

# **The Lorana Sullivan UK Foundation**

**(A company Limited by Guarantee)**

Trustees' Annual Report and Unaudited Accounts

For the Year Ended

31 March 2022

(Company Registered No. 03821824)

(Charity Registration No. 1078955 (England and Wales))



# **The Lorana Sullivan UK Foundation**

**(Registered Company Number 03821824)**

**(Registered Charity Number 1078955)**

**Financial Statements**

**Year ended 31 March 2022**

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# The Lorana Sullivan UK Foundation

## Legal and administrative information

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<b>Trustees</b>	Harry Friedberg Michael Gillard Melvyn Marckus Maura McDermott Marilyn Ordovery Richard Singer
<b>Secretary</b>	Michael Gillard
<b>Charity number</b>	1078955
<b>Company number</b>	03821824
<b>Registered office</b>	Victoria House 26 Tilehouse Street Hitchin Hertfordshire SG5 2DY
<b>Independent Examiner</b>	Heather Wheelhouse BDO LLP Bridgewater House Counterslip Bristol BS1 6BX
<b>Bankers</b>	HSBC Plc The Helicon 1 South Place London EC2M 2UP
<b>Solicitors</b>	Ross Williams Victoria House 26 Tilehouse Street Hitchin Hertfordshire SG5 2DY

# **The Lorana Sullivan UK Foundation**

## **Trustees' report for the year ended 31 March 2022**

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The Trustees are pleased to present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, applicable law and the requirement of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in January 2019.

The address of the registered office is Victoria House, 26 Tilehouse Street, Hitchin, Hertfordshire, SG5 2DY.

### **Objects of the charity**

The Lorana Sullivan UK Foundation is a company limited by guarantee and a registered charity governed by the Memorandum and Articles of Association. The policies adopted in furtherance of these objects are to advance any charitable purpose as the Trustees in their absolute discretion see fit.

The objects clause of the Memorandum of Association was amended on 14 September 2004 ("the revised Memorandum"), with the Charity Commission's consent, to ensure consistency with the objects of the Lorana Sullivan Foundation Inc., so that it now reads: "To advance any charitable purpose recognised in English law that the Council of Management of the Charity in their absolute discretion think fit, including but not limited to the advancement of education at the Columbia University Graduate School of Journalism (in the USA) and the relief of financial need of women studying investigative and business journalism by the provision of financial assistance including scholarships".

The Charity also looks to support education and improvement of standards in investigative journalism, particularly in the reporting and understanding of business and finance.

### **Public benefit**

The Trustees have given due consideration to the Charity Commission's published guidance on the operation of the public benefit requirements. The Trustees are satisfied that the Charity's objects outlined above continue to meet and satisfy the public benefit test of the Charity Commission.

### **Organisational structure**

The late Lorana Sullivan made two Wills for her American and English estates for which the major beneficiaries were a US charity, the Lorana Sullivan Foundation Inc., and this UK charity, to be incorporated on her behalf respectively. By a Deed of Variation entered into on 9 March 2001 with Court approval, the bequest to the Lorana Sullivan Foundation Inc. was varied so that the bulk of the assets bequeathed to the American Foundation benefit the UK Foundation.

The Deed of Variation was approved by the Surrogate's Court of Chemung County in Elmira, New York, USA. The US probate was concluded in January 2015, whereupon the US assets held by the Administrator were transferred into the name of the UK Foundation and applied for its charitable purposes but continue to be held in the United States in compliance with the Decree of the Surrogate's Court. Until that transfer the US assets did not form part of the UK Foundation's assets but the Trustees of the UK Foundation had given their approval to the application by the Administrator of some of those funds for specific charitable purposes within the UK Foundation's Memorandum and Articles. A final transfer from the US estate was made on 16 January 2015.

The Trustees have general control and management of the administration of the Charity, including, but without limitation, the management, investment and application of the Charity's funds. The Trustees are appointed and reelected in accordance with the Articles of Association ("Articles") of the Charity by the Trustees at a Board Meeting. There is no requirement in the Articles for any of the Trustees to be US or UK residents. New Trustees are appointed after selection and nomination by existing Trustees on the basis of knowledge of and/or interest or participation in journalism and promoting the Charity's aims.

