The Wildlife Hospital Trust Towards staff costs of field centre	2 nd payment of 2	£10,000
Trees For Life Towards cost of Autumn 2001 and Spring 2002 work weeks in Glen Affric	1 st payment of 1	£10,000
University of Stellenbosch - Ellerman Resource Centre Towards salary of museum scientist and technical assistant	3 rd payment of 3	£10,000
World Land Trust Towards conservation of native beech woodland and enhancing biodiversity	1 st payment of 1	£15,000
<u>TOTAL FOR CONSERVATION</u>		<u>£383,000</u>
<u>MEDICAL AND DISABILITY</u>		
Afiya Trust Towards core costs	2 nd payment of 2	£20,000
AMREF - African Medical and Research Foundation Towards project to improve public health, particularly health of children	1 st payment of 2	£30,000
Blind Centre for Northern Ireland Towards funding of Welfare Rights Service and holiday chalet	1 st payment of 1	£20,000
BLISS - Baby Life Support Systems Towards salary costs	1 st payment of 3	£20,000
British Epilepsy Association Towards running costs of National Epilepsy Helpline	3 rd payment of 3	£20,000
British Heart Foundation Towards £10 subsidy on 8,000 resource packs to be distributed to agencies working with older people	1 st payment of 1	£80,000
CancerBACUP Towards cost of a helpline nurse	2 nd payment of 2	£20,000

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CARE FUND Towards cost of new residential and day centre at Edenbridge	1 st payment of 1	£25,000
Changing Faces Towards running costs of outreach service to adults with disfigurements	1 st payment of 2	£25,000
Commonwealth Society for the Deaf Towards cost of HARK mobile clinic in Western Cape, South Africa	3 rd payment of 3	£20,000
Contact a Family Towards support for core management functions	1 st payment of 2	£30,000
Cornerstone Community Care Towards expanding the Community Services Scheme into Dundee and Glasgow	2 nd payment of 3	£15,000
Council for Music in Hospitals Towards cost of 150 live concerts per year in nursing and residential homes	1 st payment of 2	£15,000
Crusaid Towards the administrative costs of the fund	1 st payment of 2	£20,000
Cystic Fibrosis Trust Towards funding 5 advocates, and video-conferencing facilities for all 12 advocates	1 st payment of 3	£50,000
Deafblind UK Towards cost of staff and equipment for new centre	1 st payment of 2	£50,000
DELTA Deaf Education Through Listening & Talking Towards running costs of 'Families and Friends' network	2 nd payment of 2	£10,000
Diabetes UK Towards core funding	1 st payment of 2	£30,000
DIAL UK Towards the salary costs of the Director and Office Manager	1 st payment of 2	£30,000
Down Syndrome Educational Trust Towards cost of developing 20 modules	1 st payment of 1	£20,000

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Down's Syndrome Association Towards 'Promoting Independence in Adults' project	1 st payment of 3	£30,000
Enham Trust Towards a partnership project with Princes Trust and Radar, to enable disabled people to set up and run their own business	1 st payment of 1	£20,000
Help the Hospices Towards the Major Grants Programme (Ellerman Awards)	2 nd payment of 3	£150,000
Huntington's Disease Association Towards the salary of a full-time Regional Care Adviser	1 st payment of 2	£30,000
I CAN - Invalid Children's Aid Nationwide Towards balance of cost of Pre-School Services Evaluation Project	2 nd payment of 2	£15,000
Ian Fraser Memorial Bursary Fund Towards core costs	3 rd payment of 3	£5,000
John & Esther Ellerman Memorial Trust Towards core costs of mobility training	3 rd payment of 3	£10,000
KIDS Towards expanding KIDS' services	1 st payment of 2	£20,000
Lady Hoare Trust Towards running costs	1 st payment of 2	£30,000
Leonard Cheshire Towards core costs	3 rd payment of 3	£25,000
Lepra Towards core costs of sustainable leprosy and tuberculosis control programme	1 st payment of 2	£30,000
Manic Depression Fellowship Towards cost of employing an administrative assistant to release more time for training	1 st payment of 3	£20,000
Medical Emergency Relief International - MERLIN Towards work with Afghan refugees on the Tajik borders	1 st payment of 1	£40,000
Medical Emergency Relief International - MERLIN Towards core funding	2 nd payment of 2	£50,000

