

The Generation Foundation

(a company limited by guarantee)

Annual report and financial statements

31 December 2023

Company registration number: 05536312

Charity registration number: 1113061

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Foundation details

Bankers	Independent Auditor
Royal Bank of Scotland	Sayer Vincent LLP
62/63 Threadneedle Street	Chartered Accountants and Statutory Auditors
London	110 Golden Lane
EC2R 8LN	London
	EC1Y 0TG
Registered office	Lawyers
20 Air Street	Bates Wells & Braithwaite London LLP
London	10 Queen Street Place
W1B 5AN	London
	EC4R 1BE

Board of trustees

Trustees:	G A L Bennett
	D W Blood
	P Coates
	P I Harris (resigned 31 January 2024)
	M-A Manolache (appointed 9 February 2023)
	R Rajeswaran
	A C Woolf

Trustees' annual report

The trustees present their report and audited financial statements of The Generation Foundation for the year ended 31 December 2023. This trustees' report is also the directors' report.

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 Charities Act 2011, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), "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)" (the "Charities SORP") and UK Generally Accepted Accounting Practice.

Governance

The Generation Foundation (the "Company" or "Foundation") is a company limited by guarantee (no. 05536312), incorporated on 15 August 2005 and registered with the Charity Commission (no. 1113061) on 22 February 2006. The Company was established under a Memorandum of Association, which established the objects and powers of the Company and is governed under the Articles of Association.

The Foundation is administered and managed on a regular basis by the Board of Trustees. The Board of Trustees is responsible for appointing new trustees who possess the required expertise.

Details of the Foundation's advisors and other administrative details can be found on page 3.

Trustees

The members of the Board of Trustees (the "trustees") who were in office during the year and up to the date of signing the financial statements are set out on page 3. For the purposes of company law, the individuals listed are both trustees and directors of the Company and are appointed in accordance with the Company's Articles of Association.

Objectives

The objectives of the Foundation as set out in the governing documents are:

1. To advance the education of the public and organisations (profit and non-profit) in subjects related to sustainable development and the protection, enhancement and rehabilitation of the environment and to promote study and research in such subjects provided that the useful results of such studies are disseminated to the public at large.
2. To promote sustainable development for the benefit of the public by: the preservation, conservation and the protection of the environment and the prudent use of natural resources; the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities; and the promotion of sustainable means of achieving economic growth and regeneration.
3. To advance the education of the public in business ethics and related subjects, with particular reference to the study and application of ethical standards; and the management and conduct of industry and business generally in the UK and elsewhere and to the development of corporate social responsibility and community involvement in the practices of industry and commerce both nationally and internationally.
4. To advance any other purposes that are charitable under the laws of England and Wales and for the purposes of these objectives, "sustainable development" means development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

About the Generation Foundation

At the Generation Foundation, we use strategic research, grant-making and advocacy to unlock the power of capital markets to drive a more sustainable economic system. Our vision is a sustainable world in which prosperity is shared broadly, in a society that achieves wellbeing for all, protects nature and preserves a habitable climate.

Over the last five years, we have spent over £44m on charitable activities in pursuit of our vision. Our funding has helped to seed initiatives that make it possible for investors and companies to measure and manage their environmental and social impacts. In recent years, the research we have funded or authored ourselves has been used by policymakers and regulators to drive greater action from investors and companies on climate. We have funded tools, initiatives and research that have enabled investors and businesses to move faster and do more to contribute to societal goals.

Trustees’ annual report (continued)

Our primary tool for impact is grant-making, and we try to be thoughtful partners and positive contributors to the charitable sector. Below are some examples of how we seek to contribute to a strong charitable sector:

- **More than money:** While grant-making is our primary tool for impact, we seek to contribute more than financially to our partners. We convene and connect partner organisations, and help them to build their organisational capacity. Capacity building efforts are tailored to our grantees’ needs and can include support with communications strategy. or training on issues like Impact Measurement and Management.
- **We write the applications:** We believe that charities’ time is best spent on delivering impact, not filling in applications. We do not put out open calls for applications and we do not ask charities to complete application forms. Instead, we identify the impact we are seeking, research deeply, get to know the landscape, and identify potential partners. We draft board proposals after speaking with the prospective recipient and work with them to refine the final proposal. In this way, we ensure NGOs can maximise the time they spend on delivering impact not writing proposals.
- **Deep and shared research:** We use research to guide our activities, and prepare research roadmaps to identify funding opportunities. We share our research with other grant-makers in our network, and regularly present research and opportunities to partner organisations. By collaborating with our networks of peers, we are able to maximise the value of the research and the benefit to the impact goals shared by our community of partners and funders.

More information on our Values, our impact and our portfolio of grantees can be found on our website at www.genfound.org.

Activities

2023 was a busy year for the Foundation. We undertook a strategy refresh, managed 30 live strategic partnerships, convened and advocated for change and allocated £ 4.8m to charitable partners.

As is the case any year we undertake a strategy review, we saw a dip in charitable allocations as some of the team’s efforts were consciously diverted to strategy and impact review. We expect our grant spending to return to roughly £10m in 2024.

Strategy Refresh

The Generation Foundation is entering its 20th year in operation. In that time, we have consistently sought to unlock the power of investors and businesses as forces for positive change. We acknowledge that finance alone is not the solution, but without finance we will not solve the problems we collectively face.

