

Registered Charity number: 1117282 (England & Wales)

**THE CLAUDE AND
SOFIA MARION FOUNDATION**

**TRUSTEES' REPORT AND FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

THE CLAUDE AND SOFIA MARION FOUNDATION

CONTENTS

	Page
Charity Information	1
Trustees' Report	2 - 5
Independent Auditors' Report	6 - 8
Statement of Financial Activities	9
Balance Sheet	10
Statement of Cashflows	11
Notes to the Financial Statements	12 - 18

THE CLAUDE AND SOFIA MARION FOUNDATION

CHARITY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees

C M L Marion
N S G M F Marion
P M D R De Sousa
L D Gomes
L A M Marion
P P A Marion
C M E Marion

Registered number

1117282 (England and Wales)

Registered office

40 Queen Anne Street
London
W1G 9EL

Independent auditors

Lewis Golden LLP
40 Queen Anne Street
London
W1G 9EL

Bankers

J P Morgan
60 Victoria Embankment
London EC4Y 0JP

Julius Baer
Bahnhofstrasse 36
Zurich 8010
Switzerland

HSBC Bank Plc
HSBC Relationship Management Centre
1st Floor
88 Baker Street
London
W1U 6AX

THE CLAUDE AND SOFIA MARION FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the audited financial statements of the Foundation for the year ended 31 December 2022. The Trustees confirm that the annual report and financial statements of the Foundation comply with the current statutory requirements, the requirements of the Foundation's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition).

Objectives and activities

Results

The net incoming resources for the year ended 31 December 2022 were £2,153,572 (2021: net outgoing resources £423,167). As at 31 December 2022 total funds carried forward were £44,181,675 (2021: £42,028,103). There are no restricted funds.

Review of governance and management

The Foundation is a trust, with charitable status and is governed by its Trust Deed.

The Trustees meet regularly to agree funding policy, monitor income and expenditure and allocate funds. New Trustee appointments must be proposed and agreed by current Trustees.

The Claude and Sofia Marion Foundation seeks to advance, promote or carry out, such charitable purposes as the Trustees in their absolute discretion see fit. The Foundation carries out these objects by providing grants to suitable institutions in line with the Foundation's grant making policies detailed below.

The Trustees consider that they have complied with Section 4 of the Charities Act 2011 with regard to the guidance on public benefit published by the Charity Commission.

Trustees

The Trustees of the Foundation during the year were as follows:

C M L Marion
N S G M F Marion
P M D R De Sousa
L D Gomes
L A M Marion
P P A Marion
C M E Marion

The reference and administrative information set out on page 1 form part of this report.

Review of activities

During the year ended 31 December 2022 a total of £919,314 (2021: £1,900,906) was granted to charitable organisations, cultural, healthcare and educational establishments. The prior year included amounts pledged by the Foundation to be paid in future years. Grants paid out in cash during the year totalled £1,289,225 (2021: £992,901), including amounts pledged in previous years.

Financial performance of the Foundation's assets and reserves are monitored in US Dollars and in Euros because the activities of the Foundation are worldwide, however the accounting records are maintained and all reporting is produced in pound sterling.

Since inception the financial return in US Dollar terms is approximately 6%, while it is higher in EUR and in GBP as both the EUR and the GBP have significantly depreciated against the US dollar. The Foundation uses a targeted return of 5-7.5% per annum in US Dollars Euro terms over the long term.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

Review of activities (continued)

In order to achieve this relatively conservative target performance the Trustees have recommended a diversified mix of asset allocation among Bonds, Equities and Hedge Funds as well as a mix of currencies, the US Dollar and the Euro being the main currencies of the financial assets of the Funds with minor allocations to other currencies, including GBP.