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MENCAP - Royal Society for Mentally Handicapped Children and Adults Towards development of a national advocacy framework	1 st payment of 2	£50,000
Michael Palin Centre for Stammering Children Towards cost of free specialist assessment service	2 nd payment of 3	£16,000
Mildmay Mission Hospital Towards establishing a day care centre for AIDS-affected children in Uganda	2 nd payment of 2	£20,000
Moorfields Eye Hospital Towards cost of International Children's Eye Centre	1 st payment of 2	£75,000
Motability Towards funding adaptations to vehicles	1 st payment of 2	£20,000
Motor Neurone Disease Association Towards opening a Care Centre	1 st payment of 2	£40,000
Multiple Sclerosis Society of Great Britain & Northern Ireland Towards part-funding for three MS Nurses	1 st payment of 3	£30,000
Muscular Dystrophy Campaign Towards a further year's support for a Family Care Officer based in Nottingham	1 st payment of 1	£30,000
National Endometriosis Society Towards funding for post of Support Network Manager	1 st payment of 3	£20,000
National Library for the Blind Joint project with RNIB to develop online database of available alternative format publications	1 st payment of 1	£30,000
National Schizophrenia Fellowship Towards maintaining and expanding the National Advice service	1 st payment of 2	£50,000
National Society for Epilepsy Towards funding of post to lead and direct the development of community-focused residential care services	1 st payment of 3	£50,000
Neurofibromatosis Association Towards cost of employing two part-time Volunteer Development Officers	1 st payment of 3	£25,000

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POWER Towards provision of artificial limbs in Mozambique	3 rd payment of 3	£10,000
Prostate Cancer Charity Towards funding a cancer specialist nurse to support patients through prostate cancer	1 st payment of 3	£35,000
Rachel Swart Fonds Towards core costs of assistance to disabled	3 rd payment of 3	£25,000
Rathbone Training Towards development of Independent Living Skills programme for residential care centres	3 rd payment of 3	£10,000
React Towards a stronger core funding base for grants	1 st payment of 2	£10,000
Refresh Towards cost of a respite care bed	3 rd payment of 3	£20,000
Rehab UK Towards funding of Director of Operations and Director of Strategic Planning and Development	2 nd payment of 3	£45,000
REMAP Towards core funding	1 st payment of 2	£25,000
Respond Towards funding of National Helpline Service for people with learning disabilities who have suffered sexual abuse	1 st payment of 1	£20,000
RYA Sailability Towards cost of administering project to make 300 sailing clubs disability-friendly	1 st payment of 2	£25,000
SANE Schizophrenia: A National Emergency Towards cost of accreditation for training programme	1 st payment of 3	£10,000
Scope Towards cost of employing an Education Programme Manager	1 st payment of 3	£57,000
St Dunstan's Towards 'Blind Ambition' project	3 rd payment of 3	£20,000
Stroke Association Towards support costs of the Education, Training and Information Service	1 st payment of 2	£50,000

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Tavistock Clinic Foundation Towards cost of pilot Outreach Child Psychotherapy Service in three GP practices	1 st payment of 2	£20,000
Terrence Higgins Trust Towards core funding to meet the growing demand for services	1 st payment of 2	£30,000
Triumph Over Phobia Towards replacement funding following end of Department of Health grant	1 st payment of 3	£10,000
University College Hospitals Charitable Foundation Towards costs of a research fellow and nurse for early lung cancer detection project	2 nd payment of 3	£30,000
Visceral Towards completion of studies into links between measles virus and autism	2 nd payment of 2	£47,000
Winged Fellowship Trust Towards cost of respite breaks	2 nd payment of 2	£10,000
<u>TOTAL FOR MEDICAL AND DISABILITY</u>		<u>£1,990,000</u>
<u>TOTAL 173 GRANTS FOR THE YEAR</u>		<u>£4,504,870</u>
<u>AVERAGE GRANT</u>		<u>£26,000</u>

