

# The Ashmore Foundation

(A company limited by guarantee)

## Annual Report and Financial Statements

For the 12 months period ended 30 June 2023

Charity Number: 1122351

Company Number: 06444943

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## Reference and Administrative Information

**Charity Name** The Ashmore Foundation

**Charity registration number** 1122351

**Company registration number** 06444943

**Registered Office**

5<sup>th</sup> Floor, 61 Aldwych, London, WC2B 4AE

**Trustees**

Matthew Hill (Chair of Trustees)

Cemil Urganci

Elizabeth Brown (resigned 14 October 2022)

James Carleton

Jennifer Bingham

Mark Coombs

Patrick Cadell

Oscar Ardila

Tim Jenkins (resigned 15 December 2022)

Nicole Olivares (resigned 31 May 2023)

Lydia Toisuta

Andrew Brudenell (resigned 9 October 2022)

Jonathan Shingler (appointed 20 October 2022)

Alyssa Nolan (appointed 14 October 2022)

**Executive Director**

Esther Arthur

**Company Secretary**

Esther Arthur

**Auditor**

KPMG LLP, 15 Canada Square, London, E14 5GL

**Banker**

Barclays Bank plc, 1 Churchill Place, London, E14 5HP

**Solicitor**

Withers LLP, 16 Old Bailey, London, EC4M 7EG

**Investment Custodian**

Northern Trust, 50 Bank St, Canary Wharf, London E14 5NT

## Report of the Trustees for the year ended 30 June 2023

The Trustees present the annual report and financial statements of The Ashmore Foundation (the "Foundation") for the 12 months period ended 30 June 2023. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Foundation's governing documents, the Companies Act 2006, the Charities Act 2011, and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS 102).

### **Objectives and activities**

The objectives of the Foundation, as set out in the Foundation's articles of association are exclusively charitable purposes and are determined by the Trustees of the Foundation in their absolute discretion. The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities, and setting the grant making policy.

The Foundation was established using an initial gift received from the Emerging Market asset manager Ashmore Group plc ("Ashmore"), comprised of bonuses waived by employees. This initial capital has been supplemented by further donations and contributions from both Ashmore and its employees in support of the Foundation's charitable objectives.

The Foundation furthers its charitable purposes through its grant making policy, which focuses on the provision of grants and social impact initiatives in Emerging Market countries, defined by the OECD as any low or middle-income country.

The Foundation works to address inequality and social injustice by enhancing the capabilities, resources and opportunities of disadvantaged communities, primarily in the locations within which Ashmore operates and invests. An Emerging Market focus:

- reflects a desire to give back to the countries and communities that have contributed to Ashmore's profitability, particularly through the enhancement of skills and resources for disadvantaged and low income groups;
- allows for increased leverage of the skills, knowledge, expertise and network of Ashmore employees to deliver the social impact goals of the Foundation; and
- provides support for a thriving and diverse civil society, essential to democratic development in transitional and emerging nations.

For the Foundation, operating in Emerging Markets poses challenges. Principally, the scale of need versus the resources available, language, distance from local operations, and cultural issues, pose particular challenges in carrying out due diligence and in performing ongoing monitoring of the application of charitable funds. Awareness of these challenges informs the Foundation's grant strategy.

### Grant making policy

The Foundation has established its grant making policy to achieve its objectives for the public benefit. Its aim is to improve economic opportunities, tackle inequality and promote social justice for vulnerable and marginalised communities in Emerging Market countries. The Foundation does this by focusing its resources on economic empowerment, equipping communities with the skills and resources required to meet their basic economic needs and supporting charitable partners to effect systemic change in the social issues we are looking to make an impact i.e. education and skills, small and medium sized enterprise development, gender equity and environmentally positive community development.

Geographically, grants are awarded to initiatives within Emerging Market countries, with a focus on countries where Ashmore has a presence or invests, and where there is a clearly defined need and a strong civil society. The Foundation strategically reviews and adapts its priority funding geographies to meet these requirements. The priority locations are Colombia, India, Indonesia and Peru.

During the current financial period, The Ashmore Foundation made programme-related investments in order to generate social benefit from a proportion of its reserves.

In the case of *natural disasters and humanitarian emergencies*, at the discretion of the Trustees, the Foundation may donate to organisations operating outside of Emerging Markets.

The Foundation seeks out organisations that are accountable and that can demonstrate an ability to achieve tangible outcomes in areas of social and economic development. To achieve this, the Foundation provides flexible grant funding, often over a number of years and subject to agreed programme outcomes.

The Foundation continues to establish partnerships with organisations that are meeting a clearly defined social need for disadvantaged and low-income groups. These organisations must be able to demonstrate clarity of purpose, grassroots engagement and empowerment of communities, tangible positive outcomes, cost-effectiveness, accountability and a sustainable approach to the social and economic development of communities. The Foundation will provide project, general/core, overheads, matched funding or other types of grant funding, depending on the needs of the organisation.