Main achievements in the activities of the Foundation for 2022 were: the inauguration of the refurbishment of the King Baudoin Hospital in Kinshasa in Democratic Republic of Congo following 2-3 years of donations to the project; the continued support of the Don Bosco schools and centers for the Young at Risk in South India including the major participation in the building of a new University College in Bangalore, The Don Bosco College; the important support of the TAG foundation activities in favor of the Ukraine refugees; the participation in the building of the Ilot de Boboto in Congo Brazaville a center for autistic children; and finally the Foundation's continued financing of cataract surgeries for the poor of remote villages in Portugal.

The difficult financial markets during the year were mainly caused by the Central banks raising interest rates to fight inflation which was the main challenge to financial performance, especially when measured in US Dollar terms. On the Foundation's activities when measured against its target categories of beneficiaries, Healthcare, as well as Environment and Sustainability, were the two categories which got substantially under-allocated due to the lack of projects. But accounting policies tend to distort this as pledges made in prior years are accounted for the year they are made although they are disbursed over 3 or 5 years following the pledge.

Grant making policies

The foundation's aims are to support the development of education, with a special focus on education of the young at risk, healthcare, environment and sustainability, culture as well as social programs for the poor and other similar activities on a worldwide basis. This includes both direct charitable support and the support of charitable organizations, in the fields of education, healthcare, environment and sustainability, cultural and social activities, and economic development of the poor in emerging markets countries, among others.

Recipients are selected to receive grants (or other forms of financial support) from recommendations brought before the Trustees by one of the Trustees. The Trustees meet twice to three times per year to discuss and decide upon proposals for new grants presented by one of the Trustees, and to monitor existing grants.

Grants may only be made for purposes which are charitable under UK law.

A significant number of grants are made to UK registered charities, including some which will use the donations outside the UK (such as Stanford University for example). Grants to institutions which are not UK registered charities are monitored directly by the Trustees, through a combination of personal visits and written reports. Significant grants to institutions which are not UK registered charities are monitored more closely, usually involving a visit by a representative of the Foundation, or periodic conversations with the sponsor of the project. Details of grants made in the year can be found in note 8.

The Foundation uses a variety of criteria to assess its success. On the financial side a target return of 5-7.5% per annum in US Dollars Euro terms over the long term is considered satisfactory. On the charitable side, the Foundation looks to lasting projects that will have a durable impact on society (Don Bosco schools, college, centers for the Young-at-risk, Hospital in Kinshasa, Lisboa 42 Coding School in Portugal, Natural History Museum Research Scholarships, etc.) to which it can commit over several years. The Foundation then reviews the progress of these projects on a regular basis to assess its impact.

Grant making in GBP terms is low versus the income and reserves of the Foundation when compared to its target of spending the income every year. However, although the Foundation is a UK Charity and its accounting is in GBP, most of its beneficiaries are projects around the world and the Trustees prefer to look at its income and reserves in a mix of US Dollars and Euros especially since 2016 when the pounds sterling started its course of major depreciation against the US Dollar, and to a lesser extent to the Euro. As the financial performance in US Dollar terms in the last few years has been challenging the Trustees have tended to donate less than the annual income to catch up and rebuild the Foundation's reserves on the margin.

THE CLAUDE AND SOFIA MARION FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Reserves policy

The Foundation has been funded through donations from Mr Claude Marion's former employer. No active fundraising from outside contributors is expected.

The Foundation aims to fund operating expenses and charitable distributions solely through the income on the investment of its liquid assets.

The Foundation has no substantial fixed assets, no dedicated office, and no employees; thus it does not have reserves tied to fixed assets. As a result, no additional reserves need to be set aside to respond to potential drops in investment returns or overall income.

Investment policy and performance

The Trustees have noted their responsibility to have regard to the suitability of investments to the Foundation, considering the proportion of the Trust Fund being invested, the level of risk of the investments, and the accessibility of the Trust monies while invested. They have also noted the need for appropriate diversification of investments. The Trustees have also engaged an external consultant to provide advice and support relating to the Foundation's investment portfolio.

The Foundation takes its social, environmental and ethical responsibilities very seriously in its investment policy.

