

Becht Foundation

England & Wales · Charity number 1116657

Details

Other names THE BECHT FAMILY CHARITABLE TRUST

Status Registered

Legal form Trust

Registered 2006-11-07

Register [View on the Charity Commission register](#)

Contact

Address C/O Rawlinson & Hunter
6 New Street Square
London
EC4A 3AQ

Phone 02078422000

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Website <https://bfct.org/>

Activities

Objects: THE TRUSTEES SHALL HOLD THE TRUST FUND AND ITS INCOME UPON TRUST TO APPLY THEM FOR THE OBJECTS IN THE AREA OF BENEFIT. THE OBJECTS OF THE CHARITY SHALL BE THAT THE TRUSTEES SHALL HOLD THE CAPITAL AND INCOME OF THE TRUST FUND IN TRUST FOR SUCH CHARITIES, OR FOR SUCH CHARITABLE PURPOSES, IN ANY PART OF THE WORLD, AND IN SUCH PROPORTION, AND IN SUCH MANNER, AND SUBJECT TO SUCH TERMS AND CONDITIONS, AS THE TRUSTEES MAY IN THEIR UNCONTROLLED DISCRETION DETERMINE, AND IN PARTICULAR TO SPONSOR AND SUPPORT ACTIVITIES WHICH RESORT OUR NATURAL ENVIRONMENT OR ELIMINATE NEGATIVE IMPACTS ON OUR NATURAL ENVIRONMENT, PROVIDE FOR GREATER EDUCATION ESPECIALLY BUT NOT EXCLUSIVELY FOR ACTIVITIES RELATED TO THE RESTORATION OF OUR NATURAL ENVIRONMENT OR THE ELIMINATION OF NEGATIVE IMPACTS ON OUR NATURAL ENVIRONMENT, AND PROVIDE HUMANITARIAN AID

Activities: The trustees shall hold the fund and its income for such charities/charitable purposes, throughout the world, as the trustees shall determine, in particular the preservation and restoration of biodiversity and humanitarian aid for the young and disadvantaged. Educational programmes supporting the key areas of focus are also considered.

Classification

- **How:** Makes Grants To Organisations, Provides Other Finance, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Accommodation/housing, Religious Activities, Arts/culture/heritage/science, Amateur Sport, Animals, Environment/conservation/heritage, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity, Recreation, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED IN PRACTICE NATIONAL AND OVERSEAS
- Germany
- Netherlands
- United States

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£8,490,552	£11,205,581	£379,548,188	2
2023-12-31	£2,478,611	£9,329,993	£362,763,046	2
2022-12-31	£5,800,406	£9,378,847	£363,961,617	2
2021-12-31	£2,876,105	£7,945,350	£396,306,803	1
2020-12-31	£4,402,743	£6,141,404	£332,951,324	1

Trustees

Name	Role	Appointed
ANN MARIE BECHT		
David Poulter		2018-10-08
Kevin Becht		2025-03-31
LAMBERTUS JONANNES HERMANUS BECHT		
Natalie Becht		2025-03-31
R&H Trust Co (UK) Limited		2018-09-24
Sebastian Becht		2025-03-31

Becht Foundation

England & Wales - Charity number 1116657

Accounts

BECHT FOUNDATION

(formerly "The Becht Family Charitable Trust")

(Registered Charity Number: 1116657)

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

BECHT FOUNDATION

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BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees submit their report and the independently audited financial statements of Becht Foundation ("the foundation" or "the charity") for the year to 31 December 2024. These have been prepared in accordance with the accounting policies set out on pages 16 to 18 and comply with the charity's trust deed and applicable law.

The financial statements comply with the Charities Act 2011 and where applicable, the Charities Act 2022, the trust deed dated 3 October 2006 and 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 issued in October 2019.

1. REFERENCE AND ADMINISTRATIVE DETAILS

Becht Foundation registered charity number 1116657, is based and administered in the United Kingdom. The registered address is Eighth Floor, 6 New Street Square, London, EC4A 3AQ.

The names of the Trustees who served throughout the year and continue to serve at the date of the report's approval are:

- Lambertus Becht
- Ann Becht
- David Poulter
- The R&H Trust Co (UK) Ltd
- Natalie Becht (appointed 31 March 2025)
- Sebastian Becht (appointed 31 March 2025)
- Kevin Becht (appointed 31 March 2025)

Key Management:

The Trustees, together with the Programme Director, consider themselves the key management personnel of the Foundation who are in charge of directing and controlling, running and operating the Foundation on a day to day basis.

Independent Auditors:

Martlet Audit Limited, Yeoman Gate, Martlet House, Yeoman Way, Worthing, BN13 3QZ

Accountants:

Rawlinson & Hunter LLP, Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

Solicitors:

Macfarlanes LLP, 20 Cursitor Street, Holborn, London, EC4A 1LT

Investment Managers:

UBS Wealth Management, 1 Finsbury Avenue, London

Fidelity Investments, Oak Brook, Illinois, USA

BDT Capital Partners, LLC, Chicago, Illinois, USA

The Craftory, Egyptian House, 170 Piccadilly, London

AiiM Partners, 410 Sherman Avenue, Palo Alto, California, USA

Goldman Sachs International, Plumtree Court, 25 Shoe Lane, London, EC4A 4AU

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity was established by Declaration of Trust dated 3 October 2006.

In accordance with the Declaration of Trust dated 3 October 2006 there shall never be less than three Trustees.

New Trustees are elected by Trustees who are members of the Becht family. In accordance with the Deed, the children of the Original Trustees were invited to become Trustees shortly after the year end. Each of the three accepted the role and were formally appointed on 31 March 2025.

Induction and Training

In order to ensure that the Trustees operate within current Charity Commission guidelines, Rawlinson & Hunter staff attend regular structured training sessions on charity administration and compliance. Knowledge gained from this training is then passed on to the Trustees for discussion and implementation.

The Trustees meet on a regular basis to review performance, grant applications and any other matters arising. All Trustees are expected to attend the meetings and play an active role in the administration of the foundation, including researching possible donees and visiting charity events where applicable.

Through Trustee meetings, consultation with agents, and review of Charity Commission guidance CC 26, the Trustees have examined the major strategic, business, and operational risks that the charity faces. Following a review and assessment of these risks, the Trustees have formulated management policies and implemented internal controls to mitigate risks to the Fund. The Trustees shall continue to review the risks, and the adequacy of the systems in place.

Any complaints are considered by the Trustees and responded to within three weeks.

The foundation has two employees who receives a fair and commensurate pay package which is reviewed annually. The Trustees do not receive remuneration for acting as Trustees.

Trustees' Responsibilities Statement

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

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

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and where applicable, the Charities Act 2022, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Internal Controls

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of internal controls. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps towards the prevention and detection of fraud.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

Risk Management and Governance

A risk assessment has been undertaken which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This continuing process will identify risk areas to which the foundation is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these financial statements.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2024

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Trustees have signed fit and proper declarations in line with HMRC guidance.

In addition, the Trustees have taken due consideration of Good Governance – A Code for the Voluntary and Community Sector, ensuring that the seven main principles of the Code are adhered to. These are:

- Organisational purpose;
- Leadership;
- Integrity;
- Decision-making, risk and control;
- Board effectiveness;
- Equality, diversity and inclusion; and
- Openness and accessibility.

The Trustees recognise that good governance plays an essential part in securing the future of the charity and confirm that the said main principles of the Code are followed by them in leading, directing and managing the charity.

Related party transactions occurring during the year are disclosed in note 10 on page 24.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the charity are such exclusively charitable purposes as the Trustees may in their absolute discretion determine. The charity is established for general charitable purposes and will operate as a grant making charity, supporting charitable projects, organisations and individuals with grants of varying sizes and durations.

The Trustees may use the income and the capital of the charity in promoting the objects.

Statement of Public Benefit

The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the foundation's aims, activities and achievements in the areas of interest that the trust supports demonstrates the benefit to its beneficiaries and through them to the public, that arise from those activities.

Fundraising

The Trustees have referred to the Charities (Protection and Social Investment) Act 2016 ("the Act") and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20"). They confirm that the Act and CC20 have no impact on the charity as it does not engage in any public fundraising activities.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT (continued)

Grant Making Policy

The charity has been established to provide grants for purposes that are, or would be deemed to be, exclusively charitable under the law of England and Wales. The charity has put in place sound grant arrangements so that it can properly select appropriate grantees and impose prudent terms on grants, including, as appropriate, requiring monitoring and evaluation of the way in which funds are applied by grantees.

Objectives and Activities of the Charity

The Trustees hold the capital and income funds for such charities, or charitable purposes, in any part of the world as they may determine. In particular, but not limited to such purposes, the Trustees seek to sponsor and support activities that protect and restore the planet's biodiversity through marine conservation and climate communications. The Trustees have gradually phased down their support for activities that provide humanitarian aid, in order to increase their support for projects in the marine and climate communications space.

The Trustees wish to be able to provide regular, long-term support to charitable purposes, and therefore aim to maintain sufficient reserves to produce a yield that will make such support possible.

During the year the Trustees made grants to charitable purposes of \$11,487,810 (2023: \$9,832,442).

The Trustees use the funds to make grants to charitable purposes, in the interests of providing public benefit.

The Trustees have wide powers, enabling them to support charitable purposes. The main areas which the Trustees seek to provide charitable support are (i) protection and restoration of our planet's biodiversity through marine conservation; and (ii) climate communications to help build strong public support for climate action. The charity also provides support to other biodiversity and humanitarian projects, at a smaller level.

The Trustees are aware that charities may require unrestricted funds to enable them to operate effectively. Therefore, the Trustees are willing to consider making both restricted and unrestricted donations to charitable purposes in the course of their support, with a continued focus on monitoring regular process.

The Trustees hired a Programme Manager to support them and the Programme Director in grant making as well as reviewing the performance and progress of the projects supported by the Foundation.

In order to minimise administrative costs, the Trustees will reply to successful applicants only.

The Trustees request that donees provide updates and information on how they have used any funds received. These responses are considered at Trustee meetings. Such updates should include details of outcomes, outcome against agreed milestones. Whilst many outcomes may be measurable, the Trustees appreciate that certain benefits are less tangible, and this is understood when reviewing the effect of the Trustees' grants. Where further information is required, the Trustees will make contact with donees.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2024

4. ACHIEVEMENT AND PERFORMANCE

Total charitable donations paid or awarded during the year amounted to \$11,487,810 (2023: \$9,832,442)

The Trustees' largest donation in the year was \$2,500,006 awarded to Potential Energy Coalition towards their goal of increasing public support for climate action (2023: \$2,037,573 also awarded to Potential Energy Coalition).

\$52,357 was paid in respect of governance costs (2023: \$48,297) and \$427,384 in support costs (2023: \$371,583)

In 2024, Becht Foundation continued to grow its grant making in the marine conservation and climate communications space.

The share of charitable expenditure on climate communications was \$2.5m (22%). Expenditure on marine issues increased to \$7.4m (64%), from \$6.5m (66%) in the previous period. Humanitarian issues increased from \$1.3m (13%) to \$1.6m (14%), due to a lump-sum final payment to St George's Hospital.

A major milestone came from Australia, which has added 523,000 km² of new no-take marine protected areas, bringing the total area under full protection to 23% of its ocean. This includes expanded protection for globally significant ecosystems such as the Heard and McDonald Islands and Macquarie Island. Becht Foundation supports Pew Charitable Trusts in their ongoing efforts to secure high levels of protection for Australia's ocean.

In The Bahamas, 68,000 km² of marine areas – including key seagrass meadows, coral reefs and mangroves – will benefit from enhanced protection and management through a Nature Bonds initiative led by The Nature Conservancy, which has unlocked more than US\$120 million to strengthen ocean protection.

Progress began toward ratifying the High Seas Treaty, with the goal of securing the 60 ratifications needed for the treaty to enter into force by the end of 2025. The treaty – adopted by the UN in 2023 after nearly two decades of negotiations – provides a legal framework to protect marine biodiversity in areas beyond national jurisdiction. Becht Foundation continues to support the High Seas Alliance in their efforts to advance ratification and lay the groundwork for future high seas marine protected areas.

At the EU level, the European Council formally adopted the Nature Restoration Law – a major legal framework requiring member states to restore at least 20% of the EU's land and sea areas by 2030. Becht Foundation supported a legal and advocacy coalition that successfully campaigned for the law's passage, including ClientEarth, Oceana, and Seas at Risk.

In Argentina, Becht Foundation is supporting Por el Mar's campaign to protect Argentine Patagonia's kelp forests. A landmark new provincial law in Tierra del Fuego now ensures the protection of all marine forests within the province, where approximately 60% of Argentina's kelp forests are found.

In the climate communications space, Becht Foundation supports Potential Energy Coalition, which ran an extreme weather campaign that generated a 22% lift in baseline support for urgent government action on climate change, and launched three new clean energy campaigns in Pennsylvania, North Carolina, and Illinois.

The trustees remain committed to scaling up funding to support marine conservation and protection projects, and climate communications initiatives that generate strong public support for climate action.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2024

5. FINANCIAL REVIEW

Incoming Resources and Resources Expended

Total incoming resources were \$10,626,775 (2023: \$3,155,520). \$2,057,354 (2023: \$1,625,693) was expended on investment management fees and associated costs. Governance costs totalled \$52,357 (2023: \$48,297), whilst direct charitable activity totalled \$11,487,810 (2023: \$9,832,442). Net incoming funds over the period totalled \$13,208,877 (2023: \$22,058,812 net expenditure) driven by returns received from the Foundation's private investment holdings.

The Trustees' source of funding in the year was investment income and capital realised from the charity's investment portfolios.

Investments

The Trustees' aim in the short to medium term is to grow the Fund and produce sufficient investment income to enable the Trustees to continue their support of charitable purposes.

A net unrealised gain of \$12,073,219 (2023: \$21,949,398) was recognised during the year on the Trustees' investments. Through investment sales the Trustees realised a net gain of \$4,586,140 (2023: \$8,809,774 loss) in the year. Currency revaluation losses of \$52,352 (2023: \$22,134 gains) were recognised during the year.

Investment income for the year to 31 December 2024 totalled \$10,626,775 (2023: \$3,074,561); a 240.6% increase (2023: 55% decrease) on the previous year. This is the result of recognition of income returns from private equity investments and the Trustees' decision to invest in income generating Private Credit Funds.

The Trustees monitor performance of the underlying investments and managers on a regular basis, through face to face reviews, investment reports and comparisons to peer groups and appropriate indices.

Investment policy and performance

The Charity's investment objective is to generate a capital appreciation whilst providing liquidity to the Charity in line with the total return of the broader equity market over the long term, after expenses. This should allow the Charity to maintain the real value of the assets, whilst funding its annual expenditure. The Trustees have agreed an asset allocation strategy with investment managers, which is set to achieve this objective.

The key risk to the sustainability of the Charity is inflation and the assets will be invested to mitigate this risk over the long term. The Trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate. The trustees are able to tolerate volatility of the capital value of the Charity, as long as the Charity is able to meet its short term grant making commitments through either income or liquid capital assets. To this end the Charity's assets are invested widely and diversified by asset class, by manager and by security. Asset classes can include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities and any other asset that is deemed suitable for the Charity.

The investment philosophy is also to invest a proportion of the Charity's assets into profit seeking companies that have a social charter that is consistent with the purposes of the charity. On occasion this may include early stage higher risk companies where the financial returns are not yet proven where

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

5. FINANCIAL REVIEW (continued)

the purpose is strongly aligned with the Charity’s objectives particularly with regard to the protection and restoration of marine ecosystems or in the transition to more sustainable agricultural practices.

In these cases the Trustees recognise that losses could materialise but that the benefits of purpose outweigh the risks and will not be of a size that would put the overall investment objective at risk.

The Trustees have adopted a targeted approach in managing their investments, to match the aims of the Charity. Investments will not be made in companies which derive significant levels of their turnover from activities which conflict with the aims of the charity, nor the causes which the Trustees are trying to support.

Reserves policy and going concern

The Trustees have reviewed the guidance on reserves in Charity Commission guidance note CC19.

The Trustees have examined the Trust’s requirement for resources in light of the main risks to the organisation and have no outstanding commitments or cash demands which are not adequately covered by existing resources. The net assets of the Trust are regarded as free reserves and the funds at 31 December 2024 will be retained to make grants in accordance with the Trust’s charitable objects and any policies. The Trustees consider that the freely expendable funds are appropriate and adequate taking into account plans for grants to be awarded in future and have at present therefore not designated any specific reserves. However, the Trustees will keep this under constant review. In future years, a specific reserves policy may be required.

The balance held as unrestricted funds as at 31 December 2023 was \$475,042,512 (2023 - \$461,833,635).

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The current uncertainty in the global economy, including cost inflating factors, have increased financial pressure on charities. The Trustees have considered, the level of funds held, the expected level and security of income and the committed expenditure for twelve months from the date of signing of these financial statements. The Trustees are satisfied the forecast income and reserves are sufficient to cover all of the budgeted expenditure to be able to continue as a going concern. The Trustees therefore consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

6. PLANS FOR THE FUTURE

The Trustees wish to continue to provide sustainable long term support to charitable purposes through grant making.

7. AUDITOR

It will be proposed at the next Trustees’ meeting that Martlet Audit Limited be appointed as auditor to the charity for the ensuing year subject to the charity requiring an audit.

Approved by the Trustees and signed on their behalf by:

Lambertus Becht
Lambertus Becht (Oct 28, 2025 16:42:39 GMT+1)

Lambertus Becht

.....
Date

**REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
BECHT FOUNDATION**

Opinion

We have audited the financial statements of Becht Foundation ("the charity") for the year to 31 December 2024 which comprise the Statement of Financial Activity, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
BECHT FOUNDATION (continued)**

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 auditor's 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the audited financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

**REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
BECHT FOUNDATION (continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the audited financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the audited financial statements, including the disclosures, and whether the audited financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

- We considered the nature of the charity's industry and its control environment and reviewed the charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and others within the entity about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the charity operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies Act, Charities Act, Charities (Accounts and Reports) Regulations 2008, Health and Safety Act, employment law, pensions legislation, tax legislation, Bribery Act and Slavery Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales (Charity Commission) regulations, fundraising regulations and Anti-Money Laundering Regulations (including Proceeds of Crime Act 2002 and Terrorism Act 2000)

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. 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 evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

**REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
BECHT FOUNDATION (continued)**

- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal management reports, reviewing correspondence with HMRC and with the Charity Commission.

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

Use of this report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Martlet Audit Limited 28 Oct, 2025

Martlet Audit Limited
Statutory Auditor and Chartered Accountants
Yeoman Gate, Martlet House, Yeoman Way, Worthing, BN13 3QZ

Martlet Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

BECHT FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31 DECEMBER 2024

	Page	Unrestricted Funds 31 December 2024 \$	Unrestricted Funds 31 December 2023 \$
Income from:			
Investments (note 2)	18	10,472,258	3,074,561
Charitable activity (note 3)	18	154,517	80,959
Total income		<u>10,626,775</u>	<u>3,155,520</u>
Expenditure on:			
Charitable Activities (note 4)	20	11,967,551	10,252,321
Raising Funds (note 5)	20	2,057,354	1,625,693
Total expenditure		<u>14,024,905</u>	<u>11,878,014</u>
Net gains on investments (note 6)	21	16,659,359	30,759,173
Net income before other recognised gains		<u>13,261,229</u>	<u>22,036,679</u>
Other recognised gains/losses:			
Other (losses)/gains		(52,352)	22,134
Net movement in funds		<u>13,208,877</u>	<u>22,058,813</u>
Total funds brought forward at 1 January 2024		<u>461,833,635</u>	<u>439,774,822</u>
Resources carried forward at 31 December 2024		<u><u>\$ 475,042,512</u></u>	<u><u>\$ 461,833,635</u></u>

There are no recognised gains or losses in the years to 31 December 2023 and 2024 other than those included in the statement of financial activities.

All incoming resources and resources expended derive from continuing activities.

