

THE MALLINCKRODT FOUNDATION

**Financial Statements
5 April 2024**

THE MALLINCKRODT FOUNDATION

Financial statements for the year ended 5 April 2024

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THE MALLINCKRODT FOUNDATION

Reference and administrative information

Charity number:

1058011

Registered Office and operational address:

81 Rivington Street
London
EC2A 3AY

Trustees:

Mrs C B Mallinckrodt
Mrs C L Fitzalan Howard
Mr E G P Mallinckrodt
Mr P S A Mallinckrodt

Bankers:

Schroder & Co Limited
1 London Wall Place
London
EC2Y 5AU

Investment Manager:

Cazenove Capital
1 London Wall Place
London
EC2Y 5AU

Auditor:

UHY Hacker Young
Thames House
Roman Square
Sittingbourne
ME10 4BJ

Solicitors:

Withers
16 Old Bailey
London
EC4M 7EG

THE MALLINCKRODT FOUNDATION

Report of the Trustees for the year ended 5 April 2024

The Trustees present their report and financial statements for the year ended 5 April 2024.

The financial statements comply with the charity's Trust Deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS 102)).

Structure, governance & management

The Mallinckrodt Foundation (the 'Foundation') is an unincorporated charity registered as a charity in England and Wales on 12 September 1996.

The Charity is constituted under a Charitable Trust Deed dated 31 July 1996.

Trustees

The power of appointing new Trustees of the charity was vested in the Settlor during his lifetime and thereafter in the Settlor's spouse Mrs Charmaine B Mallinckrodt and thereafter in such person or persons as the survivor of the Settlor and Mrs Mallinckrodt shall by deeds or deeds revocable or irrevocable or by will or codicil appoint. A new Trustee or new Trustees may be appointed at any time (either by way of replacement or addition).

Subject to the above a Trustee may be appointed or discharged by a resolution of a Meeting of the Trustees provided that a memorandum declaring such appointment or discharge shall be signed as a deed either at the Meeting by the person presiding or in some other manner directed by the Meeting and attested by two other persons present at the Meeting.

Risk management

The Trustees have considered the major risks to which the Foundation is exposed and they have established systems and procedures to manage these risks. The major risk to which the Foundation is exposed is that of incurring significant losses in the investment portfolio. General performance targets are set by the Trustees in relation to the investment portfolio, and the investment performance is kept under review by the Trustees.

Objects and activities

The objects of the Foundation are to apply the income and capital for the benefit of any charitable object or purpose, in any part of the world, as the Trustees think fit. The Trustees currently have a policy of supporting a broad range of charitable activities. The Trustees identify projects and organisations they wish to support. The Foundation does not make grants to people or organisations that apply speculatively.

The Foundation does not actively raise funds and seeks to continue its philanthropic work through the careful stewardship of its existing financial resources.

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives, and in planning future activities and setting the grant making policy for the year.

Achievements and performance

During the year the Foundation has awarded 17 donations totalling £1,284,211 (2023: 11 donations totalling £128,710) within the Trustees' themes for support. During the year ended 5 April 2024 there were 15 unrestricted donations totalling £275,611 (2023: 11 donations totalling £128,710) and 2 designated donations totalling £1,008,600 (2023: nil).

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Report of the Trustees for the year ended 5 April 2024

Financial review

The capital of the Foundation at the year end, represented by the value of investments and portfolio cash, was £29,862,822 (2023: £27,086,558). On 4 April 2023 the Foundation received a donation from Trusts of which the Settlor was a beneficiary comprising 4,810,210 units in the Schroder QEP Global Core Fund with a market value of £21,809,492 and £932,446.

During the year the Foundation received investment income of £1,140,108 (2023: £232,125).

The Foundation's net assets at 5 April 2024 were £30,462,039 (2023: £29,111,982).

