

DON HANSON CHARITABLE FOUNDATION

REPORT AND ACCOUNTS

YEAR ENDED 31 DECEMBER 2022

Charity number: 1122463

DON HANSON CHARITABLE FOUNDATION

I N D E X

Year ended 31 December 2022

	Page
General information	2
Report of the Trustees	3
Independent examiner's report	7
Statement of receipts and payments	8
Statement of assets and liabilities	9

DON HANSON CHARITABLE FOUNDATION

GENERAL INFORMATION

Year ended 31 December 2022

Trustees	A M Fox S M J Leary	(Chairman)
Principal office	Linden House Linden Close Tunbridge Wells Kent TN4 8HH	
Independent examiner	S J Wakefield ACA Dixon Wilson 22 Chancery Lane London WC2A 1LS	
Charity number	1122463	
Bankers	Coutts & Co 440 Strand London WC2R 0QS	
Investment manager	Hottinger Investment Management Limited St. James's London SW1H 9BU	
Solicitors	Boodle Hatfield LLP 240 Blackfriars Road London SE1 8NW	

DON HANSON CHARITABLE FOUNDATION

R E P O R T O F T H E T R U S T E E S

Year ended 31 December 2022

The Trustees present their report and accounts of the Trust for the year ended 31 December 2022. The report should be read in conjunction with the general information provided on page 2.

Structure, Governance and Management

Don Hanson Charitable Foundation (the "Trust") is constituted under the terms of a Trust Deed dated 28 June 2007 as amended by the Supplemental Deed dated 13 July 2017. The settlor of the Trust was Mr James Donald Hanson. Don Hanson died on 29 October 2014. All of the four original Trustees appointed by Don Hanson are entitled to hold office for life and the only remaining original Life Trustee is Andrew Fox. Trustees who served during the year are listed on page 2. Future Trustees are appointed by nomination of the continuing Trustees. The Trustees meet at least quarterly to agree the broad strategy of the Trust including consideration of grant making, donations, investments, reserves, risk management, policies, and performance. The day-to-day administration of grants and donations as well as the processing and handling of applications prior to consideration by the Trustees is delegated to the Chairman.

Risk Management

The Trustees have considered the major risks to which the Trust is exposed to and have reviewed those risks and established systems to manage them.

During the year, the main asset held by the Trust was cash with Coutts Bank.

Public Benefit

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning the Trust's future activities. In particular, the Trustees have considered how planned activities will contribute to the aims and objectives that have been set. The Trustees are satisfied that the Trust continues to meet the Charity Commission's guidelines with regard to delivering public benefit.

Main Activities Undertaken for the Public Benefit in Relation to the Objects

The principal activities are as follows:

Charitable Activities

The Trust supports the legacy of Don's philanthropic mission through:

- providing grants to like-minded organisations in delivering social goods through their own programmes which align with Don's legacy
- directly promoting flagship projects such as the DHCF Schools Program
- funding other programmes, organisations, and where appropriate individual initiatives, that deliver social, economic, and educational goods to vulnerable communities in the UK and abroad.

In all cases, the Trustees have had regard to the Charity Commission's guidance when reviewing the Trust's aims and objectives, in planning future activities, and setting the grant and loan making policy for the year.

The Trust has invested, since late 2018, in the preparation and distribution of annual 'Hanson Boxes' as described below. This project is now a flagship offering by the Trust. The project has its own website www.hansonbox.org.

Fundraising Activities

The Trust was originally funded by its founder Don Hanson. As explained below, it is also the residuary beneficiary of his estate. This allows the Trust to be self-financing from its investments without fundraising from third parties.

DON HANSON CHARITABLE FOUNDATION

REPORT OF THE TRUSTEES

Year ended 31 December 2022

Governance Activities

The day-to-day running of the fund is carried out by Chairman of Trustees Andrew Fox, in association with his fellow Trustee and includes maintaining the financial records and ensuring that all constitutional and statutory requirements are met.