BECHT FOUNDATION
BALANCE SHEET
AT 31 DECEMBER 2024

	Page	Unrestricted Funds 31 December 2024 \$	Unrestricted Funds 31 December 2023 \$
Fixed assets:			
Investments (note 6)	21	474,014,625	458,278,972
Current assets:			
Cash at bank (note 7)	23	1,332,559	3,620,394
Debtors – due within one year (note 8)	23	39,932	52,972
Total current assets		1,372,491	3,673,366
Liabilities:			
Creditors - amounts falling due within one year (note 9)	23	(344,604)	(118,703)
Net current assets		1,027,887	3,554,663
Total net assets		\$ 475,042,512	\$ 461,833,635
The funds of the charity:			
Unrestricted funds		\$ 475,042,512	\$ 461,833,635

Approved by the Trustees
and signed on their behalf by:

Lambertus Becht

Lambertus Becht (Oct 28, 2025 16:42:39 GMT+1)

.....
Lambertus Becht

.....
Date

David Poulter

David Poulter (Oct 28, 2025 16:55:04 GMT)

.....
David Poulter

.....
Date

BECHT FOUNDATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Page	31 December 2024 \$	31 December 2023 \$
Net cash flow from Operating Activities			
Net movement on funds for the year	13	13,208,877	22,058,812
Less: Investment income and deposit interest		(10,472,258)	(3,074,561)
Net gain on investment assets		(16,659,359)	(30,759,172)
Decrease in debtors		13,040	2,724
Increase/(decrease) in creditors		225,902	(108,054)
Net cash used by Operating Activities		<u>(13,683,798)</u>	<u>(11,880,251)</u>
Returns on investments			
Investment income (note 2)	18	10,368,053	2,860,828
Deposit interest (note 2)	18	104,205	213,733
		<u>10,472,258</u>	<u>3,074,561</u>
Capital expenditure and financial investment			
Purchase of investments (note 6)	21	(102,237,644)	(128,039,503)
Proceeds from sale of investments (note 6)	21	103,161,349	137,384,086
		<u>923,705</u>	<u>9,344,583</u>
Net (decrease)/increase in cash in the year		<u><u>\$ (2,287,835)</u></u>	<u><u>\$ 538,893</u></u>
Reconciliation of net cash flow to movement in net funds			
Net cash resources at 1 January 2024		3,620,394	3,081,501
Net increase/(decrease) in cash		(2,287,835)	538,893
Net cash resources at 31 December 2024		<u><u>1,332,559</u></u>	<u><u>3,620,394</u></u>
Analysis of net funds:			
Cash at Bank (note 7)	23	1,332,559	3,620,394
		<u><u>\$ 1,332,559</u></u>	<u><u>\$ 3,620,394</u></u>

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

Becht Foundation (“the Foundation” or “the charity”), registered charity number 1116657, is based and administered in the United Kingdom. The registered address is Eighth Floor, 6 New Street Square, New Fetter Lane, London EC4A 3AQ. The nature of the charity’s operations and principal activities are set out in the Trustees’ Annual Report.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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 United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and where applicable, the Charities Act 2022, and UK Generally Accepted Accounting Practice. The Foundation constitutes a public benefit entity as defined by Charities SORP FRS 102.

The financial statements are presented in US Dollars which is the functional currency of the charity.

Status of funds

The entire resources of the charity are unrestricted. The Trustees have complete discretion for the use of the funds in pursuance of the charity’s objectives.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. 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 gains/(losses) on investments” in the statement of financial activities. The Foundation does not acquire put options, derivatives or other complex financial instruments.

Private equity investments are initially accounted for at the cost of the Charity’s capital call. They are then recorded at fair market value once a valuation is formally conducted by the manager in which the Charity is invested, with any revaluation gain or loss being recorded through the SOFA.

Incoming resources

Investment income is derived from interest and dividends receivable from investments and is accounted for in the period in which the Foundation is entitled to receipt and shown net of withholding taxes.

Interest from deposit accounts are included as and when received only. All incoming resources are included in the SOFA when the Foundation is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary donations include donations under Gift Aid with the associated tax credits included when receivable. Interest from deposit accounts are included when received.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES (continued)

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation committing the Trustee to the expenditure.

Charitable activities include governance costs made during the period and are expended through the SOFA when the offer is conveyed to the recipient.

Cost of raising funds relate to the costs incurred by the Foundation in managing its investment portfolios.

Governance costs relating to the general running of the Foundation, as opposed to the management functions inherent in generating funds.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value, except where settlement is delayed, in which case the transaction is recognised at the present value of the settlement amount.

Foreign currency

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Transactions denominated in foreign currencies are converted at the rate of exchange ruling at the date of the transaction. All translation differences are taken to the statement of financial activities as they arise.

Debtors and creditors receivable/payable

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as expenditure.

Debtors and creditors receivable/payable after one year

Debtors and creditors receivable or payable after one year are recognised at their present value.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Also included is cash held under management by the investment broker.

Provisions

Provisions are recognised when the charity has an obligation at the Balance Sheet date as a result of a past event, it is probable that an outflow of economic benefit will be required in settlement and the amount can be reliably estimated.

Taxation

As a registered charity, the Foundation is entitled to certain exemptions from Income and Capital Gains Tax on profits from investments and any trading activities carried on in furtherance of the Charity's primary objectives.

Costs are recorded net of recoverable VAT as the Foundation is able to reclaim a portion of VAT paid, because of its trading activities, using the standard method.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES (continued)

Going Concern

The net assets of the Trust are regarded as free reserves and the funds at 31 December 2024 will be retained to make grants in accordance with the Trust's charitable objects and any policies. The Trustees consider that the freely expendable funds are appropriate and adequate taking into account plans for grants to be awarded in future and have at present therefore not designated any specific reserves. However, the Trustees will keep this under constant review. In future years, a specific reserves policy may be required.

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The current uncertainty in the global economy, including cost inflating factors, have increased financial pressure on charities. The Trustees have considered the level of funds held, the expected level and security of income and committed expenditure for twelve months from the date of signing of these financial statements. The Trustees are satisfied the forecast income and reserves are sufficient to cover all of the budgeted expenditure to be able to continue as a going concern. The Trustees therefore consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

Judgements and key sources of estimated uncertainty

In preparing these financial statements, the Trustees have to make judgements on how to apply the charity's accounting policies and make estimates about the future.

Apart from valuation of investments which are based on open market values and advice from asset managers, the trustees have made no significant judgements.

2. INVESTMENT INCOME

	Page	31 December 2024 \$	31 December 2023 \$
Net income from investments			
Private Equity portfolio		2,746,904	-
UBS advisory portfolio		5,199,150	-
UBS discretionary portfolio		2,421,999	2,860,828
Deposit interest		104,205	213,733
Total investment income	13	<u>\$ 10,472,258</u>	<u>\$ 3,074,561</u>

3. CHARITABLE ACTIVITY

ESG advisory services	154,517	80,959
	<u>\$ 154,517</u>	<u>\$ 80,959</u>

On 1 November 2021 the Trustees entered into an agreement with Bansk Group LLP to review and analyse Environmental, Social and Governance matters as required.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

4. CHARITABLE ACTIVITIES	Page	31 December 2024 \$	31 December 2023 \$
Grants payable:			
Potential Energy Coalition		2,500,006	2,037,573
Blue Ventures Conservation		1,000,281	1,000,000
Global Fishing Watch		1,000,000	750,000
The Nature Conservancy		900,225	900,000
Oceana Inc		895,000	825,000
St Georges Hospital Charity		824,655	180,855
Save the Children – Emergency Health Unit		638,000	943,200
Rare, Inc.		500,764	-
The Pew Charitable Trusts		500,000	850,000
WWF		500,000	600,000
Oceans North Conservation		500,000	375,000
Only One		500,000	-
Client Earth		477,549	503,501
Seas at Risk		275,155	275,000
High Seas Alliance		100,417	-
Mangrove Action Project		75,000	100,000
Chem Trust		75,000	75,000
Fundacion Por El Mar		75,000	-
Sightsavers		65,422	61,390
The University of Chicago – Booth School		50,336	50,000
Lamoille Community Food Share		15,000	15,000
United Way of Lamoille County		15,000	15,000
Other small grants		5,000	25,923
Greenwave		-	150,000
Irish Environmental Network		-	100,000
Total Grants payable:		\$ 11,487,810	\$ 9,832,442

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Page	31 December 2024 \$	31 December 2023 \$
4. CHARITABLE ACTIVITIES (continued)			
Governance costs:			
Accountancy fees		44,702	42,511
Audit fees		5,939	5,205
Bank charges		1,716	581
Total Governance costs:		\$ 52,357	\$ 48,297
Auditor remuneration for the year ended 31 December 2024 totalled \$5,939 including VAT (2023: \$5,092 excluding VAT)			
Support Costs:			
Staff costs		403,206	330,427
General expenses		17,892	37,705
IT costs		6,286	3,450
Total Support costs:		\$ 427,384	\$ 371,582
Total Charitable activities:	13	\$11,967,551	\$10,252,321

Included in Staff costs are gross salaries of \$345,494 (2023: \$283,421), Social Security costs of \$38,114 (2023: \$30,346) and employer pension contributions of \$19,598 (2023: \$16,660).

One employee earned between \$250,000 and \$260,000 during the year and one between \$90,000 and \$100,000 (2023: one earning between \$210,000 and \$220,000) and the average number of employees during the year was two (2023: two).

5. COST OF RAISING FUNDS

Investment management fees:			
UBS		813,524	682,434
Private equity		1,195,700	1,161,081
Tax withheld on distributions		242,470	-
Goldman Sachs – rebate		(194,340)	(218,117)
LEI renewal fee		-	295
	13	\$ 2,057,354	\$1,625,693

The investment management fees are costs of managing the investment portfolio which are payable to the investment managers and do not include transactional costs.

The investment management fees do not include management charges for the investments held with Goldman Sachs which are deducted directly from the fund value.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

6. FIXED ASSET INVESTMENTS (AT MARKET VALUE)

	UBS Portfolio \$	Private Equity \$	Goldman Sachs \$	Private Investments \$	2024 Total \$
Opening value as at 1 January 2024	174,514,252	198,158,411	75,606,371	9,999,938	458,278,972
Additions	49,854,962	7,322,039	45,060,642	-	102,237,644
Disposals	(43,690,678)	(14,471,374)	(44,999,297)	-	(103,161,349)
Realised gains/(losses)	2,484,648	-	2,101,492	-	4,586,140
	183,163,184	191,009,076	77,769,208	9,999,938	461,941,406
Unrealised gains	13,291,325	(7,216,191)	5,998,085	-	12,073,219
Closing value as at 31 December 2024	\$196,454,509	\$183,792,885	\$83,767,293	\$9,999,938	\$474,014,625

The Charity has made capital commitments to three private equity funds, managed by BDT Capital, The Craftory and Aiim Partners. As at the 31 December 2024 BDT Capital had called its full commitment of \$100,000,000 (2023: \$97,000,000), The Craftory \$53,168,813 (2023: \$48,846,773) and Aiim Partners \$12,074,635 (2023: \$12,074,635).

The remaining capital commitment to The Craftory is \$11,831,187 (2023: \$16,153,227) and Aiim Partners \$2,925,365 (2023: \$2,925,365). BDT Capital is fully committed (2023: \$3,000,000 outstanding).

As it is unknown when the managers will call the remaining capital no provision is made for the outstanding commitments.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

6. FIXED ASSET INVESTMENTS (AT MARKET VALUE) (continued)

	UBS Execution Only Portfolio \$	UBS Portfolio \$	Private Equity \$	Goldman Sachs \$	Private Investments \$	2023 Total \$
Opening value as at 1 January 2023	50	151,581,814	171,979,119	102,095,161	11,208,238	436,864,382
Additions		93,461,721	28,277,782	6,300,000	-	128,039,503
Disposals	(55)	(94,518,682)	-	(42,619,338)	(246,010)	(137,384,085)
Realised gains/(losses)	5	5,998,202	-	2,807,217	4,350	8,809,774
	-	156,523,055	200,256,901	68,583,040	10,966,578	436,329,574
Unrealised gains	-	17,991,197	(2,098,490)	7,023,331	(966,640)	21,949,398
Closing value as at 31 December 2023	-	174,514,252	198,158,411	75,606,371	9,999,938	458,278,972

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Page	31 December 2024 \$	31 December 2023 \$
7. CASH AT BANK			
UBS Bank London		915,593	919,521
C Hoare & Co		399,768	-
Fidelity Investments Chicago		13,774	13,417
Coutts & Co Bank		3,424	1,729,629
Goldman Sachs		-	957,827
	14	<u>\$ 1,332,559</u>	<u>\$ 3,620,394</u>
8. DEBTORS - DUE WITHIN ONE YEAR			
Investment management fee rebate		39,932	51,120
VAT recoverable		-	1,852
	14	<u>\$ 39,932</u>	<u>\$ 52,972</u>
9. CREDITORS - Amounts falling due within one year			
Investment management fees		200,931	91,968
Grants payable		125,000	-
Accountancy and administration fees		11,170	21,643
Audit fees		5,933	5,092
VAT payable		1,570	-
	14	<u>\$ 344,604</u>	<u>\$ 118,703</u>

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

10. RELATED PARTY TRANSACTIONS

Rawlinson & Hunter received \$44,702 during the year (year to 31 December 2023: \$42,511) for the provision of secretarial and accountancy services for the year. Certain partners of Rawlinson & Hunter are also directors of the R&H Trust Co (UK) Ltd.

On 1 November 2021 the Trustees entered into an agreement with Bansk Group LLP to review and analyse Environmental, Social and Governance matters as required. Certain Trustees of the Foundation are also members of Bansk Group LLP. As at year end, Bansk Group LLP had incurred costs of \$154,517 exclusive of VAT, all of which was paid to the Foundation (2023: \$80,959 exclusive VAT).

One Trustee received reimbursement of travel expenses totalling £186 (2023: £11,313 on behalf of three trustees in relation to travel and accommodation for a field visit to a grant recipient in Canada and attendance for two at New York climate week).

11. ULTIMATE CONTROLLING PARTY

The ultimate controlling party are the Trustees.

12. FINANCIAL INSTRUMENTS

	Page	31 December 2024	31 December 2023
		\$	\$

The carry amounts of the charity's financial instruments are as follows:

Financial assets

Measured at amortised cost:

-Cash at bank and in hand	23	1,332,558	3,620,394
-Debtors due within one year	23	39,932	52,972

Measured at fair value through SOFA:

-Fixed asset investments	21	474,014,625	458,278,972
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Financial liabilities

Measured at amortised cost:

-Creditors	23	344,604	118,703
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The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

Income and expense

Measured at fair value through SOFA:

-Net (losses)/gains (including changes in fair value)	13	16,607,007	30,781,306
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Becht Foundation

England & Wales - Charity number 1116657

Accounts

BECHT FOUNDATION

(formerly “The Becht Family Charitable Trust”)

(Registered Charity Number: 1116657)

TRUSTEES’ ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

BECHT FOUNDATION

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BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees submit their report and the independently audited financial statements of Becht Foundation (“the foundation” or “the charity”) for the year to 31 December 2023. These have been prepared in accordance with the accounting policies set out on pages 15 to 17 and comply with the charity’s trust deed and applicable law.

The financial statements comply with the Charities Act 2011 and where applicable, the Charities Act 2022, the trust deed dated 3 October 2006 and 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 issued in October 2019.

1. REFERENCE AND ADMINISTRATIVE DETAILS

Becht Foundation registered charity number 1116657, is based and administered in the United Kingdom. The registered address is Eighth Floor, 6 New Street Square, London, EC4A 3AQ.

The names of the Trustees who served throughout the year and continue to serve at the date of the report’s approval are:

- Lambertus Johannes Hermanus Becht
- Ann Marie Becht
- David Walter Poulter
- The R&H Trust Co (UK) Ltd

Key Management:

The Trustees, together with the Programme Director, consider themselves the key management personnel of the Foundation who are in charge of directing and controlling, running and operating the Foundation on a day to day basis.

Independent Auditors:

KPH Audit & Assurance Services Ltd, 255 Poulton Road, Wallasey, Wirral, CH44 4BT

Accountants:

Rawlinson & Hunter LLP, Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

Solicitors:

Macfarlanes LLP, 20 Cursitor Street, Holborn, London, EC4A 1LT

Investment Managers:

UBS Wealth Management, 1 Finsbury Avenue, London

Fidelity Investments, Oak Brook, Illinois, USA

BDT Capital Partners, LLC, Chicago, Illinois, USA

The Craftory, Egyptian House, 170 Piccadilly, London

AiiM Partners, 410 Sherman Avenue, Palo Alto, California, USA

Goldman Sachs International, Plumtree Court, 25 Shoe Lane, London, EC4A 4AU

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YAER ENDED 31 DECEMBER 2023

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity was established by Declaration of Trust dated 3 October 2006.

In accordance with the Declaration of Trust dated 3 October 2006 there shall never be less than three Trustees.

New Trustees are elected by Trustees who are members of the Becht family. The original Trustees express the wish, without creating any legal obligation, that as each of the children of Lambertus Johannes Hermanus Becht and Ann Marie Becht attain the age of 21 years, they shall be considered for appointment as Trustee if there is a need to appoint Trustees in order to establish a quorum. Otherwise, they should be considered for appointment as Trustees after they have attained the age of 25 years.

Induction and Training

In order to ensure that the Trustees operate within current Charity Commission guidelines, Rawlinson & Hunter staff attend regular structured training sessions on charity administration and compliance. Knowledge gained from this training is then passed on to the Trustees for discussion and implementation.

The Trustees meet on a regular basis to review performance, grant applications and any other matters arising. All Trustees are expected to attend the meetings and play an active role in the administration of the foundation, including researching possible donees and visiting charity events where applicable.

Through Trustee meetings, consultation with agents, and review of Charity Commission guidance CC 26, the Trustees have examined the major strategic, business, and operational risks that the charity faces. Following a review and assessment of these risks, the Trustees have formulated management policies and implemented internal controls to mitigate risks to the Fund. The Trustees shall continue to review the risks, and the adequacy of the systems in place.

Any complaints are considered by the Trustees and responded to within three weeks.

The foundation has two employee who receives a fair and commensurate pay package which is reviewed annually. The Trustees do not receive remuneration for acting as Trustees.

Trustees' Responsibilities Statement

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

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

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and where applicable, the Charities Act 2022, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Internal Controls

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of internal controls. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps towards the prevention and detection of fraud.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

Risk Management and Governance

A risk assessment has been undertaken which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This continuing process will identify risk areas to which the foundation is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these financial statements.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2023

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Trustees have signed fit and proper declarations in line with HMRC guidance.

In addition, the Trustees have taken due consideration of Good Governance – A Code for the Voluntary and Community Sector, ensuring that the seven main principles of the Code are adhered to. These are:

- Organisational purpose;
- Leadership;
- Integrity;
- Decision-making, risk and control;
- Board effectiveness;
- Equality, diversity and inclusion; and
- Openness and accessibility.

The Trustees recognise that good governance plays an essential part in securing the future of the charity and confirm that the said main principles of the Code are followed by them in leading, directing and managing the charity.

Related party transactions occurring during the year are disclosed in note 10 on page 23.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the charity are such exclusively charitable purposes as the Trustees may in their absolute discretion determine. The charity is established for general charitable purposes and will operate as a grant making charity, supporting charitable projects, organisations and individuals with grants of varying sizes and durations.

The Trustees may use the income and the capital of the charity in promoting the objects.

Statement of Public Benefit

The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the foundation's aims, activities and achievements in the areas of interest that the trust supports demonstrates the benefit to its beneficiaries and through them to the public, that arise from those activities.

Fundraising

The Trustees have referred to the Charities (Protection and Social Investment) Act 2016 ("the Act") and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20"). They confirm that the Act and CC20 have no impact on the charity as it does not engage in any public fundraising activities.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT (continued)

Grant Making Policy

The charity has been established to provide grants for purposes that are, or would be deemed to be, exclusively charitable under the law of England and Wales. The charity has put in place sound grant arrangements so that it can properly select appropriate grantees and impose prudent terms on grants, including, as appropriate, requiring monitoring and evaluation of the way in which funds are applied by grantees.

Objectives and Activities of the Charity

The Trustees hold the capital and income funds for such charities, or charitable purposes, in any part of the world as they may determine. In particular, but not limited to such purposes, the Trustees seek to sponsor and support activities that protect and restore the planet's biodiversity through marine conservation and climate communications. The Trustees have gradually phased down their support for activities that provide humanitarian aid, in order to increase their support for projects in the marine and climate communications space.