The Foundation will not make grants to organisations that:

- Fail to meet eligibility requirements;
- Fail to provide sufficient information to enable adequate assessment;
- Have paid staff related to Ashmore's employees;
- Personal appeals;
- Organisations that are overtly political or pursue political agenda;
- Organisations that are religious and seek to evangelise or proselytise;
- Animal charities; and,
- Applications for retrospective funding.

Once identified, potential partners undergo a due diligence assessment, which covers governance, accountability, financial management, sustainability, contextual understanding, monitoring and evaluation frameworks, and positive impact and effectiveness. All grantees must adhere to the Conditions of Grants including a requirement for regular reporting.

The ongoing monitoring includes a combination of annual narrative and financial reports, telephone or video conference updates and monitoring visits where possible. The Foundation endeavours to visit each partner and the communities they are working with at least once during the life of the partnership. Progress reports are submitted at six monthly intervals and wherever possible grantees are invited to present their work to Ashmore employees at Ashmore's offices globally.

The total value of grants to be made each year is expected to be a minimum of 50 percent of the Foundation's donation income.

### **Achievements and Performance**

During the financial period, the Foundation successfully made funding commitments to eight organisations (2022: seven organisations) in accordance with its grant making policy as outlined above. Commitments for 2022/23 totalled \$564 thousand (2022: \$366 thousand) which include multi-year grant commitments not due for payment until 2024. Since its inception in 2008, the Foundation has committed over \$8.0 million to support social causes throughout the Emerging Markets.

**Organisation: Lend a Hand India (LAHI)**

**Country: India**

LAHI aim to contribute to the acceleration of India's development through education and skills development. By partnering with grassroots non-profit organisations, community groups and local governments LAHI create better access to education, vocational training, career development, employment and entrepreneurial pathways. The Gender Equity Initiative is a two part project, firstly conducting a study of the barriers to further employment and high education facing girls who have completed the same skills training as their male counterparts who achieve greater economic outcomes. Secondly, the project will test specific initiatives focused on the findings of the barriers to girls post completion of their skill development initiatives to secure a job, start a business or secure admission for higher education in the chosen field .

**Organisation: Minga Peru**

**Country: Peru**

Minga Peru have worked alongside medical professionals and mental health volunteers to record episodes of the 'Bienvenida Salud' radio program in Spanish and native languages. Episodes have been broadcast to isolated Amazonian regions and over 635 adolescent girls have received entrepreneurship and business training including the set-up of community gardens using seeds and assistance provided by Minga Peru. In addition, the young women on the programme have received personal development training to become leaders in their communities and reduce the threat of human trafficking and sexual abuse amongst their peers.

**Organisation: Aangan Trust**

**Country: India**

Aangan works with stakeholders like schools, local police and village authorities to train community volunteers to respond quickly at times of natural disaster to prevent instances of serious child harm. The project titled "Our Systems, Our Children" builds a child protection system in West Bengal by co-ordinating between Gram Panchayats (Village Councils) and trained Community Safety Groups to create a more resilient response to child protection during times of crisis and emergency.

**Organisation: Children Change Colombia**

Country: Colombia

Children Change Colombia is working alongside local partners on the Caribbean Coast of Colombia to deliver a phased program to assess the pedagogical needs of marginalised young people following the closures due to COVID before developing and delivering vocational training courses to improve future employability outcomes.

**Organisation: Fundacion Baylor Colombia**

Country: Colombia

Baylor Colombia's AlimerCambio program offers the exchange of recyclables for credits and healthcare, providing vulnerable populations with access to food, personal hygiene products, water and health services at recycling banks in local villages. Users create an account in order to exchange credits for access to services and products, which are otherwise scarce.

**Her Future Coalition (HFC)**

Country: India

HFC works in West Bengal, India, to prevent trafficking and other extreme forms of gender-based violence by providing education, shelter, vocational training and holistic support to survivors and high risk girls. The project aims to deliver vocational training to 300 women and young girls, improve their financial literacy and provide them with critical life skills.

**Plant Your Future**

Country: Peru

Plant Your Future's agroforestry model works with farmers to turn degraded farmland into sustainable and productive agriculture, including tree planting for carbon storage. The project which is being delivered in two regions of the Peruvian Amazon, Ucayali and Loreto, has offset Ashmore's FY 21/22 Scope 1,2 and 3 emissions totalling 653.87tCO<sub>2</sub> in addition to delivering several social and economic outcomes for local communities. This includes 200 smallholder farmers who are receiving technical assistance and capacity building in regenerative agriculture and at least a dozen women who are receiving income and skills training from the development of two native-seed nurseries.