The Trustees meet formally twice per year to discuss the investments and review recommendations for future investment activity. At those meetings, the Trustees review and, if agreed, approve investment recommendations; and review the investments of the Trust fund to ensure that they continue to fulfil the standard investment criteria described above. In addition, the Trustees have periodic telephone and email exchanges to discuss any issues and decisions which are subsequently ratified during these formal meetings. The Foundation currently invests in bank fiduciary deposits, money markets and corporate bonds and, to a lesser extent, listed equities, equity funds and hedge funds. This policy is reviewed at least annually.

The aim of the investments is to ensure that operating costs and grant making activity can be funded solely with the income on these liquid investments. Clearly the volatility in the financial markets caused by the fight against inflation through high interest rates and by the geopolitical challenges will be the main factors affecting the financial performance of the Foundation, hence the Trustees' continued policy of diversification among asset classes and currencies.

Details of investment performance can be found in note 12 to the financial statements.

Plans for the future

The Foundation will continue with its priority categories of Education especially of the Young-at-Risk and the most needed in India and Africa mostly with the Salesian Institution of Don Bosco. The Foundation will look to participate to the development of Computer Science Courses for the primary and secondary school pupils in Portugal (TUMO). It will aim to allocate more to Healthcare in the future years and the Trustees will identify more projects especially at purchasing equipment for public hospitals.

Volunteer

The Foundation relies on the contribution of its Trustees who provide their services free of charge.

Major risks

As noted above, the Foundation aims to fund its activities through the income from the investment of its liquid assets, therefore the Trustees consider the major risks to relate to the performance of these investments and of the wider global equities, fixed income and currencies markets. The Trustees are confident that the necessary management systems and strategies have been implemented to mitigate those risks.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulation.

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Foundation's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Foundation's auditors are aware of that information.

Auditors

The auditors, Lewis Golden LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees.

C M L Marion
Trustee

Date: 26 October 2023

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CLAUDE AND SOFIA MARION
FOUNDATION
FOR THE YEAR ENDED 31 DECEMBER 2022**

Opinion

We have audited the annual report and financial statements of The Claude and Sofia Marion Foundation for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and the related Notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in Annual Report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CLAUDE AND SOFIA MARION
FOUNDATION
FOR THE YEAR ENDED 31 DECEMBER 2022**

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 5, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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.

Auditors' responsibilities for the audit of the financial statements

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

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or to error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the accounts as a whole. We used the outputs of a risk assessment, our understanding of the charity, its environment, its controls and critical business processes, to consider qualitative factors in order to ensure that we obtained sufficient coverage across all accounts line items.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CLAUDE AND SOFIA MARION
FOUNDATION
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the accounts. In identifying and assessing risks of material misstatement in respect of irregularities including non-compliance with laws and regulations, our procedures included but were not limited to:

- at planning stage, we gained an understanding of the legal and regulatory framework applicable to the charity, the industry in which they operate and considered the risk of failing to comply with these legal and regulatory requirements;
- we discussed with management the policies and procedures in place regarding compliance with laws and regulations;
- we discussed amongst the engagement team the identified laws and regulations, and remained alert to any indications of non-compliance; and
- during the audit, we focused on areas of laws and regulations that could reasonably be expected to have a material effect on the accounts from our general commercial and sector experience and through discussions with the Trustees (as required by auditing standards), from inspection of the charity's regulatory and legal correspondence and review of minutes of Trustees' meetings in the year.

We also considered those other laws and regulations that have a direct impact on the preparation of accounts, such as the Charities Act 2011.

Our procedures in relation to fraud included but were not limited to:

- inquiries of management whether they have knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risk related to fraud;
- using analytical procedures to identify any unusual or unexpected relationships;
- discussion amongst the engagement team regarding risk of fraud such as opportunities for fraudulent manipulation of the accounts; and
- scrutiny review of unusual transactions and entry into sensitive nominal ledger accounts.

The primary responsibility for the prevention and detection of irregularities including fraud rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the accounts, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the accounts, the less likely the inherently limited procedures required by auditing standards would identify it.

