

THE JMCMRJ SORRELL FOUNDATION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5th APRIL 2024

Only proposals and submissions sent electronically will be taken in consideration.

THE JMCMRJ SORRELL FOUNDATION

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THE JMCMRJ SORRELL FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Charity registration number	1118913
Trustees	Sir Martin Sorrell (Chairman) Cristiana Falcone, Lady Sorrell M.R.A. Sorrell R.A. Sorrell
Principal office	19 Wilton Row, London, SW1X 7NS
Auditors	Purcells, Statutory Auditors, Chartered Accountants, 4 Quex Road, London, NW6 4PJ
Bankers	HSBC Private Bank (UK) Limited, 78 St. James's Street, London, SW1A 1JB UBS Wealth Management 5 Broadgate London EC2M 2QS Citibank 153 East 53 rd Street Floor 24 New York NY 10022
Solicitors	Wrigleys LLP, 19 Cookridge Street, Leeds, LS2 3AG UK

The trustees present their report and audited financial statements for the year ended 5th April 2024.

Structure, governance and management

The JMCMRJ Sorrell Foundation is a registered charity constituted by trust deed, dated 13th March 2007.

The charity is managed by its trustees, whose number must be at least three and those who served during the year were Sir Martin Sorrell, Cristiana Falcone Lady Sorrell, M.R.A. Sorrell and R.A. Sorrell

Appointment of trustees is governed by the trust deed and any new trustee must be appointed by a resolution at a special meeting. In selecting individuals for appointment, the trustees must have regard to the skills, knowledge and experience needed for the effective administration of the charity.

The trustees communicate regularly and meet as relevant to review the progress and policies of the charity and to determine the allocation of grants.

The trustees have assessed the major risks to which the charity is exposed and feel that the principal risk is a fall in value of its listed investments. Those risks related to governance and the operations and finance of the charity are considered to be low, yet the trustees, acknowledging the increasing giving capabilities of the charity, are constantly striving to proactively improve the processes and systems in place to mitigate risk while ensuring operational impact.

Objectives and activities

The objectives of the charity, as detailed in the trust deed, are to apply its income to such legally charitable trusts, companies, associations or institutions or for such legally charitable purpose or purposes as the trustees shall from time to time in their absolute discretion determine.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Financial review

The Charity's total holding in WPP plc, at the balance sheet date was 5,475,936 shares with a market value of £35,703,143. The charity does not seek donations from the general public.

Dividend income of £2,157,519 and interest of £206,087 was received during the year.

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Under the terms of the trust deed, the charity has the power to make any investment which the trustees in their discretion see fit. Currently, the charity holds UK listed investments with a view to producing dividend income which can be applied for charitable purposes. The charity has also invested £64,439 (US\$100,000) in the common stock of a New York benefit corporation which has developed a low cost renewable energy lighting product which it markets in underdeveloped countries.

Achievements, performance and future plans

The JMCMRJ Foundation supports projects which uphold the Foundation's vision and mission of empowering communities and improving humanity through innovative inter-disciplinary interventions by supporting pioneering initiatives in health, inter-faith dialogue, education and poverty alleviation worldwide.

During the year the charity made grants of £1,700,590 (2023: £nil) (see note 4.1) primarily for the advancement of education, the improvement of health standards, the alleviation of poverty worldwide and the promotion of inter-religious dialogue and understanding. In accordance with the charity's objectives and the trustees plan to make similar grants in the forthcoming years.

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Statement of trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires to prepare financial statements for each financial year which give a true and fair view of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

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

Auditors

Messrs. Purcells, were re-appointed as the charity's auditors for the year and have expressed their willingness to continue in office.

Sir Martin Sorrell
Chairman

M.R.A. Sorrell
Trustee

on behalf of the Board of Trustees

Date 5th February 2025

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To the trustees of The JMCMRJ Sorrell Foundation

Opinion on the financial statements

We have audited the financial statements of The JMCMRJ Sorrell Foundation for the year ended 5th April 2024 set out on pages 7 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5th April 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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.

Matters on which we are required to report by exception

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:

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

Respective responsibilities of the trustees and auditors

As set out in the statement of trustees' responsibilities on page 4, the trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and the regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, or for the opinions we have formed.