Don Hanson's estate is large and complex, including potential offshore litigation. Chairman of Trustees Andrew Fox was appointed by Don Hanson as one of four Executors, but the Estate's administration was transferred to Court-appointed Joint Administrators in 2015. The Trust has been obliged to incur significant costs in its capacity as residuary beneficiary of the Estate including being joined in certain Court processes, being consulted in relation to how certain assets of the Estate should be handled and taking other action to protect Trust interests.

Achievements and Performance

During the year, the Trust made charitable donations totalling £96,358 (2021 - £359,662) mainly to continue the Hanson Box initiative within the Don Hanson Schools Program. The amount of these grants ranged from £350 to £75,000.

The Trust also funded its Schools Program aimed at promoting various educational objectives.

The flagship of this Program is the Hanson Box and the Trust, having been delayed by Covid-19, despatched the 2021 Hanson Box to 8,000 UK primary schools in the first quarter of 2022. A second shipment of 4,000 special Hanson Boxes was also despatched to Australia, with Melbourne-based Philips Foundation carrying the majority of the cost. The Trust's Schools Program stood at over 13,000 opt-ins by the end of 2022, half of all UK primary schools.

The Northiam Village Hall Trust, the pilot project of the Trust's Smart Energy Programme, repaid another £600 of its soft loan. In the current environment there would be many similar applications for such partnership, with whom the Trust can engage when funds allow.

Grants Policy

The Trustees pay or apply the income or capital for such benefit of any charity or charities or such charitable purpose or purposes as the Trustees shall in their absolute discretion think fit (including making grants or loans to such charitable organisations).

The proposal accepted in principle by the Trustees at a meeting on 19 September 2017 was that its grants policy will feature the following key elements:

- The guideline for total 2017 grants was to be the net income in 2016 plus 1/10 of the net proceeds from 'the Kellan assets' received by the Trust from the SIPP of our founder Don Hanson. This target was £200,000.
- The guideline quantum of total grants for each subsequent year will comprise a reducing proportion of the net assets of the Trust at the end of the previous year, starting with that proportion for 2019 grants, being 1/9 of 31 December 2018 year end assets.
- Grants in 2023 will typically be between £1,500 and £40,000 - and a series of such grants may be committed - conditionally or not.
- Larger grants and support may be provided to create / seed new registered charities designed to attract charitable funds from other sources, current examples being the 'Aid4' charity incubation concept and the Schools Program.
- Consideration will be given to the known preferences of the Founder Don Hanson as well as recipients known to have enjoyed his support in the past.

On 4 February 2019, the Trustees resolved to suspend this Grant Policy until there was clarity about the quantum and timing of the very substantial bequest expected from the Estate of Don Hanson, a decision ratified formally on 31 July 2019. Until then, the Trustees would maintain current activity of the Trust on the basis that the bequest may be received in 2024.

DON HANSON CHARITABLE FOUNDATION

R E P O R T O F T H E T R U S T E E S

Year ended 31 December 2022

The Grants Policy will be reviewed annually, or at any time if requested by one or more Trustees.

On 29 August 2022, the Trustees approved 11 proposed donations conditional on the bequest from JD Hanson Estate and 9 of these were formalised through Deeds of Donation executed during 2022.

Investment Policy

The proposal accepted in principle by the Trustees of the Trust at a meeting on 19 September 2017 was that the investment policy of the Trust should have emphasis on patriotic and free-enterprise assets, and this remains the Trust's approach.

Generally, this means a bias:

- towards UK-based businesses (operations, not listings).
- towards equities and corporate bonds.
- towards gold and gold mining companies.
- against any Government bonds.
- against foreign denominated assets, in particular EUROS. The Trust is a Pound Sterling based entity.
- towards higher yielding, perhaps provincial, real estate at modest valuations.
- against high multiple businesses relying on fragile 'elite brands' and intangible valuations.
- against paying excessive premiums for liquidity, without an excessive number of positions.

The Trust's asset management will be responsible and balanced, attentive to guidelines laid down by the Charity Commission, taking account of the advice of our professional advisors.

Any illiquid assets gifted to the Trust (as in the past) will be liquidated over what the Trustees consider a reasonable period, the objective being to achieve the best medium-term recovery.