Our work has evolved over time – in the early years of the Foundation we raised awareness of sustainable finance and funded the tools and infrastructure to help sustainable investment become mainstream. We refresh our strategy every five years – the last time was in 2019. Our 2019 strategy was developed with urgency and transformation of the financial system at its centre. While those principles remain central to our approach, in 2023, we identified new ways to pursue our mission while redoubling our efforts in areas of greatest impact. We reflected on our impact over the last two decades, the state of the transition to a sustainable economic system and the skills and attributes we could bring to bear in pursuing our ambitious goals with collaboration and urgency. That work informed our 2023 strategy update and a refresh of our vision and mission statements.

Strategy

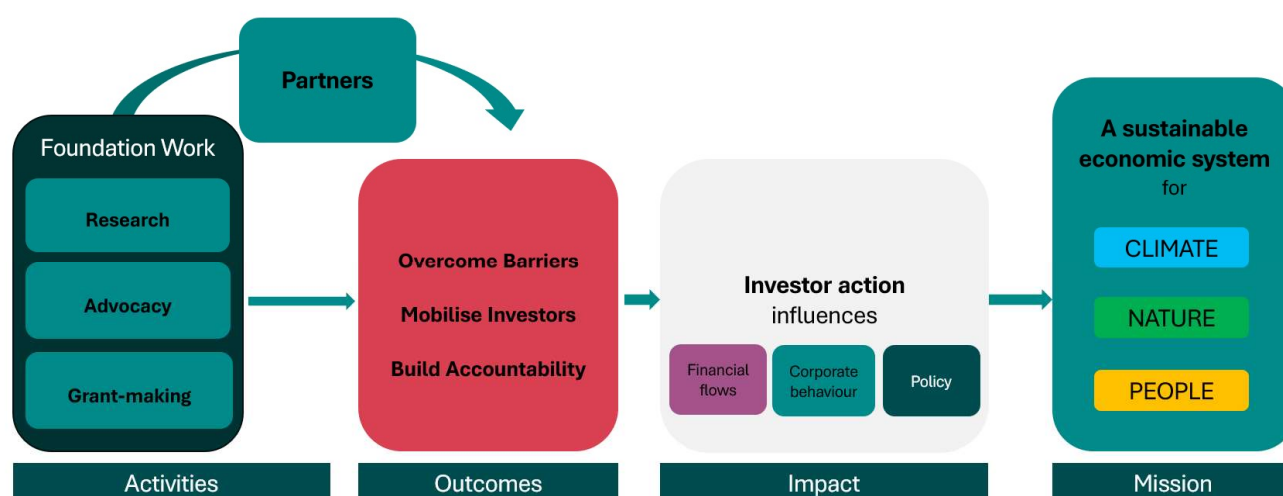
In pursuit of a more sustainable economic system, we will work to identify and overcome the barriers that inhibit progress by mainstream investors; mobilise investors to actively contribute to sustainability goals and build investor accountability for their contribution to sustainability goals through policy and market forces.



Trustees' annual report (continued)

Our Theory of Change

We recognise that while capital markets will not solve every problem, without capital markets we will not achieve a sustainable economy. Our primary activities are grant-making, research and advocacy. As we pursue our new strategy, we will continue to allocate capital to grant partners and increase our direct efforts in convening and advocacy. Our grant-making, research and advocacy will seek to 1) overcome barriers by identifying and filling gaps in the sustainable finance infrastructure; 2) mobilise investors to ensure they are engaged, informed and motivated to pursue impact as best practice; and 3) build accountability to ensure investor contribution to sustainability goals is established as best practice for the entire market. We believe that achievement of those three outcomes will result in mainstream investors systematically contributing to social and environmental goals through asset allocation, stewardship and policy engagement, which will ultimately contribute to a more sustainable economic system. This is presented visually below:



Research

Research underpins everything we do at the Generation Foundation. It informs our strategy, our grant-making and is often a deliverable of the grants we fund. To inform our strategy, we assess the landscape of sustainable finance and determine where our capital, expertise and networks can have the most impact. To identify grant-making opportunities, we prepare research roadmaps. Roadmaps delve deeply into areas of potential impact and help us to map the landscape of projects and organisations that can contribute to our impact goals. We also fund actionable research that can help to strengthen our advocacy, inform policy-makers and mobilise investor action for a sustainable economy.

Advocacy and convening

In 2023, the Foundation hosted and contributed to a range of events to share our research and inform our work. We hosted events on topics ranging from regulation of artificial intelligence to carbon markets. Foundation colleagues presented on panels at New York Climate Week, London Climate Action Week and at many other events to support our partners' initiatives and projects throughout the year.

The Legal Framework for Impact is one of our flagship projects and in 2023 we focused on sharing the findings with investors and advocacy groups. The initial findings of that project were published in a 2021 report that we, alongside PRI and UNEP FI, commissioned the law firm Freshfields Bruckhaus Deringer to write. The legal analysis showed that investors are generally permitted and, in many cases, required, to pursue sustainability goals. The project continues to produce policy and practical research that builds on the initial findings. In 2022 and 2023 we published policy papers for the UK, EU, Australia, Japan and Canada. In addition to policy work, we aimed to support investors to put these findings into practice and understand the practical barriers to greater uptake of the findings.

To that end, in 2023 at New York Climate Week, we hosted a roundtable for roughly 35 advocacy groups and funders on the topic of the Legal Framework for Impact. Our Director, Grace Eddy, presented the findings of the Legal Framework for Impact project, alongside presentations from The Shareholder Commons and the Sunrise Project. The attendees participated in a group exercise to dig into the practical applications of the research. Following Climate Week, we also hosted a meeting of General Counsels in London to share the research and gather feedback on the barriers to investors' pursuit of sustainability goals.