Investment policy and performance

The allocation of investments is delegated to an Investment Manager who provides progress reports to Trustees on a regular basis. The Trustees regularly review current strategy thereby ensuring the careful stewardship of The Mallinckrodt Foundation funds.

At 5 April 2023 the Foundation's investments mainly represented investment in the Schroder QEP Global Core Fund which accounted for 80.5% of the value of the settled funds. On 11 April 2023 the units in the Schroder QEP Global Core Fund were sold for £21,886,456 and on 11 and 12 April 2023 reinvested in a total of 37,164,734 units of the Charity Responsible Multi-Asset Fund.

At 5 April 2024 the Foundation's investments mainly represented investment in the Charity Responsible Multi-Asset Fund which accounted for 81.1% of the value of the settled funds. The Charity Multi-Asset Fund accounted for 10.1% of the value of the settled funds at the year end.

The investment manager is tasked with maintaining or increasing the value of the portfolio, while ensuring there are sufficient funds to meet all commitments. On 5 April 2024, the market value of the settled funds stood at £29,862,822 (2023: £27,086,558). During the year ended 5 April 2024, net gains on investments were £1,526,095 (2023: losses of £369,098).

Grant making policy

At their tri-annual meetings the Trustees consider what grants they will make and receive reports from grant recipients. The Trustees travel widely in the UK and abroad and use the knowledge gained to support the work of the Foundation and to inform their grant-making activities.

Reserves policy

The Mallinckrodt Foundation recognises the need to hold reserves for the maintenance of core charitable activities in the event of income shortfalls. Reserves are defined as income that becomes available which is to be expended at the discretion of the Trustees of The Mallinckrodt Foundation in furtherance of its objects but which has not yet been spent, committed or designated. The Mallinckrodt Foundation carefully budgets and plans charitable expenditure, liaising closely with the Investment Manager. Total reserves at 5 April 2024 were £30,462,039 (2023: £29,111,982). Budget and income information is reported to Trustees at their meetings. At the year end, total unrestricted reserves (excluding designated reserves) were £30,462,039 (2023: £28,111,982).

Future plans

During the coming year the Trustees will review the policy for grant-making and they will continue to develop the strategy for providing grants in an efficient and effective way.

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Report of the Trustees for the year ended 5 April 2024

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources of the Foundation for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that that are sufficient to show and explain the Foundation's transactions and disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the Foundation's trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

This report was approved by the Trustees on _____ and signed on its behalf by:

.....

Edward Mallinckrodt
Trustee

THE MALLINCKRODT FOUNDATION

Independent Auditor's Report to The Mallinckrodt Foundation

Opinion

We have audited the financial statements of The Mallinckrodt Foundation for the year ended 5 April 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of The Mallinckrodt Foundation's affairs as at 5 April 2024 and of its incoming resources and application of resources 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Foundation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing The Charities Administered by The Kaiser Wilhelm II Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- our understanding of the charitable company and the sector in which it operates;
- discussion with management and those charged with governance; and
- obtaining an understanding of the charitable company's policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities SORP (FRS 102), the Charities Act 2011, and UK tax legislation.

The charity is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Health and Safety at Work etc Act 1974, the Data Protection Act 2018, Employment Rights Act 1996 and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of the financial statement disclosures and agreeing to supporting documentation;
- Review of minutes of meetings of those charged with governance for any instance of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the charitable company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.

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- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be journals and key estimates and judgements.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates and judgements made by management for bias, including the allocation of support costs;
- Testing the existence and accuracy of income recognised in the year.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Tracey Moore BFP ACA (Senior Statutory Auditor)

For and on behalf of

UHY Hacker Young

Chartered Accountants and Statutory Auditors

Thames House

Roman Square

Sittingbourne

Kent

ME10 4BJ

Date:

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Statement of financial activities for the year ended 5 April 2024