**World Bicycle Relief**

Country: Colombia

World Bicycle Relief empowers people and communities through life-changing bicycles, helping them to conquer the challenges caused by lack of access to mobility solutions. The flagship project in La Guajira, Colombia is called Mobilised Communities and aims to distribute 350 specially designed Buffalo Bicycles, primarily to women and young girls, enabling them to gain independence and access education, healthcare and livelihood opportunities. The project also develops technical capacity within local communities through a bicycle mechanics training programme and a spare parts social enterprise.

*Further analysis of the Foundation's grant making activity is provided in note 5 to the Financial Statements.*

### ***Financial Review***

The Foundation's work is reliant on income from Ashmore and its employees and investment returns from its reserves. Income to the Foundation is supported by a matched giving scheme, whereby Ashmore will match individual donations to the Foundation of up to £2 thousand per employee per year and up to £50 thousand per year for employee group fundraising donations. The Foundation matches donations made directly to Foundation grantees of up to £500 per Ashmore employee per year.

Voluntary donation income for 2022/23 was \$0.9m (2022: \$1.5 million). This was derived from Ashmore Group plc's profit before tax donation of up to 0.5%, Ashmore employee bonus waivers and direct donations to the Foundation via the payroll giving scheme and fundraising activities.

The Foundation's reserves are invested with the aim of incrementally growing the capital value of funds over an investment cycle. Investment income during the year amounted to \$272 thousand (2022: \$327 thousand) driven by interest income, corporate debt, fixed income and equities funds. Realised and unrealised investment gains for the year were \$203 thousand (2022: \$1.7 million losses). This was driven by gains on equity and fixed income funds during the year.

Expenses to support charitable activities (excluding grant making) amounted to \$119 thousand (2022: \$51 thousand).

The Foundation's grant making activity for the year amounted to \$564 thousand (2022: \$366 thousand). The increase relates to greater new commitments approved by the Trustees during the year, including additional commitments to support humanitarian efforts in response to the earthquake crisis in Turkey and Syria. Further details are provided in "Achievements and Performance" and in note 4 to the Financial Statements.

Reserves amounted to \$10.9 million as at 30 June 2023 (30 June 2022: \$10.2 million), the increase was driven by net realised and unrealised investment gains (30 June 2022: net realised and unrealised investment losses) in the year.

### ***Public Benefit***

The Trustees confirm that during the year ended 30 June 2023 they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

### ***Going Concern Disclosure***

The Trustees have considered the resilience of the Foundation, taking into account its current financial position, and the principal and emerging risks facing the Foundation including the impact of current global affairs and their effect on global markets and potential implications on the Foundations financial resources. The Trustees have reviewed a going concern assessment, by applying a stressed scenario, including severe but plausible downside assumptions, and the impact on its investments and unrestricted financial resources alongside known grant commitments for a period of 12 months from the date of approval of these financial statements. While there are significant wider market uncertainties that may impact the Foundation, the stressed scenario shows that the Foundation would continue to have sufficient financial resources to meet its liabilities as they fall due for a period of at least 12 months from the date of the release of this report. The financial statements have therefore been prepared on a going concern basis.



### ***Reserves and Investment Policy***

There has been no change to the trustees December 2021 decision to let Ashmore Group contributions be the main driver of growth for the reserves, and the investment committee ("IC") is to target a lower three-year annualised return of 3%.

In terms of ethical considerations, there is also no change. Trustees reserve the right to exclude investments in any companies that directly undermine or contravene the organisation's charitable objectives. Direct investments into any company or entity whose core business activity involves the production, assembly, direct sale, distribution, operation, or marketing of alcohol, tobacco, adult entertainment, weapons and gambling should be avoided.

The portfolio nominal return for the 12 months period to 30 June 2023 was +4.7%. Like the previous financial period, the investment return was made up of two distinct phases. During the second half of 2022, the world continued to reel from the Ukraine war resulting in high inflation which drove global interest rates up and confidence down. The portfolio continued to struggle, partially off-set by a high allocation to earning cash deposits, which was increased as the IC decided to sell down both bonds and equities. Bond yields rose, hurting the bond portfolio significantly, and equities, particularly longer duration assets, also suffered from higher rates and a lack of confidence in economies to survive the turmoil.

Towards the end of 2022, the IC decided that much of this was now priced into equities and 6% of cash was used to rebuild exposure in both EM and US equities, to total 16%. In the first half of 2023, US equities and, to some extent, EM equities began to look past the high interest rates and macro uncertainty to perform much better. This helped the Foundation's portfolio to return positive growth for the financial year to end June 2023, finishing up +4.7%.

### **Plans for Future Periods**

Trustees will continue to monitor the impact of volatile global markets on the charitable organisations it supports. The Trustees anticipate the continued involvement of the Foundation with charitable organisations in support of their goals, continued opportunities for Ashmore employees to engage and volunteer through Board and Committee membership, connections between grantees and Ashmore employees via the showcasing of grantee work at Ashmore's offices, and, for direct involvement with grantees of Ashmore offices located in Emerging Markets.