The Trustees wish to be able to provide regular, long-term support to charitable purposes, and therefore aim to maintain sufficient reserves to produce a yield that will make such support possible.

During the year the Trustees made grants to charitable purposes of \$9,832,442 (2022: \$9,367,917).

The Trustees use the funds to make grants to charitable purposes, in the interests of providing public benefit.

The Trustees have wide powers, enabling them to support charitable purposes. The main areas which the Trustees seek to provide charitable support are (i) protection and restoration of our planet's biodiversity through marine conservation; and (ii) climate communications to help build strong public support for climate action. The charity also provides support to other biodiversity and humanitarian projects, at a smaller level.

The Trustees are aware that charities may require unrestricted funds to enable them to operate effectively. Therefore, the Trustees are willing to consider making both restricted and unrestricted donations to charitable purposes in the course of their support, with a continued focus on monitoring regular process.

The Trustees hired a Programme Manager to support them and the Programme Director in grant making as well as reviewing the performance and progress of the projects supported by the Foundation.

In order to minimise administrative costs, the Trustees will reply to successful applicants only.

The Trustees request that donees provide updates and information on how they have used any funds received. These responses are considered at Trustee meetings. Such updates should include details of outcomes, outcome against agreed milestones. Whilst many outcomes may be measurable, the Trustees appreciate that certain benefits are less tangible, and this is understood when reviewing the effect of the Trustees' grants. Where further information is required, the Trustees will make contact with donees.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2023

4. ACHIEVEMENT AND PERFORMANCE

Total charitable donations paid or awarded during the year amounted to \$9,832,442 (2022: \$9,367,917).

A total of 25 organisations were supported during the year, compared with 29 in the previous year, because of some marine projects coming to the end of their grant period and being in the process of renewal, as well as some one-time humanitarian grants made in 2022, which were not repeated in 2023.

The Trustees' largest donation in the year was \$2,037,573 awarded to Potential Energy Coalition towards their goal of increasing public support for climate action (2022: \$1,517,500 awarded to the Save the Children – Emergency Health Unit).

\$48,297 was paid in respect of governance costs (2022: \$42,307) and \$371,582 in support costs (2022: \$359,919).

In 2023, Becht Foundation continued to grow its grant making in the marine conservation and climate communications space.

The share of charitable expenditure on climate communications was \$2m (21%). Expenditure on marine issues decreased slightly to \$6.5m (66%), from \$6.6m (70%) in the previous period. Humanitarian issues have correspondingly decreased from \$2.3m (23%) to \$1.3m (13%).

A key achievement for marine conservation in 2022 was The Nature Conservancy led Blue Bonds deal in Gabon. This is mainland Africa's first debt swap for ocean conservation, generated savings of \$163M that Gabon will use to finance the protection and management of 30% of Gabon's marine and coastal areas.

Another major milestone was the UN's adoption of the world's first High Seas Treaty. After almost 20 years of talks and intense negotiations, the United Nations has formally adopted a landmark treaty to protect the global ocean. The 'High Seas' treaty will ensure the protection and sustainable use of marine biodiversity in areas of the ocean beyond national borders. The treaty is an important step towards the global goal of protecting 30% of the world's ocean by 2030. Becht Foundation supported the High Seas Alliance in their campaign to protect the high seas.

In Australia, Becht Foundation supported Pew Charitable Trusts who successfully campaigned to expand and fully protect The Macquarie Island Marine Park, which is set to nearly triple in size, to a total area of 475,465 square kilometres (184,000 square miles), with 93% of the park – an area the size of Germany – designated as a fully protected marine sanctuary.

In the space of climate communications, Becht Foundation supports Potential Energy Coalition, which launched the 'Powered by Michigan' campaign in 2023 and within 3 months grew strong 'clean energy' support from 31% of Michiganders in their target audience to 46%. Their campaign combined with the strong ground game of their partner organizations resulted in Michigan adopting a new clean energy standard requiring the state to meet 100% clean energy by 2040.

The trustees remain committed to scaling up funding to support marine conservation and protection projects, and climate communications projects that will generate strong citizen support for climate action.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2023

5. FINANCIAL REVIEW

Incoming Resources and Resources Expended

Total incoming resources were \$3,155,520 (2022: \$7,008,630). \$1,625,693 (2022: \$1,562,494) was expended on investment management costs. Governance costs totalled \$48,297 (2022: \$42,307), whilst direct charitable activity totalled \$9,832,442 (2022: \$9,367,717). Net incoming funds over the period totalled \$22,058,812 (2022: \$96,507,542 net expenditure) driven by global equity market contractions in 2023.

The Trustees' source of funding in the year was investment income and capital realised from the charity's investment portfolios.

Investments

The Trustees' aim in the short to medium term is to grow the Fund and produce sufficient investment income to enable the Trustees to continue their support of charitable purposes.

A net unrealised gain of \$21,949,398 (2022: \$78,041,472 loss) was recognised during the year on the Trustees' investments. Additionally, through investment sales the Trustees realised a net gain of \$8,809,774 (2022: \$13,967,800 loss) in the year. Currency revaluation gains of \$22,134 (2022: \$174,442 losses) were recognised during the year.

Investment income for the year to 31 December 2023 totalled \$3,074,561 (2022: \$6,890,326); a 55% decrease (2022: 77% increase) on the previous year. This decrease is as a result of no income being returned from the Trustees private equity investments.

The Trustees monitor performance of the underlying investments and managers on a regular basis, through face to face reviews, investment reports and comparisons to peer groups and appropriate indices.

Investment policy and performance

The Charity's investment objective is to generate a capital appreciation whilst providing liquidity to the Charity in line with the total return of the broader equity market over the long term, after expenses. This should allow the Charity to maintain the real value of the assets, whilst funding its annual expenditure. The Trustees have agreed an asset allocation strategy with investment managers, which is set to achieve this objective.

The key risk to the sustainability of the Charity is inflation and the assets will be invested to mitigate this risk over the long term. The Trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate. The trustees are able to tolerate volatility of the capital value of the Charity, as long as the Charity is able to meet its short term grant making commitments through either income or liquid capital assets. To this end the Charity's assets are invested widely and diversified by asset class, by manager and by security. Asset classes can include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities and any other asset that is deemed suitable for the Charity.

The investment philosophy is also to invest a proportion of the Charity's assets into profit seeking companies that have a social charter that is consistent with the purposes of the charity. On occasion this may include early stage higher risk companies where the financial returns are not yet proven but

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

5. FINANCIAL REVIEW (continued)

the purpose is strongly aligned with the Charity's objectives particularly with regard to the protection and restoration of marine ecosystems or in the transition to more sustainable agricultural practices.

In these cases the Trustees recognise that losses could materialise but that the benefits of purpose outweigh the risks and will not be of a size that would put the overall investment objective at risk.

The Trustees have adopted a targeted approach in managing their investments, to match the aims of the Charity. Investments will not be made in companies which derive significant levels of their turnover from activities which conflict with the aims of the charity, nor the causes which the Trustees are trying to support.

Reserves policy and going concern

The Trustees have reviewed the guidance on reserves in Charity Commission guidance note CC19.

The Trustees have examined the Trust's requirement for resources in light of the main risks to the organisation and have no outstanding commitments or cash demands which are not adequately covered by existing resources. The net assets of the Trust are regarded as free reserves and the funds at 31 December 2023 will be retained to make grants in accordance with the Trust's charitable objects and any policies. The Trustees consider that the freely expendable funds are appropriate and adequate taking into account plans for grants to be awarded in future and have at present therefore not designated any specific reserves. However, the Trustees will keep this under constant review. In future years, a specific reserves policy may be required.

The balance held as unrestricted funds as at 31 December 2023 was \$461,833,635 (2022 - \$439,774,822).

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The current uncertainty in the global economy, including cost inflating factors, have increased financial pressure on charities. The Trustees have considered, the level of funds held, the expected level and security of income and the committed expenditure for twelve months from the date of signing of these financial statements. The Trustees are satisfied the forecast income and reserves are sufficient to cover all of the budgeted expenditure to be able to continue as a going concern. The Trustees therefore consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

6. PLANS FOR THE FUTURE

The Trustees wish to continue to provide sustainable long term support to charitable purposes through grant making.

7. AUDITOR

It will be proposed at the next Trustees' meeting that KPH Audit & Assurance Services Ltd be reappointed as auditor to the charity for the ensuing year subject to the charity requiring an audit.

Approved by the Trustees and signed on their behalf by:

Lambertus Becht Lambertus Becht
Lambertus Becht (Aug 6, 2024 09:09 EDT)
 Trustee

06/08/24

.....
 Date

**REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
BECHT FOUNDATION**

Opinion

We have audited the financial statements of the Becht Foundation (the 'charity') for the year to 31 December 2022 which comprise the Statement of Financial Activity, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
BECHT FOUNDATION (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
BECHT FOUNDATION (continued)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 auditor's 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.

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

Use of this report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

KPH Audit & Assurance Services Ltd

13 August 2024

KPH Audit & Assurance Services Ltd
Statutory Auditor and Chartered Accountants

255 Poulton Road, Wallasey
Wirral, CH44 4BT

KPH Audit & Assurance Services Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

BECHT FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31 DECEMBER 2023

	Page	Unrestricted Funds 31 December 2023 \$	Unrestricted Funds 31 December 2022 \$
Income from:			
Investments (note 2)	17	3,074,561	6,890,326
Charitable activity (note 3)	17	80,959	118,304
Total income		3,155,520	7,008,630
Expenditure on:			
Charitable Activities (note 4)	19	10,252,321	9,769,888
Raising Funds (note 5)	19	1,625,693	1,562,574
Total expenditure		11,878,014	11,332,462
Net gains/(losses) on investments (note 6)	20	30,759,173	(92,009,272)
Net income/(expenditure) before other recognised gains		22,036,679	(96,333,104)
Other recognised gains/losses:			
Other gains/(losses)		22,134	(174,438)
Net movement in funds		22,058,813	(96,507,542)
Total funds brought forward at 1 January 2023		439,774,822	536,282,364
Resources carried forward at 31 December 2023		\$ 461,833,635	\$ 439,774,822

There are no recognised gains or losses in the years to 31 December 2022 and 2023 other than those included in the statement of financial activities.

All incoming resources and resources expended derive from continuing activities.

BECHT FOUNDATION

BALANCE SHEET

AT 31 DECEMBER 2023

	Page	Unrestricted Funds 31 December 2023 \$	Unrestricted Funds 31 December 2022 \$
Fixed assets:			
Investments (note 6)	20	458,278,972	436,864,382
Current assets:			
Cash at bank (note 7)	22	3,620,394	3,081,501
Debtors – due within one year (note 8)	22	52,972	55,696
Total current assets		<u>3,673,366</u>	<u>3,137,197</u>
Liabilities:			
Creditors - amounts falling due within one year (note 9)	22	<u>(118,703)</u>	<u>(226,757)</u>
Net current assets		<u>3,554,663</u>	<u>2,910,440</u>
Total net assets		<u><u>\$ 461,833,635</u></u>	<u><u>\$ 439,774,822</u></u>
The funds of the charity:			
Unrestricted funds		<u><u>\$ 461,833,635</u></u>	<u><u>\$ 439,774,822</u></u>

**Approved by the Trustees
and signed on their behalf by:**

Lambertus Becht
Lambertus Becht (Aug 6, 2024 09:09 EDT)

L J H Becht

A M Becht
A M Becht (Aug 6, 2024 09:14 EDT)

A M Becht

David Poulter
David Poulter (Aug 9, 2024 09:04 GMT+1)

D W Poulter

Christopher Hawley
Christopher Hawley (Aug 9, 2024 09:20 GMT+1)

R&H Trust Co (UK) Ltd

09/08/24
Date

BECHT FOUNDATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

	Page	31 December 2023 \$	31 December 2022 \$
Net cash flow from Operating Activities			
Net movement on funds for the year	12	22,058,812	(96,507,542)
Less: Investment income and deposit interest		(3,074,561)	(6,890,326)
Net (gain)/loss on investment assets		(30,759,172)	92,009,272
Decrease in debtors		2,724	37,818
(Decrease)/increase in creditors		(108,054)	(82,456)
		(11,880,251)	(11,433,234)
Returns on investments			
Investment income (note 2)	17	2,860,828	6,779,241
Deposit interest (note 2)	17	213,733	111,085
		3,074,561	6,890,326
Capital expenditure and financial investment			
Purchase of investments (note 6)	20	(128,039,503)	(90,815,019)
Proceeds from sale of investments (note 6)	20	137,384,086	88,805,968
		9,344,583	(2,009,051)
		\$ 538,893	\$ (6,551,959)
Reconciliation of net cash flow to movement in net funds			
Net cash resources at 1 January 2023		3,081,501	9,633,460
Net increase/(decrease) in cash		538,893	(6,551,959)
		3,620,394	3,081,501
Net cash resources at 31 December 2023			
Analysis of net funds:			
Cash at Bank (note 7)	22	3,620,394	3,081,501
		\$ 3,620,394	\$ 3,081,501

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

Becht Foundation (“the Foundation” or “the charity”), registered charity number 1116657, is based and administered in the United Kingdom. The registered address is Eighth Floor, 6 New Street Square, New Fetter Lane, London EC4A 3AQ. The nature of the charity’s operations and principal activities are set out in the Trustees’ Annual Report.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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 United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and where applicable, the Charities Act 2022, and UK Generally Accepted Accounting Practice. The Foundation constitutes a public benefit entity as defined by Charities SORP FRS 102.

The financial statements are presented in US Dollars which is the functional currency of the charity.

Status of funds

The entire resources of the charity are unrestricted. The Trustees have complete discretion for the use of the funds in pursuance of the charity’s objectives.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. 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 gains/(losses) on investments” in the statement of financial activities. The Foundation does not acquire put options, derivatives or other complex financial instruments.

Private equity investments are initially accounted for at the cost of the Charity’s capital call. They are then recorded at fair market value once a valuation is formally conducted by the manager in which the Charity is invested, with any revaluation gain or loss being recorded through the SOFA.

Incoming resources

Investment income is derived from interest and dividends receivable from investments and is accounted for in the period in which the Foundation is entitled to receipt. Interest from deposit accounts are included as and when received only. All incoming resources are included in the SOFA when the Foundation is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary donations include donations under Gift Aid with the associated tax credits included when receivable. Interest from deposit accounts are included when received.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES (continued)

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation committing the Trustee to the expenditure.

Charitable activities include governance costs made during the period and are expended through the SOFA when the offer is conveyed to the recipient.

Cost of raising funds relate to the costs incurred by the Foundation in managing its investment portfolios.

Governance costs relating to the general running of the Foundation, as opposed to the management functions inherent in generating funds.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value, except where settlement is delayed, in which case the transaction is recognised at the present value of the settlement amount.

Foreign currency

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Transactions denominated in foreign currencies are converted at the rate of exchange ruling at the date of the transaction. All translation differences are taken to the statement of financial activities as they arise.

Debtors and creditors receivable/payable

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as expenditure.

Debtors and creditors receivable/payable after one year

Debtors and creditors receivable or payable after one year are recognised at their present value.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Also included is cash held under management by the investment broker.

Provisions

Provisions are recognised when the charity has an obligation at the Balance Sheet date as a result of a past event, it is probable that an outflow of economic benefit will be required in settlement and the amount can be reliably estimated.

Taxation

As a registered charity, the Foundation is entitled to certain exemptions from Income and Capital Gains Tax on profits from investments and any trading activities carried on in furtherance of the Charity's primary objectives.

Costs are recorded net of recoverable VAT as the Foundation is able to reclaim a portion of VAT paid, because of its trading activities, using the standard method.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES (continued)

Going Concern

The Trustees have examined the Trust's requirement for resources in light of the main risks to the organisation and have no outstanding commitments or cash demands which are not adequately covered by existing resources. The net assets of the Trust are regarded as free reserves and the funds at 31 December 2023 will be retained to make grants in accordance with the Trust's charitable objects and any policies. The Trustees consider that the freely expendable funds are appropriate and adequate taking into account plans for grants to be awarded in future and have at present therefore not designated any specific reserves. However, the Trustees will keep this under constant review. In future years, a specific reserves policy may be required.

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The current uncertainty in the global economy, including cost inflating factors, have increased financial pressure on charities. The Trustees have considered, the level of funds held, the expected level and security of income and the committed expenditure for twelve months from the date of signing of these financial statements. The Trustees are satisfied the forecast income and reserves are sufficient to cover all of the budgeted expenditure to be able to continue as a going concern. The Trustees therefore consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

Judgements and key sources of estimated uncertainty

In preparing these financial statements, the Trustees have to make judgements on how to apply the charity's accounting policies and make estimates about the future.

Apart from valuation of investments which are based on open market values and advice from asset managers, the trustees have made no significant judgements.

2. INVESTMENT INCOME	Page	31 December 2023 \$	31 December 2022 \$
Net income from investments			
UBS portfolio		2,860,828	3,255,016
Deposit interest		213,733	111,085
Private Equity portfolio		-	3,493,385
Fidelity Investments portfolio		-	30,840
Total investment income	12	\$ 3,074,561	\$ 6,890,326
3. CHARITABLE ACTIVITY			
ESG advisory services		80,959	118,304
		\$ 80,959	\$ 118,304

On 1 November 2021 the Trustees entered into an agreement with Bansk Group LLP to review and analyse Environmental, Social and Governance matters as required.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Page	31 December 2023 \$	31 December 2022 \$
4. CHARITABLE ACTIVITIES			
Grants payable:			
Potential Energy Coalition		2,037,573	500,000
Blue Ventures Conservation		1,000,000	1,000,000
Save the Children – Emergency Health Unit		943,200	1,517,500
The Nature Conservancy		900,000	700,000
The Pew Charitable Trusts		850,000	250,000
Oceana Inc		825,000	1,425,500
Global Fishing Watch		750,000	-
WWF		600,000	400,000
Client Earth		503,501	612,398
Oceans North Conservation		375,000	250,000
Seas at Risk		275,000	137,500
St Georges Hospital Charity		180,855	198,600
Greenwave		150,000	550,080
Irish Environmental Network		100,000	102,763
Mangrove Action Project		100,000	100,000
Chem Trust		75,000	75,000
Sightsavers		61,390	66,406
The Universtiy of Chicago – Booth School		50,000	66,406
Lamoille Community Food Share		15,000	15,000
United Way of Lamoille County		15,000	15,000
Other small grants		25,923	7,827
Only One		-	423,999
Rare, Inc.		-	354,961
UBS Optimus Foundation – Ukraine appeal		-	298,091
Greenpeace		-	172,187
High Seas Alliance		-	50,000
Fairchance Foundation		-	39,096
Room to Read		-	23,630
OceanMind		-	15,773
Total Grants payable:		\$ 9,832,442	\$ 9,367,717

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Page	31 December 2023 \$	31 December 2022 \$
4. CHARITABLE ACTIVITIES (continued)			
Governance costs:			
Accountancy fees		42,511	39,484
Audit fees		5,205	2,198
Bank charges		581	628
		\$ 48,297	\$ 42,310
Auditor remuneration for the year ended 31 December 2023 totalled \$5,092 excluding VAT (2022: \$4,530 excluding VAT)			
Support Costs:			
Staff costs		330,427	338,467
General expenses		37,705	14,246
IT costs		3,450	7,148
		\$ 371,582	\$ 359,861
Total Charitable activities:	12	\$10,252,321	\$9,769,888

Included in Staff costs are gross salaries of \$283,421 (2022: of \$287,863), Social Security costs of \$30,347 (2022: \$33,715) and employer pension contributions of \$16,660 (2022: \$16,889).

One employee earned between \$210,000 and \$220,000 during the year (2022: one earning between \$160,000 and \$170,000) and the average number of employees during the year was two (2022: two).

5. COST OF RAISING FUNDS

Investment management fees:			
UBS		682,434	793,211
Private equity		1,161,081	1,000,600
Goldman Sachs – rebate		(218,117)	(231,317)
LEI renewal fee		295	-
		\$ 1,625,693	\$ 1,562,494
	12	\$ 1,625,693	\$ 1,562,494

The investment management fees are costs of managing the investment portfolio which are payable to the investment managers and do not include transactional costs.

