

The Hearn Foundation
Annual Report and Audited Financial Statements
for the financial year ended 31 December 2025

Lincoln Brown & Co Limited
Chartered Certified Accountants and Statutory Auditors
Grenville House
4 Grenville Avenue
Herts
EN10 7DH
United Kingdom

Charity Number: 1118490

The Hearn Foundation

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The Hearn Foundation

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees

Mr Peter Hearn
Mr John Pike
Ms Francesca Robinson (Appointed 7 October 2025)
Mr Micheal Hearn

Charity Number in England and Wales

1118490

Principal Address

4 Grenville Avenue
Broxbourne
Herts
EN10 7DH
UK

Auditors

Lincoln Brown & Co Limited
Chartered Certified Accountants and Statutory Auditors
Grenville House
4 Grenville Avenue
Herts
EN10 7DH
United Kingdom

Principal Bankers

Barclays Bank
1 Churchill Place
Canary Wharf
London
E14 5HP
United Kingdom

The Hearn Foundation

TRUSTEES' REPORT

for the financial year ended 31 December 2025

The trustees present their Trustees' Report and the audited financial statements for the financial year ended 31 December 2025.

The financial statements are prepared in accordance with the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and 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).

The Trustees' Report contains the information required to be provided in the Trustees' Annual Report under the Statement of Recommended Practice (SORP) guidelines. The trustees of the charity are also charity trustees for the purpose of charity law and under the charity's constitution are known as members of the board of trustees.

In this report the trustees of The Hearn Foundation present a summary of its purpose, governance, activities, achievements and finances for the financial year 31 December 2025.

The charity is a registered charity and although not obliged to comply with the Statement of Recommended Practice applicable in the UK and Republic of Ireland FRS 102, the organisation has implemented its recommendations where relevant in these financial statements.

Principal Activity

The main activities that the charity is to undertake further the public benefit by funding institutions whose main focus is towards under privileged children and support of the arts.

Mission, Objectives and Strategy

Mission Statement

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on the public benefit when reviewing the Trust aims & objectives, planning for future activities, and settling grants for the year.

The main activities that the charity has undertaken to further the public benefit are by funding institutions whose main focus is towards underprivileged children and support of the Arts.

Review of Achievements and Performance

During 2025 total grants were £2,202,089 and the breakdown is detailed below;

Central Foundation School- £1,133,334
National Theatre - £341,000
St Peter's London Docks School - £179,205
Old Vic - £112,500
Macular Disease Society - £100,000
Deborah Ubee Trust - £75,000
EBP South - £73,973
Blackheath Conservatoire - £50,350
Trinity Laburn - £46,750
Other - £89,977

Financial Review

The trusts income is from its investments and gifts from donors. During 2025 the Trust received donations of £2,645,412 (2024 £378,455) from Mr P Hearn, £645,187 (2024 £490,612) from OPD Group Limited, a company controlled by Mr P Hearn and a donation of £775,000 from Ms F Robinson

The other income of the Trust from its investments and interest was £3,072 (2023 - £12,979).

During 2025 £2,202,089 (2024 - £757,613) was spent on charitable activity.

Expenditure for the year was £31,434 (2024- £28,279) on governance of the Trust.

Investments are valued at market value at the balance sheet date and revaluations/ (devaluations) are reflected in the statement of financial activities. At the year end investments were revalued by £176,827 (2024 - £359,630).

Results and Dividends

At the end of the financial year the charity has assets of £11,973,554 (2024 - £9,764,302) and liabilities of £410,500 (2024 - £509,986). The net assets of the charity have increased by £2,308,738.

The Hearn Foundation TRUSTEES' REPORT

for the financial year ended 31 December 2025

Reserves Position and Policy

Reserves Policy

The current reserves policy of the Trustees is to maintain free reserves in the unrestricted funds level which equates to approximately two years of charitable expenditure taking account of average annual expenditure over the previous 3 years. The Trustees consider that this is the appropriate level to provide sufficient funds to respond to grant applications in an effective manner.

The Trustees review the funds available and grant applications on a continuous basis. The Trust deed gives the power to accumulate funds for future periods.

For the foreseeable future the Trustees intend to primarily target the work of the Trust towards underprivileged children & support of the Arts.

In accordance with the Constitution, the trustees retire by rotation and, being eligible, offer themselves for re-election.