	Notes	Unrestricted £	Unrestricted Designated £	2024 Total funds £	2023 Total funds £
Income and endowments from:					
Donations	3	-	8,600	8,600	22,741,938
Investments	4	1,140,108	-	1,140,108	232,125
Total		1,140,108	8,600	1,148,708	22,974,063
Expenditure on:					
Raising funds – investment management fees	5	16,216	-	16,216	6,181
Charitable activities	6	299,930	1,008,600	1,308,530	146,208
Total		316,146	1,008,600	1,324,746	152,389
Net income before gains and losses on investments		823,962	(1,000,000)	(176,038)	22,821,674
Net gains / (losses) on investments	8	1,526,095	-	1,526,095	(369,098)
Net movement in funds	13	2,350,057	(1,000,000)	1,350,057	22,452,576
Fund balances brought forward		28,111,982	1,000,000	29,111,982	6,659,406
Fund balances carried forward		30,462,039	-	30,462,039	29,111,982

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above and therefore those stated above represent total comprehensive income.

The notes on page 11 to 16 form part of these financial statements.

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Balance Sheet as at 5 April 2024

	Notes	2024 £	2023 £
Fixed assets			
Investments	10	<u>29,862,822</u>	<u>27,086,558</u>
Current assets			
Debtors	11	152,455	25,986
Cash at bank and in hand		<u>468,892</u>	<u>2,019,854</u>
		621,347	2,045,840
Liabilities			
Creditors: amounts due within 1 year	12	<u>(22,130)</u>	<u>(20,416)</u>
Net current assets		<u>599,217</u>	2,025,424
Net assets		<u>30,462,039</u>	<u>29,111,982</u>
Funds			
Unrestricted funds	13	30,462,039	28,111,982
Unrestricted designated funds	13	-	1,000,000
Total charity funds		<u>30,462,039</u>	<u>29,111,982</u>

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

Edward Mallinckrodt
Trustee

The notes on page 11 to 16 form part of these financial statements.

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Statement of Cash Flows for the year ended 5 April 2024

	Notes	2024 £	2023 £	
Cash flows from operating activities:				
Net cash (used in) / provided by operating activities	(a)	(1,440,901)	22,591,774	
Cash flows from investing activities:				
Dividends and interest from investments		1,140,108	232,125	
Proceeds from sale of investments		21,981,309	60,785	
Purchase of investments		(23,166,626)	(21,976,759)	
Change in investment cash		(64,852)	(4,084)	
Net cash used in investing activities		(110,061)	(21,687,933)	
Change in cash and cash equivalents in the reporting period		(1,550,962)	903,841	
Cash and cash equivalents at the beginning of the reporting period	(b)	2,019,854	1,116,013	
Cash and cash equivalents at the end of the reporting period	(b)	468,892	2,019,854	
(a) Reconciliation of net income to net cash flows from operating activities				
Net income for the reporting period		1,350,057	22,452,576	
Adjustments for:				
(Gains) / losses on investments		(1,526,095)	369,098	
Dividends and interest from investments		(1,140,108)	(232,125)	
Increase in debtors		(126,469)	(867)	
Increase in creditors		1,714	3,092	
Net cash provided by / (used in) operating activities		(1,440,901)	22,591,774	
(b) Analysis of cash and cash equivalents				
Cash in hand		468,892	2,019,854	
Total cash and cash equivalents		468,892	2,019,854	
(c) Analysis of changes in net debt:				
	6 April 2023 £	Cash flows £	Non-cash movement £	5 April 2024 £
Cash and cash equivalents	2,019,854	(1,550,962)	-	468,892

The notes on page 11 to 16 form part of these financial statements.

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Notes to the financial statements for the year ended 5 April 2024

1. General Information

The Mallinckrodt Foundation is an unincorporated charity registered with the Charity Commission for England and Wales. The Foundation's principal place of business is 81 Rivington Street, London, EC2A 3AY2.

2. Accounting policies

a) Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments, and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. These financial statements have been prepared in pounds sterling and are rounded to the nearest pound.