Those Trustees who are resident in the US are consulted on all decisions which affect the investment or application of the Charity's funds but are not necessarily consulted, unless required, on the day to day management of the Charity and its property, Markham's Lodge, near Hitchin, Hertfordshire in England.



# The Lorana Sullivan UK Foundation

## Trustees' report for the year ended 31 March 2022 (*continued*)

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### **Organisational structure (*cont'd*)**

Markham's Lodge, was first leased to Youth With A Mission Limited (YWAM), a charity supported by Lorana Sullivan, on 10 February 2006 for a term of 7 years and 9 days at a peppercorn rent. This lease was renewed on the same terms in January 2014, after the completion of substantial improvements to the property, for a further seven years and nine days from 11 February 2013. After the future of Markham's Lodge was reviewed by the Trustees, it was agreed that the lease with YWAM should be renewed on the same terms for a further term of 7 years and 9 days from 20 February 2020 under a lease dated 3 August 2020. An agreed schedule of repairs was completed as a condition of the new lease. The tenant reimburses the cost of buildings insurance and is also responsible for renewal, maintenance and repair of the property from the date of the lease.

A local agent inspects the property regularly and reports to the Charity. The Charity also instructs a surveyor to carry out a survey so that maintenance and repair is addressed on a regular basis. The tenant bears the cost of the inspections/surveys. The lease is otherwise in fairly standard form, save that the tenant cannot assign or otherwise part with the lease.

The Charity is permitted to delegate investment powers to a financial manager in accordance with clause 3(f) of the revised Memorandum. Decisions concerning the investment and application of the Charity's funds (amongst other duties) may be delegated to committees by the Trustees pursuant to Article 49(a) of the Articles inserted by amendment on 26 May 2005. At the same time various other amendments were made to the Articles, including the ability to hold meetings of the Trustees and committees by suitable electronic means.

It was decided by the Trustees, meeting on 21 October 2015, to form a committee of the entire Board to decide investment policy. As a result, any subsequent Board meeting is deemed to be a meeting of the investment committee. At the same Board meeting it was also agreed to form a committee of the entire Board to decide on journalism related issues. Any subsequent Board meeting is also deemed to be a meeting of that committee. The Trustees, members and directors of the company are identical.

### **Review of activities**

The Charity continued its long standing support for the Centre for Investigative Journalism, a UK charity. Due to the Covid-19 pandemic the annual CIJ investigative journalism summer school/conference again took place entirely online over four days in July 2021 via Zoom and the CIJ YouTube channel. The programme comprised six free talks, seven paid for training courses and five free workshops provided by 20 speakers and trainers. There was a total audience of more than 900, including from Canada, India, Australia, Mexico, Russia, Kenya and Vietnam, with 215 attending the online paid-for training courses and 88 the free workshops. Financial support of £2,744 was provided by the Charity.

During 2019 the Charity agreed to fund for an initial three-year period a bursary training scheme, at an annual cost of £10,000, in memory of Lyra McKee, the journalist killed in Londonderry in April 2019. The scheme is designed to provide training for young, would be journalists from minority and disadvantaged communities in the UK and Ireland, including by attending the annual CIJ conference in London. The McKee family subsequently agreed to provide funding for a fourth year.

Eleven candidates from 47 applicants attended the 2019 CIJ conference with the help of the bursary scheme. The scheme was another casualty of Covid-19, being suspended for 2020. However, outreach events were held in Belfast and Hull to increase the number of future applicants. These events were attended by more than 200 people.

During 2021 eleven candidates were chosen from 70 applicants, seven completed the revised course. This included four training sessions at the CIJ conference plus twelve mentoring sessions provided by two experienced journalists together with advice from other senior journalists. Three of the class of 2021 have subsequently had articles published.

It was agreed in 2019 to fund a series of CIJ regional conference/workshops to be held around the UK. The first such one day event was held at Newcastle University in November 2019. The attendance of around 80 was mainly from students and academics. The Charity provided funding of £10,000. The pandemic prevented any similar event during 2020 but a second regional conference was held as part of the Imagine Belfast Festival in March 2022 with financial support of £10,000 from the Charity. Attendance was just under 50 and comprised mainly local journalists,



# The Lorana Sullivan UK Foundation

## Trustees' report for the year ended 31 March 2022 (*continued*)

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### Review of activities (cont'd)

investigators and interested members of the public.