The investment management fees do not include management charges for the investments held with Goldman Sachs which are deducted directly from the fund value.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

6. FIXED ASSET INVESTMENTS (AT MARKET VALUE)	UBS	UBS	UBS	Private	Goldman	Private	2023
	Execution	Discretionary	Equity	Sachs	Investments	Total	
	Only	Portfolio	Portfolio	\$	\$	\$	\$
	Portfolio	\$	\$	\$	\$	\$	\$
Opening value as at 1 January 2023	50	151,581,814	171,979,119	102,095,161	11,208,238	436,864,382	
Additions		93,461,721	28,277,782	6,300,000	-	128,039,503	
Disposals	(55)	(94,518,682)	-	(42,619,338)	(246,010)	(137,384,085)	
Realised gains/(losses)	5	5,998,202	-	2,807,217	4,350	8,809,774	
	-	156,523,055	200,256,901	68,583,040	10,966,578	436,329,574	
Unrealised gains	-	17,991,197	(2,098,490)	7,023,331	(966,640)	21,949,398	
Closing value as at 31 December 2023	-	174,514,252	198,158,411	75,606,371	9,999,938	458,278,972	

The Charity has made capital commitments to three private equity funds, managed by BDT Capital, The Craftory and AiIM Partners. As at the 31 December 2023 BDT Capital had called \$97,000,000 (2022: \$74,000,000), The Craftory \$48,846,773 (2022: \$44,984,591) and AiIM Partners \$12,074,635 (2021: \$10,659,035).

The remaining capital commitment to BDT Capital is \$3,000,000 (2022: \$26,000,000), The Craftory \$16,153,227 (2022: \$20,015,409) and AiIM Partners \$2,925,365 (2022: \$4,340,965). During the year to 31 December 2022, the Trustees increased their capital commitment to The Craftory by \$5,000,000.

As it is unknown when the managers will call the remaining capital no provision is made for the outstanding commitments.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

6. FIXED ASSET INVESTMENTS (AT MARKET VALUE) (continued)

	UBS		UBS							
	Execution Only Portfolio \$	Discretionary Portfolio \$	Fidelity Portfolio \$	Private Equity \$	Goldman Sachs \$	Private Investments \$	2022 Total \$			
Opening value as at 1 January 2022	5,800,608	203,803,002	19,346,497	149,708,166	146,853,130	1,353,200	526,864,603			
Additions	-	53,286,318	3,478,670	24,050,064	-	9,999,968	90,815,020			
Disposals	(5,365,018)	(62,276,274)	(21,164,677)	-	-	-	(88,805,969)			
Realised gains/(losses)	(435,534)	(11,871,776)	(1,660,490)	-	-	-	(13,967,800)			
Unrealised gains	56	182,941,270	-	173,758,230	146,853,130	11,353,168	514,905,854			
	(6)	(31,359,456)	-	(1,779,111)	(44,757,969)	(144,930)	(78,041,472)			
Closing value as at 31 December 2022	50	151,581,814	-	171,979,119	102,095,161	11,208,238	436,864,382			

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Page	31 December 2023 \$	31 December 2022 \$
7. CASH AT BANK			
Coutts & Co Bank		1,729,629	1,425,793
Goldman Sachs		957,827	124,286
UBS Bank London		919,521	1,518,340
Fidelity Investments Chicago		13,417	13,082
	13	<u>\$ 3,620,394</u>	<u>\$ 3,081,501</u>
8. DEBTORS - DUE WITHIN ONE YEAR			
Investment management fee rebate		51,120	55,696
VAT recoverable		1,852	-
	13	<u>\$ 52,972</u>	<u>\$ 55,696</u>
9. CREDITORS - Amounts falling due within one year			
Investment management fees		91,968	189,198
Accountancy and administration fees		21,643	10,271
Audit fees		5,092	4,530
Staff costs		-	14,972
VAT payable		-	7,786
	13	<u>\$ 118,703</u>	<u>\$ 226,757</u>

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10. RELATED PARTY TRANSACTIONS

Rawlinson & Hunter received \$42,511 during the year (year to 31 December 2022: \$39,484) for the provision of secretarial and accountancy services for the year. Certain partners of Rawlinson & Hunter are also directors of the R&H Trust Co (UK) Ltd.

On 1 November 2021 the Trustees entered into an agreement with Bansk Group LLP to review and analyse Environmental, Social and Governance matters as required. Certain Trustees of the Foundation are also members of Bansk Group LLP. As at year end, Bansk Group LLP had incurred costs of \$80,959 exclusive of VAT, all of which was paid to the Foundation (2022: \$118,304 exclusive VAT).

No Trustee received reimbursement of expense or payment for services (period to 31 December 2022: none). The Foundation incurred costs totalling £11,313 on behalf of three trustees in relation to travel and accommodation for a field visit to a grant recipient in Canada and attendance for two at New York climate week.

11. ULTIMATE CONTROLLING PARTY

The ultimate controlling party are the Trustees.

12. FINANCIAL INSTRUMENTS

	Page	31 December 2023	31 December 2022
		\$	\$

The carry amounts of the charity's financial instruments are as follows:

Financial assets

Measured at fair value through SOFA:

-Fixed asset investments	20	458,278,972	436,864,382
-Cash at bank and in hand	22	3,620,394	3,081,501

Financial liabilities

Measured at amortised cost

-Creditors

Measured at amortised cost:

-Accrued income

	22	118,703	226,757
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The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

Income and expense

Measured at fair value through SOFA: sured at amortised cost:

-Net (losses)/gains (including changes in fair value)	12	30,781,306	(92,183,710)
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Becht Foundation

England & Wales - Charity number 1116657

Accounts

BECHT FOUNDATION

(formerly "The Becht Family Charitable Trust")

(Registered Charity Number: 1116657)

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

BECHT FOUNDATION
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Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 - 23

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees submit their report and the independently audited financial statements of Becht Foundation ("the foundation" or "the charity") for the year to 31 December 2022. These have been prepared in accordance with the accounting policies set out on pages 15 to 17 and comply with the charity's trust deed and applicable law.

The financial statements comply with the Charities Act 2011 and where applicable, the Charities Act 2022, the trust deed dated 3 October 2006 and 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 issued in October 2019.

1. REFERENCE AND ADMINISTRATIVE DETAILS

The Becht Foundation (formerly "The Becht Family Charitable Trust"), registered charity number 1116657, is based and administered in the United Kingdom. The registered address is Eighth Floor, 6 New Street Square, London, EC4A 3AQ.

The names of the Trustees who served throughout the year and continue to serve at the date of the report's approval are:

- Lambertus Johannes Hermanus Becht
- Ann Marie Becht
- David Walter Poulter
- The R&H Trust Co (UK) Ltd

Key Management:

The Trustees, together with the Programme Director, consider themselves the key management personnel of the Foundation who are in charge of directing and controlling, running and operating the Foundation on a day to day basis.

Independent Auditors:

KPH Audit & Assurance Services Ltd, 255 Poulton Road, Wallasey, Wirral, CH44 4BT

Accountants:

Rawlinson & Hunter LLP, Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

Solicitors:

Macfarlanes LLP, 20 Cursitor Street, Holborn, London, EC4A 1LT

Investment Managers:

UBS Wealth Management, 1 Finsbury Avenue, London

Fidelity Investments, Oak Brook, Illinois, USA

BDT Capital Partners, LLC, Chicago, Illinois, USA

The Craftory, Egyptian House, 170 Piccadilly, London

AiiM Partners, 410 Sherman Avenue, Palo Alto, California, USA

Goldman Sachs International, Plumtree Court, 25 Shoe Lane, London, EC4A 4AU

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YAER ENDED 31 DECEMBER 2022

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity was established by Declaration of Trust dated 3 October 2006.

In accordance with the Declaration of Trust dated 3 October 2006 there shall never be less than three Trustees.

New Trustees are elected by Trustees who are members of the Becht family. The original Trustees express the wish, without creating any legal obligation, that as each of the children of Lambertus Johannes Hermanus Becht and Ann Marie Becht attain the age of 21 years, they shall be considered for appointment as Trustee if there is a need to appoint Trustees in order to establish a quorum. Otherwise, they should be considered for appointment as Trustees after they have attained the age of 25 years.

Induction and Training

In order to ensure that the Trustees operate within current Charity Commission guidelines, Rawlinson & Hunter staff attend regular structured training sessions on charity administration and compliance. Knowledge gained from this training is then passed on to the Trustees for discussion and implementation.

The Trustees meet on a regular basis to review performance, grant applications and any other matters arising. All Trustees are expected to attend the meetings and play an active role in the administration of the foundation, including researching possible donees and visiting charity events where applicable.

Through Trustee meetings, consultation with agents, and review of Charity Commission guidance CC 26, the Trustees have examined the major strategic, business, and operational risks that the charity faces. Following a review and assessment of these risks, the Trustees have formulated management policies and implemented internal controls to mitigate risks to the Fund. The Trustees shall continue to review the risks, and the adequacy of the systems in place.

Any complaints are considered by the Trustees and responded to within three weeks.

The foundation has two employee who receives a fair and commensurate pay package which is reviewed annually. The Trustees do not receive remuneration for acting as Trustees.

Trustees' Responsibilities Statement

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

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

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and where applicable, the Charities Act 2022, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Internal Controls

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of internal controls. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps towards the prevention and detection of fraud.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

Risk Management and Governance

A risk assessment has been undertaken which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This continuing process will identify risk areas to which the foundation is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these financial statements.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2022

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Trustees have signed fit and proper declarations in line with HMRC guidance.

In addition, the Trustees have taken due consideration of Good Governance – A Code for the Voluntary and Community Sector, ensuring that the seven main principles of the Code are adhered to. These are:

- Organisational purpose;
- Leadership;
- Integrity;
- Decision-making, risk and control;
- Board effectiveness;
- Equality, diversity and inclusion; and
- Openness and accessibility.

The Trustees recognise that good governance plays an essential part in securing the future of the charity and confirm that the said main principles of the Code are followed by them in leading, directing and managing the charity.

Related party transactions occurring during the year are disclosed in note 10 on page 23.

Name

On 18 July 2022 the Trustees exercised the powers in the Trust Deed to change the name of the charity from The Becht Family Charitable Trust to Becht Foundation. The Trustees feel the new name creates a better identity as awareness of their work in marine and climate spaces grow.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the charity are such exclusively charitable purposes as the Trustees may in their absolute discretion determine. The charity is established for general charitable purposes and will operate as a grant making charity, supporting charitable projects, organisations and individuals with grants of varying sizes and durations.

The Trustees may use the income and the capital of the charity in promoting the objects.

Statement of Public Benefit

The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the foundation's aims, activities and achievements in the areas of interest that the trust supports demonstrates the benefit to its beneficiaries and through them to the public, that arise from those activities.

Fundraising

The Trustees have referred to the Charities (Protection and Social Investment) Act 2016 ("the Act") and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20"). They confirm that the Act and CC20 have no impact on the charity as it does not engage in any public fundraising activities.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT (continued)

Grant Making Policy

The charity has been established to provide grants for purposes that are, or would be deemed to be, exclusively charitable under the law of England and Wales. The charity has put in place sound grant arrangements so that it can properly select appropriate grantees and impose prudent terms on grants, including, as appropriate, requiring monitoring and evaluation of the way in which funds are applied by grantees.

Objectives and Activities of the Charity

The Trustees hold the capital and income funds for such charities, or charitable purposes, in any part of the world as they may determine. In particular, but not limited to such purposes, the Trustees seek to sponsor and support activities that protect and restore the planet's biodiversity and fight climate change, with a heavy focus on marine biodiversity. Additionally the Trustees continue to support activities that provide humanitarian aid.

The Trustees wish to be able to provide regular, long term support to charitable purposes, and therefore aim to maintain sufficient reserves to produce a yield that will make such support possible.

During the year the Trustees made grants to charitable purposes of \$9,367,917 (2021: \$8,823,509).

The Trustees use the funds to make grants to charitable purposes, in the interests of providing public benefit.

The Trustees have wide powers, enabling them to support charitable purposes. The main areas which the Trustees seek to provide charitable support are (i) protection and restoration of our planet's biodiversity through marine conservation; and (ii) climate communications to help strong public support for climate action. The charity also provides support to other biodiversity and humanitarian projects.

The Trustees are aware that charities may require unrestricted funds to enable them to operate effectively. Therefore, the Trustees are willing to consider making both restricted and unrestricted donations to charitable purposes in the course of their support, with a continued focus on monitoring regular process.

Where the Trustees receive grant applications from a number of applicants operating in the same area of benefit, they may engage agents to help them select the most suitable application to support.

In order to minimise administrative costs, the Trustees will reply to successful applicants only.

The Trustees request that donees provide updates and information on how they have used any funds received. These responses are considered at Trustee meetings. Such updates should include details of outcomes, outcome against agreed milestones. Whilst many outcomes may be measurable, the Trustees appreciate that certain benefits are less tangible, and this is understood when reviewing the effect of the Trustees' grants. Where further information is required, the Trustees will make contact with donees.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2022

4. ACHIEVEMENT AND PERFORMANCE

Total charitable donations paid or awarded during the year amounted to \$9,367,917 (2021: \$8,823,509).

A total of 29 organisations were supported during the year, compared with 27 in the previous year.

The Trustees' largest donation in the year was \$1,517,500 (2021: \$2,051,250) awarded to the Save the Children – Emergency Health Unit. This was the fifth of seven conditionally contingent payments potentially payable to Save the Children pledged by the Trustees in 2018.

\$42,307 was paid in respect of governance costs (2021: \$50,993) and \$359,919 in support costs (2021: \$209,093). The increase in costs reflects the employment of an additional staff member and greater travelling costs as the Foundation moves beyond the restrictions imposed as a result of Covid-19.

In 2022, Becht Foundation added a new strategic pillar of climate communications. The first grant in this area was awarded to Potential Energy Coalition, a non-partisan, non-profit coalition that brings together America's leading creative, analytic and media agencies to shift the narrative on climate change.

The share of charitable expenditure on climate communications was \$0.5m (5%). Expenditure on marine issues increased to \$6.6m (70%), up from \$6m (68%) in the previous period. Humanitarian issues have correspondingly decreased from \$2.8m (32%) to \$2.1m (25%).

A key achievement for marine conservation in 2022 was supporting WWF to launch a new initiative in Colombia that secured \$245m to permanently protect 32 million hectares of Colombia's land and seas. The initiative will help the Colombian government achieve its pledge to protect 30% of its land and seas by 2030.

In the Caribbean, The Nature Conservancy (TNC) announced a new Blue Bond for Ocean Conservation project that will enable Barbados to redirect a portion of its debt to free up around \$50m to support the nation's commitment to conserving 30% of its ocean. This is TNC's third Blue Bond project supported by Becht Foundation and other funders.

Becht Foundation's support of Client Earth led to a legal first in the history of the EU. The highest European Court – the Court of Justice of the European Union – has been called on for the first time to decide if EU ministers have set unsustainable fishing limits.

The trustees remain committed to scaling up funding to support marine conservation and protection projects, and climate communications projects that will generate strong citizen support for climate action.

[Blue Bonds for Ocean Conservation project in Barbados will conserve 30% of marine and coastal environments](#) - September 2022

[Colombia, WWF and Partners Announce \\$245M Agreement to Permanently Protect Vital Systems of Nation's Protected Areas](#) - June 2022

[Legal first: CJEU must decide if ministers broke law with unsustainable fishing limits](#) - February 2022

[Increasing public support for climate action through data-driven communications](#) - November 2022

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2022

5. FINANCIAL REVIEW

Incoming Resources and Resources Expended

Total incoming resources were \$7,008,630 (2021: \$3,891,945). \$1,562,494 (2021: \$1,668,052) was expended on investment management costs. Governance costs totalled \$42,307 (2021: \$50,993), whilst direct charitable activity totalled \$9,367,717 (2021: \$8,823,509). Net expenditure funds over the period totalled \$96,507,542 (2021: \$81,137,905 net income) driven by global equity market contractions in 2022.

The Trustees' source of funding in the year was investment income and capital realised from the charity's investment portfolios.

Investments

The Trustees' aim in the short to medium term is to grow the Fund and produce sufficient investment income to enable the Trustees to continue their support of charitable purposes.

A net unrealised loss of \$78,041,472 (2021: \$72,597,736 gain) was recognised during the year on the Trustees' investments. Additionally, through investment sales the Trustees realised a net loss of \$13,967,800 (2021: \$15,370,610 gain) in the year. Currency revaluation losses of \$174,442 (2021: \$29,261 gain) were recognised during the year.

Investment income for the year to 31 December 2022 totalled \$6,890,326 (2021: \$3,883,637); a 77% increase (2021: 35% decrease) on the previous year. The increase in 2022 is driven by returns arising from the Trustees private equity investments.

The Trustees monitor performance of the underlying investments and managers on a regular basis, through face to face reviews, investment reports and comparisons to peer groups and appropriate indices. The Trustees note investment performance returned to growth in the six months to 30 June 2023.

Investment policy and performance

The Charity's investment objective is to generate a capital appreciation whilst providing liquidity to the Charity in line with the total return of the broader equity market over the long term, after expenses. This should allow the Charity to maintain the real value of the assets, whilst funding its annual expenditure. The Trustees have agreed an asset allocation strategy with investment managers, which is set to achieve this objective.

The key risk to the sustainability of the Charity is inflation and the assets will be invested to mitigate this risk over the long term. The Trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate. The trustees are able to tolerate volatility of the capital value of the Charity, as long as the Charity is able to meet its short term grant making commitments through either income or liquid capital assets. To this end the Charity's assets are invested widely and diversified by asset class, by manager and by security. Asset classes can include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities and any other asset that is deemed suitable for the Charity.

The investment philosophy is also to invest a proportion of the Charity's assets into profit seeking companies that have a social charter that is consistent with the purposes of the charity. On occasion this may include early stage higher risk companies where the financial returns are not yet proven but

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

5. FINANCIAL REVIEW (continued)

the purpose is strongly aligned with the Charity's objectives particularly with regard to the protection and restoration of marine ecosystems or in the transition to more sustainable agricultural practices.

In these cases the Trustees recognise that losses could materialise but that the benefits of purpose outweigh the risks and will not be of a size that would put the overall investment objective at risk.

The Trustees have adopted a targeted approach in managing their investments, to match the aims of the Charity. Investments will not be made in companies which derive significant levels of their turnover from activities which conflict with the aims of the charity, nor the causes which the Trustees are trying to support.

Reserves policy and going concern

The Trustees have reviewed the guidance on reserves in Charity Commission guidance note CC19.

The Trustees have examined the charity's requirements for resources in light of the main risks to the organisation and have no outstanding commitments or cash demands that are not adequately covered by existing resources. The net assets of the charity are regarded as unrestricted reserves and the available funds at 31 December 2022 will be retained to make grants in accordance with the charity's charitable objects and any policies.

The Trustees consider that the freely expendable funds are appropriate and adequately take into account plans for grants to be awarded in the future. However, the Trustees will keep this under constant review.

The balance held as unrestricted funds as at 31 December 2022 was \$439,774,822 (2021 - \$536,282,364).

The ongoing conflict in Ukraine and the resulting high energy costs and other cost inflating factors have affected the global economy. Having considered the contingency plans in place and having reviewed updated cashflow forecasts, the Trustees consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

6. PLANS FOR THE FUTURE

The Trustees wish to continue to provide sustainable long term support to charitable purposes through grant making.

7. AUDITOR

It will be proposed at the next Trustees' meeting that KPH Audit & Assurance Services Ltd be reappointed as auditor to the charity for the ensuing year subject to the charity requiring an audit.

Approved by the Trustees and signed on their behalf by:

Lambertus Becht
 Lambertus Becht (Oct 6, 2023 13:50 GMT+1)
 Trustee

06/10/23
 Date

**REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
BECHT FOUNDATION**

Opinion

We have audited the financial statements of the Becht Foundation (the 'charity') for the year to 31 December 2022 which comprise the Statement of Financial Activity, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
BECHT FOUNDATION (continued)**

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
BECHT FOUNDATION (continued)**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 auditor's 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.