The Foundation plans to maintain the level of grant partnerships across all priority geographies and will continue to identify and engage with suitable charitable partners to deliver its social impact goals.

### **Structure, Governance and Management**

#### ***Governing Document***

The Foundation is a charitable company limited by guarantee and constitutes a public benefit entity as defined by FRS 102. It was incorporated as company number 6444943 registered in England on 4 December 2007, and registered as a charity in England and Wales (1122351) on 17 January 2008. The company was established under a Memorandum of Association which set out its objects and powers and it is governed in accordance with its Articles of Association.

### ***Appointment of Trustees***

The directors of the Ashmore Foundation are also charity Trustees for the purposes of charity law. Under the requirements of the Articles of Association, the Trustees may appoint a person who is willing to serve, for such term as they see fit, either to fill a vacancy or as an additional trustee. Trustees of the Foundation initially serve a term of up to three consecutive years. The Articles of Association provide for a minimum of two Trustees with no maximum number. A retiring trustee may be reappointed and there is no limit to the number of times a trustee may be reappointed.

### ***Trustee training and induction***

Before being formally appointed to the board, new Trustees are invited to observe a board meeting. To ensure that all Trustees have an appropriate understanding of their responsibilities and the current strategic direction, new Trustees are provided with information on the Foundation's history and strategy, the role and responsibilities of Trustees, the governing documents, key policies and the minutes of recent Board meetings. A series of Learning and Development sessions will continue to be delivered to Trustees to ensure they are informed and have the required skills to be able to execute their duties to the Foundation.

### ***Organisation***

The board of Trustees administers the Foundation and typically meets on a quarterly basis. Where appropriate, the Foundation establishes smaller committees whose membership is made up of at least one trustee together with Ashmore staff volunteers. There are currently four committees each of which has been delegated authority over a particular area by the Board. The current committees are; Grants and Social Investments, Fundraising, Carbon and Investment Committee.

As at 30 June 2023, the board of Trustees was made up of eight Ashmore employees and two external Trustees, all of whom have been selected on the basis of their skills, knowledge, experience and commitment, as well as a desire to allow a range of Ashmore employees to serve.

Trustees delegate day-to-day management to the Executive Director (Esther Arthur, March 2022-present), who is appointed on the basis of their knowledge, skills and experience within the social development sector in the Emerging Markets and, where the Executive Director is unavailable, day-to-day management is shared amongst the Trustees and other personnel as required. To facilitate effective operations the Executive Director is responsible for all activities, including all grant related activities and communications with all stakeholders, including Ashmore.

### ***Related parties***

All Trustees give their time voluntarily and do not receive remuneration or other benefits from the Foundation. Trustees are required to disclose any relevant interests and register them with the Executive Director. In accordance with the Foundation's policy, a trustee must withdraw from decisions in the event a conflict of interest arises.

### ***Risk Management***

The board of Trustees identifies the major risks to which the Foundation is exposed and maintains a risk register, which is reviewed and updated annually.

The principal funding source for the Foundation is currently by way of an annual donation contribution made by Ashmore Group plc, equivalent of up to 0.5% of profit before tax.

The principal operational risk lies in awarding grants to organisations that are ineffective use of grants for public benefit. The Trustees are satisfied that adequate systems and procedures are in place to mitigate this exposure.

Due diligence is carried out prior to the approval of any grant, the nature of which is linked to the size of the grant proposed and an assessment of the governance and management, social impact and reputation of the proposed grantee. Ongoing monitoring mechanisms ensure the Executive Director is able to work with organisations to ensure they are meeting the objectives set out at the beginning of the grants. Ultimately, the Trustees are satisfied that overall, risks to the Foundation are mitigated to an acceptable level.

***Disclosure of information to auditor***

The trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor are unaware, and each trustee has taken the steps that they ought to have taken as trustees to make himself or herself aware of any relevant audit information and to establish that the Company's auditor are aware of that information.

**Statement of Trustees' responsibilities in respect of the Trustee's annual report and the financial statements**

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

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

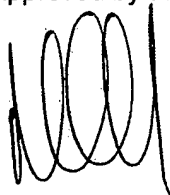
Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 Trustees 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 Trustees are 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.

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



**Matthew Hill**  
**Chair of Trustees**

## **Independent auditor's report to the members of The Ashmore Foundation**

### **Opinion**

We have audited the financial statements of The Ashmore Foundation ("the charitable company") for the year ended 30 June 2023 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and related notes, including the accounting policies in note 1.

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 2023 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 UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charitable company's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related 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 the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charitable company will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.

Our risk assessment procedures included:

- Enquiring of trustees as to the charitable company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Trustee Board and Investment Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue is non-judgmental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included all post year-end journals.

*Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the trustees and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), charity reporting legislation, distributable profit legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation.