In 2018 the Charity agreed to fund two annual Lorana Sullivan Fellowships at ProPublica, the New York based non-profit publisher specialising in investigative journalism, costing a total of \$115,000 each year for an initial three-year period beginning 1 August 2018. The fellowships are awarded by ProPublica to two promising young journalists to improve reporting on business subjects. The Charity considers this funding to be in keeping with the public interest purpose of promoting and improving investigative business journalism, especially for women and minorities. The fellowship programme was reviewed and approved for a second year in May 2019. The programme was further reviewed in 2020 and revised to one annual fellowship of \$75,000 with effect from April 2021. So far five fellowships have been awarded.

Funding of a new scholarship programme at the City University of New York's Craig Newmark Graduate School of Journalism was postponed until 2022 due to the impact of the Covid-19 pandemic on the ability of CUNY students to complete their studies. Instead the Charity donated to CUNY's Future Journalist Fund \$1 million appeal to assist students in need of financial support. The Charity donated \$100,000 in April 2020. That donation was matched by other donors. CUNY confirmed that, as a result of the success of the appeal, all 98 members of the J School class of 2020 graduated and none were forced to leave for financial reasons. A further \$50,000 was donated in February 2021. The appeal ensured that 88 members of the J-School class of 2021 were able to graduate.

In March 2022 the Charity signed an agreement with CUNY under which it agreed to provide \$300,000 over three years to fund the Lorana Sullivan Scholarship. Two full scholar-ships for students enrolled in the the MA in Journalism course are to be provided each academic year from 2022-23, preference being given to advancing the participation of underrepresented individuals in business and financial investigative reporting. The Trustees will review a list of candidates from which CUNY will make a final selection. The scholarship scheme will be reviewed by the Trustees in years two and three with an option of providing further funding in 2024. An initial \$100,000 payment was made in March 2022.

### Financial Review

During the year under review the Charity received income of £41,775 (£37,200), mostly as investment income. Expenditure was £302,664 (£187,214). Reserves at the year end were £2,100,693 (£2,239,976).

A 2013 agreement with Columbia University, regarding the Kluge Centennial Scholars Match project, provided for an endowed scholarship fund, the Lorana Sullivan Scholarship for Investigative Journalism, to be established from the 2:1 matching of the Charity's agreed donations of \$1,232,250 by 2019 under the original Sullivan scholarship scheme. The Charity received confirmation that \$2,464,500 in matching funds had been received by 30 June 2020 with which to provide the new Sullivan scholarships, beginning in the 2018-19 academic year. The full amount due to be donated by the Charity to Columbia by 30 June 2019 under the original 2001 Sullivan scholarship programme was accounted for in the 2017 accounts.

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Income from investments traditionally varies from year to year but has not, to date, been materially affected by the impact of Covid-19 or the war in Ukraine. The Charity has sufficient funds to manage itself for the foreseeable future. The principal item of expenditure is grants for educational scholarships and other educational events. Each project is subject to application and, on each occasion, the Trustees can decide whether to make the grant and its amount, taking account of their assessment of the importance of the project and the financial situation of the Charity. Even if the Charity received no further Income (which the Trustees regard as most unlikely), the Charity can sustain a comparable level of activity for the next two years at least. For this reason, the Trustees continue to adopt the going concern basis in preparing the financial statements.



# The Lorana Sullivan UK Foundation

## Trustees' report for the year ended 31 March 2022 (*continued*)

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### Achievements and Performance

The Charity inherited the scholarship programme at Columbia University's Graduate School of Journalism in New York, begun in 2001 by the Sullivan estate in accordance with Lorana Sullivan's wishes as a former alumnus of the school. A maximum of two full scholarships were awarded every year, more recently for the MA business and finance course. The scholarship programme ended with the awarding of a final three scholarships to candidates from the United States for the 2018-2019 academic year.

By July 2019 \$2,210,000 had been donated since 2001 by the Sullivan estate and the Charity under the original Sullivan scholarship programme to fund 31 full scholarships at Columbia University. These were awarded to journalists from the UK, Ireland, Canada, China, Denmark, Israel, Norway and the United States. The scholarship provided an opportunity, which otherwise would have been impossible, for promising journalists, predominantly women, to study at the premier journalism school, thereby subsequently enhancing public knowledge and understanding of business and finance.