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

Use of this report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

KPH Audit & Assurance Services Ltd

10/10/23

KPH Audit & Assurance Services Ltd
Statutory Auditor and Chartered Accountants

255 Poulton Road, Wallasey
Wirral, CH44 4BT

KPH Audit & Assurance Services Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

BECHT FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31 DECEMBER 2022

	Page	Unrestricted Funds 31 December 2022 \$	Unrestricted Funds 31 December 2021 \$
Income from:			
Investments (note 2)	17	6,890,326	3,883,637
Charitable activity (note 3)	17	118,304	8,308
Total income		<u>7,008,630</u>	<u>3,891,945</u>
Expenditure on:			
Charitable Activities (note 4)	19	9,769,888	9,083,595
Raising Funds (note 5)	19	1,562,574	1,668,052
Total expenditure		<u>11,332,462</u>	<u>10,751,647</u>
Net (losses)/gains on investments (note 6)	20	(92,009,272)	87,968,346
Net expenditure before other recognised gains		<u>(96,333,104)</u>	<u>81,108,644</u>
Other recognised gains/losses:			
Other (losses)/gains		(174,438)	29,261
Net movement in funds		<u>(96,507,542)</u>	<u>81,137,905</u>
Total funds brought forward at 1 January 2022		<u>536,282,364</u>	<u>455,144,459</u>
Resources carried forward at 31 December 2022		<u><u>\$ 439,774,822</u></u>	<u><u>\$ 536,282,364</u></u>

There are no recognised gains or losses in the years to 31 December 2021 and 2022 other than those included in the statement of financial activities.

All incoming resources and resources expended derive from continuing activities.

BECHT FOUNDATION
BALANCE SHEET
AT 31 DECEMBER 2022

	Page	Unrestricted Funds 31 December 2022 \$	Unrestricted Funds 31 December 2021 \$
Fixed assets:			
Investments (note 6)	20	436,864,382	526,864,603
Current assets:			
Cash at bank (note 7)	22	3,081,501	9,633,460
Debtors – due within one year (note 8)	22	55,696	93,514
Total current assets		3,137,197	9,726,794
Liabilities:			
Creditors - amounts falling due within one year (note 9)	22	226,757	309,213
Net current assets		2,910,440	9,417,761
Total net assets		\$ 439,774,822	\$ 536,282,364
The funds of the charity:			
Unrestricted funds		\$ 439,774,822	\$ 536,282,364

**Approved by the Trustees
and signed on their behalf by:**

Lambertus Becht
Lambertus Becht (Oct 6, 2023 13:50 GMT+1)
L J H Becht

Ann M Becht
Ann M Becht (Oct 6, 2023 13:46 EDT)
A M Becht

D W Poulter
D W Poulter (Oct 9, 2023 18:03 GMT+1)
D W Poulter

Christopher Hawley
Christopher Hawley (Oct 9, 2023 18:45 GMT+1)
R&H Trust Co (UK) Ltd

09/10/23
.....
Date

BECHT FOUNDATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Page	31 December 2022 \$	31 December 2021 \$
Net cash flow from Operating Activities			
Net movement on funds for the year	12	(96,507,542)	81,137,907
Less: Investment income and deposit interest		(6,890,326)	(3,883,637)
Net loss/(gain) on investment assets		92,009,272	(87,968,346)
Decrease in debtors		37,818	2,640,486
(Decrease)/increase in creditors		(82,456)	278,225
		<hr/>	<hr/>
Net cash used by Operating Activities		(11,433,234)	(7,795,365)
Returns on investments			
Investment income (note 2)	17	6,779,241	3,882,214
Deposit interest (note 2)	17	111,085	1,423
		<hr/>	<hr/>
		6,890,326	3,883,637
Capital expenditure and financial investment			
Purchase of investments (note 6)	20	(90,815,019)	(237,859,683)
Proceeds from sale of investments (note 6)	20	88,805,968	249,396,575
		<hr/>	<hr/>
		(2,009,051)	11,536,892
		<hr/>	<hr/>
Net (decrease)/increase in cash in the year		<u>\$ (6,551,959)</u>	<u>\$ 7,625,164</u>
Reconciliation of net cash flow to movement in net funds			
Net cash resources at 1 January 2022		9,633,460	2,008,296
Net increase/(decrease) in cash		(6,551,959)	7,625,164
		<hr/>	<hr/>
Net cash resources at 31 December 2022		<u>3,081,501</u>	<u>9,633,460</u>
Analysis of net funds:			
Cash at Bank (note 7)	22	3,081,501	9,633,460
		<hr/>	<hr/>
		<u>\$ 3,081,501</u>	<u>\$ 9,633,460</u>

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

The Becht Foundation (“the Foundation” or “the charity”), registered charity number 1116657, is based and administered in the United Kingdom. The registered address is Eighth Floor, 6 New Street Square, New Fetter Lane, London EC4A 3AQ. The nature of the charity’s operations and principal activities are set out in the Trustees’ Annual Report.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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 United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and where applicable, the Charities Act 2022, and UK Generally Accepted Accounting Practice. The Foundation constitutes a public benefit entity as defined by Charities SORP FRS 102.

The financial statements are presented in US Dollars which is the functional currency of the charity.

Status of funds

The entire resources of the charity are unrestricted. The Trustees have complete discretion for the use of the funds in pursuance of the charity’s objectives.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. 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 gains/(losses) on investments” in the statement of financial activities. The Foundation does not acquire put options, derivatives or other complex financial instruments.

Private equity investments are initially accounted for at the cost of the Charity’s capital call. They are then recorded at fair market value once a valuation is formally conducted by the manager in which the Charity is invested, with any revaluation gain or loss being recorded through the SOFA.

Incoming resources

Investment income is derived from interest and dividends receivable from investments and is accounted for in the period in which the Foundation is entitled to receipt. Interest from deposit accounts are included as and when received only. All incoming resources are included in the SOFA when the Foundation is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary donations include donations under Gift Aid with the associated tax credits included when receivable. Interest from deposit accounts are included when received.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES (continued)

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation committing the Trustee to the expenditure.

Charitable activities include governance costs made during the period and are expended through the SOFA when the offer is conveyed to the recipient.

Cost of raising funds relate to the costs incurred by the Foundation in managing its investment portfolios.

Governance costs relating to the general running of the Foundation, as opposed to the management functions inherent in generating funds.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value, except where settlement is delayed, in which case the transaction is recognised at the present value of the settlement amount.

Foreign currency

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Transactions denominated in foreign currencies are converted at the rate of exchange ruling at the date of the transaction. All translation differences are taken to the statement of financial activities as they arise.

Debtors and creditors receivable/payable

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as expenditure.

Debtors and creditors receivable/payable after one year

Debtors and creditors receivable or payable after one year are recognised at their present value.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Also included is cash held under management by the investment broker.

Provisions

Provisions are recognised when the charity has an obligation at the Balance Sheet date as a result of a past event, it is probable that an outflow of economic benefit will be required in settlement and the amount can be reliably estimated.

Taxation

As a registered charity, the Foundation is entitled to certain exemptions from Income and Capital Gains Tax on profits from investments and any trading activities carried on in furtherance of the Charity's primary objectives.

Costs are recorded net of recoverable VAT as the Foundation is able to reclaim a portion of VAT paid, because of its trading activities, using the standard method.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES (continued)

Going Concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for twelve months from the date of signing of these financial statements. The forecast income and reserves are sufficient to cover all of the budgeted expenditure to be able to continue as a going concern.

The ongoing conflict in Ukraine and the resulting high energy costs and other cost inflating factors have affected the global economy. Having considered the contingency plans in place and having reviewed updated cashflow forecasts, the Trustees consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

Judgements and key sources of estimated uncertainty

In preparing these financial statements, the Trustees have to make judgements on how to apply the charity's accounting policies and make estimates about the future.

Apart from valuation of investments which are based on open market values and advice from asset managers, the trustees have made no significant judgements.

2. INVESTMENT INCOME	Page	31 December 2022 \$	31 December 2021 \$
Net income from investments			
Private Equity portfolio		3,493,385	-
UBS portfolio		3,255,016	3,189,090
Deposit interest		111,085	1,423
Fidelity Investments portfolio		30,840	693,124
Total investment income	12	\$ 6,890,326	\$ 3,883,637
3. CHARITABLE ACTIVITY			
ESG advisory services		118,304	8,308
		\$ 118,304	\$ 8,308

On 1 November 2021 the Trustees entered into an agreement with Bansk Group LLP to review and analyse Environmental, Social and Governance matters as required.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Page	31 December 2022 \$	31 December 2021 \$
4. CHARITABLE ACTIVITIES			
Grants payable:			
Save the Children – Emergency Health Unit		1,517,500	2,051,250
Oceana Inc		1,425,500	737,500
Blue Ventures Conservation		1,000,000	1,000,000
The Nature Conservancy		700,000	250,000
Client Earth		612,398	556,017
Greenwave		550,080	300,000
Potential Energy Coalition		500,000	-
Only One		423,999	125,000
WWF		400,000	-
Rare, Inc.		354,961	351,372
UBS Optimus Foundation – Ukraine appeal		298,091	-
The Pew Charitable Trusts		250,000	350,000
Oceans North Conservation		250,000	250,000
St Georges Hospital Charity		198,600	208,980
Greenpeace		172,187	435,453
Seas at Risk		137,500	-
Irish Environmental Network		102,763	100,000
Mangrove Action Project		100,000	100,000
Chem Trust		75,000	75,000
Sightsavers		66,406	69,660
The Universtiy of Chicago – Booth School		66,406	50,000
High Seas Alliance		50,000	50,000
Fairchance Foundation		39,096	89,920
Room to Read		23,630	-
OceanMind		15,773	524,610
Lamoille Community Food Share		15,000	15,000
United Way of Lamoille County		15,000	15,000
Other small humanitarian grants		7,827	15,383
International Eco Fund		-	688,900
Elemental Water Foundation		-	314,464
Conservation International Foundation		-	100,000
Total Grants payable:		<u>\$ 9,367,717</u>	<u>\$ 8,823,509</u>

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Page	31 December 2022 \$	31 December 2021 \$
4. CHARITABLE ACTIVITIES (continued)			
Governance costs:			
Accountancy fees		39,484	43,821
Audit fees		2,198	6,074
Bank charges		628	1,098
		\$ 42,310	\$ 50,993
Auditor remuneration for the year ended 31 December 2022 totalled \$4,530 excluding VAT (2021: \$5,075 excluding VAT)			
Support Costs:			
Staff costs		338,467	204,226
General expenses		14,246	1,357
IT costs		7,148	3,510
		\$ 359,861	\$ 209,093
Total Charitable activities:	12	\$9,769,888	\$9,083,595

Included in Staff costs are gross salaries of \$287,863 (2021: \$182,517), Social Security costs of \$33,715 (2021: \$16,942) and employer pension contributions of \$16,889 (2021: \$4,727).

One employee earned between \$160,000 and \$170,000 during the year (2021: one earning between \$170,000 and \$180,000) and the average number of employees during the year was two (2021: one).

5. COST OF RAISING FUNDS

Investment management fees:			
UBS		793,211	1,158,728
Private equity		1,000,600	843,733
Goldman Sachs – rebate		(231,317)	(334,409)
		12	\$ 1,668,052
		\$ 1,562,494	\$ 1,668,052

The investment management fees are costs of managing the investment portfolio which are payable to the investment managers and do not include transactional costs.

The investment management fees do not include management charges for the investments held with Goldman Sachs which are deducted directly from the fund value.

BECHT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

6. FIXED ASSET INVESTMENTS (AT MARKET VALUE)

	UBS Execution Only Portfolio \$	UBS Discretionary Portfolio \$	Fidelity Portfolio \$	Private Equity \$	Goldman Sachs \$	Private Investments \$	2022 Total \$
Opening value as at 1 January 2022	5,800,608	203,803,002	19,346,497	149,708,166	146,853,130	1,353,200	526,864,603
Additions	-	53,286,318	3,478,670	24,050,064	-	9,999,968	90,815,020
Disposals	(5,365,018)	(62,276,274)	(21,164,677)	-	-	-	(88,805,969)
Realised gains/(losses)	(435,534)	(11,871,776)	(1,660,490)	-	-	-	(13,967,800)
	57	182,941,270	-	173,758,230	146,853,130	11,353,168	514,905,854
Unrealised gains	(6)	(31,359,456)	-	(1,779,111)	(44,757,969)	(144,930)	(78,041,472)
Closing value as at 31 December 2022	51	151,581,814	-	171,979,119	102,095,161	11,208,238	436,864,382

The Charity has made capital commitments to three private equity funds, managed by BDT Capital, The Craftory and AiIM Partners. As at the 31 December 2022 BDT Capital had called \$74,000,000 (2021: \$63,500,000), The Craftory \$44,984,591 (2021: \$35,643,562) and AiIM Partners \$10,659,035 (2021: \$6,450,000).

The remaining capital commitment to BDT Capital is \$26,000,000 (2021: \$36,500,000), The Craftory \$20,015,409 (2021: \$24,356,438) and AiIM Partners \$4,340,965 (2021: \$8,550,000). During the year to 31 December 2022, the Trustees increased their capital commitment to The Craftory by \$5,000,000 (2021 - \$20,000,000).

As it is unknown when the managers will call the remaining capital no provision is made for the outstanding commitments.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6. FIXED ASSET INVESTMENTS (AT MARKET VALUE) (continued)	UBS							2021 Total \$
	Execution Only Portfolio \$	Discretionary Portfolio \$	Fidelity Portfolio \$	Private Equity \$	Goldman Sachs \$	Private Investments \$		
Opening value as at 1 January 2021	10,149,443	208,746,870	71,236,274	65,432,567	93,500,996	1,366,999	450,433,149	
Additions	55,958,852	82,777,180	-	52,745,901	45,000,000	1,377,750	237,859,683	
Disposals	(61,094,082)	(128,175,286)	(60,127,207)	-	-	-	(249,396,575)	
Realised gains/(losses)	845,150	9,354,426	5,171,034	-	-	-	15,370,610	
	5,859,363	172,703,190	16,280,101	118,178,468	138,500,996	2,744,749	454,266,867	
Unrealised gains	(58,755)	31,099,812	3,066,396	31,529,698	8,352,134	(1,391,549)	72,597,736	
Closing value as at 31 December 2021	5,800,608	203,803,002	19,346,497	149,708,166	146,853,130	1,353,200	526,864,603	

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Page	31 December 2022 \$	31 December 2021 \$
7. CASH AT BANK			
UBS Bank London		1,518,340	3,240,306
Coutts & Co Bank		1,425,793	5,931,714
Fidelity Investments Chicago		13,082	146,062
Goldman Sachs		124,286	315,378
	13	<u>\$ 3,081,501</u>	<u>\$ 9,633,460</u>
8. DEBTORS - DUE WITHIN ONE YEAR			
Investment management fee rebate		55,696	78,258
Trade receivables		-	9,969
VAT recoverable		-	4,590
Other debtors		-	697
	13	<u>\$ 55,696</u>	<u>\$ 93,514</u>
9. CREDITORS - Amounts falling due within one year			
Investment management fees		189,198	238,395
Staff costs		14,972	23,835
Accountancy and administration fees		10,271	37,511
VAT payable		7,786	-
Audit fees		4,530	6,089
Donations commitment		-	3,383
	13	<u>\$ 226,757</u>	<u>\$ 309,213</u>

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. RELATED PARTY TRANSACTIONS

Rawlinson & Hunter received \$39,484 during the year (year to 31 December 2021: \$43,821) for the provision of secretarial and accountancy services for the year. Certain partners of Rawlinson & Hunter are also directors of the R&H Trust Co (UK) Ltd.

On 1 November 2021 the Trustees entered into an agreement with Bansk Group LLP to review and analyse Environmental, Social and Governance matters as required. Certain Trustees of the Foundation are also members of Bansk Group LLP. As at year end, Bansk Group LLP had incurred costs of \$118,304 exclusive of VAT, all of which was paid to the Foundation (2021: \$9,969 inclusive of VAT).

No Trustee received reimbursement of expense or payment for services (period to 31 December 2021: none).

11. ULTIMATE CONTROLLING PARTY

The ultimate controlling party are the Trustees.

12. FINANCIAL INSTRUMENTS

	Page	31 December 2022	31 December 2021
		\$	\$

The carry amounts of the charity's financial instruments are as follows:

Financial assets

Measured at fair value through SOFA:

-Fixed asset investments	20	436,864,382	526,864,603
-Cash at bank and in hand	22	3,081,501	9,633,460

Financial liabilities

Measured at amortised cost

-Creditors	22	226,757	309,213
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The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

Income and expense

Measured at fair value through SOFA:

-Net (losses)/gains (including changes in fair value)	12	(92,183,710)	87,997,609
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Becht Foundation

England & Wales - Charity number 1116657

Accounts

BECHT FOUNDATION
(formerly “The Becht Family Charitable Trust”)
(Registered Charity Number: 1116657)
TRUSTEES’ ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

BECHT FOUNDATION

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BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees submit their report and the independently audited financial statements of Becht Foundation (“the foundation” or “the charity”) for the year to 31 December 2021. These have been prepared in accordance with the accounting policies set out on pages 15 to 17 and comply with the charity’s trust deed and applicable law.

The financial statements comply with the Charities Act 2011, the trust deed dated 3 October 2006 and 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 issued in October 2019.

The prior period comparatives run for the period 4 October 2019 to 31 December 2020.

1. REFERENCE AND ADMINISTRATIVE DETAILS

The Becht Foundation (formerly “The Becht Family Charitable Trust”), registered charity number 1116657, is based and administered in the United Kingdom. The registered address is Eighth Floor, 6 New Street Square, London, EC4A 3AQ.

The names of the Trustees who served throughout the year and continue to serve at the date of the report’s approval are:

- Lambertus Johannes Hermanus Becht
- Ann Marie Becht
- David Walter Poulter
- The R&H Trust Co (UK) Ltd

Independent Auditors:

KPH Audit & Assurance Services Ltd, 255 Poulton Road, Wallasey, Wirral, CH44 4BT

Accountants:

Rawlinson & Hunter LLP, Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

The Trustees have delegated day to day management of the charity to Rawlinson & Hunter

Solicitors:

Macfarlanes LLP, 20 Cursitor Street, Holborn, London, EC4A 1LT

Investment Managers:

UBS Wealth Management, 1 Finsbury Avenue, London

Fidelity Investments, Oak Brook, Illinois, USA

BDT Capital Partners, LLC, Chicago, Illinois, USA

The Craftory, Egyptian House, 170 Piccadilly, London

AiiM Partners, 410 Sherman Avenue, Palo Alto, California, USA

Goldman Sachs International, Plumtree Court, 25 Shoe Lane, London, EC4A 4AU

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YAER ENDED 31 DECEMBER 2021

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity was established by Declaration of Trust dated 3 October 2006.

In accordance with the Declaration of Trust dated 3 October 2006 there shall never be less than three Trustees.

New Trustees are elected by Trustees who are members of the Becht family. The original Trustees express the wish, without creating any legal obligation, that as each of the children of Lambertus Johannes Hermanus Becht and Ann Marie Becht attain the age of 21 years, they shall be considered for appointment as Trustee if there is a need to appoint Trustees in order to establish a quorum. Otherwise, they should be considered for appointment as Trustees after they have attained the age of 25 years.

Induction and Training

In order to ensure that the Trustees operate within current Charity Commission guidelines, Rawlinson & Hunter staff attend regular structured training sessions on charity administration and compliance. Knowledge gained from this training is then passed on to the Trustees for discussion and implementation.

The Trustees meet on a regular basis to review performance, grant applications and any other matters arising. All Trustees are expected to attend the meetings and play an active role in the administration of the foundation, including researching possible donees and visiting charity events where applicable.

Through Trustee meetings, consultation with agents, and review of Charity Commission guidance CC 26, the Trustees have examined the major strategic, business, and operational risks that the charity faces. Following a review and assessment of these risks, the Trustees have formulated management policies and implemented internal controls to mitigate risks to the Fund. The Trustees shall continue to review the risks, and the adequacy of the systems in place.

Any complaints are considered by the Trustees and responded to within three weeks.

The foundation has a single employee who receives a fair and commensurate pay package which is reviewed annually. The Trustees do not receive remuneration for acting as Trustees.

Trustees' Responsibilities Statement

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

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

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Internal Controls

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of internal controls. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps towards the prevention and detection of fraud.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

Risk Management and Governance

A risk assessment has been undertaken which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This continuing process will identify risk areas to which the foundation is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these financial statements.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2021

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Trustees have signed fit and proper declarations in line with HMRC guidance.