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 Auditors' Report.

Use of our 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Lewis Golden LLP
Statutory Auditor
40 Queen Anne Street
London W1G 9EL

Date: 26 October 2023

Lewis Golden LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE CLAUDE AND SOFIA MARION FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations	4	5,250	5,250	34,188
Investments	6	1,522,940	1,522,940	1,561,683
Foreign exchange gain		3,710,385	3,710,385	-
Total income		5,238,575	5,238,575	1,595,871
Expenditure on:				
Raising funds	5	179,820	179,820	149,879
Charitable activities	7	997,130	997,130	1,947,664
Interest paid and foreign exchange loss		290,896	290,896	307,037
Total expenditure		1,467,846	1,467,846	2,404,580
Net movement in funds before other recognised gains		3,770,729	3,770,729	(808,709)
Losses / gains on revaluation of fixed assets	12	(1,617,157)	(1,617,157)	385,542
Net movement in funds		2,153,572	2,153,572	(423,167)
Reconciliation of funds:				
Total funds brought forward		42,028,103	42,028,103	42,451,270
Net movement in funds		2,153,572	2,153,572	(423,167)
Total funds carried forward		44,181,675	44,181,675	42,028,103

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 12 to 18 form part of these financial statements.

THE CLAUDE AND SOFIA MARION FOUNDATION

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	£	2022 £	£	2021 £
Fixed assets					
Investments	12		39,892,164		45,606,930
Current assets					
Debtors	13	344,057		344,952	
Cash at bank and in hand		4,768,754		716,651	
		<u>5,112,811</u>		<u>1,061,603</u>	
Creditors: amounts falling due within one year	14	<u>(368,497)</u>		<u>(3,949,860)</u>	
Net current assets /(liabilities)			4,744,314		(2,888,257)
Total assets less current liabilities			<u>44,636,478</u>		<u>42,718,673</u>
Creditors: amounts falling due after more than one year	15		<u>(454,803)</u>		<u>(690,570)</u>
Total net assets			<u>44,181,675</u>		<u>42,028,103</u>
Charity funds					
Unrestricted funds			44,181,675		42,028,103
Total funds			<u>44,181,675</u>		<u>42,028,103</u>

The financial statements were approved and authorised for issue by the Trustees.

C M L Marion
Trustee

Date: 26 October 2023

The notes on pages 12 to 18 form part of these financial statements

THE CLAUDE AND SOFIA MARION FOUNDATION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	17	(2,769,260)	(1,265,539)
Cash flows from investing activities			
Dividends, interest and rents from investments		1,522,940	1,561,683
Foreign exchange gain		3,710,385	-
Proceeds from sale of investments		23,430,257	11,415,102
Purchase of investments		(18,266,044)	(13,025,990)
Net cash generated / (used) in investing activities		10,397,538	(49,205)
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		7,628,278	(1,314,744)
Cash and cash equivalents at the beginning of the year		(2,859,524)	(1,544,780)
Cash and cash equivalents at the end of the year	18	4,768,754	(2,859,524)

The notes on pages 12 to 18 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and the UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following 'Accounting and Reporting by Charities: 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) (Second Edition)' rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Claude and Sofia Marion Foundation meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The following accounting policies have been applied in dealing with items which are considered material in relation to the Foundation's financial statements.

1.2 Grants payable

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation and which have not been designated for other purposes.

1.3 Donations

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

1.4 Foreign currencies

The Foundation's functional and presentational currency is GBP.

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

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

1.5 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. Unlisted investments with no reliable estimate of fair value are held at cost less impairment. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Accounting policies (continued)

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the Bank.

1.7 Debtors, creditors and provisions

Debtors represent accrued interest on listed investments, and are initially recognised at market value on purchase of the respective investment. Subsequently they are measured at fair value with movement shown under income from investments. They are derecognised when an investment is sold.

