

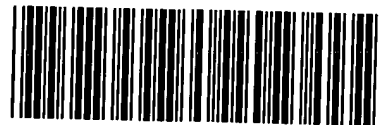
Company registration number: 5711851

Charity registration number: 1117431

The University of Chicago Foundation Limited

**Annual report and financial statements
for the year ended 30 June 2022**

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The University of Chicago Foundation Limited

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The University of Chicago Foundation Limited

Officers and professional advisers

Directors Mr J R Kroll
 Ms K Taylor
 Mr M F M Mccourt

The Directors are the Trustees of the Charity for The Charities Act purposes.

Company secretary Sisec Limited
 21 Holborn Viaduct
 London
 EC1A 2DY

Registered office 21 Holborn Viaduct
 London
 EC1A 2DY

Banker HSBC plc
 60 Queen Victoria Street
 London
 EC2N 4TR

Auditor RSM UK Audit LLP
 25 Farringdon Street
 London
 EC4A 4AB

Charity number: 1117431

Company number: 5711851

The University of Chicago Foundation Limited

Strategic and Directors' report

The Directors present their annual report for the year ended 30 June 2022 under the Companies Act 2006 together with the audited accounts for the year, and confirm that the latter complies with the requirements of the Act, the Charities (Accounts and Reports) Regulations 2011 and the Charities SORP (FRS 102).

Reference and administrative information

The Charity (Company Registration: 5711851, Charity Commission Registration: 1117431) is a subsidiary of the University of Chicago, incorporated in the United States of America, which was founded in 1898. The registered office of the Charity is listed on page 1 together with the particulars of the Charity's professional advisers.

The Charity is a charitable company limited by shares, incorporated in the United Kingdom, registered in England and Wales.

Directors and Charity trustees

The Directors are the Charity Trustees of the University of Chicago Foundation Limited ("the Charity"). They have all served in office throughout the year, except as noted:

Mr J R Kroll (resigned 30 June 2023)

Ms K Taylor

Mr M F M Mccourt (appointed 01 July 2022)

Ms S Marine (resigned 30 June 2022)

Mr I Samstein (resigned 15 July 2021)

The affairs of the Charity are governed by the Board of Trustees. The Trustees meet once per year and oversee the management of the Charity.

Structure, governance and management

Governing Document

The Charity is governed by its Memorandum and Articles of Association dated 16 February 2006.

Recruitment and Training of Directors

The University of Chicago is empowered to make appointment of Trustees for the University of Chicago Foundation Limited. For the period from 1 July 2021 through 30 June 2022, the following served as Trustees; Ms. K Taylor, Ms. S Marine, Mr I Samstein and Mr. J R Kroll.

Throughout the period Ms. K Taylor held the position of Vice President and General Counsel at the University of Chicago. Ms. K Taylor's position as head of all legal affairs for the University provides the requisite qualification for a Director of the Charity. By virtue of her appointment to this position at the University, she was appointed as a trustee for the Charity.

Throughout the period Mr. J R Kroll held the position of Senior Advisor for Finance and Administration at the University of Chicago. His capacity in this position provides the requisite qualifications to be a Director of the Charity.

Should any of these Directors resign their position at the University of Chicago, the successor to that position would take their place as a trustee of the Charity pending final approval from the remaining board members. Training needs of new Trustees are assessed and met as necessary. Upon appointment, each trustee receives a copy of the UK Charity Commission's publication "The essential trustee: what you need to know, what you need to do" and "Charity Reporting and Accounting: The Essentials" and agrees to follow them. Ongoing training is provided as relevant changes are made to the either Charity Commission guidance and requirements or applicable legislation.

The University of Chicago Foundation Limited

Strategic and Directors' report (continued)