In addition, the Trustees have taken due consideration of Good Governance – A Code for the Voluntary and Community Sector, ensuring that the seven main principles of the Code are adhered to. These are:

- Organisational purpose;
- Leadership;
- Integrity;
- Decision-making, risk and control;
- Board effectiveness;
- Equality, diversity and inclusion; and
- Openness and accessibility.

The Trustees recognise that good governance plays an essential part in securing the future of the charity and confirm that the said main principles of the Code are followed by them in leading, directing and managing the charity.

Name

On 18 July 2022 the Trustees exercised the powers in the Trust Deed to change the name of the charity from The Becht Family Charitable Trust to Becht Foundation. The Trustees feel the new name creates a better identity as awareness of their work in marine and climate spaces grow.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the charity are such exclusively charitable purposes as the Trustees may in their absolute discretion determine. The charity is established for general charitable purposes and will operate as a grant making charity, supporting charitable projects, organisations and individuals with grants of varying sizes and durations.

The Trustees may use the income and the capital of the charity in promoting the objects.

Statement of Public Benefit

The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the foundation's aims, activities and achievements in the areas of interest that the trust supports demonstrates the benefit to its beneficiaries and through them to the public, that arise from those activities.

Fundraising

The Trustees have referred to the Charities (Protection and Social Investment) Act 2016 ("the Act") and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20"). They confirm that the Act and CC20 have no impact on the charity as it does not engage in any public fundraising activities.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT (continued)

Grant Making Policy

The charity has been established to provide grants for purposes that are, or would be deemed to be, exclusively charitable under the law of England and Wales. The charity has put in place sound grant arrangements so that it can properly select appropriate grantees and impose prudent terms on grants, including, as appropriate, requiring monitoring and evaluation of the way in which funds are applied by grantees.

Objectives and Activities of the Charity

The Trustees hold the capital and income funds for such charities, or charitable purposes, in any part of the world as they may determine. In particular, but not limited to such purposes, the Trustees seek to sponsor and support activities that protect and restore the planet's biodiversity and fight climate change, with a heavy focus on marine biodiversity. Additionally the Trustees continue to support activities that provide humanitarian aid.

The Trustees wish to be able to provide regular, long term support to charitable purposes, and therefore aim to maintain sufficient reserves to produce a yield that will make such support possible.

During the year the Trustees made grants to charitable purposes of \$8,823,509 (2020: \$6,465,210).

The Trustees use the funds to make grants to charitable purposes, in the interests of providing public benefit.

The Trustees have wide powers, enabling them to support charitable purposes. The main areas which the Trustees seek to provide charitable support are (i) protection and restoration of our planet's biodiversity through marine conservation; and (ii) humanitarian aid.

The Trustees are aware that charities may require unrestricted funds to enable them to operate effectively. Therefore, the Trustees are willing to consider making both restricted and unrestricted donations to charitable purposes in the course of their support, with a continued focus on monitoring regular process.

Where the Trustees receive grant applications from a number of applicants operating in the same area of benefit, they may engage agents to help them select the most suitable application to support.

In order to minimise administrative costs, the Trustees will reply to successful applicants only.

The Trustees request that donees provide updates and information on how they have used any funds received. These responses are considered at Trustee meetings. Such updates should include details of outcomes, outcome against agreed milestones. Whilst many outcomes may be measurable, the Trustees appreciate that certain benefits are less tangible, and this is understood when reviewing the effect of the Trustees' grants. Where further information is required, the Trustees will make contact with donees.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2021

4. ACHIEVEMENT AND PERFORMANCE

Total charitable donations paid or awarded during the year amounted to \$8,823,509 (2020: \$6,465,210).

A total of 27 organisations were supported during the year, compared with 20 in the previous year.

The Trustees' largest donation in the year was \$2,051,250 (2020: \$2,498,400) awarded to the Save the Children – Emergency Health Unit. This was the fourth of seven conditionally contingent payments potentially payable to Save the Children pledged by the Trustees in 2018.

As a result of the strategic review undertaken in conjunction with specialist philanthropy consultants Ten Years' Time the Trustees have expanded their efforts in protecting marine biodiversity. This has resulted in grants being awarded to new partners such as the Pew Charitable Trusts, The Nature Conservancy and Oceanmind Limited.

One of the key achievements in 2021 was supporting the implementation of the largest marine reserve in the Atlantic in the area surrounding Tristan da Cunha.

Another key achievement was the Blue Bonds deal in Belize, executed by The Nature Conservancy, which led Belize to substantially reduce its sovereign debt in exchange for protecting 30% of its EEZ, sustainably manage the rest and secure \$180M in financing to support the protections over a long period of time.

The share of charitable expenditure on Marine issues has increased to represent \$6m (68%) of grants awarded, up from \$3.3m (51%) in the previous period. Humanitarian issues have correspondingly decreased to \$2.8m (32%) from \$3m (49%).

Over the next three years the Trustees hope to scale up their work in fighting climate change together with support for the Marine sector with, subject to satisfactory outcomes, the intention that it accounts for 80% of all charitable expenditure.

The Trustees are satisfied that they have continued to provide public benefit through their grant making in support of charitable purposes.

\$50,993 was paid in respect of governance costs (2020: \$80,720) and \$209,093 in support costs (2020: \$321,502). The decrease in costs reflects more settled activity and the shorter period compared to the comparatives.

Investments

The Trustees' aim in the short to medium term is to grow the Fund and produce sufficient investment income to enable the Trustees to continue their support of charitable purposes.

A net unrealised gain of \$72,597,736 (2020: \$102,476,799) was recognised during the year on the Trustees' investments. Additionally, through investment sales the Trustees realised a net gain of \$15,370,610 (2020: \$7,511,810) in the year. Currency revaluation gains of \$29,261 (2020: \$653,951) were recognised during the year.

Investment income for the year to 31 December 2021 totalled \$3,883,637 (2020: \$6,018,550); a 35% decrease (2020: 21% decrease) on the previous year. The year on year decreases reflect the Trustees restructuring of the investment holdings and total return view.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2021

5. FINANCIAL REVIEW

Incoming Resources and Resources Expended

Total incoming resources were \$3,891,945 (2020: \$6,018,550). \$1,668,052 (2020: \$1,607,497) was expended on investment management costs. Governance costs totalled \$50,993 (2020: \$80,720), whilst direct charitable activity totalled \$8,823,509 (2020: \$6,465,210). Net movement in funds over the period totalled \$81,137,905 (2020: \$108,265,791).

The Trustees' source of funding in the year was investment income and gains realised by the charity's investment portfolios.

Investment policy and performance

The Charity's investment objective is to generate a capital appreciation whilst providing liquidity to the Charity in line with the total return of the broader equity market over the long term, after expenses. This should allow the Charity to maintain the real value of the assets, whilst funding its annual expenditure. The Trustees have agreed an asset allocation strategy with investment managers, which is set to achieve this objective.

The key risk to the sustainability of the Charity is inflation and the assets will be invested to mitigate this risk over the long term. The Trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate. The trustees are able to tolerate volatility of the capital value of the Charity, as long as the Charity is able to meet its short term grant making commitments through either income or liquid capital assets. To this end the Charity's assets are invested widely and diversified by asset class, by manager and by security. Asset classes can include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities and any other asset that is deemed suitable for the Charity.

The investment philosophy is also to invest a proportion of the Charity's assets into profit seeking companies that have a social charter that is consistent with the purposes of the charity. On occasion this may include early stage higher risk companies where the financial returns are not yet proven but the purpose is strongly aligned with the Charity's objectives particularly with regard to the protection and restoration of marine ecosystems or in the transition to more sustainable agricultural practices. In these cases the Trustees recognise that losses could materialise but that the benefits of purpose outweigh the risks and will not be of a size that would put the overall investment objective at risk.

The Trustees have adopted a targeted approach in managing their investments, to match the aims of the Charity. Investments will not be made in companies which derive significant levels of their turnover from activities which conflict with the aims of the charity, nor the causes which the Trustees are trying to support.

The Trustees are satisfied with the performance of their investments, which produced income during the year of \$3,883,637 (2020: \$6,018,550) and capital appreciation of \$72,597,736 (2020: \$102,476,799). The Trustees monitor performance of the underlying investments and managers on a regular basis, through face to face reviews, investment reports and comparisons to peer groups and appropriate indices.

BECHT FOUNDATION
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

5. FINANCIAL REVIEW (continued)

Reserves policy and going concern

The Trustees have reviewed the guidance on reserves in Charity Commission guidance note CC19.

The Trustees have examined the charity's requirements for resources in light of the main risks to the organisation and have no outstanding commitments or cash demands that are not adequately covered by existing resources. The net assets of the charity are regarded as unrestricted reserves and the available funds at 31 December 2021 will be retained to make grants in accordance with the charity's charitable objects and any policies.

The Trustees consider that the freely expendable funds are appropriate and adequately taking into account plans for grants to be awarded in the future. However, the Trustees will keep this under constant review.

The balance held as unrestricted funds as at 31 December 2021 was \$536,282,364 (2020 - \$455,144,459).

The Covid-19 pandemic has created significant operational pressures on all charities. The Trustees also note that the conflict in Ukraine has impacted the financial markets and has resulted in a material depreciation in the valuation of the Charity's investments of \$96,987,049 (18.1%) as at 30 June 2022. The Trustees do not believe however this will have an impact on going concern. The Trustees consider that the adoption of the going concern basis in preparing these financial statements continues to be appropriate

6. RELATED PARTY TRANSACTIONS

Related party transactions during the year are disclosed in note 10 on page 23.

7. PLANS FOR THE FUTURE

The Trustees wish to continue to provide sustainable long term support to charitable purposes through grant making.

8. AUDITOR

It will be proposed at the next Trustees' meeting that KPH Audit & Assurance Services Ltd be reappointed as auditor to the charity for the ensuing year subject to the charity requiring an audit.

Approved by the Trustees and signed on their behalf by:

Lambertus Becht
[Lambertus Becht \(Sep 21, 2022 12:15 EDT\)](#)
 Trustee

21/09/22
 Date

**REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
BECHT FOUNDATION**

Opinion

We have audited the financial statements of the Becht Foundation (the 'charity') for the year to 31 December 2021 which comprise the Statement of Financial Activity, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
BECHT FOUNDATION (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
BECHT FOUNDATION (continued)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 auditor's 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.

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

Use of this report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

KPH Audit & Assurance Services Ltd
Statutory Auditor and Chartered Accountants

255 Poulton Road, Wallasey
Wirral, CH44 4BT

KPH Audit & Assurance Services Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

BECHT FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR TO 31 DECEMBER 2021

	Page	Unrestricted Funds 31 December 2021 \$	Unrestricted Funds 31 December 2020 \$
Income from:			
Investments (note 2)	17	3,883,637	6,018,550
Charitable activity (note 3)	17	8,308	-
Total income		3,891,945	6,018,550
Expenditure on:			
Charitable Activities (note 4)	19	9,083,595	6,867,432
Raising Funds (note 5)	19	1,668,052	1,527,867
Total expenditure		10,751,647	8,395,299
Net expenditure before other recognised gains		(6,859,702)	(2,376,749)
Other recognised gains and (losses):			
Net realised gain on investments (note 6)	20	15,370,610	7,511,810
Net unrealised gain on revaluation of Fixed Assets (note 6)	20	72,597,736	102,476,799
Other gains		29,261	653,951
Total gains		87,997,607	110,642,540
Net movement in funds		81,137,905	108,265,791
Total funds brought forward at 1 January 2021		455,144,459	346,878,668
Resources carried forward at 31 December 2021		\$ 536,282,364	\$ 455,144,459

There are no recognised gains or losses in the period to 31 December 2020 or year to 31 December 2021 other than those included in the statement of financial activities.

All incoming resources and resources expended derive from continuing activities.

The prior year comparatives run for the period 4 October 2019 to 31 December 2020.

BECHT FOUNDATION
BALANCE SHEET
AT 31 DECEMBER 2021

	Page	Unrestricted Funds 31 December 2021 \$	Unrestricted Funds 31 December 2020 \$
Fixed assets:			
Investments (note 6)	20	526,864,603	450,433,150
Current assets:			
Cash at bank (note 7)	22	9,633,460	2,008,297
Debtors – due within one year (note 8)	22	93,514	2,734,000
Total current assets		9,726,794	4,742,297
Liabilities:			
Creditors - amounts falling due within one year (note 9)	22	309,213	30,988
Net current assets		9,417,763	4,711,309
Total net assets		\$ 536,282,364	\$ 455,144,459
The funds of the charity:			
Unrestricted funds		\$ 536,282,364	\$ 455,144,459

**Approved by the Trustees
and signed on their behalf by:**

Lambertus Becht

[Lambertus Becht \(Sep 21, 2022 12:15 EDT\)](#)

.....
L J H Becht

A M Becht

[Ann Becht \(Oct 4, 2022 12:28 EDT\)](#)

.....
A M Becht

D W Poulter

[D W Poulter \(Sep 22, 2022 09:08 GMT+1\)](#)

.....
D W Poulter

Christopher Hawley

[Christopher Hawley \(Oct 4, 2022 17:32 GMT+1\)](#)

.....
R&H Trust Co (UK) Ltd

04/10/22

.....
Date

BECHT FOUNDATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Page	31 December 2021 \$	31 December 2020 \$
Net cash flow from Operating Activities			
Net movement on funds for the year	12	81,137,907	108,265,791
Less: Investment income and deposit interest		(3,883,637)	(6,018,492)
Net (gain) on investment assets		(87,968,346)	(109,988,589)
Decrease/(increase) in debtors		2,640,486	(331,281)
Increase/(decrease) in creditors		278,225	(54,393)
		<hr/>	<hr/>
Net cash used by Operating Activities		(7,795,365)	(8,126,964)
Returns on investments			
Investment income (note 2)	17	3,882,214	5,999,299
Deposit interest (note 2)	17	1,423	19,193
		<hr/>	<hr/>
		3,883,637	6,018,492
Capital expenditure and financial investment			
Purchase of investments (note 6)	20	(237,859,683)	(257,306,707)
Proceeds from sale of investments (note 6)	20	249,396,575	258,320,353
		<hr/>	<hr/>
		11,536,892	1,013,646
		<hr/>	<hr/>
Net increase/(decrease) in cash in the year		\$ 7,625,164	\$ (1,094,826)
Reconciliation of net cash flow to movement in net funds			
Net cash resources at 1 January 2021		2,008,296	3,103,122
Net increase/(decrease) in cash		7,625,164	(1,094,826)
		<hr/>	<hr/>
Net cash resources at 31 December 2021		9,633,460	\$ 2,008,296
		<hr/>	<hr/>
Analysis of net funds:			
Cash at Bank (note 7)	22	9,633,460	2,008,296
		<hr/>	<hr/>
		\$ 9,633,460	\$ 2,008,296
		<hr/>	<hr/>

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

The Becht Foundation (“the Foundation” or “the charity”), registered charity number 1116657, is based and administered in the United Kingdom. The registered address is Eighth Floor, 6 New Street Square, New Fetter Lane, London EC4A 3AQ. The nature of the charity’s operations and principal activities are set out in the Trustees’ Annual Report.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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 United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice. The Foundation constitutes a public benefit entity as defined by Charities SORP FRS 102.

The financial statements are presented in US Dollars which is the functional currency of the charity.

The comparative figures throughout the Financial Statements and supporting notes are for the period from 4 October 2019 to 31 December 2020.

Status of funds

The entire resources of the charity are unrestricted. The Trustees have complete discretion for the use of the funds in pursuance of the charity’s objectives.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. 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 gains/(losses) on investments” in the statement of financial activities. The Foundation does not acquire put options, derivatives or other complex financial instruments.

Private equity investments are initially accounted for at the cost of the Charity’s capital call. They are then recorded at fair market value once a valuation is formally conducted by the manager in which the Charity is invested, with any revaluation gain or loss being recorded through the SOFA.

Incoming resources

Investment income is derived from interest and dividends receivable from investments and is accounted for in the period in which the Foundation is entitled to receipt. Interest from deposit accounts are included as and when received only. All incoming resources are included in the SOFA when the Foundation is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary donations include donations under Gift Aid with the associated tax credits included when receivable. Interest from deposit accounts are included when received.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation committing the Trustee to the expenditure.

Charitable activities include governance costs made during the period and are expended through the SOFA when the offer is conveyed to the recipient.

Cost of raising funds relate to the costs incurred by the Foundation in managing its investment portfolios.

Governance costs relating to the general running of the Foundation, as opposed to the management functions inherent in generating funds.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value, except where settlement is delayed, in which case the transaction is recognised at the present value of the settlement amount.

Foreign currency

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Transactions denominated in foreign currencies are converted at the rate of exchange ruling at the date of the transaction. All translation differences are taken to the statement of financial activities as they arise.

Debtors and creditors receivable/payable

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as expenditure.

Debtors and creditors receivable/payable after one year

Debtors and creditors receivable or payable after one year are recognised at their present value.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Also included is cash held under management by the investment broker.

Provisions

Provisions are recognised when the charity has an obligation at the Balance Sheet date as a result of a past event, it is probable that an outflow of economic benefit will be required in settlement and the amount can be reliably estimated.

Taxation

As a registered charity, the Foundation is entitled to certain exemptions from Income and Capital Gains Tax on profits from investments and any trading activities carried on in furtherance of the Charity's primary objectives.

Costs are recorded net of recoverable VAT as the Foundation is able to reclaim a portion of VAT paid, because of its trading activities, using the standard method.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

Going Concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for twelve months from the date of signing of these financial statements. The forecast income and reserves are sufficient to cover all of the budgeted expenditure to be able to continue as a going concern.

The Covid-19 pandemic has created significant operational pressures on all charities. The Trustees also note that the conflict in Ukraine has impacted the financial markets and has resulted in a material depreciation in the valuation of the Charity's investments of \$96,987,049 (18.1%) as at 30 June 2022. The Trustees do not believe however this will have an impact on going concern. The Trustees consider that the adoption of the going concern basis in preparing these financial statements continues to be appropriate

Judgements and key sources of estimated uncertainty

In preparing these financial statements, the Trustees have to make judgements on how to apply the charity's accounting policies and make estimates about the future.

Apart from valuation of investments which are based on open market values and advice from asset managers, the trustees have made no significant judgements.

2. INVESTMENT INCOME

	Page	31 December 2021	31 December 2020
		\$	\$
Net income from investments			
UBS portfolio		3,189,090	3,546,817
Fidelity Investments portfolio		693,124	1,748,852
Deposit interest		1,423	19,251
Execution only portfolio		-	703,630
Total investment income	12	\$ 3,883,637	\$ 6,018,550

3. CHARITABLE ACTIVITY

ESG advisory services	8,308	-
	\$ 8,308	\$ -

On 1 November 2021 the Trustees entered into an agreement with Bansk Group LLP to review and analyse Environmental, Social and Governance matters as required.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Page	31 December 2021	31 December 2020
		\$	\$
4. CHARITABLE ACTIVITIES			
Grants payable:			
Save the Children – Emergency Health Unit		2,051,250	2,498,400
Blue Ventures Conservation		1,000,000	1,000,351
Oceana Inc		737,500	500,279
International Eco Fund		688,900	666,050
Client Earth		556,017	397,015
OceanMind		524,610	-
Greenpeace		435,453	119,149
Rare, Inc.		351,372	307,602
Elemental Water Foundation		314,464	-
The Pew Charitable Trusts		350,000	-
Greenwave		300,000	-
The Nature Conservancy		250,000	-
Oceans North Conservation		250,000	251,236
St Georges Hospital Charity		208,980	184,065
Only One		125,000	-
Irish Environmental Network		100,000	-
Conservation International Foundation		100,000	-
Mangrove Action Project		100,000	-
Fairchance Foundation		89,920	109,299
Chem Trust		75,000	50,442
Sightsavers		69,660	62,345
The University of Chicago – Booth School		50,000	50,864
High Seas Alliance		50,000	50,442
Lamoille Community Food Share		15,000	15,456
United Way of Lamoille County		15,000	15,305
Oxford Hospitals		7,000	12,483
Head for the Cure Foundation		5,000	5,000
Tiny Lives		3,383	-
Gravity Road (WWF project)		-	166,205
Impatience 25		-	3,222
Total Grants payable:		\$ 8,823,509	\$ 6,465,210
Governance costs:			
Accountancy fees		43,821	70,040
Audit fees		6,074	5,392
Bank charges		1,098	5,288
Total Governance costs:		\$ 50,993	\$ 80,720

Auditor remuneration for the year ended 31 December 2021 totalled \$5,075 excluding VAT (2020: \$4,494 excluding VAT)

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Page	31 December 2021 \$	31 December 2020 \$
4. CHARITABLE ACTIVITIES (continued)			
Support Costs:			
Staff costs		204,226	120,508
IT costs		3,510	3,665
General expenses		1,357	3,629
Recruitment advisor		-	161,240
Strategic consultants		-	31,449
Trustee expenses		-	1,011
		<hr/>	<hr/>
Total Support costs:		\$ 209,093	\$ 321,502
		<hr/>	<hr/>
Total Charitable activities:	12	\$9,083,595	\$6,867,432
		<hr/>	<hr/>

Included in Staff costs are gross salaries of \$182,517 (2020: \$108,625), Social Security costs of \$16,942 (2020: \$8,993) and employer pension contributions of \$4,727 (2020: \$2,890).