Creditors and provisions are recognised where the Foundation has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are initially recognised at transactions value as none represent a financing transaction. They are only derecognised when they are extinguished.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Financial instruments

The Foundation also trades in the following financial instruments:

Forward contracts for purchasing foreign exchange. The transaction costs for entering into such contracts are treated as an expense. The contracts are subsequently measured at fair value with gains or losses recognised in the statement of financial activities. Forward contracts outstanding at the year end are shown as other fixed asset investments.

Options, swaps and structured assets. The fee or premium for the contract is capitalised but any separately identifiable transaction cost incurred in acquiring the contract is treated as an expense. The contract is subsequently measured at fair value. Losses recognised to the extent the Foundation is obliged to transfer cash in the future.

The Foundation has not entered into derivative contracts to manage exchange risk associated with specific liabilities, therefore has not adopted hedge accounting.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual result. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i. Carry value of fixed asset investments

The charity holds its fixed asset investments, excluding those in unlisted shares, at market value. The market value is determined by the investment managers based on estimated investment returns and the performance of the markets. See note 12 for the net carrying amount and see note 1.5 for the accounting policy.

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

3. Liability of Trustees

The Trustees shall not be liable for any loss to the Trust fund unless by reason of willful or individual fraud or dishonesty or wrongful omission on the part of the Trustee who is sought to be made liable.

4. Income from donations and legacies

	Unrestricted 2022 £	Total funds 2021 £
Donations	5,250	34,188

5. Expenditure on raising funds

	Unrestricted 2022 £	Total funds 2021 £
Fundraising trading expenses		
Investment management fees	179,820	149,879

6. Investment income

	Unrestricted 2022 £	Total funds 2021 £
Bank interest received	2,001	1,108
Dividends received	149,260	61,001
Bond interest received and accrued	1,371,679	1,499,624
Total	1,522,940	1,561,683

THE CLAUDE AND SOFIA MARION FOUNDATION

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

7. Expenditure on charitable activities

	2022 £	2021 £
Grants payable (see note 8)	919,314	1,900,906
Auditors' remuneration	22,000	5,000
Bank charges and sundry expenses	55,816	41,758
Total	997,130	1,947,664

8. Grants payable

	2022 €	2022 \$	2022 £	Total 2022 £	Total 2021 £
Association Badao, Ilot de Boboto, Congo Brazzaville	100,000	-	-	86,562	-
Bonne Pioche Ukrainiennes La Guerre Film, Paris, France	100,000	-	-	87,443	-
Casa da Crianca, Rio de Janeiro, Brazil	-	2,500	-	2,158	-
Congregacao Sao Jose Cluny- Igreja Menino Jesus, Portugal	12,600	-	-	11,164	-
Convento dos Cardaes, Lisbon, Portugal	10,000	-	-	8,624	8,558
Don Bosco Bangalore, School Buses, India	-	-	25,000	25,000	-
Don Bosco Girl Center, Bangalore, India	-	-	50,000	50,000	50,000
Fundacao Alvaro Carvalho Re: cataract surgery, Portugal	100,000	-	-	84,398	-
Fundacao Salesianos Cascais, Portugal	5,000	-	-	4,312	-
Get Kids Going, UK Charity, UK in support of Luana's Fundraising	-	-	5,100	5,100	-
Igreja Matriz, Cascais, Portugal	40,000	-	-	34,142	38,241
Igreja São Nicolau, Lisbon, Portugal	5,000	-	-	4,312	-
Jangada Lda, Festa Do Cinema Frances, Portugal	30,000	-	-	25,468	25,395
Kairos Montessori School, Cascais, Portugal	71,325	-	-	60,580	120,311
Ocean Soul Films Ltd Re: Collision	60,000	-	-	50,665	42,865
Pancreatic Cancer UK, UK Charity re: John Moore fundraising	-	-	5,100	5,100	-
Peppo La Tumaini, Kenya Re : Diane et Gaultier fundraising	-	-	10,000	10,000	-
Poor Clares Colettines Nottingham, UK	-	-	5,000	5,000	2,500
Salesians Mozambique re: Scholarships	35,000	-	-	29,218	21,624
Subtotal carried forward	568,925	2,500	100,200	589,246	309,494