We identified the following areas as those most likely to have such an effect: antibribery and certain aspects of company legislation recognising that the Ashmore Foundation is registered as a Charity with the Charities Commission. Auditing standards limit the required audit procedures to identify noncompliance with these laws and regulations to enquiry of the Trustees and inspection of legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial

statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations .

### **Other information**

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the Report of the Trustees for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Trustees' responsibilities**

As explained more fully in their statement set out on page 9, 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; 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; 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 they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an

auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

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

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Peter Crabb (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL  
12 December 2023



The Ashmore Foundation  
Statement of Financial Activities  
(including Income & Expenditure Account)  
for the 12 months ended 30 June 2023

	Note	Total Funds 12 months 30 June 2023 \$000's	Total Funds 18 months 30 June 2022 \$000's
<b>Income and endowments from</b>			
Donations and legacies	2	937	1,476
Interest and investment income	3	272	327
<b>Total</b>		<b>1,209</b>	<b>1,803</b>
<b>Expenditure on</b>			
Charitable activities	4, 5	(564)	(366)
Support of charitable activities	6	(119)	(51)
<b>Total expenditure</b>		<b>(683)</b>	<b>(417)</b>
Realised and unrealised gain/(loss) on investments*	7	203	(1,705)
<b>Net income/(loss)</b>		<b>729</b>	<b>(319)</b>
<b>Other recognised gains and losses</b>			
Foreign currency translation gain/(loss)		9	13
<b>Net increase/(decrease) in funds</b>		<b>738</b>	<b>(306)</b>
Total funds brought forward		10,185	10,491
<b>Total funds carried forward</b>		<b>10,923</b>	<b>10,185</b>

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

All income and expenditure are derived from continuing activities.

\*Refer to note 7 for re-presentation of realised and unrealised gain/(loss) on investments.

The notes on pages 19 to 27 form part of these financial statements.

**The Ashmore Foundation  
Balance Sheet  
as at 30 June 2023**

	Note	30 June 2023 \$000's	30 June 2022 \$000's
<b>Fixed assets</b>			
Investments	7	10,665	-
<b>Total fixed assets</b>		<b>10,665</b>	<b>-</b>
<b>Current assets</b>			
Programme related investments	8	200	200
Investments	7	-	9,976
Cash at bank and in hand		428	154
<b>Total current assets</b>		<b>628</b>	<b>10,330</b>
<b>Current liabilities</b>			
Creditors falling due within one year	9	(323)	(133)
<b>Net current assets</b>		<b>305</b>	<b>10,197</b>
<b>Total assets less current liabilities</b>		<b>10,970</b>	<b>10,197</b>
Creditors falling due after more than one year	9	(47)	(12)
<b>Total net assets</b>		<b>10,923</b>	<b>10,185</b>
<b>The funds of the Charity</b>			
Unrestricted funds		10,923	10,185
<b>Total Charity funds</b>		<b>10,923</b>	<b>10,185</b>

The trustees have prepared the accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The notes on pages 19 to 27 form part of these financial statements.

Approved by the Trustees on December 11<sup>th</sup> and signed on their behalf by:

  
**Matthew Hill**

**Chair of Trustees**

Charity number: 1122351

**The Ashmore Foundation  
Statement of Cash Flows  
for the 12 months ended 30 June 2023**

	<b>12 months 30 June 2023 \$000's</b>	<b>18 months 30 June 2022 \$000's</b>
<b>Operating activities</b>		
Net income for the year	729	(319)
Adjustments for:		
Interest and investment income	(272)	(327)
Increase/(decrease) in creditors	225	107
Realised and unrealised gain/(loss) on investments	(203)	1,705
<b>Net cash from/(used in) operating activities</b>	<b>479</b>	<b>1,166</b>
<b>Investing activities</b>		
Dividend and interest received	3	8
Proceeds on disposal of investments	500	170
Purchase of investments	(717)	(1,457)
<b>Net cash from/(used in) investing activities</b>	<b>(214)</b>	<b>(1,279)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>265</b>	<b>(113)</b>
Net cash and cash equivalents at beginning of the period	154	254
Effect of exchange rate translation	9	13
<b>Cash and cash equivalents at end of the period</b>	<b>428</b>	<b>154</b>

The notes on pages 19 to 27 form part of these financial statements.

**Notes forming part of the Financial Statements for the period ended 30 June 2023**

**1. Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements.

**(a) Basis of preparation**

The Foundation constitutes a public benefit entity as defined by Financial Reporting Standard (FRS 102). The Financial Statements have been prepared under the historical cost convention modified by the fair valuation of investments with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The Financial Statements have been prepared in accordance with the Companies Act 2006, the Charities Act 2011, and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS 102). The accounting policies have been applied consistently throughout the year.