Organisational management

The Charity is managed by the University of Chicago's department of Alumni Relations and Development ("ARD"). The employees engaged in this management are employees of the University of Chicago, not of the Charity. ARD employees are responsible for day-to-day expense management and the Trustees are responsible for the strategic oversight of the Charity. ARD employees stationed in Chicago are responsible for the day-to-day affairs of the Charity; including the procurement of goods and services for the Charity and the negotiation and execution of contracts. All financial activity is approved by ARD financial operations staff. All staff engaged in the oversight and approval of activity ultimately report to Ms. S Marine, Charity Director and Vice President for Alumni Relations and Development at the University of Chicago. Due to the small size and nature of the Charity there is currently no internal audit function. This is continually under review and will be updated accordingly as the Charity grows. While no specific internal audit exists, there is segregation of duties to help reduce financial risk to the Foundation. Currently, all accounting for the Foundation is handled by the University's ARD office while signing authority for payments is the responsibility of the University's central Financial Services department. The individuals who approve payments and have bank account authorization privileges are not the same individuals who request the payments, monitor monthly activity and manage the bank accounts. Additionally, the Charity engages a consultant in the UK to act as a Charity administrator. This administrator is a point of contact on the ground in London and an advisor in matters related to gift aid, Transnational Giving Europe and other like matters.

Risk management

The Directors have reviewed the major risks to which the Charity is exposed, in conjunction with the overall annual review of the risks and uncertainties of the University of Chicago. Directors are content with the procedures that have been established to mitigate those risks. The following risks are managed by the Charity:

1. Economic health of prospect pool
2. University of Chicago Foundation continues to be viewed as a worthwhile home for philanthropic support
3. Programs and initiatives supported by the Foundation remain enticing to donors

The Foundation, through the University of Chicago, is continually identifying new prospects for solicitation. This is done in part through extensive research efforts. Additionally, as more students matriculate to and graduate from the University of Chicago, new prospects, in the way of students and parents, are identified. The pool is a group of prospective donors that is constantly changing as new prospects are identified and moved into the pool and current prospects are reevaluated for their ability and willingness to give and kept in the pool or moved out of it accordingly. A close relationship with the University also ensures that the objectives of the Foundation will continue to be viewed as a worthwhile home for philanthropic support and that programs and initiatives supported by the Foundation remain enticing to donors. The relationship between the University and the Foundation is critical for the Foundation to manage the risks identified above. As long as Foundation and University objectives remain aligned, the risks identified above will be minimized and the philanthropic interests of the prospect pool will align with the goals of the Charity.

Aims, objectives and activities

Charitable objectives

The University of Chicago provides programs and activities to offer a rich and diverse educational environment for its students to pioneer research that pushes the boundaries of current knowledge. A critical element of this activity is the necessary funding. The primary objective of the Charity is to advance education, in particular by providing grants to the University of Chicago and to other educational institutions to assist in the advancement of the education of students attending the institution. This increased support will advance university initiatives through provision of resources for unrestricted operating expenses, special projects (i.e. capital needs) and endowments towards specific purposes (i.e. financial aid, scholarships, professorships and research). This purpose directly contributes to the benefit of giving an education to the public.

The University of Chicago Foundation Limited

Strategic and Directors' report (continued)

Objectives for the year

The main objectives of the Charity for the year ended 30 June 2022 were:

- 1 To support the public benefit initiatives of the University of Chicago
2. To raise funds for the University of Chicago to further advance the education programs and activities available to the public in the UK
3. To offer UK citizens an avenue for giving with increased personal benefits
4. To keep UK based Alumni connected to the University of Chicago in a meaningful way

Strategies to achieve the period's objectives

Ensure that donors are aware of the benefits of giving through the Charity; benefits such as Gift Aid and tax-efficient giving from other parts of Europe. Stay connected with University alumni and friends to ensure university initiatives and mission are clearly conveyed to these groups. Identify "lost" alumni and friends to help increase network of potential supporters of the Charity and the University.

Principal activities of the year

The University of Chicago sponsored a number of alumni relations and donor cultivation events in the United Kingdom. Alumni from many divisions and schools of the University of Chicago were represented. These events gave the Charity an opportunity to connect with prospects while communicating Charity objectives to prospective donors.

Review of achievements and performance for the year

Operational performance of the Charity

The Foundation targets alumni and friends of the University of Chicago, including parents, spouses of alumni, former faculty and prior non-alumni donors. The fundraising team managed events and organized solicitations throughout the year to advance the objectives of the Charity. These events and activities, along with one to one meetings with donors build connections within the University of Chicago community while fostering an environment which encourages philanthropic affiliation with the Charity.

Financial review and results for the year

Fundraising progress for the year successfully exceeded the cost of doing business. For the fiscal year £730,944 (as restated 2021: £2,823,246) was raised by the Charity from alumni and friends. Expenses totalled £36,286 (2021: £35,680) which includes governance costs, support costs and bank fees.