Trustees' annual report (continued)

In addition to the events we hosted, we also regularly participate in collaborative initiatives with like-minded foundations from around the world. In 2023, these included:

- Climate Finance Funders group
- Corporate Accountability Funders Group
- Nature Finance Funders Group
- Taskforce for Inequality and Social-related Financial Disclosures Funders group

We intend to increase our convening, advocacy and engagement efforts in 2024.

Grant-making in 2023

STRATEGIC GRANTS IN 2023: CLIMATE

During 2023, we added three new partners to our Climate portfolio. One such project was a new major grant to Cambridge University's Climate Governance Institute at Hughes Hall. Our research found that pension trustees tend not have a deep understanding of how climate change will affect their ability to uphold their fiduciary duties, and we identified Hughes Hall as the ideal partner to fill that gap. The grant will fund board-level climate and governance education within financial institutions.

Please refer to Note 7 for a full list of recipients of Climate grants during 2023.

STRATEGIC GRANTS IN 2023: FAIRNESS (FROM 2024: PEOPLE)

In 2023, we added two new partners to our Fairness portfolio. Our primary area of focus for Fairness is understanding how to increase investor action to improve human well-being. The Shareholder Commons work focuses on providing the engagement, awareness and tools for mainstream investors to take action to pursue sustainability goals. Their research focuses on how investors can respond to systemic risks by taking meaningful, but low-cost, action using their shareholder stewardship powers. The work focuses on non-climate systemic issues, like workers' rights and shows how investors can contribute to positive social outcomes through stewardship and engagement.

Please refer to Note 7 for a full list of recipients of Fairness grants during 2023.

EMPLOYEE-LED GRANT-MAKING

In addition to our strategic grant-making, we execute our mission by building a culture of philanthropy among the employees and members of Generation Investment Management LLP ("Generation") and Just Climate. The programmes enable them to apply their expertise and passion for sustainability in support of community and civil society organisations and help us to identify high impact organisations aligned to our mission.

In 2023, a total of 11 employees and partners of Generation and Just Climate took part in employee-led grant-making programmes supporting 11 charities with over £210,611 in grants.

MATCHED GIVING GRANTS

The Foundation matches charitable gifts and volunteer hours donated by Generation and Just Climate employees and members to eligible charities. This year we 'double-matched' donations: for every £1 a colleague donated to an eligible charity the Foundation donated a further £2 up to a total of £40,000 per participant. Additionally, we matched the hours that Generation and Just Climate employees volunteered with eligible charities with donations at a rate of £200 per hour.

In 2023, Generation and Just Climate colleagues donated and volunteered enough for us to deploy almost £1.5m in matched giving.

Trustee induction and training

When recruiting new trustees, the Foundation seeks individuals with relevant experience on the objectives of the Foundation. A new trustee is provided with an induction that includes sufficient information explaining the legal obligations of trustees, the Foundation's governing document, the most recent annual report and financial statements and any relevant Charity Commission guidance notes.

Responsibilities of trustees

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law, including the Companies Act 2006, and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice).

Trustees' annual report (continued)

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy, at any time, the financial position of the Company. They are also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each trustee in office at the date the trustees' report is approved confirms that:

- a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- b) the directors have taken all necessary steps to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of such information.

Financial review

The Foundation's total income for 2023 was £18.3m (2022: £5.6m). Total income for the year ended 2023 includes donations of £4.9m (2022: £5m) and investment income of £13.4m (2022: £0.6m). The increase in total income for the year is due to a distribution from the investment the Foundation holds in GIM Marvel (Deferred) LP. The increase in income for the year did not impact the activities of the Foundation. As forecast in the 2022 accounts, the Foundation expenditure in 2023 was lower than the prior year at £5.9m (2022: £11.4m). While some grant activity continued, we consciously reallocated some team resources to impact review and strategy development, and aimed to avoid embarking on multi-year partnerships we were not confident would be aligned to the new strategic direction.

Principal risks and uncertainties

The trustees have assessed the major risks to which the Foundation is exposed, including those relating to financial, operational, compliance, reputational and governance issues. These risks are captured in a Risk Register reviewed annually by trustees, and the trustees are satisfied that systems are in place to mitigate exposure to those risks.

The most critical risk to the Foundation is the loss of funding from the members of Generation, which supports the Foundation's objectives. If Generation's members are unable or unwilling to provide funding, this would restrict the Foundation's ability to grow further or mean that grants and research activities may need to be scaled back. However, the trustees consider this risk unlikely.

Donations policy

The donations are made on a voluntary basis and at the discretion of the members of Generation. The Foundation does not consider it appropriate at the current time to seek donations from the general public, nor has it engaged any professional fund-raiser or commercial participator. Consequently, the Foundation has not joined any voluntary fundraising regulation scheme. The Foundation has not recorded any complaint regarding fundraising since inception.

Principal funding source

The Foundation's principal funding source is donations received annually from the members of Generation.

During the year to 31 December 2023 the Foundation recognised income from donations and associated Gift Aid of £4,909,514 (2022: £5,050,538).

Trustees' annual report (continued)

Reserves policy

The trustees recognise the urgency of achieving the Foundation's charitable objectives. All multi-year commitments without significant performance conditions attached are accounted for in full on an accruals basis. This ensures that the Foundation can meet its commitments to grant partners as they fall due.

The Foundation holds unrestricted funds of £30.0m (2022: £17.8m) at the end of the accounting period. All of the funds held are unrestricted and available for the general purposes of the charity. Within the unrestricted funds at the end of 2023, an amount of £12.4m (2022: £8.6m) was set aside as designated funds (for more detail, see Note 18), these designated funds are held in line with trustee expectations of grant-making during the course of 2024 and there is an expectation that these designated funds will be fully committed by the end of 2024. A further designated fund of £5m was set aside in relation to the deferred consideration receivable by December 2025 from GIM Marvel (Deferred) LP (note 1(m)).