The Foundation constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn.

The preparation of the financial statements requires the Trustees to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions, which are based on the Trustees' best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. The Trustees consider that there are no key sources of estimation uncertainty.

b) Going concern

The Trustees have reviewed the Foundation's investments and operations. The charity holds sufficient cash to meet administration, governance and grant-making costs. The Foundation also holds reserves which are available to supplement income requirements to meet charitable objectives as required. The Trustees consider that there are no material uncertainties over the Foundation's ability to continue as a going concern for the foreseeable future, being a period of at least 12 months from the date of signing the financial statements.

c) Income

Income is stated on a receivable basis.

Income received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Income receivable from Gift Aid claims is recognised when the claim had been approved by HMRC.

Investment income is credited gross to the Statement of Financial Activities on the date it becomes payable.

d) Expenditure

Expenditure is recognised in the period to which they relate. Expenditure includes attributable VAT which cannot be recovered. Donations payable are recognised in the statement of financial activities once they have been approved by the Trustees, the recipient has been informed, and any conditions placed on the recipient have been met.

Expenditure on raising funds includes investment manager fees which are calculated quarterly by Cazenove Capital (the investment manager) and included in investment manager fees on a payable basis.

Administration costs consist of the day-to-day administration of the Foundation's affairs as carried out by staff employed by The Schroder Foundation. The costs are recharged to the Foundation on a percentage basis, based on the level of activities of the charity.

Governance costs are the costs associated with the governance arrangements of the Foundation. These costs are associated with the constitutional and statutory requirements and include any costs associated with the strategic management of the Foundation's activities.

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Notes to the financial statements for the year ended 5 April 2024

e) **Gains/losses on investment assets**

All gains and losses are taken to the Statement of Financial Activities as they arise. Unrealised gains and losses on investment assets represent the difference between their fair value at the end of the year and their fair value at the beginning of the year, or transaction value if acquired during the year. Realised gains and losses on disposal of investment assets represent the difference between the sale proceeds and the fair value at the beginning of the year, or transaction value if acquired during the year.

f) **Taxation**

The Foundation benefits from the tax exemptions available to UK registered charities and accordingly is not liable for income tax or capital gains tax on income and gains derived from its investments.

g) **Financial instruments**

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

h) **Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using their closing quoted market price. Realised and unrealised gains and losses are shown in the statement of financial activities together as net gains on revaluation and disposals of investment assets. Investments held in the cash liquidity funds are classified within current assets.

The Foundation does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Foundation is that of volatility in the investment markets due to wider economic conditions, the attitude of investors to investment risk and changes in sentiment concerning equities and within particular sectors of sub-sectors.

i) **Debtors**

Debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

j) **Cash at bank and in hand**

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments which are readily convertible, being those with original maturities of three months or less.

k) **Creditors**

Creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

l) **Unrestricted funds**

Unrestricted funds are donations, investment income and other incoming resources receivable or generated for the objects of the Foundation. The general fund therefore comprises those monies which may be used towards meeting the charitable objectives of the Foundation at the discretion of the Trustees.

Designated funds are unrestricted funds that have been put aside by the Trustees for a specific purpose and are thus treated as not available for the general activities of the charity.

3. **Income from Donations**

	Unrestricted Designated £	Unrestricted £	2024 Total £	2023 Total £
Donations	8,600	-	8,600	22,741,938
	8,600	-	8,600	22,741,938

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Notes to the financial statements for the year ended 5 April 2024

4.	Investment income	2024	2023
		£	£
	Dividends	1,071,938	212,266
	Bank interest	68,170	19,859
		1,140,108	232,125

All investment income received in the year was derived from unrestricted funds (2023: unrestricted funds).

5.	Raising funds – costs	2024	2023
		£	£
	Investment management fees	16,216	6,181

All costs incurred in both 2024 and 2023 were in respect of unrestricted funds.