The cost per pound raised ratio is less than 1p/£1 raised. This marks the tenth consecutive year where this ratio was less than 5p/£1 raised. The Charity hopes and expects to sustain this ratio into the foreseeable future.

During the fiscal year the Charity was able to make charitable donations to the University of Chicago for objectives laid out in the Foundation's written resolutions. Donations made by the Charity during this fiscal period totalled £854,286 (2021: £2,968,568). Charitable activity in a given year is directly related to the fundraising progress in that given year. As a result, fluctuation in the level of charitable activity can be expected as fundraising fluctuates. Charitable activities in FY22 were split among the following written resolutions as detailed below:

1. Endowed Scholarships – College:	£253,121
2. Endowed Scholarships – Other:	£174,138
3. Programmatic Support:	£421,731
4. Annual Fund Support:	£5,296
5. Endowed Professorships:	£0

The University of Chicago Foundation Limited

Strategic and Directors' report (continued)

Reserve policy

The Charity's primary objective is to collect and distribute grants to the University of Chicago and to other educational institutions. In considering the target reserves to be held by the Charity, the Trustees recognize that administrative and operational costs are nominal and largely non contractual and that the Charity does not seek to retain funds for growth or future projects. They have determined that reserves should be minimal at any period end, only reflecting a short term timing difference between receipt of income and payment of a grant and to maintain adequate funds to cover nominal annual expenses. At 30 June 2022 the Charity reports a surplus of £628,938 (2021: £798,301) against reserves. The total amount of funds held by the Charity on 30 June 2022 was held as restricted funds £610,404 (2021:£796,880) and unrestricted £18,534 (2021:£1,421). The Charity is supported in its day-to-day obligations through its parent company, the University of Chicago. The University has committed to providing support to the Charity to enable it to meet its short term commitments as they fall due.

Future plans

Future plans include continuing to provide an avenue for giving from the UK and across Europe to support the programs and activities of the University of Chicago. To do this, the Charity, in cooperation with the University of Chicago will host alumni and student events to encourage engagement with the University. These events will include annual receptions for new students, faculty lectures and private dinners with key prospects.

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future objectives. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. Continuing to support the initiatives laid out in the Charity's written resolutions, including granting scholarships, granting professorships and offering other areas of financial support to higher education institutions, is continuing to support the public benefit of advancement of education. These funds will provide both formal education as well as research which add to the collective knowledge and understanding of specific areas of study.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Charitable company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Charitable company's auditor is aware of that information.

The University of Chicago Foundation Limited

Strategic and Directors' report (continued)

Statement of Directors' responsibilities in respect of the Trustees' annual report and the financial statements

The Directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have are required to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS 102 *"The Financial Reporting Standard applicable in the UK and Republic of Ireland"*.

Under company law the 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 Charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the Charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Charitable company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charitable company and to prevent and detect fraud and other irregularities.

The Directors is responsible for the maintenance and integrity of the corporate and financial information included on the Charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Charitable company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Charitable company's auditor is aware of that information.

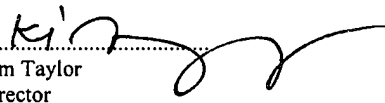
The University of Chicago Foundation Limited

Strategic and Directors' report (continued)

Auditor (continued)

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Approved by the Board of members of the Charity on 24-7-23 and signed by order of the Board


.....
Kim Taylor
Director
University of Chicago Foundation Limited
London
EC1A 2DY

Date: 24 July 2023

The University of Chicago Foundation Limited

Independent auditor's report to the members of The University of Chicago Foundation Limited

Opinion

We have audited the financial statements of The University of Chicago Foundation Limited (the 'charitable company') for the year ended 30 June 2022 which includes the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's 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.

The University of Chicago Foundation Limited

Independent auditor's report to the members of The University of Chicago Foundation Limited (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Directors Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Directors' responsibilities set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The University of Chicago Foundation Limited

Independent auditor's report to the members of The University of Chicago Foundation Limited (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, and the Charities Act 2011. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

We did not identify any significant laws and regulations that would have an indirect impact on the financial statements.

The University of Chicago Foundation Limited

Independent auditor's report to the members of The University of Chicago Foundation Limited (continued)

The audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and reviewing the accounting treatment of voluntary income to ensure that donations were recognized in line with the SORP criteria.