The trustees plan to keep the ongoing reserves of the Foundation at or above a level that would allow it to sustain a reduced grant-making programme for one calendar year if the Foundation had a year with significantly lower income. The remaining funds £12.6m (2022: £9.2m) are more than the expected minimum annual expenditure of £3m.

As reflected in note 18, the Foundation plans to increase expenditure on both grants and support costs in 2024 in line with its raised ambition. This reflects the Foundation's intent to responsibly allocate its funds to charitable endeavours, rather than to build the endowment.

People and remuneration policy

The average number of employees during the year was 4 (2022: 5).

Generation Foundation established a committee of trustees ("Remuneration Committee") with delegated power and functions to consider and set remuneration for the Foundation's employees on behalf of the full Board of Trustees, in accordance with Articles of the Foundation. Salaries are reviewed annually in line with performance, subject to a calibration process with regard to the skills and attributes required for particular roles. The trustees also have reference to the compensation paid within large grant-making foundations and those associated with asset managers and financial institutions.

Other matters

The trustees consider that the funding sources and expenditure in the year have supported the key objectives of the Foundation. In setting the Foundation's objectives and planning its activities, the Foundation's trustees have considered section four of the Charities Act 2011. In doing so they are satisfied that they have complied with their duty to 'have regard' to the public benefit guidance published by the Charity Commission.

Trustees’ annual report (continued)


Related parties

Generation Investment Management LLP is a related party as it is the sole member of the Foundation, and the Foundation’s trustees are also members and employees of the LLP (see Note 19 for further details of the Foundation’s connection with this related party).

Going concern

The trustees believe that the Foundation is well-placed to manage its business risks successfully. The trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

Approved by the Board of Trustees on 24 July 2024 and signed on their behalf.

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D W Blood
Trustee 31-Jul-2024 | 14:41 BST

2024

Independent auditor's report to the trustees of The Generation Foundation

Opinion

We have audited the financial statements of The Generation Foundation (the 'charitable company') for the year ended 31 December 2023, which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of 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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 trustees' 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.

Opinions on other matters prescribed by the companies act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Independent auditor's report to the trustees of The Generation Foundation (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- we enquired of management and the board of trustees, which included obtaining and reviewing supporting documentation, concerning the Foundation's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- we inspected the minutes of meetings of those charged with governance;

Independent auditor's report to the trustees of The Generation Foundation (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

- we obtained an understanding of the legal and regulatory framework that the Foundation operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Foundation from our professional and sector experience;
- we communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit;
- we reviewed any reports made to regulators;
- we reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations;
- we performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- in addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.


A further description of our responsibilities is available on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditors' report.

Use of our report

This report is made solely to the charitable company's member as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's member those matters we are required to state to the member in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's member as a body, for our audit work, for this report, or for the opinions we have formed.

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 31-Jul-2024 | 18:20 BST
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Judith Miller, Senior Statutory Auditor
 for and on behalf of Sayer Vincent LLP, Statutory Auditor
 110 Golden Lane, London, EC1Y 0TG

2024

Statement of financial activities

(Including income and expenditure accounts)

		Year ended 31 December 2023	Year ended 31 December 2022
	Note	GBP	GBP
Unrestricted total funds			
Income from			
Donations	4	4,909,514	5,050,538
Investments	5	13,351,237	567,127
Total		18,260,751	5,617,665
Expenditure on			
Charitable activities	6	(5,945,608)	(11,406,713)
Total		(5,945,608)	(11,406,713)
Net income/(expenditure) before (losses)/gains on foreign exchange on investments			
		12,315,143	(5,789,048)
(Loss)/gain on foreign exchange			
		(131,193)	563,646
Net movement in funds			
		12,183,950	(5,225,402)
Reconciliation of funds			
Total funds brought forward		17,841,212	23,066,614
Total funds carried forward		30,025,162	17,841,212

All recognised gains and losses have been included in the statement of financial activities and the amounts included are derived from the continuing activities of the Foundation.

Balance sheet

	Note	As at 31 December 2023 GBP	As at 31 December 2022 GBP
Fixed assets			
Investments	10	7,663	7,663
Total fixed assets		7,663	7,663
Long term debtor	11	5,018,562	-
Current assets			
Debtors	12	10,861,016	5,482,037
Investments	13	19,874,248	22,894,809
Cash at bank		1,068,577	621,598
Total current assets		31,803,841	28,998,444
Liabilities			
Creditors: amounts falling due within one year	14	(5,754,325)	(7,792,255)
Net current assets		26,049,516	21,206,189
Total assets less current liabilities		31,075,741	21,213,852
Creditors: amounts falling due after one year	15	(840,219)	(3,017,480)
Provision for liabilities	16	(210,360)	(355,160)
Total net assets		30,025,162	17,841,212
The funds of the charity			
Designated funds		17,425,562	8,600,000
General funds		12,599,600	9,241,212
Total foundation funds	17,18	30,025,162	17,841,212

Approved by the Board of Trustees on 24 July 2024 and signed on their behalf:

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D W Blood (Trustee)

2024

The Generation Foundation (Company No: 05536312)