One employee earned between \$180,000 and \$190,000 during the year (2020: one earning between \$100,000 and \$110,000) and the average number of employees during the year was one (2020: one).

5. COST OF RAISING FUNDS

Investment management fees:			
UBS		1,158,728	887,442
Private equity		843,733	767,692
Fidelity		-	-
Goldman Sachs – rebate		(334,409)	(47,637)
Finance income arising on discounting debtors and creditors		-	(79,630)
		<hr/>	<hr/>
	12	\$ 1,668,052	\$ 1,527,867
		<hr/>	<hr/>

The investment management fees are costs of managing the investment portfolio which are payable to the investment managers and do not include transactional costs.

The investment management fees do not include management charges for the investments held with Goldman Sachs and Fidelity which are deducted directly from the fund value.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6. FIXED ASSET INVESTMENTS (AT MARKET VALUE)

	UBS Execution Only Portfolio \$	UBS Discretionary Portfolio \$	Fidelity Portfolio \$	Private Equity \$	Goldman Sachs \$	Private Investments \$	31 December 2021 Total \$
Opening value as at 1 January 2021	10,149,444	208,746,870	71,236,274	65,432,567	93,500,996	1,366,999	450,433,150
Additions	55,958,852	82,777,180	-	52,745,901	45,000,000	1,377,750	237,859,683
Disposals	(61,094,082)	(128,175,286)	(60,127,207)	-	-	-	(249,396,575)
Realised gains/(losses)	845,150	9,354,426	5,171,034	-	-	-	15,370,610
	<u>5,859,363</u>	<u>172,703,190</u>	<u>16,280,101</u>	<u>118,178,468</u>	<u>138,500,996</u>	<u>2,744,749</u>	<u>454,266,867</u>
Unrealised gains	(58,755)	31,099,812	3,066,396	31,529,698	8,352,134	(1,391,549)	72,597,736
Closing value as at 31 December 2021	<u>5,800,609</u>	<u>203,803,002</u>	<u>19,346,497</u>	<u>149,708,166</u>	<u>146,853,130</u>	<u>1,353,200</u>	<u>526,864,603</u>

The Charity has made capital commitments to three private equity funds, managed by BDT Capital, The Craftory and AiiM Partners. As at the 31 December 2021 BDT Capital had called \$63,500,000 (2020: \$28,000,000), The Craftory \$35,643,562 (2020: \$21,847,661) and AiiM Partners \$6,450,000 (2020: \$3,000,000).

The remaining capital commitment to BDT Capital is \$36,500,000 (2020: \$72,000,000), The Craftory \$24,356,438 (2020: \$18,152,339) and AiiM Partners \$8,550,000 (2020: \$12,000,000). During the year to 31 December 2021, the Trustees increased their capital commitment to The Craftory by \$20,000,000.

As it is unknown when the managers will call the remaining capital no provision is made for the outstanding commitments.

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6. FIXED ASSET INVESTMENTS (AT MARKET VALUE) (continued)

	UBS Execution Only Portfolio \$	UBS Discretionary Portfolio \$	Fidelity Portfolio \$	Private Equity \$	Goldman Sachs \$	Private Investments \$	31 December 2020 Total \$
Opening value as at 4 October 2019	96,893,125	161,638,567	59,408,345	23,518,170	-	-	341,458,207
Additions	46,400,609	119,642,340	-	30,011,959	60,000,000	1,251,799	257,306,707
Disposals	(141,981,762)	(116,338,591)	-	-	-	-	(258,320,353)
Realised gains/(losses)	8,266,724	(754,914)	-	-	-	-	7,511,810
	<u>9,578,696</u>	<u>164,187,402</u>	<u>59,408,345</u>	<u>53,530,129</u>	<u>60,000,000</u>	<u>1,251,799</u>	<u>347,956,371</u>
Unrealised gains	570,748	44,559,468	11,827,929	11,902,438	33,500,996	115,200	102,476,779
Closing value as at 31 December 2020	<u>10,149,444</u>	<u>208,746,870</u>	<u>71,236,274</u>	<u>65,432,567</u>	<u>93,500,996</u>	<u>1,366,999</u>	<u>450,433,150</u>

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Page	31 December 2021 \$	31 December 2020 \$
7. CASH AT BANK			
UBS Bank London		3,240,306	945,424
Coutts & Co Bank		5,931,714	539,285
Fidelity Investments Chicago		146,062	465,373
Goldman Sachs		315,378	58,215
	13	<u>\$ 9,633,460</u>	<u>\$ 2,008,297</u>
8. DEBTORS - DUE WITHIN ONE YEAR			
Investment management fee rebate		78,258	-
Trade receivables		9,969	-
VAT recoverable		4,590	-
Other debtors		697	-
Loan to Save the Children		-	2,734,000
	13	<u>\$ 93,514</u>	<u>\$ 2,734,000</u>
<p>During the year ended 3 October 2018 the Charity entered into a funding agreement with Save the Children. The Charity agreed to loan £2m in order to provide liquidity for their "Source to Pay Automation Project".</p> <p>The Loan was free of interest and was repaid in April 2021.</p>			
9. CREDITORS - Amounts falling due within one year			
Investment management fees		238,395	-
Staff costs		23,835	13,378
Accountancy and administration fees		37,511	12,286
Audit fees		6,089	5,324
Donations commitment		3,383	-
	13	<u>\$ 309,213</u>	<u>\$ 30,988</u>

BECHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. RELATED PARTY TRANSACTIONS

Rawlinson & Hunter received \$43,821 during the year (period to 31 December 2020: \$70,040) for the provision of secretarial and accountancy services for the year. Certain partners of Rawlinson & Hunter are also directors of the R&H Trust Co (UK) Ltd.

On 1 November 2021 the Trustees entered into an agreement with Bansk Group LLP to review and analyse Environmental, Social and Governance matters as required. Certain Trustees of the Foundation are also members of Bansk Group LLP. As at year end, Bansk Group LLP had incurred costs of \$9,969 inclusive of VAT which remained owing to the Foundation.

No Trustee received reimbursement of expense or payment for services (period to 31 December 2020: one was reimbursed \$1,011 in travel expenses).

11. ULTIMATE CONTROLLING PARTY

The ultimate controlling party are the Trustees.

12. FINANCIAL INSTRUMENTS

Page	31 December 2021	31 December 2020
	\$	\$

The carry amounts of the charity's financial instruments are as follows:

Financial assets

Measured at fair value through SOFA:

-Fixed asset investments	20	526,864,603	450,433,150
-Cash at bank and in hand	22	9,633,460	2,008,297

Financial liabilities

Measured at amortised cost

-Creditors	22	309,213	30,988
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The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

Income and expense

Measured at fair value through SOFA:

-Net gains/(losses) (including changes in fair value)	12	87,997,609	110,642,540
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Becht Foundation

England & Wales - Charity number 1116657

Accounts

THE BECHT FAMILY CHARITABLE TRUST
(Registered Charity Number: 1116657)
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

THE BECHT FAMILY CHARITABLE TRUST

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THE BECHT FAMILY CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2020

The Trustees submit their report and the independently audited financial statements of The Becht Family Charitable Trust (“the trust” or “the charity”) for the period 4 October 2019 to 31 December 2020. These have been prepared in accordance with the accounting policies set out on pages 15 to 17 and comply with the charity’s trust deed and applicable law.

The financial statements comply with the Charities Act 2011, the trust deed dated 3 October 2006 and 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 issued in October 2019.

The prior period comparatives run for the year to 3 October 2019. The presentation of the Financial Statements has been restated to USD to match the Charity’s operational currency. The currency was chosen as the Charity globally focused with the majority of assets held and commitments made in USD.

1. REFERENCE AND ADMINISTRATIVE DETAILS

The Becht Family Charitable Trust, registered charity number 1116657, is based and administered in the United Kingdom. The registered address is Eighth Floor, 6 New Street Square, London, EC4A 3AQ.

The names of the Trustees who served throughout the year and continue to serve at the date of the report’s approval are:

- Lambertus Johannes Hermanus Becht
- Ann Marie Becht
- David Walter Poulter
- The R&H Trust Co (UK) Ltd

Independent Auditors:

KPH Audit & Assurance Services Ltd, 255 Poulton Road, Wallasey, Wirral, CH44 4BT

Accountants:

Rawlinson & Hunter LLP, Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

The Trustees have delegated day to day management of the charity to Rawlinson & Hunter

Solicitors:

Macfarlanes LLP, 20 Cursitor Street, Holborn, London, EC4A 1LT

Investment Managers:

UBS Wealth Management, 1 Finsbury Avenue, London

Fidelity Investments, Oak Brook, Illinois, USA

BDT Capital Partners, LLC, Chicago, Illinois, USA

The Craftory, Egyptian House, 170 Piccadilly, London

AiiM Partners, 410 Sherman Avenue, Palo Alto, California, USA

Goldman Sachs International, Plumtree Court, 25 Shoe Lane, London, EC4A 4AU

THE BECHT FAMILY CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2020

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity was established by Declaration of Trust dated 3 October 2006.

In accordance with the Declaration of Trust dated 3 October 2006 there shall never be less than three Trustees.

New Trustees are elected by Trustees who are members of the Becht family. The original Trustees express the wish, without creating any legal obligation, that as each of the children of Lambertus Johannes Hermanus Becht and Ann Marie Becht attain the age of 21 years, they shall be considered for appointment as Trustee if there is a need to appoint Trustees in order to establish a quorum. Otherwise, they should be considered for appointment as Trustees after they have attained the age of 25 years.

Induction and Training

As the children of Lambertus Johannes Hermanus Becht and Ann Marie Becht approach the age where they may be considered for appointment as Trustees, they will be invited to attend and observe Trustee meetings.

In order to ensure that the Trustees operate within current Charity Commission guidelines, Rawlinson & Hunter staff attend regular structured training sessions on charity administration and compliance. Knowledge gained from this training is then passed on to the Trustees for discussion and implementation.

The Trustees meet on a regular basis to review performance, grant applications and any other matters arising. All Trustees are expected to attend the meetings and play an active role in the administration of the trust, including researching possible donees and visiting charity events where applicable.

Through Trustee meetings, consultation with agents, and review of Charity Commission guidance CC 26, the Trustees have examined the major strategic, business, and operational risks that the charity faces. Following a review and assessment of these risks, the Trustees have formulated management policies and implemented internal controls to mitigate risks to the Fund. The Trustees shall continue to review the risks, and the adequacy of the systems in place.

Any complaints are considered by the Trustees and responded to within three weeks.

The trust has a single employee who receives a fair and commensurate pay package which is reviewed annually. The Trustees do not receive remuneration for acting as Trustees.

Trustees' Responsibilities Statement

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

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

THE BECHT FAMILY CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2020

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Internal Controls

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of internal controls. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps towards the prevention and detection of fraud.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

Risk Management and Governance

A risk assessment has been undertaken which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This continuing process will identify risk areas to which the trust is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these financial statements.

THE BECHT FAMILY CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2020

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Trustees have signed fit and proper declarations in line with HMRC guidance.

In addition, the Trustees have taken due consideration of Good Governance – A Code for the Voluntary and Community Sector, ensuring that the six main principles of the Code are adhered to. These are:

- Understanding the Trustees' role.
- Doing what the organisation was set up to do.
- Working effectively.
- Control.
- Behaving with integrity.
- Openness and accessibility.

The Trustees recognise that good governance plays an essential part in securing the future of the charity and confirm that the said main principles of the Code are followed by them in leading, directing and managing the charity.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the charity are such exclusively charitable purposes as the Trustees may in their absolute discretion determine. The charity is established for general charitable purposes and will operate as a grant making charity, supporting charitable projects, organisations and individuals with grants of varying sizes and durations.

The Trustees may use the income and the capital of the charity in promoting the objects.

Statement of Public Benefit

The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the trust's aims, activities and achievements in the areas of interest that the trust supports demonstrates the benefit to its beneficiaries and through them to the public, that arise from those activities.

Fundraising

The Trustees have referred to the Charities (Protection and Social Investment) Act 2016 ("the Act") and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20"). They confirm that the Act and CC20 have no impact on the charity as it does not engage in any public fundraising activities.

Grant Making Policy

The charity has been established to provide grants for purposes that are exclusively charitable under the law of England and Wales. The charity has put in place sound grant arrangements so that it can properly select appropriate grantees and impose prudent terms on grants, including, as appropriate, requiring monitoring and evaluation of the way in which funds are applied by grantees.

THE BECHT FAMILY CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2020

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT (continued)

Objectives and Activities of the Charity

The Trustees shall hold the capital and income of the Trust Fund for such charities, or charitable purposes, in any part of the world as the Trustees may determine. In particular, but not limited to such purposes, the Trustees seek to sponsor and support activities that protect and restore our planet's biodiversity through marine conservation. Additionally the Trustees continue to support activities that provide humanitarian aid.

The Trustees wish to be able to provide regular, long term support to charitable purposes, and therefore wish to maintain sufficient reserves to produce an income yield that will make such support possible.

During the year the trustees made grants to charitable purposes of \$6,465,211 (2019: \$2,962,934).

The Trustees use the Fund to make grants to charitable purposes, in the interests of providing public benefit.

The Trustees have wide powers, enabling them to support charitable purposes. The main areas which the Trustees seek to provide charitable support are (i) protection and restoration of our planet's biodiversity through marine conservation; and (ii) humanitarian aid.

The Trustees are aware that charities may require unrestricted funds to enable them to operate effectively. Therefore, the Trustees are willing to consider making both restricted and unrestricted donations to charitable purposes in the course of their support.

Where the Trustees receive grant applications from a number of applicants operating in the same area of benefit, the Trustees may engage agents to help them select the most suitable application to support.

In order to minimise administrative costs, the Trustees will reply to successful applicants only.

The Trustees request that donees provide updates and information on how they have used any funds received. These responses are considered at Trustee meetings. Such updates should include details of outcomes, outcome against agreed milestones. Whilst many outcomes may be measurable, the Trustees appreciate that certain benefits are less tangible, and this is understood when reviewing the effect of the Trustees' grants. Where further information is required, the Trustees will make contact with donees.

THE BECHT FAMILY CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2020

4. ACHIEVEMENT AND PERFORMANCE

Total charitable donations paid or awarded during the year amounted to \$6,465,211 (2019: \$2,962,934).

A total of 20 organisations were supported during the year, compared with 12 in the previous year.

The Trustees' largest donation in the year was \$2,498,400 (2019: \$2,474,800) awarded to the Save the Children – Emergency Health Unit. This was the third of five conditionally contingent payments potentially payable to Save the Children pledged by the Trustees in 2018.

The Trustees have undertaken a strategic review in conjunction with specialist philanthropy consultants Ten Years' Time. As a result of that review, the Trustees have concluded that over the next 5 years they would transition their activities from Humanitarian causes to biodiversity, envisaging 60-80% of activity would be in biodiversity projects, with up to 70% of that focused on marine biodiversity.

The trustees noted that marine conservation is currently a poorly funded area of conservation, but is the most important in providing food, water and oxygen for the planet. Therefore, there is the opportunity to make the biggest impact. Oceans have the ability to recover much faster than land-based systems, making them an important source of resilience against biodiversity loss.

As such the Trustees have begun a process of identifying and awarding grants to new partners such as Blue Ventures Conservation, the International Eco Fund, CleantEarth and Oceana, Inc.

The Trustees are satisfied that they have continued to provide public benefit through their grant making in support of charitable purposes.

\$80,720 was paid in respect of governance costs (2019: \$22,583) and \$321,502 in support costs (2019: \$111,366). The increase in support costs reflects the appointment of a Programme Director and the associated costs in finding a suitable candidate.

Investments

The Trustees' aim in the short to medium term is to grow the Fund and produce sufficient investment income to enable the Trustees to continue their support of charitable purposes.

A net unrealised gain of \$102,476,779 (2019: loss of \$4,903,429) was recognised during the year on the Trustees' investments. Additionally, through investment sales the Trustees realised a net gain of \$7,511,810 (2019: loss of \$4,619,212) in the year. Currency revaluation gains of \$653,951 (2019: gain of \$1,046,904) were recognised during the year.

Investment income for the year to 31 December totalled \$6,018,492 (2019: \$7,663,857); a 21% decrease (2019: 28% increase) on the previous year. The decrease reflects the trustees restructuring of the investment holdings and comparative increase in illiquid investments and accumulation funds.

THE BECHT FAMILY CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2020

5. FINANCIAL REVIEW

Incoming Resources and Resources Expended

Total incoming resources were \$6,018,550 (2019: \$7,663,857). Realised gains on investment sales and currency movements totalled \$7,902,781 (2019: realised loss \$3,572,308). \$1,607,497 (2019: \$1,377,596) was expended on investment management costs. Governance costs totalled \$80,720 (2019: \$22,583), whilst charitable activity totalled \$6,465,211 (2019: \$1,416,185). A net unrealised gain on investments totalled \$102,476,779 (2019: loss of \$4,903,429). Net income over the period totalled \$108,265,791 (2019: net expenditure of \$3,669,627).

The Trustees' source of funding in the year was investment income and gains realised by the charity's investment portfolios.

Investment policy and performance

The Charity's investment objective is to generate a capital appreciation whilst providing liquidity to the Charity in line with the total return of the broader equity market over the long term, after expenses. This should allow the Charity to maintain the real value of the assets, whilst funding its annual expenditure. The Trustees have agreed an asset allocation strategy with investment managers, which is set to achieve this objective.

The key risk to the sustainability of the Charity is inflation and the assets will be invested to mitigate this risk over the long term. The trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate. The trustees are able to tolerate volatility of the capital value of the Charity, as long as the Charity is able to meet its short term grant making commitments through either income or liquid capital assets. To this end the Charity's assets are invested widely and diversified by asset class, by manager and by security. Asset classes can include cash, bonds, equities, property, hedge funds, structured products, private equity, commodities and any other asset that is deemed suitable for the Charity.

The investment philosophy is also to invest a proportion of the Charity's assets into profit seeking companies that have a social charter that is consistent with the purposes of the charity. On occasion this may include early stage higher risk companies where the financial returns are not yet proven but the purpose is strongly aligned with the Charity's objectives particularly with regard to the protection and restoration of marine ecosystems or in the transition to more sustainable agricultural practices. In these cases the Trustees recognise that losses could materialise but that the benefits of purpose outweigh the risks and will not be of a size that would put the overall investment objective at risk.

The Trustees have adopted a targeted approach in managing their investments, to match the aims of the Charity. Investments will not be made in companies which derive significant levels of their turnover from activities which conflict with the aims of the charity, nor the causes which the Trustees are trying to support.

The Trustees are satisfied with the performance of their investments, which produced income during the year of \$6,018,492 (2019: \$7,663,857) and capital appreciation of \$102,476,779 (2019: loss \$4,903,429). The Trustees monitor performance of the underlying investments and managers on a regular basis, through face to face reviews, investment reports and comparisons to peer groups and appropriate indices.

During the period to 31 December 2020 the performance conditions which were attached to the sale orders of the residual Reckitt Benckiser holdings were met and the holdings were sold in full.