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

Use of our report

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

RSM UK Audit LLP

.....
Nicholas Sladden (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

Date: 27 July 2023

The University of Chicago Foundation Limited

Statement of financial activities for the year ended 30 June 2022
(Including income and expenditure account and statement of total recognised gains and losses)

		Unrestricted funds £	Restricted funds £	Total 2022 £	(as restated) Unrestricted funds £	(as restated) Restricted funds £	(as restated) Total 2021 £
Note							
Income and endowments from:							
Donations	3	276,259	454,685	730,944	370,527	2,452,719	2,823,246
Investments		<u>1</u>	<u>-</u>	<u>1</u>	<u>6</u>	<u>-</u>	<u>6</u>
Total income		<u>276,260</u>	<u>454,685</u>	<u>730,945</u>	<u>370,533</u>	<u>2,452,719</u>	<u>2,823,252</u>
Expenditure on:							
Raising funds	4	(17,086)	-	(17,086)	(17,180)	-	(17,180)
Charitable activities	4	<u>(242,061)</u>	<u>(641,161)</u>	<u>(883,222)</u>	<u>(396,023)</u>	<u>(2,616,903)</u>	<u>(3,012,926)</u>
Total expenditure		<u>(259,147)</u>	<u>(641,161)</u>	<u>(900,308)</u>	<u>(413,203)</u>	<u>(2,616,903)</u>	<u>(3,030,106)</u>
Net movement in funds		<u>17,113</u>	<u>(186,476)</u>	<u>(169,363)</u>	<u>(42,670)</u>	<u>(164,184)</u>	<u>(206,854)</u>
Reconciliation of funds							
Total funds brought forward (as originally presented)		<u>1,421</u>	<u>796,880</u>	<u>798,301</u>	<u>44,091</u>	<u>52,845</u>	<u>96,936</u>
Prior period adjustment		-	-	-	-	908,219	908,219
Total funds brought forward		<u>1,421</u>	<u>796,880</u>	<u>798,301</u>	<u>44,091</u>	<u>961,064</u>	<u>1,005,155</u>
Total funds carried forward		<u>18,534</u>	<u>610,404</u>	<u>628,938</u>	<u>1,421</u>	<u>796,880</u>	<u>798,301</u>

For details of restatements to the prior year, refer to note 15.

All income and expenditure derive from continuing activities.

The notes on pages 15 to 29 form part of these financial statements

The University of Chicago Foundation Limited

(Registration number: 5711851)

Balance sheet as at 30 June 2022

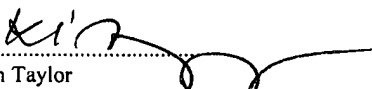
		2022	(as restated) 2021
	Note	£	£
Current assets			
Debtors	6	419,961	818,849
Cash at bank and in hand		<u>246,777</u>	<u>11,960</u>
Total assets		<u>666,738</u>	<u>830,809</u>
Creditors: amounts falling due within one year	7	<u>(37,700)</u>	<u>(32,408)</u>
Net assets		<u>629,038</u>	<u>798,401</u>
The funds of the Charity			
Unrestricted funds	5	18,534	1,421
Restricted funds	5	610,404	796,880
Share capital	10	<u>100</u>	<u>100</u>
		<u>629,038</u>	<u>798,401</u>
Total funds		<u>629,038</u>	<u>798,401</u>

For details of restatements to the prior year, refer to note 15.

The notes on pages 15 to 29 form part of these financial statements

The financial statements of The University of Chicago Foundation Limited (registered number: 5711851) were approved by the Board of Directors, and authorised for issue on 24 July 2023

Signed on behalf of Board of Directors by:


Kim Taylor
Director

The University of Chicago Foundation Limited

Statement of cash flows for the year ended 30 June 2022

	Note	2022 £	2021 £
Cash provided by/(used) in operating activities	11	<u>234,816</u>	<u>(84,143)</u>
Cash flows from investing activities			
Interest received		<u>1</u>	<u>6</u>
Net cash flows from investing activities		<u>1</u>	<u>6</u>
Increase/(Decrease) in cash and cash equivalents		234,817	(84,137)
Cash and cash equivalents at the beginning of the year		<u>11,960</u>	<u>96,097</u>
Total cash and cash equivalents at the end of the year		<u>246,777</u>	<u>11,960</u>
Reconciliation to cash at bank and in hand:			
Cash at bank and shown in the Charity's balance sheet		<u>246,777</u>	<u>11,960</u>

The University of Chicago Foundation Limited

Notes to the financial statements

For the year ended 30 June 2022

1 Accounting policies

General information and basis of accounting

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

Basis of preparation

The financial statements have been prepared under the historic cost basis of accounting, in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The functional currency of The University of Chicago Foundation Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Charity operates.