Purcells,
Statutory Auditors,
Chartered Accountants,
4 Quex Road,
London,
NW6 4PJ

Date: 5th February 2025

THE JMCMRJ SORRELL FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 5th April 2024

	Note	Unrestricted Fund £	Endowment Fund £	2024 Total £	2023 Total £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income	2	-	-	-	-
Investment income	3	<u>2,363,606</u>	<u>-</u>	<u>2,363,606</u>	<u>1,919,677</u>
Total incoming resources		<u>2,363,606</u>	<u>-</u>	<u>2,363,606</u>	<u>1,919,677</u>
Resources expended					
Charitable activity:					
Grants payable	4	1,700,590	-	1,700,590	7,555
Governance costs	4	<u>70,433</u>	<u>-</u>	<u>70,433</u>	<u>(4,636)</u>
Total resources expended		<u>1,771,023</u>	<u>-</u>	<u>1,771,023</u>	<u>2,919</u>
Net incoming/(outgoing)resources before other recognised gains and losses		592,583	-	592,583	1,922,596
Other recognised gains and losses					
Unrealised gain/ (loss) on revaluation of listed investments		<u>-</u>	<u>(15,058,804)</u>	<u>(15,058,804)</u>	<u>(3,887,894)</u>
Net movement in funds		592,583	(15,058,804)	(14,466,221)	(1,965,298)
Funds brought forward		<u>3,630,785</u>	<u>50,761,947</u>	<u>54,392,732</u>	<u>56,358,030</u>
Funds carried forward		<u>4,223,368</u>	<u>35,703,143</u>	<u>39,926,511</u>	<u>54,392,732</u>

The Statement of Financial Activities includes all gains and losses in the year and all incoming resources and resources expended derive from/relate to continuing activities.

The notes form part of these financial statements.

THE JMCMRJ SORRELL FOUNDATION

BALANCE SHEET at 5th April 2024

	Note	Unrestricted Fund £	Endowment Fund £	2024 Total £	2023 Total £
FIXED ASSETS					
Investments	5	64,439	35,703,143	35,767,582	50,826,386
CURRENT ASSETS					
Sundry debtors		-	-	-	-
Cash at bank		4,227,699	-	4,227,699	3,633,086
		4,227,699	-	4,227,699	3,633,086
CREDITORS: amounts falling due Within one year	6	(48,770)	-	(48,770)	(46,740)
Net current assets/(liabilities)		4,178,929	-	4,178,929	3,586,346
Total assets less current liabilities		4,243,368	35,703,143	39,946,511	54,412,732
CREDITORS: amounts falling due after more than one year	7	(20,000)	-	(20,000)	(20,000)
Net assets/(liabilities)		4,223,368	35,703,143	39,926,511	54,392,732
FUNDS					
General unrestricted income fund		4,223,368	-	4,223,368	3,630,785
Expendable endowment fund		-	35,703,143	35,703,143	50,761,947
		4,223,368	35,703,143	39,926,511	54,392,732

These financial statements were approved by the Board of Trustees on 5th February 2025 and signed on its behalf by:

Sir Martin Sorrell
Chairman

M.R.A. Sorrell
Trustee

The notes form part of these financial statements.

THE JMCMRJ SORRELL FOUNDATION

CASH FLOW STATEMENT for the year ended 5th April 2024

		2024 Total £	2023 Total £
Cash flow from operating activities:	Notes A		
Cash generated from operations		(1,768,993)	6,819
		<hr/>	<hr/>
Net cash provided by (used in) operating activities		(1,768,993)	6,819
		<hr/>	<hr/>
Cash flows from investing activities:			
Interest received		206,087	74,286
Dividends received		2,157,519	1,845,391
		<hr/>	<hr/>
Net cash provided by (used in) investing activities		2,363,606	1,919,677
		<hr/>	<hr/>
Change in cash and cash equivalent in the reporting period		594,613	1,926,496
Cash and cash equivalents at the beginning of the reporting period		3,633,086	1,706,590
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period		4,227,699	3,633,086
		<hr/> <hr/>	<hr/> <hr/>