**(b) Going Concern**

The Trustees have considered the resilience of the Foundation, considering its current financial position, and the principal and emerging risks facing the Foundation including the impact of current global affairs and their effect on global markets and potential implications on the Foundations financial resources. The Trustees have reviewed a going concern assessment, by applying a stressed scenario, including severe but plausible downside assumptions, and the impact on its investments and unrestricted financial resources alongside known grant commitments for a period of 12 months from the date of approval of these financial statements. While there are significant wider market uncertainties that may impact the Foundation, the stressed scenario shows that the Foundation would continue to have sufficient financial resources to meet its liabilities as they fall due for a period of at least 12 months from the date of the release of this report. The financial statements have therefore been prepared on a going concern basis.

**(c) Functional and presentation currency**

These financial statements are presented in United States Dollar (US\$), which is the Foundation's functional currency. All information presented in US Dollar has been rounded to the nearest thousand, except when otherwise indicated.

**(d) Foreign currency translation**

Transactions in foreign currencies are translated to the US Dollar at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting date are retranslated to the US Dollar at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the US Dollar at the exchange rate at the date that the fair value was determined.

Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in the Statement of Financial Activities within other recognised gains and losses.

**Notes forming part of the Financial Statements for the period ended 30 June 2023**

**(e) Incoming resources**

All incoming resources are included in the Statement of Financial Activities on a receivable basis in accordance with the SORP. Income is recognised when the Foundation is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when it becomes receivable.
- The value of services provided by volunteers has not been included in these accounts because it cannot be reliably measured
- Investment income, comprising interest and dividends, is included when it becomes receivable.

**(f) Investments**

Investments are financial instruments and cash held for investment purposes. They are initially recognised at their transaction value and subsequently measured at fair value as at the Balance Sheet date, using the closing market price. Cash and money market investments are measured at amortised cost. The Statement of Financial Activities includes net gains and losses on investments, including those resulting from movements in foreign exchange rates.

**(g) Realised and unrealised gains and losses**

All gains and losses including those resulting from movements in foreign exchange rates are taken to the Statement of Financial Activities as they arise. Realised gains and losses on the disposal of assets are calculated as the difference between the sales proceeds received and the opening carrying value (or the purchase value if acquired subsequent to the first day of the financial year). Unrealised gains and losses on investments are calculated as the difference between the fair value of investments at the year end and their opening carrying value (or their purchase value if acquired subsequent to the first day of the financial year). Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**(h) Liabilities**

Liabilities are recognised in the period in which they are incurred, or in the case of grants, in the period in which the grants are awarded by the Trustees. Liabilities are recognised when either a legal or constructive obligation exists. Grants payable over a period longer than one year are recognised in full in the period in which the grant is approved by the Trustees.

**(i) Resources expended**

Expenditure is recognised on an accruals basis as liabilities are incurred. Expenditure includes any VAT which cannot be fully recovered, which is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the Foundation in the delivery of activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature which are necessary to support them.

Fundraising expenditure includes costs incurred in the organisation and running of fundraising events including Ashmore Challenge events.

**Notes forming part of the Financial Statements for the period ended 30 June 2023**

No costs are recharged to the Foundation by Ashmore for the use of its premises or office supplies. These amounts are not material and have not been disclosed.

**(j) Taxation**

The Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and as such, it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, as a charity, the Foundation is exempt from tax in respect of income or capital gains received within the 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 its charitable objects. No tax charges have arisen in the Foundation.

**2. Donations and legacies**

	<b>2023</b>	<b>2022</b>
	<b>\$000's</b>	<b>\$000's</b>
Income from donations	925	1,468
Ashmore matching donations	12	8
<b>Total donations and legacies</b>	<b>937</b>	<b>1,476</b>

**3. Income from investments**

	<b>2023</b>	<b>2022</b>
	<b>\$000's</b>	<b>\$000's</b>
Interest and investment income	272	327
<b>Total income from investments</b>	<b>272</b>	<b>327</b>

Notes forming part of the Financial Statements for the period ended 30 June 2023

**4. Charitable activities - Details of Partnership Grantees**

**Aangan Trust (India)** – Aangan Trust works to strengthen India's child protection systems so that even the most vulnerable children can have a safe childhood.

[www.aanganindia.org](http://www.aanganindia.org)

**Lend a Hand India (India)** – Lend a Hand India creates employment and entrepreneurship opportunities for India's rural youth by providing practical and relevant education including; job/life skills training, aptitude testing, career counselling, and bridge loans for micro-enterprises.

[www.lend-a-hand-india.org](http://www.lend-a-hand-india.org)

**Minga Peru (Peru)** – Minga Peru is a non-profit organization promoting sustainable change for indigenous women and their communities throughout the Peruvian Amazon. They strengthen leaders, organizations, and social networks representing the most marginalized communities to collaboratively build social justice with gender equity, environmental stewardship and cultural identity.

[www.mingaperu.org](http://www.mingaperu.org)

**Children Change Colombia** – Children Change Colombia worked alongside local partner ACJ in Bogotá to remotely support children at increased risk of exposure to commercial sex work. Food and care packages were distributed to locals, many of whom had lost incomes. ACJ also worked to respond to an increase in cases of gender-based violence.