Going concern

Management has reviewed the cash forecasts through fiscal year 2024 (fiscal year ending June 30, 2024) which indicate that The University of Chicago Foundation Limited (the Charity) will have sufficient funds to continue as a going concern. The Charity is managed by employees of The University of Chicago (the parent company) and has negligible fixed costs. The fixed costs of the Charity include yearly fees for audit and accountancy services. The parent company is committed to supporting the Charity in meeting these costs.

The Trustees and management have also considered the implications of COVID-19 and Brexit on these cash forecasts and do not have any substantial or significant doubts regarding the Charity's ability to continue as a going concern for a period of at least 12 months from the approval of the accounts.

Fund accounting

Unrestricted funds are general funds that are available for use at the Directors' discretion in furtherance of the objectives of the Charity.

The University of Chicago Foundation Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

1 Accounting policies (continued)

Prior period restatements

The comparative to these financial statements has been restated due to a change in the accounting treatment of income recognition. The increase/(decrease) to the line items of the previously presented financial statements is summarised below and restated balances are detailed in note 15.

	Relating to the current period disclosed in these financial statements £	Relating to the prior period disclosed in these financial statements £	Relating to prior periods before the prior period disclosed in these financial statements £
Income	-	(112,062)	908,219
Accrued income	-	796,157	908,219
Restricted funds of the Charity	-	<u>796,157</u>	<u>908,219</u>

The Foundation previously recognised donations based on a cash basis for all types of donations. The Directors have reviewed the requirements of FRS 102 and the Charities SORP and identified that donations should be recognised on an accruals basis where there is a future commitment or pledge by a donor and the financial statements have been restated accordingly.

Income

Income is recognised in accordance with the recognition criteria of the Charities (Accounts and Reports) Regulations 2011 and the Charities SORP (FRS 102) when entitlement is assured, there is probability of receipt, and when the amount can be reliably measured.

The University of Chicago Foundation Limited

Notes to the financial statements

For the year ended 30 June 2022 (continued)

1 Accounting policies (continued)

Expenditure

Expenditure is accounted for on a commitment basis. Overheads and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs comprise the costs of running the Charity, including strategic planning for its future development, external audit, any legal advice for The University of Chicago Foundation Limited Directors, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability. Detailed disclosures concerning how support costs were split are not made on the basis of them not being material.

Charitable activity is in compliance with the Foundation's grant making policy. Gifts from donors must be in accordance with the Foundation's resolutions. As gifts are received, they may be granted to the University of Chicago with specific instructions for use according to the donor's intent. The Foundation relies on the University's internal controls to verify donor's intent is realized.

Taxation

The University of Chicago Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a Charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Foreign currencies

Transactions in foreign currencies are recorded at the rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the period end exchange rates. All differences are taken to the Statement of financial activities.

Cash and cash equivalents

Cash at bank and cash 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.

Financial instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The University of Chicago Foundation Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

1 Accounting policies (continued)

Trade debtors and creditors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount after allowing for any trade discounts due.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The Directors do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

The University of Chicago Foundation Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2022 £	(as restated) Unrestricted funds £	(as restated) Restricted funds £	(as restated) Total 2021 £
Donations and gifts	<u>276,259</u>	<u>454,685</u>	<u>730,944</u>	<u>370,527</u>	<u>2,452,719</u>	<u>2,823,246</u>

For details of restatements to the prior year, refer to note 15.

4 Expenditure

	Total 2022 £	Total 2021 £
Raising funds		
Bank Fees	350	229
Support costs	<u>16,736</u>	<u>16,951</u>
	<u>17,086</u>	<u>17,180</u>
Charitable activities		
Grants awarded	854,286	2,968,568
Currency loss/(gain)	<u>9,736</u>	<u>25,858</u>
	<u>864,022</u>	<u>2,994,426</u>
Governance costs		
Audit services	14,700	14,000
Accountancy	<u>4,500</u>	<u>4,500</u>
	<u>19,200</u>	<u>18,500</u>
Total	<u>900,308</u>	<u>3,030,106</u>

The audit firm only received fees in respect to audit services. Audit fees are presented exclusive of VAT. No Directors or persons connected with them received any remuneration, other benefits or reimbursement of expenses from the Charity.