Compliance with Sector-Wide Legislation and Standards

The charity engages pro-actively with legislation, standards and codes which are developed for the sector. The Hearn Foundation subscribes to and is compliant with the following:

- The Charities SORP (FRS 102)

Approved by the Board of Trustees on 26 April 2026 and signed on its behalf by:

Mr Peter Hearn
Trustee

The Hearn Foundation
STATEMENT OF TRUSTEES' RESPONSIBILITIES
for the financial year ended 31 December 2025

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the assets, liabilities and financial position of the charity as at the financial year end date and of the surplus or deficit of the charity and otherwise comply with the Charities Act 2011.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees confirm that they have complied with the above requirements in preparing the financial statements.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees on 26 April 2026 and signed on its behalf by:

Mr Peter Hearn
Trustee

INDEPENDENT AUDITOR'S REPORT

to the Members of The Hearn Foundation

Report on the audit of the financial statements

Opinion

We have audited the charity financial statements of The Hearn Foundation ('the charity') for the financial year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including the summary of significant accounting policies set out in note 2. 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", applying Section 1A of that Standard and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

In our opinion, when reporting in accordance with a fair presentation framework the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with 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 charity's ability to continue as a going concern for a period of at least twelve months from the date 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.

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.

Opinion on other matter prescribed by the Charities Act 2011

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' Annual Report.

INDEPENDENT AUDITOR'S REPORT

to the Members of The Hearn Foundation

Responsibilities of trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities set out on page 6, 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 they 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 management either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

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.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

We identified the laws and regulations applicable to the charity through discussions with the trustees.

We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011.

We assessed the extent of compliance with the laws and regulations identified above through making enquiries of trustees and inspecting legal correspondence; and

Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

Making enquiries of trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we:

Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

Agreeing financial statement disclosures to underlying supporting documentation.

Reading the minutes of meetings of those charged with governance.

Enquiring of trustees as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

INDEPENDENT AUDITOR'S REPORT

to the Members of The Hearn Foundation

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

A further description of our responsibilities 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 Report of the Independent Auditors.

Further information regarding the scope of our responsibilities as auditor

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

LINCOLN BROWN & CO LIMITED

Chartered Certified Accountants and Statutory Auditors
Grenville House
4 Grenville Avenue
Herts
EN10 7DH
United Kingdom

26 April 2026

The Hearn Foundation

STATEMENT OF FINANCIAL ACTIVITIES

for the financial year ended 31 December 2025

	Notes	Unrestricted Funds 2025 £	Total Funds 2025 £	Unrestricted Funds 2024 £	Total Funds 2024 £
Income					
Donations and legacies	3.1	4,065,599	4,065,599	869,067	869,067
Other income	3.2	3,072	3,072	12,979	12,979
Total income		4,068,671	4,068,671	882,046	882,046
Expenditure					
Charitable activities	4.1	2,202,089	2,202,089	757,613	757,613
Other expenditure	4.2	81,434	81,434	28,279	28,279
Total Expenditure		2,283,523	2,283,523	785,892	785,892
Net gains/(losses) on investments		346,763	346,763	237,161	237,161
Net income/(expenditure)		2,131,911	2,131,911	333,315	333,315
Transfers between funds		-	-	-	-
Net movement in funds for the financial year		2,131,911	2,131,911	333,315	333,315
Reconciliation of funds:					
Total funds beginning of the year	12	9,254,316	9,254,316	8,561,371	8,561,371
Total funds at the end of the year		11,386,227	11,386,227	8,894,686	8,894,686

The Statement of Financial Activities includes all gains and losses recognised in the financial year.
All income and expenditure relate to continuing activities.

The Hearn Foundation
BALANCE SHEET
as at 31 December 2025

		2025	2024
	Notes	£	£
Fixed Assets			
Tangible assets	8	725,000	-
Investments	9	11,068,298	9,744,406
		<u>11,793,298</u>	<u>9,744,406</u>
Current Assets			
Cash at bank and in hand		180,256	19,896
Creditors: Amounts falling due within one year	10	(410,500)	(509,986)
Net Current Liabilities		<u>(230,244)</u>	<u>(490,090)</u>
Total Assets less Current Liabilities		<u>11,563,054</u>	<u>9,254,316</u>
Funds			
General fund (unrestricted)		11,563,054	9,254,316
Total funds	12	<u>11,563,054</u>	<u>9,254,316</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard.

Approved by the Board of Trustees and authorised for issue on 26 April 2026 and signed on its behalf by

Mr Peter Hearn
Trustee

The Hearn Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025

1. GENERAL INFORMATION

The Hearn Foundation is a charity incorporated in England. The registered office of the charity is 4 Grenville Avenue, Broxbourne, Herts, EN10 7DH, UK which is also the principal place of business of the charity. The financial statements have been presented in Pound (£) which is also the functional currency of the charity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of preparation

The financial statements have been prepared on the going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102", applying Section 1A of that Standard.

As permitted by the Companies Act 2006, the charity has varied the standard formats in that act for the Statement of Financial Activities and the Balance Sheet. Departures from the standard formats are to comply with the requirements of the Charities SORP and are in compliance with section 4.7, 10.6 and 15.2 of that SORP.