As a result of the Kluge Centennial Scholars Match project, these donations also enabled the creation, with a more than \$2 million endowment, of the new Lorana Sullivan Scholarship for Investigative Journalism at Columbia University beginning in 2018-19. So far 15 scholarships have been awarded, mostly to women journalists, from the UK, North Macedonia, Canada, Egypt, the Philippines and the United States.

In association with the Sullivan estate, the Charity agreed to fund, for an initial five years, the Lorana Sullivan annual memorial lecture series, on topical subjects relevant to both business and investigative journalism, to be held at Columbia University. The inaugural lecture was held in October 2014. Speakers included Stephen Coll, Dean of the Columbia Graduate School of Journalism, Bethany McLean of Vanity Fair, Diana Henriques of the New York Times and Tim O'Brien, author of Trump Nation. Funding for the lecture series has ended.

The Charity and the Lorana Sullivan estate agreed in 2007 to donate £50,000 of core funding over three years to a new UK charity, the Centre for Investigative Journalism, which is involved in educational projects in the UK and has supported journalism training and improvement projects in the UK, other European countries, South Africa and Brazil. Further core funding of £18,799 and £18,714 was donated in 2011 and 2013.

Support for the CIJ summer school since 2003 has made possible affordable and extensive training for more than 2000 journalists, students, researchers, academics, trade unions and non-governmental organisations, primarily from the UK but also from 35 countries - ranging from Azerbaijan to Yemen. Bursaries funded by the Charity enabled attendance by journalists from the Roma community in the UK and Central Europe.

Following on from its past support for CIJ and Tax Justice Network workshops on understanding company accounts and accessing international company data, the Charity provided £50,000 to support Finance Uncovered, a not-for-profit organisation which aims to enhance public understanding and exposure of international corporate tax avoidance, offshore money flows and corruption by local politicians and government officials. This funding covered the cost of bursaries for some 20 journalists from eastern and central Europe, the Middle East, Africa, Asia and Latin America to attend two "Follow the Money" workshops in London during 2017.

Public understanding of company accounts has been further advanced through funding by the Charity for The Investigative Journalist's Guide to Company Accounts. Written by forensic accountant Raj Bairoliya, some 1000 copies of this unique handbook have been distributed. First published in 2014, a second, updated edition was published in 2018.

### Future plans

The first two scholarships at City University of New York's Craig Newmark Graduate School of Journalism have been awarded. The programme will be reviewed as to progress in 2023 and 2024 before a decision on further funding beyond the initial three years.

Additional support for the Centre for Investigative Journalism is reviewed by the Charity on a project by project basis as well as support for the investigative summer school/conference. The 2022 CIJ programme took place at Goldsmiths, University of London in June 2022 with support from the Charity.

Further funding for the Lyra McKee bursary programme was provided during 2022. The programme will be reviewed by the Trustees following the completion of the initial three years of support.

# The Lorana Sullivan UK Foundation

## Trustees' report for the year ended 31 March 2022 (*continued*)

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### Future plans (cont'd)

Funding is to be reviewed for the revised ProPublica fellowship scheme.

When possible, the Charity plans to continue supporting the provision of courses and seminars to improve general understanding of company accounts and to consider supporting the publication of further CIJ handbooks. An online digital archive of more than 200 newspaper articles by Lorana Sullivan, published between 1968 and 1994, is to be made available to assist in the understanding, researching and teaching of business history.

### Investment powers

The Trustees, following the transfer of US assets from the Sullivan estate and the subsequent closure of the Lorana Sullivan Foundation Inc., make decisions on investments which they are empowered to do by the Articles of the Charity and under the power delegated by the Trustees to the investment committee of the whole Board, in accordance with their powers in the Articles and the Board decision of 21 October 2015. The Charity's US assets are held in a portfolio of investments managed by Advisors Capital Management of Stamford, Connecticut, USA.

In January 2008 \$700,000 was transferred to the Charity as a charitable distribution from the US estate. In October 2008 \$410,000 was transferred to the Charity as a second charitable distribution from the US estate. This was managed on the same basis as the balance of the US funds. The remaining US assets have only formed part of the Charity's assets since the transfer from the Sullivan estate. On 16 January 2015 the US Investments held in the name of the Lorana Sullivan Foundation Inc. were transferred to the Charity following completion of probate for the US estate of Lorana Sullivan. The value transferred was £1,527,900 (\$2,266,901).