6.	Charitable activities	2024	2023
		£	£
	Charitable donations (note 7)	1,284,211	128,710
	Administration fees payable	17,794	11,106
	Governance:	6,525	6,392
	- Audit Fee	6,000	5,880
	- Accountancy Fees	525	512
		1,308,530	146,208

All costs incurred in both 2024 and 2023 were in respect of unrestricted funds.

7.	Charitable donations	2024	2023
		£	£
	Unrestricted donations:		
	Almshouse Association, The	5,000	-
	Brain Research Trust	5,000	-
	Cancer Research UK – Borysiewicz Clinical PhD Programme	90,000	-
	Caritas Ukraine	-	10,000
	Christian Responsibility in Public Affairs (CRPA)	5,000	5,000
	Christadora – Elliman Scholarship Fund	8,100	-
	Faith in Leadership	10,000	10,000
	FareShare	10,000	10,000
	Foundation of the College of St George (Companions of Windsor)	5,000	30,000
	Friends of the Holy Land	-	7,500
	Harvard Kennedy School of Government	99,011	21,210
	Hospice UK	-	5,000
	Medecins Sans Frontieres (UK)	1,000	-
	Music For All	5,000	5,000
	River Church Egham (The Hub at Englefield Green)	2,500	-
	Royal Botanical Gardens Kew – Friends & Supporters	15,000	15,000
	St Luke's Hospital, Oxford	5,000	-
	St Patrick's Soho Outreach	-	10,000
	Woolf Institute, The	10,000	-
	Total unrestricted donations	275,611	128,710

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Notes to the financial statements for the year ended 5 April 2024

7. Charitable donations (continued)

	2024 Total £	2023 Total £
Unrestricted donations b/fwd	275,611	128,710
Unrestricted designated donations:		
Freiherr Bruno von Schroder Stiftung Foundation	8,600	-
Worcester College, University of Oxford	1,000,000	-
	<u>1,008,600</u>	<u>128,710</u>
Total unrestricted designated donations	1,008,600	128,710
	<u>1,284,211</u>	<u>128,710</u>
Total donations	1,284,211	128,710

8. Net investment gains / (losses)

	2024 £	2023 £
Realised gains	76,655	7,065
Unrealised gains / (losses)	1,449,440	(376,163)
	<u>1,526,095</u>	<u>(369,098)</u>

9. Net movement in funds

Net movement in funds is stated after charging:

	2024 £	2023 £
Auditor's remuneration		
- Audit	6,000	5,880
	<u>6,000</u>	<u>5,880</u>

10. Investments

	2024 £	2023 £
Market value at the beginning of the year	27,067,751	5,520,875
Additions at cost	23,166,626	21,976,759
Disposal proceeds	(21,981,309)	(60,785)
Net (losses)/gains on disposals and revaluations	1,526,095	(369,098)
	<u>29,779,163</u>	<u>27,067,751</u>
Market value at the year end	29,779,163	27,067,751
Cash held as part of portfolio	83,659	18,807
	<u>29,862,822</u>	<u>27,086,558</u>
Total investment value	29,862,822	27,086,558
Historical cost at the year end	6,081,710	4,822,239

All equity investments are listed on recognised stock exchanges or are authorised unit trusts or OEIC's.

THE MALLINCKRODT FOUNDATION

Notes to the financial statements for the year ended 5 April 2024

10. Investments (continued)

	2024 £	2023 £
Investments at market value comprised:		
Private Equity	116,038	200,317
Charity Multi Asset Funds	29,663,125	5,057,942
Schroder QEP Global Core Fund	-	21,809,492
	<u>29,779,163</u>	<u>27,067,751</u>

11. Debtors	2024 £	2023 £
Dividends receivable	150,716	25,986
Gift Aid receivable	1,739	-
	<u>152,455</u>	<u>25,986</u>

12. Creditors: amounts falling due within one year	2024 £	2023 £
Accruals	17,770	13,892
Other creditors – investment management fee	4,360	1,524
Grants payable	-	5,000
	<u>22,130</u>	<u>20,416</u>