The Investment Policy will be reviewed annually, or at any time if requested by one or more Trustees and Chairman of Trustees Andrew Fox has communicated this Investment Policy to our advisor, Haith Nori, at Hottinger & Co Limited.

Financial Review and Reserves Policy

The Trustees aim to maintain free reserves in unrestricted funds. The Trustees consider that the current level of income and liquid portfolio assets provide sufficient funds to respond to applications for grants and to make related charitable donations, while at the same time ensuring that there are sufficient funds available to cover support and governance costs.

The Trust received a gift in 2018 in the form of a 100% debt-free UK company called Grosvenor Research Trading & Investment Limited. Since then, the company's independent directors carefully liquidated assets so that the funds could be applied to the objects of the Trust in the future. The Trustees resolved to liquidate Grosvenor Research Trading & Investments Limited, which was worth approximately £1.5m, and a voluntary liquidator was appointed on 9 September 2021. The Trustees were requested by the Joint Administrators of JD Hanson Estate that due to unresolved Estate matters, the entire 'Grosvenor asset' should be held separately from the Trust's other assets and the Trustees agreed to do so.

The balance of cash reserves at 31 December 2022 was £421,670 (2021 - £172,201).

The Trust owns copyright on many publications, mostly those books created especially for the Hanson Boxes but also the 'Breaking Better' volume, and these produce a small income from sales £1,425 in 2022.

The Trust received a gift in the form of 100,000 shares of UK company Internet Mobile Communications Ltd ('IMC') worth £250,000 and given unconditionally in February 2021 by Trifin Partners Limited, a company controlled by the Trust's Chairman, Andrew Fox. The Trust thereafter sold those shares to boost cash reserves, which provided £153,506 during 2022. The Trust held no balance of IMC shares as at 31 December 2022.

DON HANSON CHARITABLE FOUNDATION

REPORT OF THE TRUSTEES

Year ended 31 December 2022

Funds held as custodian Trustee

The Trust held the following amounts as custodian Trustee at 31 December 2022:

- £14,709 on behalf of Aid4Venezuela, a UK registered charity under common control.
- £41,902 on behalf of Aid4Zimbabwe, a UK registered charity under common control.
- £4,010 on behalf of Solidarity with Arts and Nature, a UK registered charity under common control.

Events after the end of the reporting period

The remaining two Deeds of Donations that were not executed in 2022 were finalised in January and April 2023.

In May 2023, the High Court confirmed that the Grosvenor assets were to continue being ringfenced and they required and received a full accounting. Those assets comprise cash funds with Coutts in a 'funds in trust' account, the entire Hottinger portfolio and a £1m loan to Internet Mobile Communications Limited – in total approximately £1.8m. In August 2023, all Grosvenor cash was transferred to a new account specifically devoted to Grosvenor cash. As residual beneficiary of the Estate, the Trustees fully expect to apply them towards the Trust's charitable objects in due course.

The loan to Internet Mobile Communications Limited was originally made by Grosvenor Research Trading and Investments Ltd accruing interest at 1% per month compound to a 16 April 2023 maturity date, and it was transferred to the Trust in 2022 during the liquidation of Grosvenor. Its 31 December 2022 value was £1,003,838. This loan is treated as a ringfenced 'Grosvenor asset' and it was extended and restructured at the same interest rate in April 2023 and then again in August 2023 with all interest and capital repayments held untouched in a separate 'Grosvenor only' bank account with Coutts Bank.

Plans for the Future

Don Hanson died on 29 October 2014 and the Trust is the Residuary Beneficiary of his estate. The Estate went into Joint Administration at the end of 2015 and, while it is not yet clear what the extent of the Trust's entitlement will be, it is likely to be very substantial, increasing the Trust's assets many-fold. The Trust is in close communication with the Joint Administrators of the estate about their progress. When the Trust's entitlement is clearer, the Trustees will review its governance and grant making, and it is likely that there will be a wider strategy review.

Throughout 2022 the Trustees continued to work with legal firm Boodle Hatfield to ensure the Trust participates in the Joint Administration process as appropriate and protects its position as the Residuary Beneficiary.