Statement of compliance

The financial statements of the charity for the financial year ended 31 December 2025 have been prepared on the going concern basis and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102", applying Section 1A of that Standard.

Fund accounting

The following are the categories of funds maintained:

Restricted funds

Restricted funds represent income received which can only be used for particular purposes, as specified by the donors. Such purposes are within the overall objectives of the charity.

Unrestricted funds

Unrestricted funds consist of General and Designated funds.

- General funds represent amounts which are expendable at the discretion of the board, in furtherance of the objectives of the charity.

- Designated funds comprise unrestricted funds that the board has, at its discretion, set aside for particular purposes. These designations have an administrative purpose only, and do not legally restrict the board's discretion to apply the fund.

Income

Income is recognised by inclusion in the Statement of Financial Activities only when the charity is legally entitled to the income, performance conditions attached to the item(s) of income have been met, the amounts involved can be measured with sufficient reliability and it is probable that the income will be received by the charity.

Income from charitable activities

Income from charitable activities include income earned from the supply of services under contractual arrangements and from performance related grants which have conditions that specify the provision of particular services to be provided by the charity. Income from government and other co-funders is recognised when the charity is legally entitled to the income because it is fulfilling the conditions contained in the related funding agreements. Where a grant is received in advance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, it is accrued in debtors.

Grants from governments and other co-funders typically include one of the following types of conditions:

- Performance based conditions: whereby the charity is contractually entitled to funding only to the extent that the core objectives of the grant agreement are achieved. Where the charity is meeting the core objectives of a grant agreement, it recognises the related expenditure, to the extent that it is reimbursable by the donor, as income.

The Hearn Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025

-Time based conditions: whereby the charity is contractually entitled to funding on the condition that it is utilised in a particular period. In these cases the charity recognises the income to the extent it is utilised within the period specified in the agreement.

In the absence of such conditions, assuming that receipt is probable and the amount can be reliably measured, grant income is recognised once the charity is notified of entitlement.

Grants received towards capital expenditure are credited to the Statement of Financial Activities when received or receivable, whichever is earlier.

Expenditure

Expenditure is analysed between costs of charitable activities and raising funds. The costs of each activity are separately accumulated and disclosed, and analysed according to their major components. Expenditure is recognised when a legal or constructive obligation exists as a result of a past event, a transfer of economic benefits is required in settlement and the amount of the obligation can be reliably measured. Support costs are those functions that assist the work of the charity but cannot be attributed to one activity. Such costs are allocated to activities in proportion to staff time spent or other suitable measure for each activity.

Investment properties

Investment property is property held either to earn rental income, or for capital appreciation (including future re-development) or for both, but not for sale in the ordinary course of business.

Investment property is initially measured at cost, which includes the purchase cost and any directly attributable expenditure. Investment property is subsequently valued at its fair value at each reporting date, by professional external valuers. The difference between the fair value of an investment property at the reporting date and its carrying value prior to the valuation is recognised in the Statement of Financial Activities as a fair value gain or loss. Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the Statement of Financial Activities.

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Income from other financial fixed asset investments together with any related tax credit is recognised in the profit and loss account in the financial year in which it is receivable.

Cash at bank and in hand

Cash at bank and in hand comprises cash on deposit at banks requiring less than three months notice of withdrawal.

Taxation and deferred taxation

No current or deferred taxation arises as the charity has been granted charitable exemption. Irrecoverable valued added tax is expensed as incurred.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the charity's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. INCOME

3.1 DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2025 £	2024 £
Donations and legacies	<u>4,065,599</u>	<u>-</u>	<u>4,065,599</u>	<u>869,067</u>

The Hearn Foundation
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025

3.2	OTHER INCOME		Unrestricted Funds	Restricted Funds	2025	2024
			£	£	£	£
	Other income		<u>3,072</u>	<u>-</u>	<u>3,072</u>	<u>12,979</u>
4.	EXPENDITURE					
4.1	CHARITABLE ACTIVITIES	Direct Costs	Other Costs	Support Costs	2025	2024
		£	£	£	£	£
	Expenditure on charitable activities	<u>2,202,089</u>	<u>-</u>	<u>-</u>	<u>2,202,089</u>	<u>757,613</u>
4.2	OTHER EXPENDITURE	Direct Costs	Other Costs	Support Costs	2025	2024
		£	£	£	£	£
	Other expenditure	<u>-</u>	<u>50,000</u>	<u>31,434</u>	<u>81,434</u>	<u>28,279</u>
4.3	SUPPORT COSTS			Other Expenditure	2025	2024
				£	£	£
	Support			<u>31,434</u>	<u>31,434</u>	<u>28,279</u>
5.	ANALYSIS OF SUPPORT COSTS				2025	2024
					£	£
	Support				<u>31,434</u>	<u>28,279</u>
6.	NET INCOME				2025	2024
					£	£
	Net Income is stated after charging/(crediting):					
	Depreciation of tangible assets				50,000	-
	Auditor's remuneration:					
	- audit services				10,500	9,750
	- other non-audit services				<u>-</u>	<u>2,250</u>
7.	INVESTMENT AND OTHER INCOME				2025	2024
					£	£
	Bank interest				1,871	781
	Investment income				1,201	12,198
	Surplus on disposal of investments				346,763	237,161
					<u>349,835</u>	<u>250,140</u>