THE BECHT FAMILY CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2020

5. FINANCIAL REVIEW (continued)

Reserves Policy

The Trustees have reviewed the guidance on reserves in Charity Commission guidance note CC19.

The Trustees have examined the charity's requirements for resources in light of the main risks to the organisation and have no outstanding commitments or cash demands that are not adequately covered by existing resources. The net assets of the charity are regarded as unrestricted reserves and the available funds at 31 December 2020 will be retained to make grants in accordance with the charity's charitable objects and any policies.

The Trustees consider that the freely expendable funds are appropriate and adequately taking into account plans for grants to be awarded in the future. However, the Trustees will keep this under constant review.

The balance held as unrestricted funds as at 31 December 2020 was \$455,144,459 (2019 - \$346,878,668).

6. RELATED PARTY TRANSACTIONS

Related party transactions during the year are disclosed in note 11 on page 22.

7. PLANS FOR THE FUTURE

The Trustees wish to continue to provide sustainable long term support to charitable purposes through making grants. To support their aim, it is intended that the Trustees' investments will grow to provide the Fund an asset base which will support this aim.

8. AUDITOR

It will be proposed at the next Trustees' meeting that KPH Audit & Assurance Services Ltd be reappointed as auditor to the trust for the ensuing year subject to the charity requiring an audit.

Approved by the Trustees and signed on their behalf by:

LJH Becht

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L J H Becht

AM Becht

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A M Becht

DW Poulter

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D W Poulter

R&H Trust Co (UK) Limited

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R&H Trust Co (UK) Ltd

29 October 2021

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Date

**REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF THE
THE BECHT FAMILY CHARITABLE TRUST**

Opinion

We have audited the financial statements of The Becht Family Charitable Trust (the 'charity') for the period 4 October 2019 to 31 December 2020 which comprise the Statement of Financial Activity, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF THE
THE BECHT FAMILY CHARITABLE TRUST (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF THE
THE BECHT FAMILY CHARITABLE TRUST (continued)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 auditor's 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.

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

Use of this report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

KPH Audit & Assurance Services Ltd – 31 October 2021

KPH Audit & Assurance Services Ltd
Statutory Auditor and Chartered Accountants

255 Poulton Road, Wallasey
Wirral, CH44 4BT

KPH Audit & Assurance Services Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE BECHT FAMILY CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE PERIOD 4 OCTOBER 2019 TO 31 DECEMBER 2020

	Page	Unrestricted Funds 31 December 2020 \$	Unrestricted Funds 3 October 2019 \$
Income from:			
Investments (note 2)	17	6,018,550	7,663,857
Total income		<u>6,018,550</u>	<u>7,663,857</u>
Expenditure on:			
Charitable Activities (note 3)	19	6,867,432	3,096,883
Raising Funds (note 4)	19	1,527,867	1,307,614
Other – reversal of historical grant commitment (note 6)	21	-	(1,546,750)
Total expenditure		<u>8,395,299</u>	<u>2,857,747</u>
Net (expenditure)/income before other recognised gains		(2,376,749)	4,806,110
Other recognised gains and (losses):			
Net realised gain/(loss) on investments (note 5)	20	7,511,810	(4,619,212)
Net unrealised gain/(loss) on revaluation of Fixed Assets (note 5)	20	102,476,799	(4,903,429)
Other gains		653,951	1,046,904
Total gains/(losses)		<u>110,642,540</u>	<u>(8,475,737)</u>
Net movement in funds		<u>108,265,791</u>	<u>(3,669,627)</u>
Total funds brought forward at 4 October 2019		346,878,668	350,548,295
Resources carried forward at 31 December 2020		<u><u>\$ 455,144,459</u></u>	<u><u>\$ 346,878,668</u></u>

There are no recognised gains or losses in the year to 3 October 2019 or the period to 31 December 2020 other than those included in the statement of financial activities.

All incoming resources and resources expended derive from continuing activities.

The prior year comparatives are for the year to 3 October 2019.

THE BECHT FAMILY CHARITABLE TRUST

BALANCE SHEET

AT 31 DECEMBER 2020

	Page	Unrestricted Funds 31 December 2020 \$	Unrestricted Funds 3 October 2019 \$
Fixed assets:			
Investments (note 5)	20	450,433,150	341,458,207
Non-current assets:			
Debtor – long term (note 7)	22	-	2,402,719
Current assets:			
Cash at bank (note 8)	22	2,008,297	3,103,122
Debtors – due within one year (note 9)	22	2,734,000	-
Total current assets		<u>4,742,297</u>	<u>3,103,122</u>
Liabilities:			
Creditors - amounts falling due within one year (note 10)	22	30,988	85,380
Net current assets		<u>4,711,309</u>	<u>3,017,742</u>
Total net assets		<u>\$ 455,144,459</u>	<u>\$ 346,878,668</u>
The funds of the charity:			
Unrestricted funds		<u>\$ 455,144,459</u>	<u>\$ 346,878,668</u>

**Approved by the Trustees
and signed on their behalf by:**

L J H Becht

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L J H Becht

D W Poulter

.....
D W Poulter

29 October 2021

.....
Date

A M Becht

.....
A M Becht

R&H Trust Co (UK) Limited

.....
R&H Trust Co (UK) Ltd

THE BECHT FAMILY CHARITABLE TRUST

CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31 DECEMBER 2020

	Page	31 December 2020 \$	3 October 2019 \$
Net cash flow from Operating Activities			
Net movement on funds for the year	12	108,265,791	(3,669,627)
Less: Investment income and deposit interest		(6,018,492)	(7,663,857)
Net (gain) on investment assets		(109,988,589)	9,522,641
(Increase) in debtors		(331,281)	(22,355)
Decrease in creditors		(54,393)	(1,688,577)
		<hr/>	<hr/>
Net cash outflow from Operating Activities		8,126,964	(3,521,775)
Returns on investments			
Investment income (note 2)	17	5,999,299	7,429,889
Deposit interest (note 2)	17	19,193	233,968
		<hr/>	<hr/>
		6,018,492	7,663,857
Capital expenditure and financial investment			
Purchase of investments (note 6)	20	(257,306,707)	(240,885,030)
Proceeds from sale of investments (note 6)	20	258,320,353	230,001,888
		<hr/>	<hr/>
		1,013,646	(10,883,142)
Net (decrease)/increase in cash in the year			
		<hr/> <hr/>	<hr/> <hr/>
		\$ (1,094,825)	\$ (6,741,061)
Reconciliation of net cash flow to movement in net funds			
Net cash resources at 4 October 2019		3,103,122	9,844,183
Net increase/(decrease) in cash		(1,094,825)	(6,741,061)
		<hr/>	<hr/>
Net cash resources at 31 December 2020		<hr/> <hr/>	<hr/> <hr/>
		\$ 2,008,297	\$ 3,103,122
Analysis of net funds:			
Cash at Bank (note 8)	22	2,008,297	3,103,122
		<hr/>	<hr/>
		\$ 2,008,297	\$ 3,103,122
		<hr/> <hr/>	<hr/> <hr/>

THE BECHT FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

The Becht Family Charitable Trust (“the trust” or “the charity”), registered charity number 1116657, is based and administered in the United Kingdom. The registered address is Eighth Floor, 6 New Street Square, New Fetter Lane, London EC4A 3AQ. The nature of the charity’s operations and principal activities are set out in the Trustees’ Annual Report.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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 United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice. The Foundation constitutes a public benefit entity as defined by Charities SORP FRS 102.

The financial statements are presented in US Dollars which is the functional currency of the charity.

The comparative figures throughout the Financial Statements and supporting notes are for the year to 3 October 2019.

Status of funds

The entire resources of the charity are unrestricted. The Trustees have complete discretion for the use of the funds in pursuance of the charity’s objectives.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. 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 gains/(losses) on investments” in the statement of financial activities. The Trust does not acquire put options, derivatives or other complex financial instruments.

Private equity investments are initially accounted for at the cost of the Charity’s capital call. They are then recorded at fair market value once a valuation is formally conducted by the manager in which the Charity is invested, with any revaluation gain or loss being recorded through the SOFA.

Incoming resources

Investment income is derived from interest and dividends receivable from investments and is accounted for in the period in which the Trust is entitled to receipt. Interest from deposit accounts are included as and when received only. All incoming resources are included in the SOFA when the Trust is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary donations include donations under Gift Aid with the associated tax credits included when receivable. Interest from deposit accounts are included when received.

THE BECHT FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation committing the Trustee to the expenditure. Irrecoverable VAT is charged against the activity for which expenditure was incurred.

Charitable activities include governance costs made during the period and are expended through the SOFA when the offer is conveyed to the recipient.

Cost of raising funds relate to the costs incurred by the Trust in managing its investment portfolios.

Governance costs relating to the general running of the Trust, as opposed to the management functions inherent in generating funds.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value, except where settlement is delayed, in which case the transaction is recognised at the present value of the settlement amount.

Foreign currency

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Transactions denominated in foreign currencies are converted at the rate of exchange ruling at the date of the transaction. All translation differences are taken to the statement of financial activities as they arise.

Debtors and creditors receivable/payable

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as expenditure.

Debtors and creditors receivable/payable after one year

Debtors and creditors receivable or payable after one year are recognised at their present value.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Also included is cash held under management by the investment broker.

Provisions

Provisions are recognised when the charity has an obligation at the Balance Sheet date as a result of a past event, it is probable that an outflow of economic benefit will be required in settlement and the amount can be reliably estimated.

Liabilities due in more than one year are recognised at present value, where settlement is due over more than one year from date of initial investment, there are no unfulfilled conditions under the control of the trust performance that would permit the trust to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is a rate of 3% and is regarded by the Trustees as providing the most current available estimate of the cost of money reflecting the time value of money to the trust.

THE BECHT FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

Going Concern

The Covid-19 pandemic has created significant operational pressures on all charities. The Trust is in the position of having significant assets with expenditure requirements which are within control of the Trustee. The pandemic, therefore, has not had a negative impact on the financial sustainability of the organisation and therefore, the Trustee considers the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

Judgements and key sources of estimated uncertainty

In preparing these financial statements, the Trustees have to make judgements on how to apply the charity's accounting policies and make estimates about the future.

Apart from valuation of investments which are based on open market values and advice from asset managers, the trustees have made no significant judgements.

2. INVESTMENT INCOME

	Page	31 December 2020	3 October 2019
		\$	\$
Net income from investments			
UBS portfolio		3,546,817	3,641,684
Execution only portfolio		703,630	2,544,317
Fidelity Investments portfolio		1,748,852	1,243,888
Deposit interest		19,251	233,968
Total investment income	12	\$ 6,018,550	\$ 7,663,857

THE BECHT FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Page	31 December 2020 \$	3 October 2019 \$
3. CHARITABLE ACTIVITIES			
Grants payable:			
Save the Children – Emergency Health Unit		2,498,400	2,474,800
Blue Ventures Conservation		1,000,351	-
International Eco Fund		666,050	-
Oceana Inc		500,279	-
Client Earth		397,015	-
Rare, Inc.		307,602	-
Oceans North Conservation		251,236	-
St Georges Hospital Charity		184,065	-
Gravity Road (WWF project)		166,205	-
Greenpeace		119,149	-
Fairchance Foundation		109,299	-
Sightsavers		62,345	61,870
The Universtiy of Chicago – Booth School		50,864	-
Chem Trust		50,442	-
High Seas Alliance		50,442	-
Lamoille Community Food Share		15,456	14,108
United Way of Lamoille County		15,305	14,108
Oxford Hospitals		12,483	12,374
Head for the Cure Foundation		5,000	5,012
Impatience 25		3,222	-
Chelsea and Westminster Hospital		-	123,740
WaterAid		-	61,870
Excellent Development		-	61,870
Save the Children – Other donations		-	48,012
Glen Ellyn Covenant Church – World Relief		-	18,809
Elemental Water Foundation		-	16,610
Finance expense on discount of multi-year commitments		-	45,051
Total Grants payable:		<u>\$ 6,465,210</u>	<u>\$ 2,962,934</u>
Governance costs:			
Accountancy fees		70,040	19,304
Audit fees		5,392	2,970
Bank charges		5,228	309
Total Governance costs:		<u>\$ 80,720</u>	<u>\$ 22,583</u>

Auditor remuneration for the period ended 31 December 2020 totalled \$4,494 excluding VAT (2019: \$2,475 excluding VAT)

THE BECHT FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Page	31 December 2020 \$	3 October 2019 \$
3. CHARITABLE ACTIVITIES (continued)			
Support Costs:			
Recruitment advisor		161,240	-
Staff costs		120,508	-
Strategic consultants		31,449	111,366
IT costs		3,665	-
General expenses		3,629	-
Trustee expenses		1,011	-
		\$ 321,502	\$ 111,366
Total Support costs:		\$ 321,502	\$ 111,366
Total Charitable activities:	12	\$6,867,432	\$ 3,096,883

Included in Staff costs are gross salaries of \$108,625 (2019: nil), Social Security costs of \$8,993 (2019: nil) and Employer pension contributions of \$2,890 (2019: nil)

One employee earned more than £60,000 during the period (2019: nil) and the average number of employees during the period was 1 (2019: nil)

4. COST OF RAISING FUNDS

Investment management fees:			
UBS		887,442	913,524
Private equity		767,692	381,765
Fidelity		-	82,307
Goldman Sachs – rebate		(47,637)	-
Finance income arising on discounting debtors and creditors		(79,630)	(69,982)
		\$ 1,527,867	\$ 1,307,614
	12	\$ 1,527,867	\$ 1,307,614

The investment management fees are costs of managing the investment portfolio which are payable to the investment managers and do not include transactional costs.

The investment management fees do not include management charges for the investments held with Goldman Sachs which are deducted directly from the fund value.

THE BECHT FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

5. FIXED ASSET INVESTMENTS (AT MARKET VALUE)

	UBS Execution Only Portfolio \$	UBS Discretionary Portfolio \$	Fidelity Portfolio \$	Private Equity \$	Goldman Sachs \$	Private Investments \$	31 December 2020 Total \$
Opening value as at 4 October 2019	96,893,125	161,638,567	59,408,345	23,518,170	-	-	341,458,207
Additions	46,400,609	119,642,340	-	30,011,959	60,000,000	1,251,799	257,306,707
Disposals	(141,981,762)	(116,338,591)	-	-	-	-	(258,320,353)
Realised gains/(losses)	8,266,724	(754,914)	-	-	-	-	7,511,810
	<u>9,578,696</u>	<u>164,187,402</u>	<u>59,408,345</u>	<u>53,530,129</u>	<u>60,000,000</u>	<u>1,251,799</u>	<u>347,956,371</u>
Unrealised gains	570,748	44,559,468	11,827,929	11,902,438	33,500,996	115,200	102,476,779
Closing value as at 31 December 2020	<u>10,149,444</u>	<u>208,746,870</u>	<u>71,236,274</u>	<u>65,432,567</u>	<u>93,500,996</u>	<u>1,366,999</u>	<u>450,433,150</u>

The Charity has made capital commitments to three private equity funds, managed by BDT Capital, The Craftory and AiiM Partners. As at the 31 December 2020 BDT Capital had called \$28,000,000 (2019: \$15,000,000), The Craftory \$21,847,661 (2019: \$7,835,702) and AiiM Partners \$3,000,000 (2019: nil).

The remaining capital commitment to BDT Capital is \$72,000,000 (2019: \$85,000,000), The Craftory \$18,152,339 (2019: \$32,164,298) and AiiM Partners \$12,000,000 (2019: nil).

As it is unknown when the managers will call the remaining capital no provision is made for the outstanding commitments.

THE BECHT FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

5. FIXED ASSET INVESTMENTS (AT MARKET VALUE) (continued)

	UBS Execution Only Portfolio \$	UBS Discretionary Portfolio \$	Fidelity Portfolio \$	Private Equity \$	3 October 2019 Total \$
Opening value as at 4 October 2018	132,530,467	152,105,822	55,461,417	-	340,097,706
Additions	58,856,931	82,299,295	76,945,302	22,783,502	240,885,030
Disposals	(77,324,085)	(78,305,116)	(74,372,687)	-	(230,001,888)
Realised (losses)/gains	(7,427,768)	1,784,113	1,024,443	-	(4,619,212)
	<u>106,635,545</u>	<u>157,884,114</u>	<u>59,058,475</u>	<u>22,783,502</u>	<u>346,361,636</u>
Unrealised (losses)/gains	(9,742,420)	3,754,453	349,870	734,668	(4,903,429)
Closing value as at 3 October 2019	<u>96,893,125</u>	<u>161,638,567</u>	<u>59,408,345</u>	<u>23,518,170</u>	<u>\$341,458,207</u>

6. OTHER

During the year to 3 October 2019 the trustees, in conjunction with St George's Hospital Charity, concluded that an existing funding commitment originally expressed in the year to 3 October 2016 was no longer possible to deliver and has been written back in the Statement of Financial Activities.

An alternative agreement was reached during the period to 31 December 2020 with the first tranche of a new conditional agreement recognised in these Financial Statements.

THE BECHT FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Page	31 December 2020 \$	3 October 2019 \$
7. DEBTORS - LONG TERM			
Loan to Save the Children (at present value)	13	\$ -	\$ 2,402,719
		<u> </u>	<u> </u>
<p>During the year ended 3 October 2018 the Charity entered into a funding agreement with Save the Children. The Charity agreed to loan £2m in order to provide liquidity for their "Source to Pay Automation Project".</p> <p>The Loan is free of interest and was repaid in April 2021.</p>			
8. CASH AT BANK			
UBS Bank London		945,424	2,631,455
Coutts & Co Bank		539,285	118,245
Fidelity Investments Chicago		465,373	353,422
Goldman Sachs		58,215	-
	13	<u>\$2,008,297</u>	<u>\$3,103,122</u>
		<u> </u>	<u> </u>
9. DEBTORS - DUE WITHIN ONE YEAR			
Loan to Save the Children	13	\$ 2,734,000	\$ -
		<u> </u>	<u> </u>
10. CREDITORS - Amounts falling due within one year			
Social security costs		13,378	-
Accountancy and administration fees		12,286	14,848
Audit fees		5,324	3,712
Strategic consultants		-	66,820
	13	<u>\$ 30,988</u>	<u>\$ 85,380</u>
		<u> </u>	<u> </u>
11. RELATED PARTY TRANSACTIONS			
<p>Rawlinson & Hunter received \$70,040 during the period (year to 3 October 2019: \$19,304) for the provision of secretarial and accountancy services for the year. Certain partners of Rawlinson & Hunter are also directors of the R&H Trust Co (UK) Ltd. The full amount remains outstanding at year end.</p> <p>One Trustee was reimbursed \$1,011 in travel expenses during the period to 31 December 2020 (year to 3 October 2019: nil).</p>			

THE BECHT FAMILY CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

12. ULTIMATE CONTROLLING PARTY

The ultimate controlling party are the Trustees.

13. FINANCIAL INSTRUMENTS

	Page	31 December 2020 \$	3 October 2019 \$
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The carry amounts of the charity's financial instruments are as follows:

Financial assets

Measured at fair value through SOFA:

-Fixed asset investments	20	450,433,150	341,458,207
-Cash at bank and in hand	22	2,008,297	3,103,122
-Measured at amortised costs	22	-	2,402,719

Financial liabilities

Measured at amortised cost

-Creditors	22	30,988	85,380
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The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

Income and expense

Measured at fair value through SOFA:

-Net gains/(losses) (including changes in fair value)	12	110,642,540	(6,849,634)
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14. COVID-19

The Trustees are actively monitoring the effect of the Coronavirus Disease 19 "COVID-19". Investment valuations may be adversely affected and the eventual proceeds may materially differ from the year end valuations. Given the unpredictable nature and impact of the outbreak, and how rapidly the responses to the outbreak are changing, the Trustees are unable to predict the full extent of the impact with regards to the investment valuations.

The Trustees are undertaking a detailed review of its portfolio of investments with particular focus on those companies immediately and significantly impacted by the virus. In addition, the Charity is in constant contact with investment managers who continue to monitor each portfolio investment's response to the impact of COVID-19.

As explained in note 1 on page 17 the Trustees believe the Charity continues to have sufficient resources in place, including cash and cash equivalents and committed capital to continue operating for a period of at least 12 months from the date of signing of the financial statements.