Prior period restatement

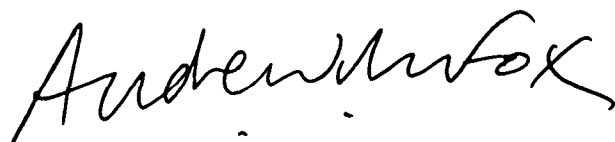
The financial statements for the year ended 31 December 2021 showed loans due to the Trust of £72,100 at 31 December 2021, including £8,096 due from Friends of the Overseas Territories, which is a UK registered charity. This loan was in fact repaid during the year to 31 December 2019 but has continued to be shown as an asset of the Trust since that time in error. As such and in order to correct the position, the comparative figure in the statement of assets and liabilities for loans has been reduced from £72,100 to £64,004.

Financial statements

These are set out on pages 8 and 9 and have been prepared in accordance with the receipts and payments basis. They have been drawn up in compliance with the relevant provisions of the Charities Act 2011 and the trust deed.

Approved by the Trustees on 31st October 2023 and were signed on their behalf by:

Andrew M Fox
Trustee



DON HANSON CHARITABLE FOUNDATION

I N D E P E N D E N T E X A M I N E R ' S R E P O R T

Year ended 31 December 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE DON HANSON CHARITABLE FOUNDATION

I report to the Trustees on my examination of the accounts of the Trust for the year ended 31 December 2022.

Responsibilities and basis of report

As the Charity's Trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). You are satisfied that an audit is not required for this year under charity law and that an independent examination is needed.

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records.

I have no concerns and have come across no matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



S J WAKEFIELD ACA

Dixon Wilson

22 Chancery Lane

London

WC2A 1LS

2 November 2023

DON HANSON CHARITABLE FOUNDATION**STATEMENT OF RECEIPTS AND PAYMENTS****Year ended 31 December 2022**

	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Receipts		
Investment income	4,666	4,478
Receipts from sale of listed investments	129,942	261,609
Receipts from sale of unlisted investments	399,925	268,977
Loan repayments	600	15,600
Royalties	1,425	2,395
Donations	5	14
Other receipts	876	-
Total receipts	537,439	553,073
Payments		
Charitable donations	96,358	359,662
Purchase of investments	151,509	-
Administrative costs	40,103	43,213
Total payments	287,970	402,875
Net receipts for the year	249,469	150,198
Cash at bank at 1 January	172,201	22,003
Cash at bank at 31 December	421,670	172,201

DON HANSON CHARITABLE FOUNDATION

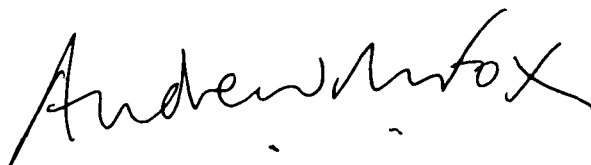
STATEMENT OF ASSETS AND LIABILITIES

At 31 December 2022

	Unrestricted Funds 2022 £	Unrestricted Funds 2021 £
Investment assets		
Listed investment portfolio (market value)	<u>431,145</u>	<u>425,988</u>
Shares in Grosvenor Research Trading and Investments Ltd (estimated value of shares at 31 December 2022)	<u>9,000</u>	<u>1,095,365</u>
Shares in Internet Mobile Communications Ltd	<u>-</u>	<u>126,976</u>
Loan to Internet Mobile Communications Ltd	<u>1,003,838</u>	<u>-</u>
Cash at bank	<u>421,670</u>	<u>172,201</u>
Other monetary assets		
Loans (2021 figure restated – see prior period restatement on page 6)	<u>63,404</u>	<u>64,004</u>
Copyrights	<u>7,310</u>	<u>7,310</u>
Liabilities		
Legal fees	<u>-</u>	<u>11,018</u>
Independent examiner's fee accrual	<u>3,960</u>	<u>3,600</u>
Other liabilities	<u>1,551</u>	<u>514</u>

The financial statements on pages 8 and 9 were approved by the Trustees on
signed on their behalf by:

31st October 2023 and were



Andrew M Fox
Trustee