The John Ellerman Foundation

Statement of Financial Activities for the year ended 31 March 2002

	Total accumulated funds	
	Year to 31 March 2002 £'000	Period to 31 March 2001 £'000
Incoming resources		
Investment income	3,829	4,845
Bank deposit interest	93	48
Other income	4	5
Total incoming resources	3,926	4,898
Resources expended		
Costs of generating funds		
Investment management fees	504	350
Charitable expenditure		
Grants to charities	4,505	4,116
Support costs	277	278
Management and administration	152	110
Total resources expended	5,438	4,854
Net incoming resources for the year	(1,512)	44
(Losses)/Gains on investment assets	(2,512)	713
Net movement in funds	(4,024)	757
Fund balance at 31 March 2001	109,229	108,472
Fund balance at 31 March 2002	105,205	109,229

The John Ellerman Foundation

Balance Sheet at 31 March 2002

	31 March 2002	31 March 2001
	£'000	£'000
FIXED ASSETS		
Tangible Fixed Assets	806	805
Investments	103,751	107,227
CURRENT ASSETS		
Debtors	400	641
Cash at bank	471	666
	<hr/> 871	<hr/> 1,307
CURRENT LIABILITIES		
Creditors	(223)	(110)
NET CURRENT ASSETS	<hr/> 648	<hr/> 1,197
NET ASSETS	<hr/> 105,205	<hr/> 109,229
	<hr/>	<hr/>
Represented by:		
UNRESTRICTED FUNDS		
Distributable income	2,622	3,882
Distributable capital	102,583	105,347
	<hr/> 105,205	<hr/> 109,229
	<hr/>	<hr/>

The John Ellerman Foundation

Statement from the Trustees of The John Ellerman Foundation

The summarised accounts on the two preceding pages, comprising the Statement of Financial Activities and Balance Sheet, are extracted from the full unqualified audited accounts approved by the Trustees on 27 June 2002 and subsequently submitted to the Charity Commission. They may not contain sufficient information to allow a full understanding of the financial affairs of the charity. For further information the full accounts and the auditors' report on those accounts should be consulted; copies of these can be obtained from the Foundation's registered office at Aria House, 23 Craven Street, London WC2N 5NS.

Signed on behalf of the Trustees:



PETER C PRATT
Chairman of Trustees



DAVID D MARTIN-JENKINS
Trustee and Chairman, Finance Committee

Auditors' statement to the Trustees of The John Ellerman Foundation

We have examined the summarised financial statements set out on the two preceding pages, comprising the Statement of Financial Activities and Balance Sheet.

Respective responsibilities of Trustees and auditors

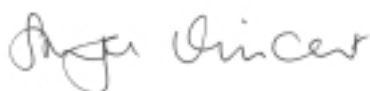
You are responsible, as Trustees, for the preparation of the summarised financial statements. We have agreed to report to you our opinion on the summarised statements' consistency with the full financial statements, on which we reported on 27 June 2002.

Basis of opinion

We have carried out the procedures we consider necessary to ascertain whether the summarised financial statements are consistent with the full financial statements from which they have been prepared.

Opinion

In our opinion the summarised financial statements are consistent with the full financial statements for the year ended 31 March 2002.



SAYER VINCENT
Chartered Accountants and Registered Auditors
London

27 June 2002

The John Ellerman Foundation

Financial Review

Incoming Resources

The total incoming resources for the year were £3.9 million (£4.9 million: 2001), being a decrease of 20% compared to last year. This is primarily due to the change in investment strategy from an income-driven to a global Total Return approach, but also due to low yields seen across worldwide markets and the reduction in transitional tax relief on UK equities.

Total Return means that, in effect, the total "Incoming Resources" available to the Foundation include both income and withdrawals from capital. Although there will be volatility in the market values of the investment portfolios, expectation is that withdrawals will be made from the capital gains achieved in the long term.

Grants

Grants increased to £4.5m this year, compared to £4.1m (2001) and £4.2m (2000). The Trustees' policy aims to increase grants each year in line with inflation and thereby maintain grants in real terms. Due to several intended grants not fulfilling review requirements, the policy could not be achieved last year.

Investment Management and Custody Fees

The Trustees take great care in controlling costs, however specialist global investment management has led to higher fees than previously. The Trustees believe that these costs will be outweighed by superior returns. Investment management and custody fees, being the costs to the Foundation of generating its funds, have increased from £350k (2001) to £504k (2002).