Cash flow statement

	Note	Year ended 31 December 2023 GBP	Year ended 31 December 2022 GBP
Net income/(expenditure) for the reporting year (as per the statement of financial activities)		12,183,950	(5,225,402)
Adjustments for			
Dividends, interest and income from cash at bank, deposits and investments		(13,351,237)	(567,127)
(Increase)/Decrease in debtors	11	(10,397,541)	808,167
(Decrease) in creditors	13,14	(4,215,191)	(49,383)
(Decrease) in provisions	15	(144,800)	(62,522)
Net cash used in operating activities		(15,924,819)	(5,096,267)
Dividends, interest and income from cash at bank, deposits and investments		13,351,237	567,127
Purchase of investments		-	(5,000)
Net cash provided by investing activities		13,351,237	562,127
Change in cash and cash equivalents in the year		(2,573,582)	(4,534,140)
Cash and cash equivalent at 1 January		23,516,407	28,050,547
Cash and cash equivalent at 31 December		20,942,825	23,516,407

Reconciliation of cash at bank to cash and cash equivalents:

	Note	Year ended 31 December 2023 GBP	Year ended 31 December 2022 GBP
Cash at bank		1,068,577	621,598
Short-term deposits (included in current asset investments)	12	19,874,248	22,894,809
Net cash		20,942,825	23,516,407

Notes to the financial statements

1. Accounting policies

- a) The Generation Foundation is a charitable company limited by guarantee and is incorporated in the United Kingdom. The Charity meets the definition of public benefit entity under FRS 102.

The registered address and principal place of business is 20 Air Street, London, W1B 5AN.

The financial statements have been prepared in accordance with 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) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis.

The other principal accounting policies, which have been applied consistently throughout the year, are set out below.

- b) Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, and it is probable that the income will be received and that the amount can be measured reliably. Income is accounted for on an accruals basis such that the planned donation by the members of Generation in respect of the 2023 profits of Generation are recognised as at 31 December 2023.

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the value of volunteer time is not recognised.

- c) Investment income is recognised in the statement of financial activities and measured at the fair value of the consideration received and represents the Foundation's allocated portion of receipts from its investments in Generation IM Climate Solutions SLP II, L.P. and GIM Marvel (Deferred) LP in its capacity as a Limited Partner during the year.
- d) Interest income is recognised in the statement of financial activities and comprises of interest on cash and cash equivalents and is accounted for using the effective interest method.
- e) Resources expended are allocated to the particular activity where the cost relates directly to that activity. As the only activity of the Foundation is grant-making, all costs have been allocated accordingly as per Note 6.

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

- f) As a registered charity, the Foundation is exempt from UK taxation on income and gains to the extent that these are applied in furtherance of its charitable objectives.
- g) Grant activities are payments made to third parties in the furtherance of the Foundation's charitable objectives. Single or multi-year grants are accounted for in full on an accruals basis when the recipient has a reasonable expectation that they will receive a grant as there are no significant performance conditions attached.
- h) Going Concern; the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation or uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.
- i) Matched giving awards are made to third parties in relation to eligible donations to charities by staff and members of Generation. The awards are recognised when approved by the Foundation following a review of the donations made by staff and members of Generation attributable to the period.
- j) The Foundation is not registered for VAT. All expenditure is therefore stated inclusive of VAT where applicable.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Provisions are recognised when the Foundation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. The provisions recognised in Note 15 relate to the Employee Incentive Plan. Further details of the Employee Incentive Plan are given in Note 8.

Notes to the financial statements (continued)

1. Accounting policies (continued)

- k) Transactions denominated in foreign currency are translated into sterling at the exchange rates ruling at the date of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate ruling at the balance sheet date. All foreign exchange gains and losses, realised and unrealised, are recognised in the statement of financial activities.
- l) The charity 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.
- m) The long term debtor represents a deferred consideration for gains on GIM Marvel (Deferred) LP earned in 2023 and to be paid by the end of 2025. In recognising this deferred consideration, the trustees judge that the crystallisation is highly likely, but understand that in the current interest rate environment, the value of this consideration today is not the same as it will be in December 2025 when it becomes payable. Accordingly, this receivable of £5.6m has been discounted using a rate in line with the expected rate of return on investments.
- n) Non-current investments are financial assets held for continuing use in the business and include three investments in Guernsey-based limited partnerships: GIM Marvel (Deferred) LP, Generation IM LTE SLP, L.P. and Generation Solutions Fund III SLP, L.P., and an investment in a Scottish limited partnership: Generation IM Climate Solutions SLP II, L.P.

Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net (expenditure)/income before gains on foreign exchange on investments" in the statement of financial activities. The Charity does not acquire put options, derivatives or other complex financial instruments.

Where it is not practicable to recognise investments at fair value, these are recognised at historic cost less impairment. These investments are subject to regular review, and any diminution is charged to the statement of financial activities. Valuations under the cost model are not enhanced to more than the original cost.

- o) Debtors include amounts receivable on donations to which the Foundation is entitled, including any recoverable gift aid. Debtors are measured at their recoverable amounts.
- Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.
- p) Current investments include money market funds which are short-term, highly liquid investments redeemable on demand.
 - q) Cash at bank includes cash in bank accounts.
 - r) The Foundation does not operate its own pension scheme. The Foundation contributes on behalf of the employees to their chosen pension scheme plan. Charges represent the actual amount of the contribution payable to the pension schemes in respect of the accounting year.
 - s) Donated services: Generation provides various support services to the Foundation. Generation does not charge the Foundation for the cost of the employees that have wider roles within Generation, or for the use of Generation's facilities. The trustees have reviewed the value of services provided, but as these are deemed to be immaterial, they have not been reflected as a donated service.

2. Estimates and assumptions

FRS 102 requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from these estimates. Information about these judgements and estimates is included in the accounting policies and other notes.

The significant judgements are:

- the consideration that the trustees are the controlling persons of the Foundation (Note 20);
- the allocation of support costs to the grants awarded by the Foundation (Note 6).