### Reserves policy

The Board has agreed a policy to retain sufficient funds in reserves to meet immediate expenses to provide flexibility and resilience to cover any short-term funding crisis or a medium-term recession.

Following the transfer of the assets of the Sullivan estate in the United States, the Charity has adequate assets to serve its charitable mission for a reasonable number of years, given the amount of the original fund. The US portfolio ensures that funds are readily available to meet the Charity's expected expenditure in the UK or the US for the next 12 months which is approximately budgeted at £98,000 for 2023.

At the end of the 2022 financial year, £2,100,693 (2021: £2,239,976) was held as unrestricted funds.

### Trustees

The Trustees, who are also the directors for the purpose of company law, who served during the year were:

Harry J Friedberg  
Michael Gillard  
Melvyn Marckus  
Maura McDermott  
Marilyn Ordovery  
Richard Singer

None of the Trustees have any beneficial interest in the Charity. All the Trustees are members of the Charity and guarantee to contribute £1 in the event of a winding up.

### Risk factors

The Trustees have assessed the major risks to which the Charity is exposed, including from the Covid-19 pandemic as set out in the Charities SORP Committee's advice dated 23 March 2020, Covid-19 had no impact on charitable operations. There are potential short-term implications for the investment portfolio from future adverse reactions on the US stock market to geopolitical risks, such as from the war in Ukraine. The Trustees are satisfied that policies are in place to mitigate exposure to any such risks.



# The Lorana Sullivan UK Foundation

Trustees' report  
for the year ended 31 March 2022 (*continued*)

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## Related charities

A related charity in America, known as the Lorana Sullivan Foundation Inc., was closed following the conclusion of the probate of the Sullivan estate and the transfer of its assets to the Charity.

The report of the directors has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

## On behalf of the Board of Trustees



M Gillard  
Trustee

Date 12 December 2022

The notes on pages 10 to 15 form part of these accounts.



# The Lorana Sullivan UK Foundation

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE LORANA SULLIVAN UK FOUNDATION FOR THE YEAR ENDED 31 MARCH 2022

I report to the charity's Trustees on the accounts of the company for the year ended 31 March 2022, which are set out on pages 9 to 16.

This report is made solely to the charity's trustees, as a body, in accordance with Regulation 31 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity's trustees as a body, for my work, for this report, or for the statement I have made.

### Responsibilities and basis for report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

### Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act;  
or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

DocuSigned by:

*Heather Wheelhouse*

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Heather Wheelhouse, ACA

BDO LLP

Bristol

United Kingdom

Date 14 December 2022

# The Lorana Sullivan UK Foundation

## Statement of financial activities (Incorporating the income and expenditure account) for the year ended 31 March 2022

	Note	Unrestricted 2022 £	Unrestricted 2021 £
<b>Income from:</b>			
Investment income	4	40,953	36,130
Other income	5	822	1,070
<b>Total</b>		<b>41,775</b>	<b>37,200</b>
<b>Expenditure on:</b>			
Raising funds		17,046	14,550
Charitable activities		285,618	172,664
<b>Total</b>	6	<b>302,664</b>	<b>187,214</b>
Net Gain on investments	10	48,192	407,690
<b>Net (expenditure)/income</b>		<b>(212,697)</b>	<b>257,676</b>
<b>Other recognised gains/(losses)</b>			
Foreign exchange gain/(loss)		73,414	(127,464)
<b>Net movement in funds</b>		<b>(139,283)</b>	<b>130,212</b>
Fund balances at 1 April 2021		2,239,976	2,109,764
<b>Fund balances at 31 March 2022</b>		<b>2,100,693</b>	<b>2,239,976</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

All amounts relate to continued activities.

The notes on pages 11 to 16 form part of these accounts.