The Hearn Foundation
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025

8. TANGIBLE FIXED ASSETS

	Investment properties	Total
	£	£
Cost or Valuation		
Additions	775,000	775,000
Revaluation	(50,000)	(50,000)
	<u>725,000</u>	<u>725,000</u>
At 31 December 2025		
	<u>725,000</u>	<u>725,000</u>
Net book value		
At 31 December 2025	<u><u>725,000</u></u>	<u><u>725,000</u></u>

9. INVESTMENTS

	Other investments	Total
	£	£
Investments		
Valuation		
At 1 January 2025	9,744,406	9,744,406
Additions	6,100,300	6,100,300
Disposals	(4,953,235)	(4,953,235)
Revaluations	176,827	176,827
	<u>11,068,298</u>	<u>11,068,298</u>
At 31 December 2025		
	<u>11,068,298</u>	<u>11,068,298</u>
Net book value		
At 31 December 2025	<u><u>11,068,298</u></u>	<u><u>11,068,298</u></u>
At 31 December 2024	<u>9,744,406</u>	<u>9,744,406</u>

10. CREDITORS
Amounts falling due within one year

	2025	2024
	£	£
Trustees' current accounts	400,000	497,986
Accruals and deferred income	10,500	12,000
	<u>410,500</u>	<u>509,986</u>

11. RESERVES

	Funds		Total
	£	£	£
At the beginning of the year	9,254,316	-	9,254,316
Surplus for the financial year	2,131,911	-	2,131,911
Other movements	-	176,827	176,827
	<u>11,386,227</u>	<u>176,827</u>	<u>11,563,054</u>
At the end of the year			

The Hearn Foundation
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025

12. FUNDS			
12.1 RECONCILIATION OF MOVEMENT IN FUNDS			
		Unrestricted Funds	Total Funds
		£	£
At 1 January 2024		8,561,371	8,561,371
Movement during the financial year		692,945	692,945
At 31 December 2024		9,254,316	9,254,316
Movement during the financial year		2,308,738	2,308,738
At 31 December 2025		11,563,054	11,563,054

The Hearn Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025

12.2 ANALYSIS OF MOVEMENTS ON FUNDS

	Balance 1 January 2025 £	Income £	Expenditure £	Transfers between funds £	Gains and losses £	Other movements £	Balance 31 December 2025 £
Unrestricted funds							
Unrestricted General	9,254,316	4,068,671	2,283,523	-	346,763	176,827	11,563,054
Total funds	9,254,316	4,068,671	2,283,523	-	346,763	176,827	11,563,054

The Hearn Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025

12.3 ANALYSIS OF NET ASSETS BY FUND

	Fixed assets - charity use £	Financial fixed assets £	Current assets £	Current liabilities £	Total £
Unrestricted general funds	725,000	11,068,298	180,256	(410,500)	11,563,054
	<u>725,000</u>	<u>11,068,298</u>	<u>180,256</u>	<u>(410,500)</u>	<u>11,563,054</u>

13. POST-BALANCE SHEET EVENTS

There have been no significant events affecting the Charity since the financial year-end.

THE HEARN FOUNDATION

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

NOT COVERED BY THE REPORT OF THE AUDITORS

The Hearn Foundation

SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS

Operating Statement

for the financial year ended 31 December 2025

	2025 £	2024 £
Income		
Donations	4,065,599	869,067
	<u>4,065,599</u>	<u>869,067</u>
Expenses		
Property costs	37	-
Printing, postage and stationery	-	232
Legal and professional	20,897	16,047
Auditor's/Independent Examiner's remuneration	10,500	9,750
Auditor's/Independent Examiner's remuneration - other non-audit/examination services	-	2,250
Grants awarded	2,202,089	757,613
Depreciation	50,000	-
	<u>2,283,523</u>	<u>785,892</u>
Miscellaneous income and changes in investments		
Bank interest	1,871	781
Income from unlisted investments	1,201	12,198
Gain on disposal of investments	346,763	237,161
	<u>349,835</u>	<u>250,140</u>
Net surplus	<u>2,131,911</u>	<u>333,315</u>