Notes to the financial statements (continued)

2. Estimates and assumptions (continued)

The significant estimates are:

- recognition of a deferred consideration asset (long term debtor) discounted at 6% (Notes 1 (m) and 11);
- recognition of grant obligations payable in later periods (Notes 1 (g), 7, 14 and 15);
- future obligations and provisions are not subject to discounting (Notes 13, 14 and 15).

3. Guarantees

The Foundation is a company in which the liability of the company member is limited to an amount not exceeding £10.

4. Donations

Donations comprise of donations from members of Generation equivalent to an annual allocation of distributable profit arising from Generation of £3,988,946 (2022: £4,040,430) and the associated gift aid recoverable from HMRC of £920,568 (2022: £1,010,108).

5. Income from investments

	31 December 2023 GBP	31 December 2022 GBP
Interest and dividend income	1,017,714	293,552
Investment income	12,333,523	273,575
At 31 December	13,351,237	567,127

Investment income relates to distributions receivable in the year from the Foundation's investment in GIM Marvel (Deferred) LP, and Generation IM Climate Solutions SLP II, L.P.

6. Charitable activities

		Year ended 31 December 2023			Year ended 31 December 2022		
	Note	Grant awards GBP	Support costs GBP	Total GBP	Grant awards GBP	Support costs GBP	Total GBP
Activity							
Grant activities	7	4,811,897		4,811,897	10,033,932	-	10,033,932
Staff costs	8		1,034,243	1,034,243	-	1,140,859	1,140,859
Professional fees			48,885	48,885	-	120,153	120,153
Research costs			50,583	50,583	-	111,769	111,769
		4,811,897	1,133,711	5,945,608	10,033,932	1,372,781	11,406,713

Governance costs are considered within professional fees and include fees payable to the auditors in respect of the statutory audit of £14,700 (£12,250 excluding VAT) (2022: £13,200/£11,000). Research costs include costs incurred for the benefit of our grant and research partners, this can include, for instance, impact management training for grant partners or communications support to highlight their work.

Notes to the financial statements (continued)

7. Grant activities

Climate

	GBP
Institution	
Hughes Hall, University of Cambridge	1,000,000
US Impact Investing Alliance	933,480
350.org	617,700
Total climate grants 2023	2,551,180
Total climate grants 2022	4,808,586

None of the above organisations received similar grants in 2022 from the Foundation.

People

	GBP
Institution	
Data 2X	321,760
The Shareholder Commons	238,980
Total people grants 2023	560,740
Total people grants 2022	2,479,890

None of the above organisations received similar grants in 2022 from the Foundation.

Employee programmes

	GBP
Matched Giving Awards	1,489,366
Sustainable Community Grants	210,611
Total employee programmes 2023	1,699,977
Total employee programmes 2022	2,783,827

At the end of 2023 the Foundation had approved 662 matched giving award applications (2022: 641) with an average value of £2,249 per application (2022: £3,519).

Total grants £4,811,897 (2022: £10,072,303). All grants have been made to institutions as the Foundation does not provide grants to individuals. The tables in this note represent 100% of total grants awarded by the Generation Foundation in 2023.

As the trustees believe that the future payments will be made without substantial performance conditions, amounts payable in future years totalling £6,317,610 (2022: £10,391,305) have been recognised in these financial statements and in earlier years' financial statements. Of this, £5,477,391 is expected to settle within 12 months of the year-end (2022: £7,373,825). The following table shows the overall movement in the grant payment obligations.

Notes to the financial statements (continued)

7. Grant activities (continued)

	Year ended 31 December 2023 GBP	Year ended 31 December 2022 GBP
Grant commitments brought forward	10,391,305	10,669,049
Additional grant awards	4,811,897	10,072,303
Grants returned in the year	-	(38,371)
Total grants activities	4,811,897	10,033,932
Total net commitments in the year	15,203,202	20,702,981
Grants paid in the year	(8,645,511)	(10,858,655)
Foreign exchange movements	(240,081)	546,979
Grant commitments carried forward	6,317,610	10,391,305

8. Employee information

Staff costs	Year ended 31 December 2023 GBP	Year ended 31 December 2022 GBP
Wages and salaries	740,514	939,670
Deferred compensation	79,064	(7,604)
Social security costs	115,836	157,440
Other pension costs	73,105	35,443
Benefits	25,724	15,910
	1,034,243	1,140,859

Wages and salaries include salary and taxable benefits in kind and other payments to employees. Other pension costs include employer's contribution to defined contribution pension schemes. The deferred compensation costs are incurred in relation to deferred cash bonuses awarded to employees. The ultimate cash value to be paid to employees is dependent upon the performance of certain Generation managed investment fund units. Awards vest after three years from grant date with proceeds paid to respective employees after five years. The level of incentives awarded are linked to an employee's level of seniority at grant date.

The average number of employees who during the year was 4 (2022: 5), and there were 4 employees during the year with emoluments exceeding £60,000 (2022: 5).

Compensation band (excluding pension)	Year ended 31 December 2023 GBP	Year ended 31 December 2022 GBP
130,000 - 140,000	1	1
170,000 - 180,000	-	1
180,000 - 190,000	1	1
200,000 - 210,000	1	1
220,000 - 230,000	-	1
270,000 - 280,000	1	-
At 31 December	4	5

Notes to the financial statements (continued)

8. Employee information (continued)

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £1,034,243 (2022: £1,140,859).

9. Payments to trustees

The trustees have not received remuneration or expenses during the year (2022: nil).