# The Lorana Sullivan UK Foundation

Registered Number 03821824

Balance sheet  
as at 31 March 2022

	Note	2022 £	2022 £	2021 £	2021 £
<b>Fixed assets</b>					
Investment property	9	850,000		850,000	
Investments	10	1,401,981		1,447,420	
<b>Current assets</b>					
Cash at bank and in hand	11	1,994		2,249	
<b>Creditors:</b>					
Amounts falling due within one year	12	(78,599)		(59,693)	
<b>Net current liabilities</b>			(76,605)		(57,444)
<b>Total assets less current liabilities</b>			2,175,375		2,239,976
<b>Creditors:</b>					
Amounts falling due after more than one year	12	(74,681)			
<b>Net assets</b>			2,100,693		2,239,976
<b>Unrestricted funds</b>					
Designated investment property fund	14				
- cost			350,000		350,000
- revaluation reserve			500,000		500,000
			850,000		850,000
General reserve			1,250,693		1,389,976
<b>Funds</b>			2,100,693		2,239,976

The Trustees consider that the Charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved for issue by the Board on 12 December 2022 and were signed on its behalf by:



**M Gillard**  
Trustee

The notes on pages 11 to 16 form part of these accounts.



# The Lorana Sullivan UK Foundation

## Notes to the accounts for the year ended 31 March 2022

### 1 General information

The Lorana Sullivan UK Foundation is a private limited company incorporated in England and Wales under the Companies Act. It is a company limited by guarantee. The address of the registered office is Victoria House, 26 Tilehouse Street, Hitchin, Hertfordshire, SG5 2DY.

The financial statements are prepared in pound sterling (£) and the figures are rounded to the nearest £1.

### 2 Accounting policies

The principal accounting policies adopted, judgements and sources of estimation or uncertainty in the preparation of the financial statements are as follows:

#### *(a) Basis of preparation*

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities. Statement of Recommended Practice applicable to charities preparing their account in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective January 2019) – (Charities Sorp FRS 102) the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity is a company limited by guarantee. The members of the Charity are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

#### *(b) Going concern*

The Trustees confirm that at the time of approving the financial statements, there are no material uncertainties regarding the Charity's ability to continue in operational existence for the foreseeable future. In arriving at this conclusion, the Trustees have taken account of current and anticipated financial performance in the current economic conditions and its reserves position.

The Charity has sufficient funds to manage itself for the foreseeable future. The principal item of expenditure is grants for the conduct of scholarships. Each project is subject to a formal application and, on each occasion, the Trustees decide whether to make the grant and its amount, taking account of the financial situation of the Charity. The Trustees consider that the Charity can sustain a comparable level of activity for the next two years at least. For this reason, the Trustees continue to adopt the going concern basis in preparing the financial statements.

In October 2022 the Charity had approximately £2,000 of cash available. The trustees confirm that the charity is able to meet liabilities as they fall due for at least until the end of 2023 from its other assets.

#### *(c) Income*

All incoming resources are included in the SOFA when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Gifts in kind are included at the value to the Charity where this can be quantified and a third party is bearing the cost.

# The Lorana Sullivan UK Foundation

## Notes to the accounts for the year ended 31 March 2022 (*continued*)

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### 2 Accounting policies (*continued*)

#### (d) *Expenditure*

All expenditure is accounted for on an accruals basis and has been classified under heading that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Governance costs are those incurred in connection with Governance of the Charity and compliance with constitutional and statutory requirements.

#### (e) *Reserves*

Reserves are unrestricted funds generated for the objects of the charity without further specified purpose and are available as general funds.

#### (f) *Investment property*

Investment property is carried at fair value determined annually by the trustees, taking in to account any external valuations, and derived from current market indices and trends for commercial office property, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Financial Activities.

Every few years the value of the property is determined by an independent valuer.

#### (g) *Investments*

Fixed asset 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 the closing quoted bid market value at the close of business on the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

#### (h) *Cash and cash equivalents*

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### (i) *Creditors*

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using effective interest method.

#### (j) *Financial instruments*

The charity only has financial assets and 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.