Other Expenditure

A budget is prepared at the beginning of each financial year and the actual costs are compared in detail quarterly against this budget, as well as last year's figures.


Staff costs were lower this year during the period when a new Director was being recruited. The Trustees recognise that a full-time Director is essential in leading the Foundation and therefore staff costs will increase next year.

With the exception of one-off legal costs incurred to establish the new investment framework and to incorporate a small related Trust fund on 1 April 2002, general expenditure has been maintained at a similar level to last year.

The administrative and support costs of managing the work of the Foundation continue to amount to less than 8% of total expenditure.



PETER C PRATT
Chairman of Trustees



DAVID D MARTIN-JENKINS
Trustee and Chairman, Finance Committee

The John Ellerman Foundation

NOTES TO THE TRUSTEES' REPORT - GUIDELINES FOR APPLICANTS

The Foundation aims to support a broad cross-section of charities doing work of national significance, in the following categories:

- **Medical and Disability** (including preventive medicine, treatment, relief of suffering, care and support, physical and learning disability, mental illness).
- **Community Development and Social Welfare** (including children, youth work, substance abuse, housing and homelessness, disadvantaged people and communities).
- **The Arts** (including archaeology, historic buildings, museums).
- **Conservation** (including the environment).
- The Foundation continues to fund some overseas work, principally in southern Africa. For the future, only charities with a UK office will be considered. The Foundation is not permitted to make grants for any purpose in the Continents of America south of the USA.

Recognising that the running of charities has become a highly complex operation in a rapidly-changing world, the Foundation is working towards making fewer but larger grants, and towards developing partnerships with charities. Trustees have a preference for working with the headquarters of organisations and umbrella bodies rather than local groups. While recognising the value of small amounts of funding to local organisations, the Foundation's view is that smaller trusts, often having local knowledge, are better placed to provide this. **For this reason, applications from local charities will not be considered.** The Foundation, as one of the larger grant-making trusts, is able to make larger grants, which it is hoped will enable charities to make a difference to the people they serve. The minimum grant is, therefore, £10,000, and it is intended that the average grant will be much higher.

The Foundation has a particular interest in supporting **innovative work and co-operation between two or more charities.**

How to apply

In common with other Foundations, many more applications are received than can possibly be funded. On average, only 13% each year of all appeals within our guidelines are successful. Trustees recognise that preparing good applications places heavy demands on the time and resources of charities and diverts energies from their ultimate purpose. Accordingly, potential applicants are asked to write initially with a brief description of the charity and its current need for funding. This letter should be no more than one or two pages of A4 and there is no need to send annual reports or background material at this stage. Trustees will decide from this letter whether they want to invite a formal application; if so, an application form will be sent. Whatever the decision, all letters will receive a reply.

Trustees are aware that core funding is becoming increasingly difficult to obtain and they are open to receiving applications for this purpose. At the same time, they expect that charities, which have received core funding, will be able to account for their expenditure and identify what it has enabled them to do. Requests for a contribution to large capital appeals are not encouraged.

The John Ellerman Foundation

GUIDELINES FOR APPLICANTS - continued

The Appeals Manager and staff are happy to discuss potential applications by telephone.

Correspondence should be sent to:

The John Ellerman Foundation
Aria House
23 Craven Street
London WC2N 5NS

Tel: 020 7930 8566
Fax: 020 7839 3654
e-mail: eileen@ellerman.prestel.co.uk
website: www.ncvo-vol.org.uk/jef.html

Exclusions

Grants are made only to **registered charities**, and are not made for the following purposes:

- For or on behalf of individuals
- Individual hospices
- Local branches of national organisations
- 'Friends of' groups
- Education or educational establishments
- Medical research
- Religious causes
- Conferences and seminars
- Sports and leisure facilities
- Purchase of vehicles (except for those used for aid transport)
- The direct replacement of public funding
- Deficit funding
- Domestic animal welfare

Circulars will not receive a reply.

The Foundation is not permitted to make grants for any purpose in the Continents of America south of the USA.

This Annual Report has been printed on environmentally friendly paper