10. Investments

	31 December 2023 GBP	31 December 2022 GBP
At 1 January	7,663	2,663
Additions	-	5,000
At 31 December	7,663	7,663

The above investments are held at cost. Further details on these investments are given in Note 1(n).

11. Long term debtors

	31 December 2023 GBP	31 December 2022 GBP
At 1 January	-	-
Additions	5,018,562	-
At 31 December	5,018,562	-

This debtor represents a discounted deferred consideration for gains on GIM Marvel (Deferred) LP earned in 2023 and to be paid by the end of 2025, the gross receivable in 2025 is £5,638,857. Further details on these investments are given in Note 1(m).

12. Debtors

	31 December 2023 GBP	31 December 2022 GBP
Other debtors	5,951,279	431,500
Amounts due from members of Generation	3,988,946	4,040,430
Gift Aid recoverable	920,568	1,010,107
Prepayments	223	-
At 31 December	10,861,016	5,482,037

13. Current asset investments

	31 December 2023 GBP	31 December 2022 GBP
At 1 January	22,894,809	24,778,536
Decrease in money market funds	(2,633,178)	(2,212,149)
Foreign exchange movement	(387,383)	328,422
At 31 December	19,874,248	22,894,809

Current asset investments comprise money market investments, which are redeemable on demand.

Notes to the financial statements (continued)

14. Creditors: amounts falling due within one year

	31 December 2023 GBP	31 December 2022 GBP
Grant commitments due within one year	5,477,391	7,373,825
Taxation and social security	235,680	329,660
Accruals	15,096	76,384
Other creditors	26,158	12,386
At 31 December	5,754,325	7,792,255

15. Creditors: amounts falling due after one year

	31 December 2023 GBP	31 December 2022 GBP
Grant commitments due after one year	840,219	3,017,480
At 31 December	840,219	3,017,480

No discounting has been applied to these future obligations as the impact is judged to be immaterial.

16. Provisions for liabilities

	31 December 2023 GBP	31 December 2022 GBP
At 1 January	355,160	417,682
Movement for the year	(144,800)	(62,522)
At 31 December	210,360	355,160

The Foundation provides deferred cash incentives ("awards") for employees. Awards take the form of a deferred entitlement to cash based on the performance of Generation-managed investment funds. For further details see Note 8.

17. Analysis of net assets between funds

	As at 31 December 2023			As at 31 December 2022		
	General unrestricted GBP	Designated GBP	Total funds GBP	General unrestricted GBP	Designated GBP	Total funds GBP
Long term debtors	-	5,018,562	5,018,562	-	-	-
Investments	7,663	-	7,663	7,663	-	7,663
Net current assets	13,642,516	12,407,000	26,049,516	12,606,189	8,600,000	21,206,189
Long-term liabilities	(918,769)	-	(918,769)	(3,017,480)	-	(3,017,480)
Provision for liabilities	(210,360)	-	(210,360)	(355,160)	-	(355,160)
	12,599,600	17,425,562	30,025,162	9,241,212	8,600,000	17,841,212

Notes to the financial statements (continued)

18. Movement in funds

	At 1 January 2023 GBP	Income & gains GBP	Expenditure & losses GBP	Transfers GBP	At 31 December 2023 GBP
Designated funds	8,600,000		(8,600,000)	17,425,562	17,452,562
General funds	9,241,212	18,129,558	2,654,392	(17,425,562)	17,618,162
Total unrestricted funds at 31 December 2023	17,841,212	18,129,558	(5,945,608)	-	30,025,162

	At 1 January 2022 GBP	Income & gains GBP	Expenditure & losses GBP	Transfers GBP	At 31 December 2022 GBP
Designated funds	14,000,000	-	(14,000,000)	8,600,000	8,600,000
General funds	9,066,614	6,181,311	2,593,287	(8,600,000)	9,241,212
Total unrestricted funds at 31 December 2022	23,066,614	6,181,311	(11,406,713)	-	17,841,212

At the end of 2023, the Foundation set aside £12,407,000 (2022: £8,600,000) of designated funds in line with trustee expectations of grant-making in the coming year allocated as follows.

	Climate GBP	People GBP	Nature GBP	Employee engagement GBP	Support costs GBP	Long term debtor*	Total GBP
At 31 December 2023	3,500,000	2,500,000	2,500,000	1,500,000	2,407,000	5,018,562	17,425,562
At 31 December 2022	4,000,000	2,000,000	-	1,500,000	1,100,000	-	8,600,000

*The Foundation set aside these funds in relation to the deferred consideration receivable by December 2025 from GIM Marvel (Deferred) LP.

19. Related party transactions

Generation Investment Management LLP is a related party as it is the sole member of the Foundation, and the Foundation's trustees are also members and employees of the LLP. As the Foundation has a charitable status, the Foundation is excluded from the LLP's group consolidation due to the severe long-term restrictions which substantially hinder the exercise of the rights of the LLP over the Foundation.

As at 31 December 2023 a balance of £3,988,946 (2022: £4,040,430) was due from members of Generation.

During the year, Generation settled expenses of £53,102 (2022: £71,600) on behalf of the Foundation of which £6,298 (2022: £782) was due by the Foundation at the end of the year.

20. Ultimate controlling party

Generation Investment Management LLP is the ultimate parent by virtue of being the sole member, the controlling Persons of the Foundation are the trustees as listed in the trustees' annual report.

21. Subsequent Events

The £3,988,946 balance due from the members of Generation as at 31 December 2023 was settled on the 17th of May 2024. There were no other events subsequent to the balance sheet date that required adjustment to or disclosure in the financial statements.