During the year the Charity did not employ any support staff directly. All grants made by the Charity were awarded to the University of Chicago in the United States.

The University of Chicago Foundation Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

5 Analysis of Charitable funds

	(as restated) 30 June 2021 £	Income £	Expenditure £	30 June 2022 £
Unrestricted funds	1,421	276,259	(259,146)	18,534
Restricted funds:				
Martini Family International Odyssey Metcalf Internship Fund ¹	-	-	-	-
Amy and Leon Kass Odyssey Scholarship ²	-	76	(76)	-
Anita Chong Lab ³	-	4,718	(4,718)	-
Barbara Strassberg Fund for College Readiness and Access ⁴	-	16,558	-	16,558
Blute Family Scholarship Fund ⁵	-	48,071	(48,071)	-
Chicago Booth Annual Fund ⁶	11,202	-	(5,297)	5,905
Chicago Booth Hong Kong Mt. Davis ⁷	-	38,000	(38,000)	-
ESA China Programming and Initiatives ⁸	-	388	(388)	-
Class of 1999 Odyssey Scholarship ⁹	-	360	(360)	-
Dean's Fund for Student Life ¹⁰	-	9,968	(9,968)	-
Dixit-Foged Fellowship ¹¹	-	45,261	(45,261)	-
Fencing Club ¹²	-	4,512	(4,512)	-
Guy and Maura Saidenberg Odyssey Fund ¹³	134,816	-	(81,000)	53,816
Henry Ritchotte International Studies ¹⁴	16,802	-	(16,802)	-
Marc and Anna Boheim Scholarship Fund ¹⁵	120,587	27,853	(27,853)	120,587
Marvin Zonis International Scholarship	1,354	174	(174)	1,354
Metcalf Research Internships - Department of Psychology ¹⁷	11,926	-	(11,926)	-
Odyssey Scholarship Program Expendable ¹⁸	12,463	37,154	(16,916)	32,701
Oriental Institute Chicago House ¹⁹	-	51	(51)	-
Rustandy Center ²⁰	-	11,260	(11,260)	-
The Haddad Family International Odyssey Fund ²¹	171,685	-	-	171,685

The University of Chicago Foundation Limited

**Notes to the financial statements
For the year ended 30 June 2022 (continued)**

5 Analysis of Charitable funds (continued)

	(as restated) 30 June 2021	Income	Expenditure	30 June 2022
	£	£	£	£
Van J Stults Scholarship ²²	234,995	-	(80,000)	154,995
Watson Open Doors Scholarship Fund	81,050	-	(28,247)	52,803
Zuccaro - Da Via Scholarship ²⁴	-	22,781	(22,781)	-
Zwick Research for European Studies ²⁵	-	187,500	(187,500)	-
	<u>796,880</u>	<u>454,685</u>	<u>(641,161)</u>	<u>610,404</u>
Total funds	<u>798,301</u>	<u>730,944</u>	<u>(900,307)</u>	<u>628,938</u>

The University of Chicago Foundation Limited

**Notes to the financial statements
For the year ended 30 June 2022 (continued)**

5 Analysis of Charitable funds (continued)

For details of restatements to the prior year, refer to note 15.

¹ Martini Family International Odyssey Metcalf Internship Fund

This fund provides support for internships for undergraduate students in the College.

² Amy and Leon Kass Odyssey Scholarship

This fund provides scholarship support for undergraduate students in the College.

³ Anita Chong Lab

To support Dr. Anita Chong's research in surgery at the medical center

⁴ Barbara Strassberg Fund for College Readiness and Access

To provide annual support for the Office of Civic Engagement's College Readiness and Access programming.

⁵ Blute Family Scholarship Fund

The purpose of this fund is to provide scholarship support to full-time MBA students at the Booth School of Business.

⁶ Chicago Booth Annual Fund

This fund provides unrestricted support to the Booth School of Business.

⁷ Chicago Booth Hong Kong Mount Davis

This fund provides support for the development of the permanent Chicago Booth campus in Hong Kong.