13. Movement in funds – 2024	6 April 2023	Income	Expenditure	Gains	5 April 2024
	£	£	£	£	£
Unrestricted funds	28,111,982	1,140,108	(316,146)	1,526,095	30,462,039
Designated funds	1,000,000	8,600	(1,008,600)	-	-
Total	<u>29,111,982</u>	<u>1,148,708</u>	<u>(1,324,746)</u>	<u>1,526,095</u>	<u>30,462,039</u>

Movement in funds - 2023	6 April 2022	Income	Expenditure	Losses	5 April 2023
	£	£	£	£	£
Unrestricted funds	5,659,406	22,974,063	(152,389)	(369,098)	28,111,982
Designated funds	1,000,000	-	-	-	1,000,000
Total	<u>6,659,406</u>	<u>22,974,063</u>	<u>(152,389)</u>	<u>(369,098)</u>	<u>29,111,982</u>

Designated funds had been set aside by the Trustees towards future donations in furtherance of the Foundation's charitable objectives. During the year the Trustees fully spent the Designated funds at 6 April 2024 through donations totalling £1,000,000 to Worcester College. Designated funds of £8,600 were also expended during the year on a donation to Freiherr Bruno von Schroder – Stiftung Foundation.

THE MALLINCKRODT FOUNDATION

Notes to the financial statements for the year ended 5 April 2024

14.	Analysis of net assets between funds - 2024	Unrestricted funds	Designated funds	Total funds
		£	£	£
	Investments	29,862,822	-	29,862,822
	Net current assets	599,217	-	599,217
		<u>30,462,039</u>	<u>-</u>	<u>30,462,039</u>

	Analysis of net assets between funds - 2023	Unrestricted funds	Designated funds	Total funds
		£	£	£
	Investments	27,086,558	-	27,086,558
	Net current assets	1,025,424	1,000,000	2,025,424
		<u>28,111,982</u>	<u>1,000,000</u>	<u>29,111,982</u>

15. Trustee remuneration

The Trustees consider themselves as comprising the key management personnel of the Foundation, in charge of directing and controlling the Foundation. During the year, the Trustees received no remuneration or benefits in kind. No Trustees received reimbursement of expenses during the year (2023: Mrs Claire L Fitzalan Howard, received reimbursement of meeting expenses of £342).

16. Related parties

Mrs Claire L Fitzalan Howard is a non-executive director of Schroders plc, the ultimate parent company of Cazenove Capital, which acts as investment manager for the Charity, and Schroder & Co Ltd, which act as bankers for the charity.

Mrs Charmaine B Mallinckrodt, Mrs Claire L Fitzalan Howard and Mr Philip S A Mallinckrodt are also trustees of The Schroder Foundation which has made a charge to the charity of £17,319 (2023: £11,276) in respect of administration and accountancy services provided and £nil (2023: £342) for meeting expenses during the year. A balance of £11,770 (2023: £7,670) is due to The Schroder Foundation at the year end for administration and accountancy services and £nil (2023: £342) for meeting expenses.

Until 31 December 2023 Mr Philip S A Mallinckrodt was a member of the Worcester College Investment Committee, University of Oxford. During the year ended 5 April 2024, The Mallinckrodt Foundation paid two grants totalling £1,000,000 to Worcester College.

During the year ended 5 April 2024, Mrs Charmaine B Mallinckrodt made an inward donation of £6,861 to The Mallinckrodt Foundation for onward donation by the charity to the Freiherr Bruno von Schroder Stiftung. The Mallinckrodt Foundation has accrued gift aid due of £1,739 on this donation. Mrs Claire L Fitzalan Howard is a Trustee of the Freiherr Bruno von Schroder Stiftung.