Generation Foundation

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Sayer Vincent LLP
110 Golden Lane
LONDON
EC1Y 0TG

FAO Judith Miller

Your ref: JAM/JC/G113/vd

Dear Sayer Vincent

24 July 2024

Letter of representations on the financial statements for the year ended 31 December 2023

This representation letter is provided in connection with your audit of the financial statements of The Generation Foundation for the year ended 31 December 2023, for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the results and financial position. All representations are made to the best of our knowledge and belief.

Financial statements

- 1 We have fulfilled, as trustees, our responsibility as set out in the terms of your engagement dated 15 January 2021 for preparing financial statements in accordance with the Companies Act 2006, which give a true and fair view of the results and financial position for the organisation as of the 31 December 2023 and for making accurate representation to you.
- 2 We confirm the methods, significant assumptions and the data used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.
- 3 We confirm that appropriate provisions have been made for irrecoverable debts.
•
- 4 We confirm that we are satisfied it is appropriate to accrue £5,018,562 in relation to amounts due from our investment in GIM Marvel (Deferred) LP. This is based on an expected payment of £5,638,857 discounted over a period of two years at a rate of 6%, with payment due by December 2025.

- 5 We confirm that no fixed assets have been disposed of during the year. We confirm that we have undertaken a review of all assets carried at historic cost and are satisfied that there is no indication of impairment, other than as shown in the financial statements.
- 6 We confirm that we have no plans or intentions that may materially alter the carrying value and/or the fair value measurements or classification of assets and liabilities reflected in the financial statements.
- 7 We confirm that all income has been recorded.
- 8 We confirm that we have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements and these have been disclosed in accordance with the requirements of accounting standards.
- 9 We confirm that we have recognised grants payable where specific commitments have been communicated to the beneficiary.
- 10 We confirm that related party* relationships and transactions have been appropriately accounted for and disclosed and we are not aware of further related party matters that require disclosure.
- 11 We confirm that all events since the balance sheet date which require disclosure, or which would materially affect the amounts in the financial statements, have been adjusted or included in the financial statements.
- 12 We confirm the financial statements are free of material misstatements, and nothing significant has been omitted. We understand that no uncorrected misstatements were identified during the audit.
- 13 We confirm that, having considered our expectations and intentions for at least the next 12 months from today, we have a reasonable expectation of receiving adequate resources to continue operations for the foreseeable future. For this reason we continue to adopt the going concern basis in preparing the financial statements for the year ended 31 December 2023. We confirm that the disclosures in the accounting policies and/or the trustees' annual report are an accurate reflection of the reasons for our consideration that the financial statements should be drawn up on a going concern basis. We confirm that we have disclosed details of our plans for future actions relating to our going concern assessment including the feasibility of these plans.

Information provided

- 14 We confirm that all accounting records and relevant information has been made available to you for the purpose of your audit. We have provided to you all other information requested and given unrestricted access to persons within the organisation from whom you have deemed it necessary to request information. All other records and related information, including minutes of all management and trustee meetings, have been made available to you.

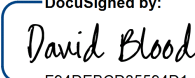
- 15 We confirm that all correspondence with regulators has been made available to you including, in England and Wales, any serious incident reports.
 -
- 16 We confirm that all correspondence with HMRC in relation to their ongoing investigation has been shared with you and that at present we are not aware of any potential liabilities arising from this.
- 17 We confirm that all transactions undertaken by the organisation have been properly reflected in the accounting records and are reflected in the financial statements.
- 18 We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and we believe that we have appropriately fulfilled those responsibilities. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 19 We confirm that we have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the organisation and involves management, employees who have a significant role in internal control, or others, where fraud could have a material effect on the financial statements.
- 20 We confirm that we have disclosed to you all information in relation to allegations of fraud, or suspected fraud affecting the organisation's financial statements communicated by employees, former employees, regulators or others.
- 21 We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the organisation conducts its activities and which could affect the financial statements. All known instances of non-compliance with laws and regulations whose effects should be considered when preparing the financial statements have been disclosed to you. The organisation has complied with all aspects of contractual and grant agreements that could have a material effect on the financial statements in the event of non-compliance.
- 22 We confirm that we have disclosed to you the identity of the organisation's related parties and all related party relationships and transactions relevant to the organisation that we are aware of.
- 23 We confirm that the organisation has satisfactory title to all assets in the financial statements, and there are no circumstances which alter or limit** the title held on the assets except for those disclosed in the financial statements.
- 24 We confirm that the organisation does not hold any bank accounts, short term deposits or other cash deposits other than those included in the financial statements. No other facilities or securities are held.

- 25 We confirm that there are no liabilities, contingent liabilities or guarantees to third parties other than those disclosed in the financial statements.
- 26 The organisation has at no time during the year entered into any arrangement, transaction or agreement to provide credit facilities (including loans, quasi loans or credit transactions) for trustees, nor to guarantee or provide security for such matters, except as disclosed in the financial statements.
- 27 We confirm that the trustees consider there to be appropriate controls in place to ensure overseas payments are applied for charitable purposes.

We confirm to the best of our knowledge and belief that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that we can properly make each of the above representations to you.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditor and confirm that, so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. Each trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

DocuSigned by:
 31-Jul-2024 | 14:41 BST
Signature:F04DEB8CD35594D1.....

Name: D W Blood
Position: Trustee
Date: July 2024

* The definition of a related party includes:

- A party controlling or controlled by the organisation (directly or indirectly)
- A party subject to the same source of control as the organisation (e.g. same trustees)
- A director, trustee or management committee member and his/her immediate family
- A party that has a significant influence over the operating and financial policies of the organisation, or one that is so influenced by the organisation.

** For example: mortgages, leases, covenants or restrictions