⁸ Chicago Booth's MBA Experience Fund

This fund provides support for the MBA experience outside of the classroom, including funding for treks, travel opportunities, expansion of leadership programs, living support, student-alumni programming, brand building activities among the student population, internships, student groups and other activities and programs as directed by the Deputy Dean for the MBA program.

The University of Chicago Foundation Limited

Notes to the financial statements

For the year ended 30 June 2022 (continued)

5 Analysis of Charitable funds (continued)

⁹ Class of 1999 Odyssey Scholarship Fund

This fund provides scholarship support for undergraduate students in the College.

¹⁰ Dean's Fund for Student Life

To support undergraduate student initiatives as directed by the Dean of the College.

¹¹ Dixit-Foged Fellowship

Annual support for a dissertation completion fellowship for graduate students in the Division of the Social Sciences

¹² Fencing Club

The purpose of this fund is to provide support for the fencing club at the University, including but not limited to competition expenses and coaching.

¹³ Guy and Maura Saidenberg Odyssey Fund

The purpose of this fund is to provide scholarship support for undergraduate students in the College.

¹⁴ Henry Ritchotte International Studies Fund

This fund provides support for new research in international studies in the social sciences, with a particular emphasis on collaborative mixed methods research.

¹⁵ Marc and Anna Boheim Scholarship Fund

This fund provides scholarship support for students in the full-time MBA Program at the Booth School of Business

¹⁶ Marvin Zonis International Scholarship

This fund provides scholarship support for full-time MBA students at the Booth School of Business.

¹⁷ Metcalf Research Internships - Department of Psychology

This fund provides support undergraduate student internships.

¹⁸ Odyssey Scholarship Program Expendable

This fund provides expendable scholarship support to the Odyssey Scholarship Program, which provides supplemental College aid grants to undergraduate students who would otherwise have to accept student loans in order to attend the University of Chicago.

¹⁹ Oriental Institute Chicago House

To support the epigraphic survey project of the Oriental Institute.

The University of Chicago Foundation Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

5 Analysis of Charitable funds (continued)

²⁰ Rustandy Center

The purpose of this fund is to provide general support for the Social Enterprise Initiative and the Booth School of Business

²¹ The Haddad Family International Odyssey Scholarship Fund

Expendable income from the fund is used to provide scholarships known as "Haddad Family International Odyssey Scholarships" to international students in the College who qualify for financial aid under the College's financial aid policy.

²² Van J Stults Scholarship Fund

The purpose of this fund is to provide scholarship support to full-time MBA students at the Booth School of Business.

²³ Watson Open Doors Scholarship Fund

The purpose of this fund is to provide scholarship support to full-time MBA students at the Booth School of Business

²⁴ Zucarro – Da Via Scholarship

The purpose of this fund is to provide scholarship support to full-time MBA students at the Booth School of Business

²⁵ Zwick Research for European Studies

To provide annual awards to outstanding third-year students in the College at the University to conduct research in Europe in the summer following their third year.

6 Debtors: amounts falling due within one year

	2022	(as restated) 2021
	£	£
Amounts payable from related parties	30,501	22,692
Accrued income	389,460	796,157
	<u>419,961</u>	<u>818,849</u>

For details of restatements to the prior year, refer to note 15.

The University of Chicago Foundation Limited

**Notes to the financial statements
For the year ended 30 June 2022 (continued)**

7 Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals	37,700	18,500
Other creditors	-	13,908
	<u>37,700</u>	<u>32,408</u>

8 Analysis of assets and liabilities between funds

	Unrestricted funds £	Restricted funds £	Share capital £	Total £
Cash at bank	25,733	220,944	100	246,777
Debtors: amounts falling due within one year	30,501	389,460	-	419,961
Creditors: amounts falling due within one year	<u>(37,700)</u>	<u>-</u>	<u>-</u>	<u>(37,700)</u>
As at 30 June 2022	<u>18,534</u>	<u>610,404</u>	<u>100</u>	<u>629,038</u>
As at 30 June 2021 (as restated)	<u>1,421</u>	<u>796,880</u>	<u>100</u>	<u>798,401</u>

The University of Chicago Foundation Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

8 Analysis of assets and liabilities between funds (continued)

For details of restatements to the prior year, refer to note 15.

9 Guarantees and contingent liabilities

The Charity has not entered into any guarantee arrangements (2021: none).