THE CLAUDE AND SOFIA MARION FOUNDATION

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

8. Grants payable (continued)

	2022	2022	2022	Total	Total
	€	\$	£	£	£
Subtotal brought forward	568,925	2,500	100,200	589,246	309,494
Tag Foundation for Social Development, UK Charity	100,000	-	-	84,474	-
The Bangalore Salesian Society Don Bosco College, India	-	300,000	-	245,594	-
Natural History Museum, London, UK Charity: Centre for Resourcing the Green economy	-	-	-	-	500,000
Ambassade Ordre de Malte Re: CHRB Hospital, Kinshasa, Congo	-	-	-	-	126,232
Ocean Soul Films Ltd Re: Blue Forest Documentary	-	-	-	-	21,578
Hope Production Re : MIGRANTS, Paris, France	-	-	-	-	168,754
ICF NOVA SBE Fundacao Alfredo de Sousa, Lisbon, Portugal	-	-	-	-	127,232
Don Bosco Bangalore, School Project Xmas, India	-	-	-	-	42,601
Associacao 1010101 Lisboa 42, Lisbon, Portugal	-	-	-	-	210,389
Don Bosco Hospet, India	-	-	-	-	14,755
CADin, Portugal	-	-	-	-	33,987
Irmas Clarissas Lisbon, Portugal	-	-	-	-	8,520
Don Bosco UK, Bolton, UK RE: Luana's Fundraising/Davangere	-	-	-	-	2,600
Women for Women in support of Victor Custot fundraising	-	-	-	-	2,100
Stanford University Foundation, UK Charity	-	-	-	-	332,664
Total	668,925	302,500	100,200	919,314	1,900,906

The above represents grants committed and communicated to recipients during the year. Grants paid out by the Foundation during the year totalled £1,289,225 (2021: £992,901).

9. Trustees' remuneration

During the year, no Trustees received any remuneration or other benefits (2021: £nil).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021: £nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Particulars of employees

The Foundation had no employees during the year (2021: £nil).

11. Taxation

As a registered charity, the Foundation is exempt from Corporation Tax.

12. Fixed asset investments

	Unlisted investments £	Listed securities £	Options, swaps and structured assets £	Forward contracts £	Total £
Cost or valuation					
At 1 January 2022	114,876	45,835,024	61,282	(404,252)	45,606,930
Additions	-	13,618,442	4,647,601	-	18,266,044
Disposals	-	(19,198,363)	(4,231,894)	-	(23,430,257)
Revaluations	-	(1,027,770)	(589,386)	-	(1,617,157)
Foreign exchange movement	-	(61,941)	-	1,128,545	1,066,604
At 31 December 2022	114,876	39,165,392	(112,397)	724,293	39,892,164

13. Debtors

	2022 £	2021 £
Other debtors	13,062	56,495
Accrued interest	330,995	288,457
	344,057	344,952

14. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	-	3,576,175
Trade creditors	37,379	-
Accruals and deferred income	59,379	10,520
Grants accrued	271,739	363,165
	368,497	3,949,860

15. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Grants accrued	454,803	690,570

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. Summary of funds

Summary of funds – current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (losses) £	Balance at 31 December 2022 £
General funds	42,028,103	5,238,575	(1,467,846)	(1,617,157)	44,181,675

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	2,153,572	(423,167)
Adjustment for:		
Loss / (gains) on investments	550,553	(244,003)
Income from investments	(1,522,940)	(1,561,683)
Foreign exchange gain	(3,710,385)	-
(Decrease) / increase in creditors	(240,955)	913,006
Decrease in debtors	895	50,308
Net cash used in operating activities	(2,769,260)	(1,265,539)

18. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank	4,768,754	716,651
Overdraft facility repayable on demand	-	(3,576,175)
	4,768,754	(2,859,524)

19. Related party transactions

There are no related party transactions undertaken during the year or prior year.