THE JMCMRJ SORRELL FOUNDATION

NOTES TO THE CASH FLOW STATEMENT for the year ended 5th April 2024

	2024 Total £	2023 Total £
Net income for the reporting period		
(as per the statement of financial activities)	(14,466,221)	(1,965,298)
Adjustments for:		
Interest received	(206,087)	(74,286)
Dividends from investments	(2,157,519)	(1,845,391)
Unrealised (gain)/ loss on revaluation of listed investments	15,058,804	3,887,894
Decrease in debtors	-	-
Decrease in creditors	2,030	3,900
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	(1,768,993)	6,819
	<hr/>	<hr/>

1. ACCOUNTING POLICIES

1.1 Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value as modified by the revaluation of certain assets.

1.2 Incoming resources

Donations and any associated Gift Aid claimed, dividends and bank interest are accounted for on a receivable basis. Donated investments are recorded as income at market value on the date of receipt. Services donated by the trustees are not accounted for unless the benefit to the charity is reasonably quantifiable and measurable.

1.3 Resources expended

All expenditure is accounted for on an accruals basis and allocated directly to the appropriate activity cost. Grants payable, which represent donations to charitable causes in furtherance of the charity's objectives, are accounted for when they are paid or when future grants have been committed in writing by the trustees.

1.4 Fixed asset Investments

Listed investments are stated at market value at the balance sheet date and any unrealised gains and losses are included in the statement of financial activities. Programme related investments, which represent equity interests, are stated at cost less provision for permanent diminution in value.

1.5 Expendable endowment fund

The expendable endowment fund comprises shares gifted to the Charity over several years by Sir Martin Sorrell, with a market value at the 5th April 2024 of £35,703,143.

1.6 General unrestricted income fund

The charity maintains an unrestricted income fund at a level which provides sufficient funds to cover management and administration and direct charitable expenditure. The income from the investments held in the expendable endowment fund is not restricted and, accordingly, is credited to the unrestricted income fund.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. All exchange differences are dealt with in the statement of financial activities

THE JMCMRJ SORRELL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 5th April 2024 (continued)

	<u>2024</u>	<u>2023</u>
	£	£
2. VOLUNTARY INCOME		
Donation	-	-
Gift in kind	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
3. INVESTMENT INCOME		
Dividends receivable	2,157,519	1,845,391
Interest receivable	<u>206,087</u>	<u>74,286</u>
	<u>2,363,606</u>	<u>1,919,677</u>

4. RESOURCES EXPENDED

	<u>Grants to institutions</u>	<u>Governance</u>	<u>2024 Total</u>	<u>2023 Total</u>
	£	£	£	£
Costs directly allocated to activities				
Charitable distributions (note 4.1)	-	-	-	-
Audit and accountancy	-	5,790	5,790	3,900
Management fees	-	63,319	63,319	-
Bank charges	-	12	12	12
General expenses	-	-	-	724
Exchange (gains)/losses	<u>1,312</u>	<u>-</u>	<u>1,312</u>	<u>(7,555)</u>
	<u>1,312</u>	<u>69,121</u>	<u>70,433</u>	<u>(2,919)</u>

THE JMCMRJ SORRELL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 5th April 2024 (continued)

4.1 RESOURCES EXPENDED (continued)

		<u>2023</u>
Charitable distributions	£	£
Grants for the advancement of education		
10,000 Interns Foundation	25,050	
Amici Bruerni	25,050	
Burning Man Project	40,050	
Chance to Shine	10,050	
Christ's College	50,050	
City Harvest Limited	50,050	
Friends of Harvard University	100,050	
GDST Annual Fund	25,050	
RHS Main London	12,890	
St Paul's School Development Campaign	25,050	
The Carnegie Hall Society	320,050	
The Queen's Commonwealth Trust	50,050	
The Royal Foundation	50,050	
Trinity Hall Development	25,050	
Wellington School	25,050	
Winchester College Wykham Campaign	50,050	
	883,640	-

THE JMCMRJ SORRELL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 5th April 2024 (continued)