# The Lorana Sullivan UK Foundation

## Notes to the accounts for the year ended 31 March 2022 (*continued*)

### 2 Accounting policies (*continued*)

#### (k) Foreign currency translation

##### *Functional and presentation currency*

The charity's functional and presentational currency is GBP.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

#### (l) Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 3 Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Investment properties are valued annually using methodology based on figures available publicly relating to the changes in market value of property but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

### 4 Investment income

	2022 £	2021 £
Dividends receivable	40,953	36,130

# The Lorana Sullivan UK Foundation

## Notes to the accounts for the year ended 31 March 2022 (continued)

### 5 Other income

	2022 £	2021 £
Reimbursement of insurance and other costs	812	1,069
Interest	10	1
	<u>822</u>	<u>1,070</u>

### 6 Total expenditure

	2022 £	2021 £
Raising funds (see below)	17,046	14,550
Charitable expenditure (see below)	305,374	172,664
	<u>322,421</u>	<u>187,214</u>

Costs relating to raising funds comprise:

Insurance	1,694	1,662
Investment management fees	15,352	12,888
	<u>17,046</u>	<u>14,550</u>

Costs relating to charitable expenditure comprise:

Donations:

Centre for Investigative Journalism		
- Payments for projects	12,745	-
City University of New York, Craig Newmark Journalism School	263,597	108,719
Scholarships and student support		
Pro Publica		
- Fellowships	-	54,375
Exchange rate differences	3,929	-
Archive costs	318	300
Legal fees	629	5,288
	<u>281,218</u>	<u>168,682</u>

Support costs:

Independent examiner fees	2,122	2,028
Accountancy fees	1,890	1,800
Tax withheld	294	78
Bank charges	94	76
	<u>285,618</u>	<u>172,664</u>

# The Lorana Sullivan UK Foundation

## Notes to the accounts for the year ended 31 March 2022 (continued)

### 7 Trustees

None of the Trustees received reimbursement for expenses (2021 - £Nil).

### 8 Employees

The charity does not employ any staff. During the year there were 6 Trustees (2021 – 6). None of the Trustees received any remuneration for their services (2021 - £Nil).

### 9 Investment property

£

Cost or valuation:

At 1 April 2021 at fair value	850,000
Impairment charge for the year	-

At 31 March 2022	<b>850,000</b>
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The investment property was valued by an independent valuer in 31 March 2020. At 31 March 2022 the trustees determined the value to be unchanged.

A seven year lease was signed in August 2020 and runs to February 2027.

### 10 Investments

	Value at 31 March 2021 £	Foreign exchange movements £	Purchases at cost £	Disposals at Cost £	Revaluation gains £	Value at 31 March 2022 £
Equities - US quoted	1,420,292	72,048	430,407	(586,716)	48,192	1,384,222
Cash deposits	27,128	1,375	627,679	(638,424)	-	17,758
	<b>1,447,420</b>	<b>73,423</b>	<b>1,058,086</b>	<b>(1,225,140)</b>	<b>48,192</b>	<b>1,401,981</b>

Fidelity Limited, a company registered in the United States of America, provides brokerage and custody services.

The historical cost of the investments (including cash deposits) at 31 March 2022 was £1,124,169 (2021 - £1,110,121).

### 11 Cash and cash equivalents

	2022 £	2021 £
Cash and cash equivalents	<b>1,994</b>	2,249

# The Lorana Sullivan UK Foundation

## Notes to the accounts for the year ended 31 March 2022 (continued)

### 12 Creditors

	2022 £	2021 £
<b>Amounts falling due within one year</b>		
Other creditors and accruals	3,918	59,693
Grants payable	74,681	-
	<u>75,599</u>	<u>59,693</u>
<b>Amounts falling due after more than one year</b>		
Grants payable	<u>74,681</u>	<u>-</u>

### 13 Designated funds

The Trustees have designated a fund to represent the carrying value of investment property. This comprises two elements; the original deemed cost (the probate value of the property when originally gifted) and the increase or decrease in value as a result of revaluation.

### 14 Funds

	Balance at 1 April 2021 £	Incoming Resources £	Resources Expended £	Transfer between funds £	Balance at 31 March 2022 £
Property reserve	850,000	-	-	-	850,000
General reserve	1,389,976	183,138	(322,421)	-	1,250,693
	<u>2,239,976</u>	<u>183,138</u>	<u>(322,421)</u>	<u>-</u>	<u>2,100,693</u>
	Balance at 1 April 2020 £	Incoming Resources £	Resources Expended £	Transfer between funds £	Balance at 31 March 2021 £
Property reserve	850,000	-	-	-	850,000
General reserve	1,259,764	37,200	93,012	-	1,389,976
	<u>2,109,764</u>	<u>37,200</u>	<u>93,012</u>	<u>-</u>	<u>2,239,976</u>

### 15 Related party transactions

During the year there have been no related party transactions which require disclosure.