10 Share capital

Allotted, called-up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

100% of the share capital is owned by the University of Chicago

The Charitable status of the Charity prohibits the University from being entitled to any dividends

The University of Chicago Foundation Limited

Notes to the financial statements For the year ended 30 June 2022 (continued)

11 Reconciliation of net income to net cashflow from operating activities

	2022	(as restated) 2021
	£	£
Net income/(expense) per statement of financial activities	220,097	(206,854)
Deduct gains on investments	(1)	(6)
Decrease in debtors	9,428	114,217
Increase in creditors	5,292	8,500
Cash provided by/(used in) operating activities	234,816	(84,143)

12 Related party transactions

During the year the University of Chicago in the US incurred costs on behalf of the Charity which amounted to £16,736 (2021: £18,500). The University of Chicago in the US recharged £nil (2021: £nil) of support costs to the Charity during the year which related to staff time spent in relation to the Charity. During the year the University of Chicago in the US has gifted £16,736 (2021: £18,500) to the Charity. The balance at the year end was £nil (2021: £nil).

Grants made in the year totalled £854,286 (2021: £2,968,568) and were all paid to the University of Chicago in the US during the year.

The University of Chicago is committed to fund the governance cost for the Charity and an amount of £30,501 (2021: £18,500) is included in Debtors.

13 Events after the end of the reporting period

No events occurred after the end of the reporting period.

14 Ultimate parent company

The Directors consider The University of Chicago, a company registered in The United States of America to be the ultimate parent company. University of Chicago is the smallest and largest group in which the results of the Charity are consolidated. Copies of the University's financial statements are available upon request in writing to 5801 South Ellis Avenue, Chicago, Illinois 60637, USA.

The University of Chicago Foundation Limited

**Notes to the financial statements
For the year ended 30 June 2022 (continued)**

15 Prior year restatement

Adjustments have been made to the prior period financial statements as explained in note 1.

	As original 2021 £	As original Unrestricted Funds £	Adjustment Unrestricted Funds £	As restated Unrestricted Funds £	As original Restricted Funds £	Adjustment Restricted Funds £	As restated Restricted Funds £	As restated 2021 £
Income								
Donations	2,935,308	370,527	-	370,527	2,564,781	(112,062)	2,452,719	2,823,246
Investments	6	6	-	6	-	-	-	6
	<u>2,935,314</u>	<u>370,533</u>	<u>-</u>	<u>370,533</u>	<u>2,564,781</u>	<u>(112,062)</u>	<u>2,452,719</u>	<u>2,823,252</u>
Expenditure on:								
Raising funds	(17,180)	(17,180)	-	(17,180)	-	-	-	(17,180)
Charitable activities	(3,012,926)	(396,023)	-	(396,023)	(2,616,903)	-	(2,616,903)	(3,012,926)
Total expenditure	<u>(3,030,106)</u>	<u>(413,203)</u>	<u>-</u>	<u>(413,203)</u>	<u>(2,616,903)</u>	<u>-</u>	<u>(2,616,903)</u>	<u>(3,030,106)</u>
Net movement in funds	<u>(94,792)</u>	<u>(42,670)</u>	<u>-</u>	<u>(42,670)</u>	<u>(52,122)</u>	<u>(112,062)</u>	<u>(164,184)</u>	<u>(206,854)</u>
Total funds brought forward	<u>96,936</u>	<u>44,091</u>	<u>-</u>	<u>44,091</u>	<u>52,845</u>	<u>908,219</u>	<u>961,064</u>	<u>1,005,155</u>
Total funds carried forward	<u>2,144</u>	<u>1,421</u>	<u>-</u>	<u>1,421</u>	<u>723</u>	<u>756,157</u>	<u>796,880</u>	<u>798,301</u>

The University of Chicago Foundation Limited

Notes to the financial statements

For the year ended 30 June 2022 (continued)

15 Prior year restatement (continued)

	As originally reported £	Adjusted £	As restated £
Current assets			
Debtors: amounts falling due within one year	22,692	796,157	818,849
Cash at bank and in hand	11,960	-	11,960
Total assets	34,652	796,157	830,809
Creditors: amounts falling due within one year	(32,408)	-	(32,408)
Net assets	2,244	796,157	798,401
The funds of the Charity			
Unrestricted funds	1,421	-	1,421
Restricted funds	723	796,157	796,880
Share capital	100	-	100
	2,244	796,157	798,401