Grants for poverty alleviation and health improvement

Bute House	25,050
Gramercy Park Block Associates	40,050
Impetus Account	25,050
Jewish Care	50,050
Major Giving Appeals Cancer Research	150,050
Memorial Sloan Kettering Cancer Center	150,050
Place2BE Friends Account	25,050
Royal Marsden Cancer Charity	25,050
Save The Children	50,050
Shelter National Campaign for the Homeless	50,050
The Lyla Nsouli Foundation	10,050
UK Gives Limited	50,050
Wellbeing of Women	30,050

680,650

-

Grants for the advancement of inter-religious dialogue and understanding

Brotherhood Synagogue	10,050
Chelsea Synagogue	30,050
Community Security Trust	20,050
Yom Kippur Appeal	1,050
Rabbi Meir Baal Haness Kolel Chabad	25,050
United Jewish Israel Appeal	50,050

136,300

-

1,700,590

-

THE JMCMRJ SORRELL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 5th April 2024 (continued)

5.	FIXED ASSET INVESTMENTS	
	<u>2024</u>	<u>2023</u>
	£	£
UK listed investments		
Market value at beginning of year	50,761,947	54,649,841
Market value of donated investments	-	-
Gain/ (Loss) on revaluation	<u>(15,058,804)</u>	<u>(3,887,894)</u>
Market value at end of year	35,703,143	50,761,947
Programme related investment		
Equity interest	<u>64,439</u>	<u>64,439</u>
	<u>35,767,582</u>	<u>50,826,386</u>

All the UK listed investments are held in WPP plc.

The programme related investment represents the charity's minority interest in the common stock of a New York benefit corporation, MpowerD Inc.

	<u>2024</u>	<u>2023</u>
	£	£
6. CREDITORS: amounts falling due within one year		
Grants payable	30,000	30,000
Other creditors	12,980	12,840
Accruals	<u>5,790</u>	<u>3,900</u>
	<u>48,770</u>	<u>42,840</u>
7. CREDITORS: amounts falling due after more than one year		
Grants payable	<u>20,000</u>	<u>20,000</u>

THE JMCMRJ SORRELL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 5th April 2024 (continued)

8. TRUSTEES' REMUNERATION AND EXPENSES

Neither the trustees, nor any persons connected with them, received remuneration or reimbursement of expenses during the year.

9. MOVEMENT IN FUNDS

	At 6.4.23 £	Net movement in funds £	At 5.4.24 £
Unrestricted Fund	3,630,785	592,583	4,223,368
Endowment Fund	50,761,947	(15,058,804)	35,703,143
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>54,392,732</u>	<u>(14,466,221)</u>	<u>39,926,511</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains losses £	Move in funds £
Unrestricted Fund	2,363,606	(1,771,023)	-	592,583
Endowment Fund	-	-	(15,058,804)	(15,058,804)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,363,606</u>	<u>(1,771,023)</u>	<u>(15,058,804)</u>	<u>(14,466,221)</u>

9. MOVEMENT IN FUNDS (cont)

	At 6.4.22 £	Net movement in funds £	At 5.4.23 £
Unrestricted Fund	1,708,189	1,922,596	3,630,785
Endowment Fund	54,649,841	(3,887,894)	50,761,947
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>56,358,030</u>	<u>(1,965,298)</u>	<u>54,392,732</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains losses £	Move in funds £
Unrestricted Fund	1,919,677	2,919	-	1,922,596
Endowment Fund	-	-	(3,887,894)	(3,887,894)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,919,677</u>	<u>2,919</u>	<u>(3,887,894)</u>	<u>(1,965,298)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 6.4.22 £	Net movement in funds £	At 5.4.24 £
Unrestricted Fund	1,708,189	2,515,179	4,223,368
Endowment Fund	54,649,841	(18,946,698)	35,703,143
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>56,358,030</u>	<u>(16,431,519)</u>	<u>39,926,511</u>

9. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains losses £	Move in funds £
Unrestricted Fund	4,283,283	(1,773,942)	-	2,509,341
Endowment Fund	-	-	(16,431,519)	(16,431,519)
	_____	_____	_____	_____
TOTAL FUNDS	4,283,283	(1,773,942)	(16,431,519)	13,922,178

10. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 5 April 2024.