<https://childrenchangecolombia.org/>

**Fundación Baylor Colombia** – Fundación Baylor Colombia focuses its efforts on the Indigenous Health & Self-Sufficiency Program, known as SAIL (Salud y Autosuficiencia Indígena). The program works in partnership with the existing health system in La Guajira and aims to provide integrated solutions driven by the local community and focused on five objectives: access, capacity, surveillance, prevention and partnership.

<https://fundacionbaylorcolombia.org/>

**Her Future Coalition (HFC)** – HFC is working to ensure that survivors of trafficking and other forms of gender-based violence, and girls at high risk, have what they need to remain free, safe and independent. Our goal is to provide long term, intensive programs which address root causes and systemic injustice.

<https://herfuturecoalition.org/>

**World Bicycle Relief** – World Bicycle Relief is a catalyst for change, partnering with people in rural communities around the globe to realize their goals by expanding opportunities to access education, markets, health facilities and vital services with the tool they need to thrive. Equipped with a purpose-designed Buffalo Bicycle from World Bicycle Relief, students, health workers and entrepreneurs in low-income regions create opportunities for themselves, their families and entire communities.

<https://worldbicyclerelief.org/>

**Notes forming part of the Financial Statements for the period ended 30 June 2023**

**Plant Your Future (PYF)** – PYF empowers farmers in the Peruvian Amazon to break the cycle of poverty and navigate the path back to sustainable farming. They're doing this by introducing an 'agroforestry system' into a combination of growing both long-term (trees) and short-term (crops) produce. With support from PFY, farmers can better access formal markets to achieve fairer prices through the sale of high quality fruits.

<https://www.plantyourfuture.org.uk/>

**Soy Mas** – Fundacion Soy Mas aims to provide opportunities to build confidence and commitment in teenage mothers in Chile. The organisation promotes comprehensive training programmes to young mothers and provides psychosocial, educational and employment support.

<https://soymas.cl/>

**Needs Map** – Needs Map is a social cooperative that brings people in need together with individuals, institutions and organizations that want to support. Needs Map was established in 2015 as a non-profit organization with the status of a Social Cooperative. It facilitates cooperation and solidarity in different areas such as education, health, culture & arts, and sports through verified geospatial data technology and community-based verification functionality.

<https://www.needsmap.coop/>

**Support to Life** – Support to Life are an independent humanitarian organization founded with the principle aim of helping disaster affected communities meet their basic needs and rights. Their primary areas of work are Emergency Assistance, Refugee Support, Child Protection in Seasonal Agriculture and Capacity Building.

<https://www.supporttolife.org/>



Notes forming part of the Financial Statements for the period ended 30 June 2023

**5. Charitable activities - summary of grant making activity**

<b>2022/23 Grants</b>	<b>Opening commitments \$000's</b>	<b>New commitments \$000's</b>	<b>Cash paid FX</b>		<b>Closing commitments \$000's</b>
			<b>\$000's</b>	<b>\$000's</b>	
Aangan Trust	-	50	(25)	-	25
Children Change Colombia	-	45	(19)	-	26
Fundación Baylor Colombia	27	-	(20)	-	7
Fundación IED VITAL	-	5	(5)	-	-
Her Future Coalition	-	50	(25)	-	25
Lend a Hand	5	30	(21)	-	14
Minga Peru	50	-	(45)	-	5
Needs Map	-	19	(19)	-	-
Plant Your Future	-	280	(82)	-	198
Soy Mas	-	2	(2)	-	-
Support to Life	-	29	(29)	-	-
Voices of Children	50	-	(50)	-	-
World Bicycle Relief	-	54	(30)	-	24
<b>Total</b>	<b>132</b>	<b>564</b>	<b>(372)</b>	<b>-</b>	<b>324</b>

**6. Support of charitable activities expenditure**

	<b>2023 \$000's</b>	<b>2022 \$000's</b>
Staff costs	(72)	(36)
Audit	(10)	(10)
Fundraising	(22)	(1)
Other	(15)	(4)
<b>Total expenditure</b>	<b>(119)</b>	<b>(51)</b>

With effect from March 2022, the Foundation hired a sole employee whose employee expenses are paid by the Foundation.

Expenditure in support of charitable activities increased significantly compared to the prior year due to the effect of a full year of salaries and pension costs arising from hiring an employee to the Foundation, accounting for \$72 thousand of expenditure (2022: \$36 thousand). Fundraising costs increased to \$22 thousand (2022: \$1 thousand) due to an increase in events after COVID-19 restrictions were lifted. Other costs increased to \$15 thousand (2022: \$4 thousand) which included other professional services required in the year related to reporting and advice as well as an increase in bank charges as a result of higher grant making in the period.

Notes forming part of the Financial Statements for the period ended 30 June 2023

**7. Investments**

At valuation / amortised cost \$000's	Cash	Money Market	Corporate Bonds	Equity and Fixed Income Funds	Total
Balance as at 31 December 2020	157	-	785	9,062	10,005
Purchases / Contributions	1,787	-	423	987	2,886
Sales / Withdrawals	(100)	-	-	(1,421)	(1,521)
Realised gains or losses	143	-	-	214	71
Unrealised gain/(loss)	5	-	(170)	(1,611)	(1,776)
Balance as at 30 June 2022	1,706	-	1,038	7,232	9,976
Purchases / Contributions	1,094	1,430	-	1,266	3,790
Sales / Withdrawals	(500)	-	-	(2,804)	(3,304)
Realised gain or losses	67	-	-	49	116
Unrealised gain/(loss)	7	38	(34)	76	87
<b>Balance as at 30 June 2023</b>	<b>2,374</b>	<b>1,468</b>	<b>1,004</b>	<b>5,819</b>	<b>10,665</b>

Investments held as at 30 June 2023 comprise cash deposits, money market, corporate bonds, equity and fixed income funds.

Investments are held with counterparties rated at least BBB.

Cash and money market investments are measured at amortised cost and, as at 30 June 2023. The Foundation does not expect to incur any credit losses and has not recognised any credit losses in the current year.

Equity and fixed income fund investments are in securities that are listed / traded daily and are measured at fair value.

Realised and unrealised gain/(loss) on investments has been re-presented from other recognised gains and losses to net income/(loss) in the Statement of Financial Activities in line with the recommended representation in the Charities SORP. This has changed the prior year net income from a gain of \$1,386 thousand to a loss of \$319 thousand, with no effect on the net increase/(decrease) in funds (decrease of \$306 thousand).

The Foundation has changed the presentation of investments on the Balance Sheet from current to fixed asset investments due to a change in the Foundation's funding strategy. The Ashmore Group contributions are now the main driver of growth for the reserves. Previously, investments were presented within current assets on the Foundation's Balance Sheet, as these were held for sale with the expectation to be realised within 12 months of the reporting date.

Notes forming part of the Financial Statements for the period ended 30 June 2023

**8. Programme related investments**

	2023 \$000's	2022 \$000's
Market value at 1 July / January	200	271
Additions	-	-
Interest income	3	2
Payments received	(3)	(3)
Foreign exchange translation	-	-
Distribution	-	(70)
<b>Market value at 30 June</b>	<b>200</b>	<b>200</b>

As at 30 June 2023 programme related investments comprised of one short term loan to a non-profit organisation. The loan was provided on concessionary interest terms and with a fixed maturity date ending on 1 July 2023. The loan is stated at amortised costs less any provisions for impairment. The carrying values are regularly reviewed and assessed for recoverability. As at 30 June 2023 no impairment provision was required on the remaining loan, the loan was subsequently settled in July 2023.

**9. Creditors**

	2023 \$000's	2022 \$000's
Creditors: amounts falling due within one year		
Grants approved but not yet made	(277)	(120)
Accruals	(46)	(13)
	<b>(323)</b>	<b>(133)</b>
Creditors: amounts falling due after one year		
Grants approved but not yet made	(47)	(12)
<b>Total creditors</b>	<b>(370)</b>	<b>(145)</b>

All creditors in 2022/23 related to unrestricted funds (2022: unrestricted funds).

**10. Trustee Remuneration**

No trustee received any remuneration or expenses during the year for services performed for the Foundation (2022: nil). No trustee received reimbursement for travel or accommodation expenses during the year (2022: nil). The trustees were covered by trustee indemnity insurance during the accounting period to June 2023 (period to June 22: covered).

**11. Volunteers**

Where appropriate, the Foundation establishes small committees whose membership is made up of at least one trustee together with Ashmore staff volunteers. During the current accounting period there were three committees each of which were delegated authority over a particular area by the Board. The committees were: Grants, Fundraising and Investments.

Volunteers donate their time and expertise to further the objectives of the Foundation. They may be involved in fund raising activities, reviewing potential grantees including carrying out due

**Notes forming part of the Financial Statements for the period ended 30 June 2023**

diligence, communicating the objectives of the Foundation and information about the work that it carries out, or they may lend their legal, financial or other expertise on an ad hoc basis.

**12. Related Party Transactions**

The Foundation is an independent charitable company set up by Ashmore and is funded by donations made up by both Ashmore and its employees. During the year Ashmore donated \$0.7 million (2022: \$1.3 million) to the Foundation. As at 30 June 2023, the Foundation's Board of Trustees comprised of ten trustees, eight of whom are employed by Ashmore and two trustees external (see page 2 for a list of all board members and trustees). Neither the trustees nor any other persons related to the Foundation had any personal interest in any contract or transaction entered into by the Foundation during the year (2022: none).

**13. Subsequent Events**

There are no subsequent events after the reporting date that require disclosure.